

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

THIRTEENTH CONGRESS
First Regular Session

431
HOUSE BILL No. _____

Introduced by
HON. LEOVIGILDO B. BANAAG (1st District, Agusan del Norte)

EXPLANATORY NOTE

This is a refiled Bill from **H.B.10560** during the Eleventh Congress and **H.B. 19/ H.B. 5952 (S.B. 2347)** during the Twelfth Congress.

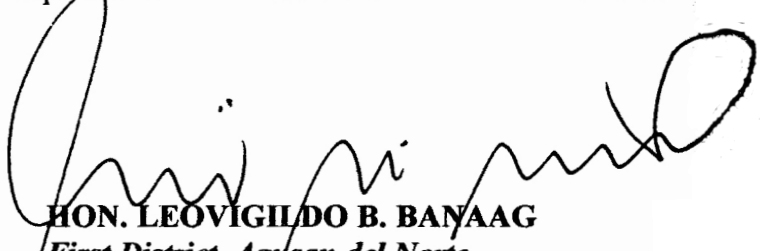
This Bill was approved on **Third Reading by the House of Representatives** (11th Congress) on **May 23, 2000**, was transmitted to the Senate for concurrence, and was referred to the Senate Joint Committee on Education, Arts and Culture and Finance on **June 1, 2000**. On **May 30, 2001**, Her Excellency Gloria Macapagal Arroyo certified the bill as an **Urgent Administration Measure** for immediate enactment by the Senate.

Due to time constraints, the Senate, during the Regular Session from June 4 to 7, 2001, could not act on the bill.

Hence, this Bill was consequently refiled, and again approved on **Third Reading by the House of Representatives** (12th Congress) on **May 26, 2003**, was again submitted to the Senate for concurrence, and was subsequently approved by the Senate Committee on Education on **October 7, 2003**. On **December 22, 2003**, Her Excellency Gloria Macapagal Arroyo once more certified this Bill as an **Urgent Priority Administration Measure**.

Again due to time constraints, the Senate, during the Regular Session from June 7 to 11, 2004, could not act on the Bill.

With the realization that CARAGA Region is the **only region in the Philippines without a University, public or private**, the expeditious enactment of this refiled measure is earnestly requested.



HON. LEOVIGILDO B. BANAAG
First District, Agusan del Norte
(Butuan City – Lds Nieves)

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HOUSE BILL No. 431

Introduced by
HON. LEOVIGILDO B. BANAAG, 1st District, Agusan del Norte

ACT CREATING THE CARAGA STATE UNIVERSITY (CSU) BY INTEGRATING THE (1) THE NORTHERN MINDANAO COLLEGE OF ARTS, SCIENCE AND TECHNOLOGY (NMCAST) IN CABADBARAN, AGUSAN DEL NORTE; (2) THE NORTHERN MINDANAO STATE INSTITUTE OF SCIENCE AND TECHNOLOGY (NORMISIST) IN AMPAYON, BUTUAN CITY; AND (3) SIARGAO NATIONAL COLLEGE OF SCIENCE AND TECHNOLOGY (~~SNCST~~) IN ~~DEL CARMEN~~, SIARGAO, SURIGAO DEL NORTE AND APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1.** *Integration and Creation.* – The present Northern Mindanao College of Arts,
2 Science and Technology (NMCAST) in Cabadbaran, Agusan del Norte; the Northern Mindanao
3 State Institute of Science and Technology (NORMISIST) in Ampayon, Butuan City; and Siargao
4 National College of Science and Technology (SNCST) in Del Carmen, Siargao, Surigao del Norte,
5 Caraga Region, are hereby integrated and created into a Caraga State University (CSU), hereinafter
6 referred to as the University.

7 **SECTION 2.** *Purposes and Objectives.* – The University shall provide quality education
8 that shall tap and develop human potentials with skills and competencies for sustainable environment,
9 socioeconomic development and global competitiveness through instruction, research, extension
10 services and production.

1 The University shall provide instructions for special purposes; technical and professional
2 development; advanced studies; and promote research, extension services and production.

3 The University shall offer undergraduate, graduate and post graduate programs and short-term
4 courses within its areas of specialization and according to its capabilities, specifically, but not limited
5 to, the fields of agriculture and environmental studies, fishery, engineering, forestry, industrial
6 technology, education, law, medicine and other health-related programs, information technology, arts
7 and sciences and other fields as the Board of Regents so approves to carry out the objectives and
8 goals of the regional and national development for socioeconomic and sustainable development for
9 global competitiveness.

10 **SECTION 3.** *The University Campuses.* – The campuses of the Caraga State University
11 (CSU) shall be composed of the following:

12 (a) The administrative campus – The administrative campus of the University shall be
13 established in a most strategic location, considering certain criteria set by the Commission on Higher
14 Education (CHED).

15 (b) The autonomous campuses – The autonomous campuses of the University shall be
16 composed of and shall be known as: (1) Caraga State University in Agusan del Norte at Cabadbaran;
17 (2) Caraga State University in Ampayon, Butuan City; and (3) Caraga State University in Del
18 Carmen, Siargao, Surigao del Norte.

19 **SECTION 4.** *The Board of Regents.* – The governing body of the State University shall be
20 the Board of Regents, hereinafter referred to as the Board.

21 (a) Composition – The composition of the Board of Regents in accordance with Republic Act
22 No. 8292, otherwise known as the Uniform Composition and Powers of the Governing Boards and
23 Appointment of Term of Office of the President of Chartered State Universities and Colleges, shall
24 be as follows:

(1) Chairman of the Commission on Higher Education (CHED), chairman;

(2) President of the State University, vice chairman;

(3) Chairman of the Committee on Education, Culture and Sports of the Senate, member;

(4) Chairman of the Committee on Higher Education of the House of Representatives, member;

(5) Regional Director of the National Economic and Development Authority (NEDA), member;

(6) Regional Director of the Department of Science and Technology (DOST), member;

(7) President of the Federation of Faculty Associations of the University campuses, member;

(8) President of the Federation of the Student Councils or the students' representative elected by the Federation of the Student Councils of the University campuses, member;

(9) President of the Federation of the Alumni Associations of the University campuses, member; and

(10) Two (2) prominent citizens, from Butuan City, Agusan del Norte, and Surigao del Norte as may be chosen from a list of five (5) qualified persons as recommended by the search committee constituted by the president in consultation with the chairman of the CHED based on the normal standards and qualifications for the position.

The president of the federations of faculty and alumni associations and student regent shall sit in the Board until their terms of office expire in their respective capacities.

For the purpose of the provision of this section, the associations of faculty, alumni and student councils in each branch of the University shall organize themselves to form their respective federations, which in turn shall elect their federation officials.

In case of vacancy in the office of the president, the officer-in-charge of the University and as designated by the Board, shall be a member of the Board and shall serve for the unexpired term only.

(b) Powers and Duties – The Board shall promulgate and implement policies in accordance with the declared standards and other pertinent provision of the Philippine Constitution on education, science and technology, art, culture and sports as well as the policies, standards and thrust of the CHED under Republic Act No. 7722, otherwise known as the Commission on Higher Education Act and Republic Act No. 8292.

The University shall have the general powers of a corporation set forth in the Corporation Law. The administration of the State University and the exercise of its corporate powers shall be vested exclusively in the Board of Regents and the president of the State University in so far as authorized by the Board.

The Board shall have the following specific powers and duties in addition to its general powers of administration and the exercise of all the powers granted to the Board of Directors of a corporation under existing laws:

(1) To enact rules and regulations not contrary to law as may be necessary to carry out the purposes and functions of the University;

(2) To receive and appropriate all sums as may be provided for the support of the University in the manner it may determine, in its discretion, to carry out the purposes and functions of the University;

(3) To receive in trust legacies, gifts and donations of real and personal properties of all kinds and to administer and dispose the same when necessary for the benefit of the University and subject to the limitations, directions and instructions of the donor, if any; and

(4) To fix tuition fees and other necessary school charges such as, but not limited to, matriculation fees, graduation fees, and laboratory fees, as the Board may deem proper to impose after due consultations with the involved sectors.

1. Such fees and charges, including government subsidies and other income generated by the
2 University, shall constitute special trust funds and shall be deposited in any authorized government
3 depository bank, and all interest that shall accrue therefrom shall form part of the same fund for the
4 use of the University.

5 Any provision of existing laws, rules and regulations to the contrary notwithstanding, any
6 income generated by the University from tuition fees and other charges, as well as from the operation
7 of auxiliary services and land grants, shall be retained by the University, and may be disbursed by the
8 Board for instruction, research, extension or other programs/projects of the University: *Provided,*
9 That all fiduciary fees shall be disbursed for the specific purposes for which they are collected.

10 If, for reasons beyond its control, the University shall not be able to pursue any project for
11 which funds have been appropriated and allocated under its approved program of expenditures, the
12 Board may authorize the use of said funds for any reasonable purpose which, in its discretion, may be
13 necessary and urgent for the attainment of the objectives and goals of the University.

14 To authorize the construction or repair of its buildings, machineries, equipment and other
15 facilities, and the purchase and acquisition of real and personal properties, including necessary
16 supplies, materials and equipment.

17 (5) Subject to the provisions of (h), Section 4 of Republic Act No. 8292 and in accordance
18 with the Revised Compensation and Position Classification to appoint faculty members and other
19 officials and employees, to draw up a position classification and compensation plan for its faculty and
20 staff, and to fix, and adjust the salaries and benefits of the faculty members and other employees; to
21 determine their hours of service, and such other terms and conditions as it may deem proper; to grant
22 to them, in its discretion, leave of absence under such regulations as it may promulgate, any other
23 provisions of law contrary notwithstanding; and to remove them for cause as provided by law after
24 due investigation and proper hearing;

(6) To approve the curricula, institute programs and rules of discipline drawn by the administrative and academic councils of the University as herein provided;

(7) To set policies on admission and graduation of students;

(8) To award honorary degrees upon persons in recognition of outstanding contributions in the fields of education, public service, arts, science and technology or in any field of specialization within the academic competence of the University; and nontraditional courses;

(9) To establish research and extension centers where such will promote the development of the University;

(10) To establish chairs in the University and to provide fellowship for qualified faculty members and scholarships to deserving students;

(11) To delegate any of its powers and duties as provided for hereinabove to the President and/or other officials of the University as it may deem appropriate so as to expedite the administration of the affairs of the University;

(12) To institute reforms, including academic and structural changes;

(13) To collaborate with other governing boards of State colleges and universities within the province or region, under the supervision of the CHED and in consultation with the Department of Budget and Management (DBM) the restoring of the University to become more efficient, relevant, productive and competitive;

(14) To enter into joint ventures with business and industry for profitable development and management of the economic assets of the University, the proceeds from which to be used for the development and strengthening of the University;

(15) To develop consortia and other forms of linkages with local government units, institutions and agencies, both, public and private, local and foreign, in furtherance of the purposes and objectives of the University;

(16) To develop academic arrangements for institution-capability building with appropriate institutions and agencies, public and private, local and foreign, and to appoint experts/specialists as consultants, or visiting or exchange professors, scholars, researchers, as the case may be;

(17) To set up the adoption of modern and innovative modes of transmitting knowledge such as the use of information technology, the dual system, open learning, community laboratory, etc., for the promotion of greater access to higher education;

(18) To establish policy guidelines and procedures for participative decision making and transparency within the University;

(19) To privatize, where most advantageous to the institution, management and nonacademic services such as health, food, buildings or grounds or property maintenance and such other similar activities;

(20) To extend the term of the President of the University beyond the age of retirement but not later than the age of seventy (70), whose performance has been and unanimously rated as outstanding and upon unanimous recommendation by the search committee for the President of the institution concerned; and

(21) To absorb within the University non-chartered State colleges and CHED-supervised institutions after prior consultation and agreements with the heads of these institutions and their respective constituencies, in coordination with the CHED and in consultation with the DBM, and to offer therein needed programs or courses.

(c) The Board of Regents – the Board of Regents shall regularly convene at least once every quarter. The chairman of the Board of Regents may call a special meeting whenever necessary: *Provided*, That members are notified in writing at least three (3) days prior to said meeting.

In the absence of the chairman of the CHED, a commissioner of the CHED, duly designated by him, shall represent him in the meeting. *Provided, however*, That during this meeting, the president

1 of the University, as vice chairman shall be the presiding officer: *Provided, further,* That this proviso
 2 notwithstanding, the chairman of the CHED is hereby authorized to designate a CHED
 3 commissioner, as the regular chair to the Board of Regents, in which case said commissioner shall act
 4 as the presiding officer.

5 The members of the Board shall not receive compensation but shall be reimbursed for
 6 necessary expenses incurred in their attendance of meetings or in connection with their official
 7 business authorized by the resolution of the Board.

8 A majority of all members holding office shall constitute a quorum for Board meetings:
 9 *Provided,* That, the chairman of the CHED who is the chairman of the Board or the president of the
 10 University is among those present in the meeting.

11 **SECTION 5.** *The Office of the President.* – The administration of the University shall be
 12 vested in the president of the University who shall render full time service for this purpose. He shall
 13 be appointed by the Board of Regents, upon the recommendation of a duly constituted search
 14 committee. He shall have a term of four (4) years and shall be eligible for reappointment for another
 15 term: *Provided, however,* That this proviso notwithstanding, in order to effect a smooth transition to
 16 a University, the designated PASUC regional chairperson in the Caraga Region shall serve as interim
 17 president of the Caraga State University.

18 In case of vacancy in the office of the president as mentioned in the immediately preceding
 19 paragraph, his successor shall hold office for the unexpired portion of the term.

20 The powers and duties of the president of the University, in addition to those specifically
 21 provided for under this section, shall be those equally pertaining to the office of the president of a
 22 similar University.

23 **SECTION 6.** *Heads of the University and the Autonomous Campuses.* – The University
 24 shall be headed by a president. The incumbent president of the integrated State colleges and

1 universities (SUCs) and the superintendent of the CHED-supervised institutions shall become the
2 first chancellors of the respective autonomous campuses.

3 **SECTION 7.** *The University Administrative Council.* – There shall be a University
4 Administrative Council consisting of the president of the University as chairman, the chancellors,
5 deans, directors and other officials of equal rank whose duty is to implement the policies governing
6 the administration, management and development of the University, as approved by the Board.

7 **SECTION 8.** *The University Academic Council.* – There shall be a University Academic
8 Council with the president of the University, as chair and all members of the instructional staff with
9 the rank not lower than assistant professor as members which shall have the power to prescribe
10 curricular offerings, subject to the approval of the Board. It shall fix the requirements for admission
11 to the University, as well as for graduation and conferring of degrees, subject to review and/or
12 approval of the Board through the president of the University. It shall also have the disciplinary
13 powers over the students.

14 **SECTION 9.** *Secretary of the University.* – There shall be a secretary of the University who
15 shall be appointed by the Board upon recommendation of the president of the University who shall
16 also be the secretary of the Board and shall keep such records of the University and the Board.

17 **SECTION 10.** *The Treasurer of the University.* – The treasurer of the Philippines shall be the
18 *ex officio* treasurer of the University.

19 **SECTION 11.** *Admission.* – No student shall be denied admission to the University by reason
20 of gender, nationality, religious or political affiliation.

21 **SECTION 12.** *Academic Freedom.* – Pursuant to paragraph 2, Section 5 of Article XIV of
22 the Constitution of the Republic of the Philippines, the University shall enjoy and pursue academic
23 freedom.

1 **SECTION 13. *Filing of Report.*** – On or before the fifteenth (15th) day of the second month
 2 after the opening of the regular classes each year, the Board shall file with the Office of the President
 3 of the Philippines, through the chairperson of the CHED and of both Houses of Congress, a detailed
 4 report on the progress, conditions and needs of the University.

5 **SECTION 14. *Transfer of Assets, Liabilities, Personnel and Records.*** – All assets fixed and
 6 movable, personnel and records of the NMCAST in Cabadbaran; Agusan del Norte; NORMISIST in
 7 Ampayon, Butuan City, Agusan del Norte; and SNCST in Del Carmen, Siargao, Surigao del Norte
 8 as well as their liabilities or obligations, are hereby transferred in the name of the University; and
 9 shall remain therein for the continuous use of the respective campuses: *Provided, That,* the
 10 positions, right and security of tenure of personnel therein employed under the existing laws prior to
 11 absorption by the University are not impaired: *Provided, further,* That the incumbents of the
 12 positions shall remain in the same status unless otherwise provided for by the Board.

13 All real properties belonging to the government and presently used by the NMCAST in
 14 Cabadbaran, Agusan del Norte; NORMISIST in Ampayon, Butuan City; and SNCST in Del Carmen,
 15 Siargao, Surigao del Norte, are hereby declared as properties of the Caraga State University (CSU)
 16 and shall be titled under that name: *Provided, furthermore,* That, should the University cease to
 17 exist or be abolished, or such real properties aforementioned be no longer needed by the University,
 18 the same shall respectively revert to the Provinces of Agusan del Norte, Butuan City and Surigao del
 19 Norte, as the case may be.

20 **SECTION 15. *Commission on Audit.*** – All accounts and expenses of the University shall be
 21 audited by the Commission on Audit or its duly authorized representative.

22 **SECTION 16. *Authority to Loan or Transfer Equipment.*** – The heads of the bureaus and
 23 offices of the national government are hereby authorized to loan or transfer, upon the request of the
 24 President of the University, such apparatus, equipment or supplies as may be needed by the

1 University and to detail employees therein when in the judgment of bureau or office, such apparatus,
2 equipment, supplies or services of such employees can be spared without serious detriment to public
3 service.

4 Employees so detailed shall perform such other duties as required by them by the president of
5 the University and the time so employed shall be counted as part of their regular service.

6 **SECTION 17. *Tax Exemptions.*** – The provisions of any general or special law to the
7 contrary notwithstanding:

8 (1) All profits and income generated by the University derived exclusively from its fundamental
9 function as an educational institution, shall be exempt from the income tax imposed on every
10 corporation;

11 (2) Gifts and donations of real and personal properties of all kinds shall be exempt from the
12 donor's tax and the same shall be considered as allowable deductions from the gross income of the
13 donor, in accordance with the provisions of the National Internal Revenue Code, as amended; and

14 (3) Importation of economic, technical, vocational, scientific, philosophical, historical and
15 cultural books and/or publications shall be exempt from taxes and duties upon certification
16 by the Department of Education, Culture and Sports (DECS) that such imported books
17 and/or publications are for economic, technical, vocational, scientific, philosophical,
18 historical or cultural purposes, in accordance with the provisions of the Tariff and Customs
19 Code, as amended.

20 **SECTION 18. *Institutional Autonomy.*** - The University, taking into account its regional goals
21 and priorities, shall determine its teaching research and extension thrusts, plans, policies, programs
22 and standards and, on the basis of such determination, each integrated school shall recommend its
23 annual budget to the University President who shall forthwith recommend the same to Congress for
24 appropriate action.

1 **SECTION 19. Appropriations.** – The amount necessary to initially implement the provisions
2 of this Act shall be charged against the current year's appropriations of the Northern Mindanao
3 College of Arts, Science and Technology (NMCAST) in Cabadbaran, Agusan del Norte; the
4 Northern Mindanao State Institute of Science and Technology (NORMISIST) in Ampayon, Butuan
5 City; and Siargao National College of Science and Technology (SNCST) in Del Carmen, Siargao,
6 Surigao del Norte. Thereafter, such sums as may be necessary for the continued operation and
7 maintenance of the Caraga State University (CSU) shall be included in the annual General
8 Appropriations Act.

9 **SECTION 20. Implementing Agency.** – The CHED shall issue such implementing regulations
10 to carry out the provisions of this Act.

11 **SECTION 21. Separability Clause.** – If, for any reason, any part or provision of this Act is
12 declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full
13 force and effect.

14 **SECTION 22. Repealing Clause.** – All laws, presidential decrees, executive orders, rules and
15 regulations or issuances contrary or inconsistent with the provisions of this Act are hereby repealed,
16 amended or modified accordingly.

17 **SECTION 23. Effectivity.** – This Act shall take effect upon approval.

Approved,