

Republic of the Philippines
TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY
East Service Road, South Luzon Expressway, Taguig, Metro Manila

144th TESDA BOARD MEETING
29 May 2024, Wednesday, 1:30 p.m.
TESDA Board Room, 7th Floor,
TESDA Main Building, East Service Road,
Taguig City

Resolution No. 2024 - 05
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**APPROVING AND PROMULGATING THE OMNIBUS INCREASE OF
ASSESSMENT FEES (AFs) BASED ON THE HISTORICAL CHANGE IN
CONSUMER PRICE INDEX (CPI)**

WHEREAS, Section 8, paragraph 9, 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 trainings 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 Assessment Fee Workshops with the Technical Experts;
2. Presentation of the Proposed Assessment Fees to the National Tax Research Center (NTRC);
3. Presentation of the Proposed Fees to the 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 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" are defined as costs that can be clearly and/or specifically identified with the conduct of assessment, and/or contribute to accomplishing the goal of assessment;

WHEREAS, "indirect costs" are defined as costs that 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 contribute to accomplishing the goal of the assessment. These are also expenses incurred in the conduct of assessment which includes the operating costs. Also termed as the 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:

- Costs 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;
- 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.

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WHEREAS, the Members of the TESDA Board present during the 6th Joint Finance-Standards Setting and Systems Development 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:

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;
 - inflation rate; and
 - mandated minimum wages and others, if applicable.
2. The assessment fees shall be reviewed after three (3) 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, during the 66th TESDA Board Joint FSSSDC Meeting held on 18 April 2024, the Members of the said Committees and the TESDA Secretariat deliberated on the proposed omnibus increase of assessment fees for one hundred (100) qualifications based on the historical change in Consumer Price Index (CPI) and favorably endorsed the same for consideration and approval of the TESDA Board;

WHEREAS, the CPI was considered to update the National Economics and Development Authority (NEDA) and Free Assessment Service of TESDA (FAST) rates as it measures the average change over time in the prices paid by consumers for goods and services;

WHEREAS, twenty-four (24) of these qualifications are categorized as NEDA Rates, pertaining to the assessment fees that have been promulgated by NEDA in 2007;

WHEREAS, the remaining seventy-six (76) qualifications are categorized as FAST Rates, with varying years of promulgation, and due to the absence of rationalized assessment fees for these qualifications, their respective assessment fees are set at five

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hundred pesos (Php500.00);

WHEREAS, the NEDA and FAST Rates solely consider two (2) cost items:
1) supplies and materials and 2) an assessor's fee of one hundred pesos (Php100.00)
per candidate;

WHEREAS, the formula devised by NTRC and TESDA takes into account
1) direct costs, encompassing an assessor's fee of three hundred nineteen pesos and
twenty centavos (Php319.20) per candidate, 2) indirect costs, 3) historical changes in
CPI, and 4) 10% recovery cost;

WHEREAS, the list of the one hundred (100) qualifications with increased
assessment fees is hereby appended as Annex "A" while the technical computation for
each is hereby appended as Annex "B" and shall form an integral part of this
Resolution;

WHEREAS, stakeholders' national consultation was held virtually using Zoom
platform on 09 May 2024 to ensure that the proposed omnibus increase of assessment
fees for one hundred (100) qualifications based on the historical change in CPI 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 "C" 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, 29 May 2024 at 1:30 PM, has approved the
omnibus increase of assessment fees for one hundred (100) qualifications based on the
historical change in CPI.

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

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A *Juan* *JH. Rodriguez*
for *JM*

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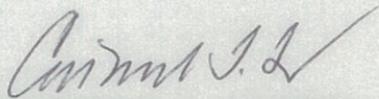
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concerned, and the same shall be effective fifteen (15) days upon Official Gazette publication as aforementioned;

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.

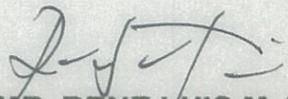
Adopted this 29th day of May 2024.



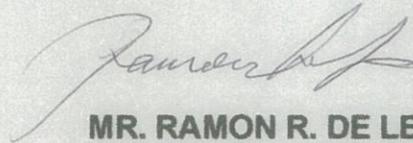
USEC. CARMELA I. TORRES
Presiding Chairperson, TESDA Board
Undersecretary, Department of Labor
and Employment



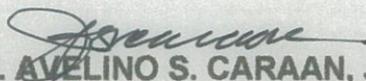
SUHARTO T. MANGUDADATU, Ph.D.
Secretary/Director General, TESDA



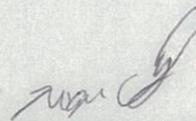
MR. RENE LUIS M. TADLER
Board Member, Labor Sector



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



DR. AVELINO S. CARAAN, JR.
Board Member, Labor Sector

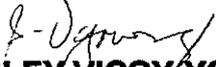


MR. ROGELIO J. CHAVEZ, JR.
Board Member, Labor Sector

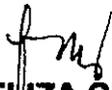
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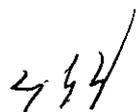
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MS. SHIRLEY VICOY-YORONG
Board Member, Labor Sector


DR. LEONIDA BAYANI-ORTIZ
Board Member, Employer Sector


MS. FLORDELIZA CUSI LEONG
Board Member, Employer Sector


MS. MARY G. NG
Board Member, Employer Sector

Prepared by:


ATTY. JAN MICHAEL P. JARO
TESDA Board Secretariat