Republic of the Philippines
TARLAC STATE UNIVERSITY
Romulo Boulevard, San Vicente, Tarlac City

BAGONG PILIPINAS

Tel. No.: (045) 606-8110 Extension: 201 Official Website: http://www.tsu.edu.ph Email Adress: pres_office@tsu.edu.ph

CSW FORM

PROPOSED APPROVAL OF THE AMENDED FY 2026 PROGRAM OF RECEIPTS AND EXPENDITURE (PRE)

A. Proponent Office BUDGET AND MANAGEMENT

B. Action Requested : ■ FOR APPROVAL ☐ FOR CONFIRMATION

☐ FOR INFORMATION

C. Rationale / Background Information:

The proposed amendment to the FY 2026 Program of Receipts and Expenditures (PRE) is intended to incorporate the anticipated settlement of the University's outstanding receivables from the Commission on Higher Education (CHED) under the Free Higher Education (FHE) Program administered through UniFAST. The recognition of these receipts in the PRE will ensure that the University's budget accurately reflects the additional financial resources expected to be received during the fiscal year.

With the FHE deficiencies effectively covered by the national allocation, the freed-up institutional funds will now be strategically redirected to priority programs of the University. The proposed amendment will enable the University to strategically utilize these available resources for the enhancement of academic facilities, improvement of the learning environment, and rehabilitation of existing infrastructure that directly impact academic excellence and student services, specifically:

A. Learning Environment Upgrades:
a1. Purchase of instructional equipment for University's computer laboratories – P4,200,000.00

B. Facility Maintenance and Rehabilitation: Addressing urgent repairs of academic buildings and updating safety protocols across campuses.
b1. Rehabilitate of unusable classrooms – P40,950,000.00
b2. Construction of Academic Building II (Lucinda Campus) – P50,000,000.00
b3. Refurbishment of various classrooms – P6,126,485.00

D. Legal Basis:

- Republic Act No. 10931- Universal Access to Quality Tertiary Education Act
- Joint Memorandum Circular No. 2026-01- Guidelines on the Release of Funds for Free Higher Education (FHE) Deficiencies for SUCs covering Academic Year 2022-2023, 2023-2024 and 2024-2025

E. Supporting documents:

Amended Program of Receipts and Expenditures for FY 2026

Tel. No.: (045) 606-8110 Extension: 201 Official Website: http://www.tsu.edu.ph Email Adress: pres_office@tsu.edu.ph

F. Proposed Resolution

Resolution No. xx, s. 2026

APPROVING THE AMENDED FY 2026 PROGRAM OF RECEIPTS AND EXPENDITURE

Office	Signature	Remarks
VPA	**DR. MARLON V. GAMIDO** VP for ADMINISTRATION	

Republic of the Philippines
TARLAC STATE UNIVERSITY
Romulo Boulevard, San Vicente, Tarlac City 2300
Tel. Nos. (045) 606-8101, (045) 606-8200
Official Website: http//www.tsu.edu.ph | E-mail: pres_office@tsu.edu.ph

July 10, 2026

DR. JASPER JAY N. MENDOZA
President, This University

Dear President Mendoza:

I have the honor to respectfully submit the Amended Program of Receipts and Expenditures (PRE) for Calendar Year (CY) 2026 of Tarlac State University, prepared in accordance with the provisions of CHED Memorandum Order No. 20, series of 2011, and Joint Memorandum Circular No. 2026-01.

The amended PRE amounts to Five Hundred Thirty-Three Million Three Hundred Thirty Thousand Six Hundred Thirty-Six Pesos (₱533,330,636.00).

Prepared by:

RYAN R. RONQUILLO, CPA
OIC, Budget Management Unit

Reviewed by:

JOHN ERWIN C. PANLILIO, CPA
Director, Office of Finance

Recommending Approval:

for **DR. MARLON V. GAMIDO**
Vice President for Administration

Approved:

DR. JASPER JAY N. MENDOZA
University President

BRIGIDO CORPUZ, TSU
OIC JUL 24 2026

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PROGRAM OF RECEIPTS AND EXPENDITURES
For the Calendar Year 2026

PARTICULARS	**NOTES**		
Beginning Fund Balance	1		**214,600,398**
Add: Account Receivables (FHE DEFICIECIES)	**2**		**101,276,485**
I. Total Estimated Receipts	**3**		**217,453,753**
Total Fund Balance			**533,330,636**
II. Expenditures (CMO 20 s. 2011)			**217,453,753**
Specific Budgetary Allocation (50%)			
a. Instruction (25%)			108,726,876
i. Faculty Development (6.25%)		27,181,719	
ii. Curriculum Development (6.25%)		27,181,719	
iii. Student Development (6.25%)		27,181,719	
iv. Facilities Development (6.25%)		27,181,719	
b. Research (5%)			21,745,375
c. Extension (5%)			21,745,375
d. Production (5%)			21,745,375
e. Administration (5%)			21,745,375
f. Mandatory Reserve (5%)			21,745,375

NOTES TO PROGRAM OF RECEIPTS AND EXPENDITURES

Note 1. Beginning Fund Balance

Cash in Bank, September 30, 2025			436,953,911
Less: Trust Liabilities, September 30, 2025			54,042,512
Cash in Bank, net of TL, September 30, 2025			382,911,399
Less: Unpaid Obligations, September 30, 2025			93,264,290
Add: Uncollected FHE 2025 (Tuition)			88,379,156
Cash in Bank, Guaranteed			378,026,265
Less: Estimated Obligations, Oct-Dec 2025			170,485,431
Add: Estimated Other Receipts 2025			7,059,564
Beginning Fund Balance			**214,600,398**

The amount of Unpaid Obligations as of September 30, 2025 is lifted from the Budget and Financial Accountability Report No. 2 and 2a for 3rd quarter of 2025. On the other hand, the Uncollected FHE 2025 Tuition is the portion of uncollected FHE for 2025 attributable only to tuition, computed based on the total amount of uncollected FHE for 2025 multiplied by 56.34%, the estimated percentage FHE attributable to tuition.

From the guaranteed Cash in Bank balance, the estimated amount of obligations for the remaining period of 2025 covering the months of October to December is deducted. The total amount includes the estimated MOOE obligations based on last year's obligation rate for the 4th quarter equal to 39.31% of the estimated total obligations for the year, and the remaining unobligated PS allotments for 2025 in the amount of Php 28,909,890.70.

Finally, to get the estimated beginning balance for 2026, estimated amount of other receipts is added based on our revenue targets for 2025 reflected in Budget and Financial Accountability Report No. 5.

Note 2. Account Receivables

Particulars	Amount Billed	Amount Received	Deficiency
FY 2022			
2nd Semester 2021-2022	112,699,765	112,699,765	
Mid Term 2021-2022	14,586,715	14,586,715	
1st Semester 2022-2023	137,728,500	118,411,000	(19,317,500)
FY 2023			
2nd Semester 2022-2023	124,925,965	124,925,965	
Mid Term 2022-2023	14,175,870	0	
1st Semester 2023-2024	151,661,115	120,772,035	(45,064,950,)
FY 2024			
2nd Semester 2023-2024	136,257,850	136,257,850	
Mid Term 2023-2024	13,466,945	13,466,945	
1st Semester 2024-2025	148,881,240	111,987,205	(36,894,035)
Total Estimated Receivables			**(101,276,485)**

The total estimated receivables amounting to ₱101,276,485.00 represent Free Higher Education (FHE) deficiencies due to the University. Upon receipt, these funds are intended to finance priority capital investments and rehabilitation initiatives aimed at improving instructional facilities and enhancing the quality of education. Specifically, the proceeds are proposed to be utilized for the following priority projects:

1. Purchase of Instructional equipment for University's computer laboratories;
2. Rehabilitation of non-operational classrooms;
3. Construction of Academic Building II (Lucinda Campus); and
4. Refurbishment of designated classrooms

Note 3. Total Estimated Receipts

FHE 2026 (Tuition)		175,362,856	
Estimated Collections 2026		42,090,897	
Total Estimated Receipts			**217,453,753**

The FHE 2026 presented is from the National Expenditure Program (NEP) FY 2026 multiplied by 56.34%, the estimated percentage FHE attributable to tuition. The estimated collections for 2026 are based on our submitted revenue targets for FY 2026 excluding subsidies.

PROGRAM OF RECEIPTS AND EXPENDITURES
For the Calendar Year 2026

PARTICULARS	NOTES		
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Add: Account Receivables (FHE DEFICIECIES)	**2**		**101,276,485**
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OFFICIAL RELEASE
DEPARTMENT OF BUDGET AND MANAGEMENT
Central Records Division
MALACAÑANG, MANILA

BAGONG PILIPINAS

COMMISSION ON HIGHER EDUCATION
DEPARTMENT OF BUDGET AND MANAGEMENT
UNIFIED STUDENT FINANCIAL ASSISTANCE SYSTEM FOR TERTIARY EDUCATION

JOINT MEMORANDUM CIRCULAR No. 2026- 01

30 JUN 2026

TO : All Heads of State Universities and Colleges Concerned

SUBJECT : GUIDELINES ON THE RELEASE OF FUNDS FOR FREE HIGHER EDUCATION (FHE) DEFICIENCIES FOR STATE UNIVERSITIES AND COLLEGES (SUCS) COVERING ACADEMIC YEARS 2022-2023, 2023-2024, AND 2024-2025

In accordance with the pertinent provisions of Republic Act (R.A.) No. 7722, otherwise known as the "Higher Education Act of 1994," R.A. No. 10931, otherwise known as the "Universal Access to Quality Tertiary Education Act," and by virtue of Commission en Banc Resolution No. 157-2026 dated April 6, 2026, the Commission on Higher Education (CHED) and the Department of Budget and Management (DBM) hereby issue these guidelines on the release of funds for Free Higher Education (FHE) Deficiencies for SUCs covering Academic Years 2022–2023, 2023–2024, and 2024–2025.

I. RATIONALE

Pursuant to the Special Provisions (SPs) as authorized under Republic Act (R.A.) No. 12314, or the Fiscal Year (FY) 2026 General Appropriations Act (GAA) under the Commission on Higher Education, to wit:

> *"2. **Use of the Higher Education Development Fund for the Payment of Funding Deficiencies for the Free Higher Education for State Universities and Colleges.** The unused balances of the HEDF from previous years shall be used to pay the deficiencies for the Free Higher Education (FHE) for State Universities and Colleges (SUCs) amounting to **Seven Billion Eight Hundred Twenty One Million Twenty-Two Thousand Nine Hundred Ninety-Eight Pesos and Eighteen Centavos (P7,821,022,998.18)**, based on the actual number of enrollees and fees as duly approved by the Board of Regents/Trustees of SUCs, which shall only apply to the deficiencies covering Academic Years 2022-2023, 2023-2024 and 2024-2025 subject to R.A. No. 10931. The HEDF may also be used to cover the current year's FHE deficiencies.*

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4. Universal Access to Quality Tertiary Education.

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The amount of ***Four Billion Four Hundred Eighty-Six Million One Hundred Thirteen Thousand Pesos (P4,486,113,000.00)*** *shall be used to pay the deficiencies for the Free Higher Education (FHE) for State Universities and Colleges (SUCs) based on the actual number of enrollees and fees duly approved by the Board of Regents/Trustees of SUCs, which shall only apply to the deficiencies covering Academic Years 2022-2023, 2023-2024 and 2024-2025 subject to R.A. No. 10931."*

Further, consistent with its mandate under existing budgeting, accounting, and auditing laws and regulations, the **DBM** is responsible for the judicious allocation and release of funds for the FHE of SUCs since the enactment of FY 2022 GAA.

These guidelines are issued to standardize the billing and ensure expeditious processing of release of funds from the Universal Access to Quality Tertiary Education (UAQTE) appropriations and the unused balances of the Higher Education Development Fund (HEDF) from previous years, which shall be used to pay the deficiencies for the FHE for the concerned SUCs, in accordance with the said provisions.

II. OBJECTIVES

The objective of these guidelines is to establish a uniform process for SUCs in billing their FHE deficiencies and to ensure the timely and transparent release of allocated funds. It also aims to strengthen accountability and compliance with Republic Act No. 10931 and Commission on Audit regulations, while guaranteeing that deficiencies covering Academic Years (A.Y.s) 2022–2023, 2023–2024, and 2024–2025 are properly addressed. Ultimately, these guidelines aim to safeguard equity in the implementation of Free Higher Education and optimize the utilization of government resources.

III. COVERAGE AND ELIGIBILITY

The guidelines shall apply to all SUCs with FHE deficiencies for A.Y.s 2022-2023, 2023-2024, and 2024-2025, based on the funding requests previously submitted by the SUCs to the DBM, and subject to final evaluation and validation by CHED and the Unified Student Financial Assistance System for Tertiary Education (UniFAST) Board.

IV. FUNDING SOURCE

The funds for the payment of the FHE deficiencies of SUCs covering A.Y.s 2022-2023, 2023-2024, and 2024-2025 shall be sourced from the **FY 2026 GAA, pursuant to the Special Provisions of the Commission on Higher Education,** and shall be charged proportionately against the appropriations for the UAQTE and against the HEDF.

Such deficiencies shall be charged first against the appropriations for the UAQTE, with any remaining balance to be charged against the HEDF.

V. DOCUMENTARY REQUIREMENTS

These documentary requirements shall pertain to the deficiencies reflected in the previous submissions of the SUCs to the DBM, and subject to final evaluation and validation by CHED and UniFAST Board, to be charged against the UAQTE appropriations and the unused balances of the HEDF from previous years, in accordance with the Special Provisions cited above. To facilitate the release of funds for the covered deficiencies, the concerned SUCs shall submit to UniFAST Secretariat the following requirements, organized by Semester and Academic Year.

A. Hard Copy

1. Duly notarized Registrar's Certificate of qualified students with dry seal
2. Consolidated FHE Billing Statement (Form 1)
3. Consolidated FHE Billing Details (Forms 2 and 3)
4. Duly notarized FHE Deficiencies Certification (Form 4)
5. Copy of the Special Allotment Release Order (SARO) received from DBM
6. Duly notarized Affidavit of Undertaking by the authorized representative of the SUC for compliance and refund of overpayment/disallowance
7. Admission Office Certificate of student applicants for admission (as applicable)
8. Amended Program of Receipts and Expenditures duly approved by the Governing Board, which should reflect that FHE deficit is one of their receivables.

B. Soft Copy (contained in a flash drive)

1. Consolidated Billing Details (Forms 1,2, and 3) in Excel format
2. Individual PDF copies of Certificates of Registration (CORs) with assessment fees and enrolled subjects/units
3. Individual PDF copies of acceptable admission documents

VI. FUND RELEASE

Only SUCs with complete submission of the required documentary requirements shall be included in the Special Budget Request (SBR). Release of funds to SUCs shall be in accordance with existing budgeting, accounting and auditing rules and regulations, and within the validity of the funding for the purpose.

VII. COMPUTATION FOR ALLOCATION

The total deficiency for the specified academic years will be calculated based on the actual billings submitted by SUCs to DBM in previous years, net of the payments made for FHE deficiency in some SUCs last FY 2022, and subject to final evaluation and validation by CHED and UniFAST Board. The allocation of funds will be based on a proportional distribution between the UAQTE appropriations and the HEDF, in accordance with the established funding priorities.

The formula below outlines the process for prioritizing the fund allocation, ensuring that the appropriations for the UAQTE is utilized first, with any remaining balance to be covered by the HEDF:

Formula: S_{SUC} **= Minimum of (Actual Deficiency OR Proportional Share)**

$$S_{SUC} = \text{Min}\left(D_{SUC},\ \left[(D_{SUC} / D_{TOTAL}) \times U_{GAA}\right]\right)$$

Where:

S_{SUC} = The Resulted Allocated Share for Specific SUC.

D_{SUC} = Total FHE Deficiency for Specific SUC from A.Y. 2022-2023, A.Y. 2023-2024, and A.Y. 2024-2025.

D_{TOTAL} = Total FHE Deficiency of SUCs from A.Y. 2022-2023, A.Y. 2023-2024, and A.Y. 2024-2025; and

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U_{GAA} = Total Share of Universal Access to Quality Tertiary Education (UAQTE) from Special Provision No. 4 of Republic Act No. 12314, F.Y. 2026 General Appropriations Act (GAA)

Example:

D_{SUC} = ₱ (54,770,000.00)

D_{TOTAL} = ₱ (10,527,137,000.00)

U_{GAA} = ₱ 4,486,113,000.00

Computation:

S_{SUC} = Min (D_{SUC}, [(D_{SUC} / D_{TOTAL}) x U_{GAA}])

S_{SUC} = Min (₱ 54,770,000.00, [(₱ 54,770,000.00 / ₱ 10,527,137,000.00) x ₱ 4,486,113,000.00])

S_{SUC} = Min (₱ 54,770,000.00, [0.01 x ₱ 4,486,113,000.00])

S_{SUC} = Min (₱ 54,770,000.00, ₱ 23,340,097.98)

S_{SUC} = **₱ 23,340,097.98**

Note: The ₱ 23,340,097.98 shall be charged against the appropriations for the UAQTE, with the remaining balance of ₱31,429,902.02 (₱54,770,000.00 – ₱23,340,097.98) charged against the Higher Education Development Fund.

VIII. DISPOSITION OF UNUSED BALANCES OF THE HEDF

Any unused balances of the HEDF, pursuant to Special Provision No. 2 of the CHED under the FY 2026 GAA, after full settlement of FHE deficiencies for SUCs covering A.Y.s 2022-2023, 2023-2024, and 2024-2025, shall be treated in accordance with existing budgeting, accounting, and auditing rules and regulations.

IX. INTERPRETATION CLAUSE

Interpretation of the provisions of this Joint Memorandum Circular (JMC) shall be referred to the DBM, CHED, or the UniFAST Board for resolution, as may be appropriate.

X. SEPARABILITY CLAUSE

If any provision of this JMC is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

XI. REPEALING CLAUSE

All prior issuances inconsistent with this JMC are hereby repealed or modified accordingly.

XII. EFFECTIVITY

This Joint Memorandum Circular shall take effect immediately following its publication in the Official Gazette or in a newspaper of general circulation.

SHIRLEY C. AGRUPIS, PhD
Chairperson
Commission on Higher Education and
Unified Student Financial Assistance System
for Tertiary Education (UniFAST) Board

KIM ROBERT C. DE LEON
Acting Secretary
Department of Budget and Management