East Service Road, South Superhighway, Taguig City

#### 97th TESDA Board Meeting

23 March 2017, Thursday, 1:00 p.m. 7/F TESDA Board Room, Office of the Chair Taguig City. Metro Manila

> Resolution No. 2017-25 (Page 1 of 4 pages)

### APPROVING THE ASSESSMENT FEES FOR DOMESTIC WORK NC II

WHEREAS, paragraph 9, Section 8 of Republic Act No.7796 or the Technical Education and Skills Development Act of 1994 empowers the TESDA Board to "exact reasonable fees and charges for such tests and training conducted and retain such earnings for its own use, subject to guidelines promulgated by the Authority";

WHEREAS, Administrative Order No. 31, series of 2012, directs and authorizes all heads of departments, bureaus, commissions, agencies, offices and instrumentalities of the national government, including government-owned and/or -controlled corporations (GOCCs), to rationalize the rates of their fees and charges, increase their existing rates and impose new fees and charges;

**WHEREAS**, DOF – DBM – NEDA Joint Circular No. 1-2013 provides the Implementing Rules and Regulations of Administrative Order No. 31, series of 2012, on the Rationalization of Rates of Fees and Charges, Increase in Existing Rates, and Imposition of New Fees and Charges;

WHEREAS, Section 5 of the DOF – DBM – NEDA Joint Circular No. 1-2013, states that the determination of the rates of fees and charges shall consider the direct costs of rendering the service based on current appropriation, which shall include the cost of supplies and materials, salaries and wages of personnel directly involved in the service, and the proportionate share in the expenses of the agency or department, including the depreciation costs of equipment used;

WHEREAS, to implement the intent of the above cited Joint Circular, the TESDA Secretariat through the Qualifications and Standards Office (QSO) initiated the review of assessment fees and pursued a seven-step process, as follows:

- Creation of TESDA's Task Force (TF) on the Review on the Training Cost, Assessment Fees, and other Cost implemented by TESDA;
- 2. Orientation of the TESDA Task Force by the National Task Research Center:
- Conduct of Assessment Fee Workshops with the Technical Experts;
- 4. Presentation of Proposed Assessment Fees to TF and NTRC:
- 5. Presentation of Proposed Fees to TESDA Board Joint Standards-Setting and Systems Development and Finance Committee;
- 6. Conduct of Public Hearing for Proposed Assessment Fee/s;
- 7. Approval and Promulgation of the Assessment Fees by TESDA Board for nationwide implementation:



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**WHEREAS**, in determining the amount of assessment fees, the following Factors and Operational Guidelines were followed:

#### > Factors:

- Direct Cost
  - Salaries & wages of personnel involved in the delivery of service
  - Supplies and Materials (consumable and reusable)
  - Utilities (e.g. electricity, water, gas)
- Indirect Cost
  - Tools and equipment cost imputation
- Capital Outlay
  - Rental of buildings
- Assessment Process Workflow
- Plus 10% cost recovery

#### Six Operational Principles:

- Derive an equitable fee that is affordable to the candidate
- Use less expensive supplies and materials or substitutes, if possible
- Increase reusability of tools and equipment
- Where applicable, do not charge the candidate for tools and equipment
- Use average of regional costs
- Provide information as FACTS (factual, accurate, comprehensive, transparent, and systematic);

WHEREAS, TESDA Board Resolution No. 2014-08 was issued approving the amendments to the Training Regulations for Domestic Work NC II last 01 October 2014 during the 89<sup>th</sup> TESDA Board Meeting;

**WHEREAS**, during the 91<sup>st</sup> Standards – Setting and Systems Development Committee (SSSDC), 19<sup>th</sup>, and 21<sup>st</sup> Joint Standards Setting and Systems Development and Finance Committee (SSSD – FC) TESDA Board – TESDA Secretariat Consultation Meetings held on 07 December 2016, 13 January 2017, and 16 February 2017, respectively, the Members of the SSSD and SSSD - F Committee TESDA Board-TESDA Secretariat deliberated on the experts' proposed assessment fees for Domestic Work NC II and favorably endorsed for consideration and approval of the TESDA Board the assessment fees for Domestic Work NC II as mentioned hereunder;



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### APPROVING THE ASSESSMENT FEES FOR DOMESTIC WORK NC II

- Full Qualification Six Hundred Thirty Five Pesos (Php 635.00)
- COC 1 Four Hundred Seventy Pesos Pesos (Php 470.00)
- COC 2 Four Hundred Eighty Pesos (Php 480.00)
- COC 3 Six Hundred Pesos (Php 600.00)
- COC 4 Four Hundred Sixty Pesos (Php 460.00);

**WHEREAS**, the technical computation of the assessment fee for Domestic Work NC II is hereby appended as Annex "A" and shall form an integral part of this Resolution;

WHEREAS, pursuant to Administrative Order No. 31, series of 2012, the National Tax Research Center (NTRC) has reviewed the computation of the above mentioned assessment fees for Domestic Work NC II;

WHEREAS, the Members of the TESDA Board present during the 6<sup>th</sup> Joint Standards - Setting and Systems Development and Finance Committees TESDA Board-TESDA Secretariat Consultation Meeting held previously on 20 April 2016 agreed that the assessment fees shall be subject to review based on the following:

- 1. Indicators in the industry or in the economy that may have a significant impact on certain cost items which were included in the computation of the assessment fee such as but not limited to:
  - cost of electricity
  - cost of rental
  - mandated minimum wages; and others if applicable
- 2. The assessment fees shall be reviewed after two (2) years unless prior cost items indicated in the computation of the assessment fee will have a significant impact that may necessitate an earlier review;

WHEREAS, national stakeholders' consultations were held at TESDA Women's Center, Taguig City on 17 and 21 March 2017, to ensure that the proposed assessment fees for the Domestic Work NC II were properly disseminated with the stakeholders pursuant to the Implementing Rules and Regulations of Administrative Order No. 31, series of 2012. The list of participants is hereby appended as Annex "B" of this Resolution to form an integral part hereof;



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# APPROVING THE ASSESSMENT FEES FOR DOMESTIC WORK NC II

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the TESDA Board in its meeting today, 23 March 2017, approves the assessment fees for Domestic Work NC II as follows:

- Full Qualification Six Hundred Thirty Five Pesos (Php 635.00)
- COC 1 Four Hundred Seventy Pesos Pesos (Php 470.00)
- COC 2 Four Hundred Eighty Pesos (Php 480.00)
- COC 3 Six Hundred Pesos (Php 600.00)
- COC 4 Four Hundred Sixty Pesos (Php 460.00);

**BE IT RESOLVED**, **FURTHER**, that this Resolution shall be published in a newspaper of general circulation and disseminated to all concerned offices;

**BE IT RESOLVED, FINALLY**, that the TESDA Secretariat is directed to issue the appropriate Implementing Guidelines within thirty (30) days from the date of effectivity of this Board Resolution. All competency assessment under this Resolution must comply with the aforementioned fees and the Implementing Guidelines under penalty of suspension or revocation of accreditation as appropriate, after due process.

Adopted this 23<sup>rd</sup> day of March 2017.

NA LIZA A. DE GUZMAI Acting Board Secretary

Attested by:

SEC. SILVESTREM. BELL Chairperson, TESDA Board

Secretary, Department of Labor and Employment