

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

**122<sup>nd</sup> TESDA Board Meeting**  
11 August 2020, Tuesday, 9:00 a.m.  
Teleconference via Zoom Platform

**Resolution No. 2020-37**  
(Page 1 of 10 pages)

**APPROVING THE ASSESSMENT FEES FOR VARIOUS HEAVY EQUIPMENT  
OPERATION (HEO) QUALIFICATIONS IN THE CONSTRUCTION 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**, 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 Cost implemented by TESDA;
2. Orientation of the TESDA Task Force by the National Tax Research Center;
3. 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(s) for the Proposed Assessment Fee(s);
7. 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:

➤ **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  
Depreciation cost of Tools and equipment cost imputation (which was already zeroed-in as this can become part of the tax deduction when the Assessment Centers file the Income Tax Return)
- Capital Outlay
  - Rental of buildings
- Assessment Process Workflow
- Plus 10% cost recovery

➤ **Five Operational Principles:**

- Derive an equitable fee that is affordable to the candidate
- Use less expensive supplies and materials or substitutes, if possible
- 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**, in relation to assessor's fee, the amount was increased to 36.4% or PhP 319 from PhP 234. The increase was proposed by the Board Members last June 4, 2020 during the 45<sup>th</sup> TESDA Board's Joint Standard Setting and Systems Development and Finance Committee Meeting. Increasing the assessor's fee will help realize the attainment of TVET targets in priority sectors of Agriculture, Health and Construction. Specifically, it aims to –

- 1) Encourage engagement of professionals and practitioners to become accredited competency assessors in priority sectors.
- 2) Contribute to expediting the increase in number of assessors
- 3) Contribute to increased number of candidates assessed and certified