



UNIVERSITY OF THE PHILIPPINES SYSTEM

NARRATIVE REPORT ON THE UTILIZATION OF INCOME

The sources of income include collections from school fees (primarily attributable to paying graduate students, undergraduate students who have exceeded their residency limits, enrollees ineligible for the Free Higher Education (FHE) subsidy, and voluntary opt-outs), rentals, hospital fees, legal research funds, and revenues from hostel, dormitories, interests, and other miscellaneous fees. This internally generated income supplements the subsidy received from the General Appropriations Act. As provided under paragraph 2, Section 13(m) of RA 9500, all incomes generated by the national university or by its subsidiaries shall, upon their collection, be retained by the national university and disbursed at the discretion of the Board of Regents for the professional growth and development, health, welfare, and other benefits of the students, faculty members and other personnel; for the acquisition, construction, maintenance and repair of urgently needed instructional and auxiliary facilities, equipment, buildings and other infrastructure and for expenses necessary for the attainment of its purposes under its approved program of expenditures.

With regard to UP PGH, in FY 2025, the total income with cash from different departments and units of the hospital amounted to Php 2.33 billion. This marked an increase of fourteen percent (14%) compared with the previous year. In the same year, the collection in PhilHealth claims was fifty-two percent (52%) higher than the previous year or equivalent to Php 407 million. The excess income amounting to Php 995 million or forty-three percent (43%) of the Cash income for 2025, will be programmed and reprogrammed for various Medical Assistance benefiting charity patients including purchase/investment in infrastructure and capital outlays. For the first semester of 2026, preliminary data shows realized income at Php 1.32 billion, accounting for sixty-four percent (64%) of the annual projection. To date, forty-four percent (44%) of this income has been obligated. Of this amount, twenty-six percent (26%) was allocated for personnel services, sixty-two percent (62%) for maintenance and other operating expenses and twelve percent (12%) for capital outlays.

The UP System Administration and its constituent academic units saw a ten percent (10%) increase in overall revenue collection for FY 2025 compared to FY 2024. This significant growth was driven by a nine percent (9%) increase in internally generated income from business and service operations, along with a one percent (1%) increase in collections from tuition fees.

The authority of expenditures from income comes from the approved Internal Operating Budget (IOB). The Personal Services paid from these are Other Personnel Benefits such as Merit Incentive, Rice Subsidy/Allowance, Grocery Allowance and Magna Carta for Health Workers Benefits for UP PGH, Provident Fund and additional Productivity Incentive Bonus.

The Maintenance and Other Operating Expenses spent from income has supported the operating requirements of the University wherein the budget allocation formula was approved by the Board of Regents. Such expenditures were allotted to pay for contractual services, increasing cost of power and other utilities, enhancement of teaching and research, office supplies, repairs and maintenance, among others.

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UNIVERSITY OF THE PHILIPPINES SYSTEM
REPORTS ON THE SOURCES AND UTILIZATION OF INCOME
FY 2025- 1st Semester 2026 (In thousand pesos)

PARTICULARS	FY 2025	JAN 1-JUNE 30 2026 (tentative)
INCOME		
Tuition Fees	283,848	90,424
Income Collected from Students	18,190	11,727
Income from Other Sources	6,332	3,724
Income from Revolving Fund	3,320,883	1,909,593
Grants / Donations	-	-
Others	2,176,546	1,033,488
Total Sources on Income	5,805,799	3,048,956
OBLIGATED EXPENDITURES		
Personnel Services	690,448	272,208
Maintenance and Operating Expenses	856,910	475,874
Capital Outlay	46,925	32,744
Total Utilization of Income	1,594,283	780,826
BALANCE	4,211,516	2,268,130

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Internally Generated income (FY 2025-Actual, FY 2026 and FY 2027 Projected)

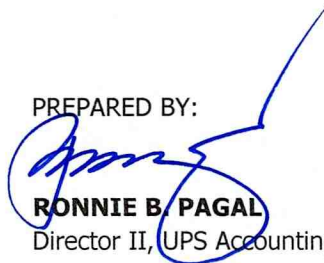
SUC: UNIVERSITY OF THE PHILIPPINES SYSTEM

Region: NATIONAL CAPITAL REGION

(Amounts In Thousand Pesos)

PARTICULARS	IN THOUSAND PESOS		
	FY 2025 ACTUAL	FY 2026 PROJECTED	FY 2027 PROJECTED
INTERNALLY GENERATED INCOME			
Tuition Fees	283,848	273,608	290,390
Income Collected from Students	18,190	3,504	3,616
Income from Other Sources	6,332	6,459	6,588
Income from Revolving Fund	3,320,883	3,327,932	3,373,203
Grants / Donations	-	-	-
Others	2,176,546	2,220,077	2,220,077
Total Internally Generated Income	5,805,799	5,831,580	5,893,874

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