Republic of the Philippines TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY East Service Road, South Superhighway, Taguig City

98th TESDA Board Meeting

06 June 2017, Tuesday, 1:00 p.m. 7/F TESDA Board Room, Office of the Chair Taguig City, Metro Manila

Resolution No. 2017-33

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APPROVING THE ASSESSMENT FEE FOR LAND-BASED TRANSPORT REFRIGERATION SERVICING 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:

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

P 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. 2015-19 was issued, approving the amendments to the Training Regulations for Land-Based Transport Refrigeration Servicing NC II last 16 December 2016 during the 92nd TESDA Board Meeting:

WHEREAS, during the 10th and 23rd Joint Standards - Setting and Systems Development and Finance (SSSD-F) Committee TESDA Board-TESDA Secretariat Consultation Meetings held on 25 July 2016 and 05 April 2017, respectively, the Members of the SSSD-F Committee TESDA Board-TESDA Secretariat deliberated on the experts' proposed assessment fee for Land-Based Transport Refrigeration Servicing NC II and favorably endorsed for consideration and approval of TESDA Board, the assessment fee for Land-Based Transport Refrigeration Servicing NC II of Six Hundred Ten Pesos (Php610.00).

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WHEREAS, the technical computation of the assessment fee for Land-Based Transport Refrigeration Servicing 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 fee for Land-Based Transport Refrigeration Servicing NC II;

WHEREAS, the Members of the TESDA Board present during the 6th Joint Standards - Setting and Systems Development and Finance Committee TESDA Board-TESDA Secretariat Consultation Meeting held on 20 April 2016 agreed that the assessment fee 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
- The assessment fee 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 might necessitate an earlier review;

WHEREAS, stakeholders' consultations were held in Mindanao, Visayas, and Luzon on 11, 25, and 31 May 2017, respectively, to ensure that the proposed assessment fee for Land-Based Transport Refrigeration Servicing NC II was properly disseminated and discussed 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;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the TESDA Board in its meeting today, 06 June 2017, approves the assessment fee for Land-Based Transport Refrigeration Servicing NC II of Six Hundred Ten Pesos (Php610.00)

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BE IT RESOLVED, FURTHER, that this Resolution shall be published in a newspaper of general circulation and disseminated to all concerned offices and the same shall be effective fifteen (15) days upon publication.

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 6th day of June 2017.

Attested by:

USEC. DINA S. OCAMPO Presiding Chairperson, TESDA Board Undersecretary, Department of Education