

### ### Title

Arlene Palgan vs. Holy Name University (HNU) and/or Fr. Francisco Estepa, SVD/Fr. Ernesto Lagura, SVD

### ### Facts

Arlene Palgan, the petitioner, was employed by Holy Name University (HNU), starting as a Casual or Assistant Clinical Instructor before moving on to a full-time Clinical Instructor role within the College of Nursing. After several terms of employment, including periods of leave for public service, Palgan's contract was not renewed in February 2007, leading to her filing a complaint for illegal dismissal, claiming she had attained regular employee status.

Through the legal process, the Labor Arbiter dismissed her complaint, citing her probationary status. The NLRC initially affirmed this decision, then reversed it upon reconsideration, which was contested by HNU through a Petition for Certiorari to the Court of Appeals (CA). The CA ultimately reversed the NLRC's decision, reinstating the Labor Arbiter's decision dismissing the complaint for illegal termination.

### ### Issues

1. Did the CA show bias in favor of HNU, and was its decision not in accord with the law or Supreme Court precedent?
2. Were the CA's findings based on speculation, surmise, and conjecture?
3. Did the CA commit grave abuse of discretion?
4. Were the CA's findings contradicted by evidence on record?

### ### Court's Decision

The Supreme Court denied the petition for review on certiorari due to lack of merit, affirming the decision of the Court of Appeals. The Court clarified the governing laws for employment status of teachers and emphasized the Manual of Regulations for Private Schools and the CHED's regulations over the Labor Code for determining permanent status. Palgan did not meet the requisite criteria for acquiring permanent employee status, notably the requirement of being a full-time instructor and possessing the minimum required clinical practice experience as stipulated by law and CHED regulations. Her contract being of fixed term, its expiration did not constitute illegal dismissal.

### ### Doctrine

The Manual of Regulations for Private Schools and CHED regulations, not the Labor Code, determine the employment status of faculty members in private educational institutions. A

probationary faculty member must meet specific criteria, including satisfactory service for three consecutive years and full-time status, to attain permanency. Fixed-term employment contracts are valid provided they do not circumvent an employee's right to security of tenure.

### ### Class Notes

- **Probationary Employment**: A probationary employee in educational institutions must satisfy conditions laid out in the Manual of Regulations for Private Schools and CHED guidelines, not the Labor Code, to attain permanent status.
- **Fixed-Term Employment**: Employment for a specific period that concludes at the end of the term. Valid if entered knowingly, voluntarily, and without circumventing security of tenure.
- **Requirements for Permanency in Education**: For a teacher to obtain permanency, they must (1) serve full-time, (2) render three consecutive years of satisfactory service, and (3) meet the academic and professional standards prescribed by law and institutional regulations.
- **Security of Tenure**: Employees cannot be dismissed without just or authorized cause and without due process.
- **CHED Memorandum and Educational Laws**: These prescribe specific requirements for faculty qualifications in higher education, especially for specialized fields like nursing.

### ### Historical Background

The progression of the case from the labor arbiter, through the NLRC, to the CA, and ultimately to the Supreme Court reflects the complex navigation through Philippines labor and educational law, especially concerning faculty employment in private educational institutions. This case highlights the unique intersection of employment law, educational regulation, and the role of higher education faculty status, underscoring the evolving legal landscape in Philippine higher education and employment law.