Republic of the Philippines TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

East Service Road, South Superhighway, Taguig City

140th TESDA Board Meeting

06 December 2022, Tuesday, 1:00 p.m.
TESDA Board Room, 7th Floor, TESDA Main Building,
East Service Road, Taguig City

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APPROVING THE ASSESSMENT FEES FOR VARIOUS QUALIFICATIONS IN METALS AND ENGINEERING SECTOR

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, the 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 the 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 the assessment fees and pursued a five-step process, as follows:

- 1. Conduct of Assessment Fee Workshops with the Technical Experts:
- 2. Presentation of the Proposed Assessment Fees to National Tax Research Center (NTRC);
- 3. Presentation of the Proposed Fees to TESDA Board Joint Standards-Setting and Systems Development and Finance Committees;
- 4. Conduct of Public Hearing(s) for the Proposed Assessment Fee(s); and,
- 5. Approval and Promulgation of Assessment Fees by the TESDA Board for the nationwide implementation;

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WHEREAS, the NTRC enhanced the formula in the determination of Assessment Fees to expound the Direct and Indirect Cost Items:

WHEREAS, "direct costs" is defined as costs which can be clearly and/or specifically identified with the conduct of assessment; and/or contribute to accomplishing the goal of assessment;

WHEREAS, "indirect costs" is defined as costs which are necessary for the functioning of the Assessment Center (AC) but which cannot be directly and/or easily traced to the conduct of assessment; and/or contributory to accomplishing the goal of assessment. These are also expenses incurred in the conduct of assessment which includes the operating costs. Also termed as overhead cost which is the amount left after deducting the direct costs;

WHEREAS, a ten percent (10%) recovery cost is included on top of the determined direct and indirect costs to form part of the proposed assessment fees;

WHEREAS, the following were considered in the determination of assessment fees:

- Cost of supplies, materials, tools and equipment are based on current market prices:
- Rates of utilities (water, electricity) are based on the average regional costs;
- Costs of rental for facility/building are based on the guidelines of NTRC:
- Salaries and wages are based on the Occupational Wage Survey and cumulative inflation rate:
- Rate of Assessor's fee is based on TESDA Board Resolution No. 49, s. 2020
- Reusability of tools/equipment is maximized without compromising safety;
- Competency Assessment Tools (CATs) serve as a reference when identifying the cost elements in the Assessment Fee.

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

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

WHEREAS, the following TESDA Board Resolutions were issued, approving and promulgating the Training Regulations for various qualifications in the Metals and Engineering Sector held 14 September 2021 during the 132nd TESDA Board Meeting:

- TESDA Board Resolution No. 2021-46 on "Approving and Promulgating the Training Regulations for Manual Metal Arc Welding NC I"
- TESDA Board Resolution No. 2021-47 on "Approving and Promulgating the Training Regulations for Manual Metal Arc Welding NC II"
- TESDA Board Resolution No. 2021-48 on "Approving and Promulgating the Training Regulations for Manual Metal Arc Welding NC III"
- TESDA Board Resolution No. 2021-49 on "Approving and Promulgating the Training Regulations for Manual Metal Arc Welding NC IV"

WHEREAS, during the 60th TESDA Board Joint FSSSDC held 8 September 2022, the Members of the said Committees and the TESDA Secretariat deliberated on the experts' proposed assessment fees for the various qualifications in the Metals and Engineering Sector and favorably endorsed the same for the consideration and approval of the TESDA Board;

WHEREAS, the technical computations of the assessment fees for the various qualifications in the Metals and Engineering Sector are hereby appended as Annex "A" and shall form an integral part of this Resolution;

WHEREAS, stakeholders' national consultation was held virtually using zoom platform on 28 September 2022 to ensure that the proposed assessment fees for the various qualifications in Metals and Engineering Sector were 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:

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NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the TESDA Board in its meeting today, 06 December 2022, approves the assessment fees for the various qualifications in the Metals and Engineering Sector, as follows:

Manual Metal Arc Welding NC I

• FULL - Four Thousand Six Hundred Seventeen Pesos (Php 4,617.00)

Manual Metal Arc Welding NC II

• FULL - Five Thousand Eight Hundred Eighty-Seven Pesos (Php 5,887.00)

Manual Metal Arc Welding NC III

• FULL – Seven Thousand Eight Hundred and One Pesos (Php 7,801.00)

Manual Metal Arc Welding NC IV

• FULL- Nine Thousand Seven Hundred and Ninety Pesos (Php 9,790.00)

An assessor's fee of PhP 3,192.00 is applied for ten (10) candidates or PhP 319.20 per candidate for every assessment activity in these 4 (four) Manual Metal Arc Welding qualifications.

BE IT RESOLVED, FURTHER, that this Resolution shall be published in the Official gazette and one (1) newspaper of general circulation, and disseminated to all concerned, and the same shall be effective fifteen (15) days upon Official Gazette publication as aforementioned;

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 accredited competency assessment centers and assessors 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.

Approved this 6th day of December 2022.

SEC. BIENVENIDO ELAGUESMA DOLE Secretary and TESDA Board

Chairperson

DANILO P. CRUZ

Technical Education and Skills
Development Authority

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USEC. MARIDON O. SAHAGUN
Department of Science and Technology

MR. RENE LUIS M. TADLE Board Member, Labor Sector

MR. RAMON R. DE LEON Board Member, Labor Sector

MR. ROGELIO J. CHAVEZ, JR. Board Member, Labor Sector

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MS. MARY'G. NG
Board Member, Business and Investment
Sector

DR. LEONIDA BAYANI-ORTIZ Board Member, Employer Sector

Prepared by:

ATTY. JAN MICHAEL P. JARO Board Secretary VI