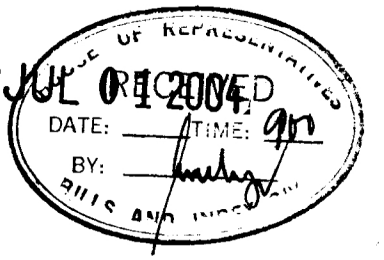
REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City



THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 597

Introduced by REP. FRANCIS G. ESCUDERO

EXPLANATORY NOTE

The Constitution mandates that the State constantly improves the standards of higher education in the Philippines to ensure that students get the best education possible from both the public and private higher education institutions. Article XIV, Section 1 of the Constitutions declares:

> "The State shall protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make education accessible to all."

Likewise, Article II, Section 17 of the Constitution declares:

> "The State shall give priority to education, science and technology, arts, culture and sports to foster patriotism and nationalism, accelerate social progress and promote total human liberation and development."

Towards this end, this Bill aims to strengthen the University of the Philippines which is its national university.

As the national university, a public and secular institution of higher learning and a community of scholars dedicated to the search for the truth and knowledge, the Bill proposes that the University of the Philippines shall perform its unique and distinctive leadership in higher education and national education development through its combined functions, as follows:

(1) Set standards and initiate innovations in teaching, research and faculty development in philosophy, the arts and humanities, the social sciences, the professions and engineering, natural sciences, mathematics, and technology; maintain centers of excellence in such disciplines and professions;
(2) Serve as a graduate university providing advanced studies and specialization for scholars, scientists, writers, artists, philosophers and professionals, especially those who serve on the faculties of state and private colleges and universities;
(3) Serve as a research university in the various fields of its expertise and specialization by conducting basic and applied research, and research and development, promoting research in the various colleges and universities, and contributing to the dissemination and application of knowledge;
(4) Lead as a public service university by providing various forms of community, public and volunteer service, and scholarly and technical assistance to the government, the private sector, and civil society;
(5) Provide opportunities for training and learning in progressive leadership and leadership for service, responsible citizenship, and the development of democratic values, institutions and practice; and
(6) Serve as a regional and global university in cooperation with international scientific unions and with networks of universities and scholarly and professional associations in the Asia-Pacific region and around the world.

In view of the foregoing, urgent passage of this Bill is hereby urged.



FRANCIS G. ESCUDERO

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 597

Introduced by REP. FRANCIS G. ESCUDERO

AN ACT
STRENGTHEN THE UNIVERSITY OF THE PHILIPPINES AS THE NATIONAL UNIVERSITY

Be it enacted by SENATE and HOUSE OF REPRESENTATIVES of the Philippines in Congress assembled:

SECTION 1. *Title* - This Act shall be known as the "University of the Philippines Charter."

SECTION 2. *Declaration of Policy* - The State shall promote, foster, nurture and protect the right of all citizens to quality education. Toward this end, it is the policy of the State to strengthen the University of the Philippines which is its national university.

SECTION. 3 *Purpose of the University* - As the national university, a public and secular institution of higher learning and a community of scholars dedicated to the search for truth and knowledge, the University of the Philippines shall perform its unique and distinctive leadership in higher

education and national education development through its combined functions, as follows:

(1) Set standards and initiate innovations in teaching, research and faculty development in philosophy, the arts and humanities, the social sciences, the professions, and engineering, natural sciences, mathematics and technology; and maintain centers of excellence in such disciplines and professions;

(2) Serve as a graduate university providing advanced studies and specialization for scholars, scientists, writers, artists and professionals, especially those who serve on the faculties of state and private colleges and universities;

(3) Serve as a research university in the various fields of its expertise and specialization by conducting basic and applied research, and research and development, promoting research in the various colleges and universities, and contributing to the dissemination and application knowledge;

(4) Lead as a public service university by providing various forms of community, public and volunteer service, and scholarly and technical assistance to the government, the private sector, and civil society;

(5) Provide opportunities for training and learning in progressive leadership, responsible citizenship, and the development of democratic values, institutions and practice; and

(6) Serve as a regional and global university in cooperation with international scientific unions and with networks of universities and scholarly and professional associations in the Asia-Pacific region and around the world.

SECTION 4. *The University System* - The University of the Philippines is a university system and shall be composed of constituent universities.

SECTION 5. *Academic Freedom* - The University has the right and the responsibility to exercise academic freedom.

SECTION 6. *Academic Excellence* - The University has the responsibility to maintain and enhance its high academic standards in the performance of the functions of instruction, research, and extension and public service.

SECTION 7. *Social Responsibility* - The University is committed to serve the Filipino nation and humanity. While it carries out the obligation to pursue universal principles, it must relate its activities to the needs of the Filipino people and their aspirations for social progress and transformation.

SECTION 8. *Democratic Access* - No student shall be denied admission to the University by reason of age, gender, nationality, religious belief, or political affiliation. The University shall take affirmative steps to enhance the access of disadvantaged students to its programs and services while maintaining its standards of excellence.

SECTION 9. *The Board of Regents* - The government of the University is vested in a board of regents known as the "Board of Regents of the University of the Philippines System," composed of"

(1) The Chair of the Commission of Higher Education as Chairperson;
(2) The President of the University of the Philippines as Vice Chairperson;

(3) The Chair of the Senate Committee on Education, Arts and Culture;

(4) The Chair of the House Committee on Higher and Technical Education;

(5) The President of the U.P. Alumni Association, to serve as Alumni Regent during his or her incumbency in that position;

(6) One (1) Faculty Regent chosen by the full-time and tenured faculty members of the University from their ranks, to serve for a term of two (2) years;

(7) One (1) Student Regent, to serve for a term of one (1) year, chosen by the students from their ranks;

(8) One (1) Staff Regent representing the full-time permanent research, extension and professional staff and administrative personnel and chosen by them from their ranks, to serve for a term of two (2) years; and

(9) Five (5) other Regents, at least four (4) of whom should be alumni, appointed by the President of the Philippines who shall each serve for a term of two (2) years. *Provided,* That Regents holding office as members of the Board of Regents at the time of the effectivity of this Act shall continue to serve until the expiration of their appointments as provided in Executive Order No. 204-A issued by the President of the Philippines on July 15, 1987.

In case of vacancy in the Board of Regents of any appointive position, such vacancy shall be filled by appointment by the President of the Philippines, and such appointee shall hold office for the unexpired term. In case of vacancy in the position of sectoral Regents, the successor. who shall serve for the expired term, shall be chosen in the same manner as provided above for the predecessor: *Provided,* That in the case of a Sectoral Regent,

membership in the Board ceases upon suspension or separation from the University.

Members of the Board shall serve without compensation other than actual and necessary expenses incurred in attendance of meetings of the Board or other official business authorized by the Board.

SECTION 10. *Powers of the Board of Regents* - The administration of the University and the exercise of its corporate powers are vested in the Board of Regents. The administration of each Constituent University is vested in the Chancellor insofar as authorized by the Board.

The Board shall exercise the following specific powers and duties:

(1) To adopt and define in general terms the thrusts of the University and board policy guidelines to ensure their implementation;
(2) To preserve the integrity of the University of the Philippines System;
(3) To approve the creation, institution, merger or abolition of academic units and programs upon recommendation of the University Council through the President of the University;
(4) To approve the graduation of students, as recommended by their respective University Councils;
(5) To confer honorary degrees upon persons in recognition of learning, statesmanship, or eminence in literature, science, or art, upon recommendation of a committee created by the President of the University; *Provided,* That such degrees shall not be conferred in consideration of any payment, gifts or other valuable consideration;

(6) To approve the rules on student discipline recommended by the University Councils;

(7) To create, organize, reorganize, merge or abolish Constituent Universities, colleges, institutes, and other academic and administrative units of the University;

(8) To establish chairs in the colleges and to provide for the maintenance or endowment of such chairs;

(9) To provide fellowship and scholarships and to award the same to faculty, staff and students giving special evidence of merit;

(10) To elect the President of the University for a term of six (6) years following a process of democratic consultation with the University community subject to the guidelines, qualifications and/or standards set by the Board;

(11) To appoint faculty members and other officials and employees, to draw up a position classification and compensation plan for its faculty and staff and to fix and adjust salaries and benefits of the faculty members and other employees; to determine their hours of service, and such other term and conditions as it may deem proper; to grant them, in its discretion, leave of absence under such regulations as it may promulgate, any other provisions of law to the contrary notwithstanding; and to remove them for cause as provided by law after due investigation and proper hearing;

(12) To extend, with their consent, the tenure of faculty members of the University beyond the compulsory retirement age, any other provision of law to the contrary notwithstanding, on recommendation of the units, upon endorsement of the President of the University, whenever their services are specially needed: *Provided, however,* that no extension of tenure shall be made beyond the age of seventy (70).

(13) To fix the tuition fees and other necessary school charges, as the Board may deem proper to impose. Such fees and charges, including government subsidies and other income generated by the University, constitute special trust funds and shall be deposited in any authorized government depository bank. Any and all interest that shall accrue therefrom shall form part of the same funds for the use of the University. Any provisions of the existing law to the contrary notwithstanding, all incomes generated by the University or by its own subsidiaries may, at the discretion of the Board, be disbursed for the professional growth and development, health, welfare and other benefits of the 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 this Act. If the University, for reasons beyond its control, shall not be able to pursue any project for which funds have been appropriated and allocated under its approved program of expenditures, the Board may authorize the use of said funds for any reasonable purpose which it deems necessary and urgent for the attainment of the objectives and goals of the University;

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

(15) To authorize the construction or repair of its buildings, machinery, equipment and other facilities, and the purchase and acquisition of real and personal properties, including the necessary supplies, materials and equipment;

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

(17) To exercise the general powers set out in the Corporation Code;

(18) To delegate any of its powers to the president or any other official or officers as it may deem necessary;

(19) To prescribe rules for its own government and the discipline of the faculty and other personnel and to enact for the government of the University such general policies, rules and regulations, not contrary to law, as are consistent with the purposes of the University; and

(20) To exercise such other powers as may be necessary and proper to carry out the objectives of this Act.

SECTION 11. *Quorum of the Board of Regents* - A simple majority of the actual members of the Board of Regents shall constitute a quorum.

SECTION 12. *The University President* - The University President is the chief academic officer and head of the University Faculty and the chief executive of the constituent University Councils, if he or she is in attendance. The President shall exercise the powers specially provided for in this Act, those determined by the Board of Regents, those which are usually pertaining to the office of the President of the University, and those which are related or necessary to its functions. The compensation of the President shall be determined by the Board of Regents.

SECTION 13. *The Secretary of the University and of the Board of Regents* - There shall be a secretary of the University appointed by the Board of Regents, who shall also be the secretary of the Board, and who shall keep such records of the University as may be designated by the Board.

SECTION 14. *The University Council* - There shall be in each Constituent University a Council consisting of the Chancellor as Chairperson, and of all the faculty members in the University holding the rank of assistant professor or higher.

SECTION 15. *Powers of the University Council* - The university Council shall be the highest academic body of each constituent university and shall exercise the following powers:

(1) Fix the requirements for admission to any college or unit and for graduation and reception of a degree, subject to the minimum system-wide requirements;
(2) Prescribe the academic program including their institution, abolition and merger, subject to the approval of the Board;
(3) Recommend to the Board the graduation of students;
(4) Exercise disciplinary power over the students, through the Chancellors or their appropriate committees, subject to review by the President according to the limits prescribed by the system-wide rules on student discipline;
(5) Undertake the periodic review of academic courses, programs, standards, thrusts and policies; and
(6) Adopt internal rules of procedure consistent with the provisions of this Act.

SECTION 16. *The Chancellor of the Constituent University* - The Chancellor of the Constituent University shall be elected by the Board of Regents upon nomination of the University President, following a process of democratic consultation with the constituents of the Constituent University subject to the guidelines, qualifications and/or standards set by the Board of Regents. The Chancellor is the head of the faculty of that Constituent University. The Chancellor shall report to the President of the University, subject to the policies and rules prescribed by the Board of Regents. The term and compensation of the Chancellor shall be determined by the Board of Regents.

SECTION 17. *The Faculty* - The teaching staff of each college shall constitute its faculty, which shall be presided over by the Dean, elected by the Board of Regents on nomination by the University President and upon the recommendation of the Chancellor of the Constituent University, following a process of democratic consultation with the constituents of the college subject to the guidelines, qualifications and/or standards set by the Board of Regents. In the appointment of faculty members, no religious test shall be applied, nor shall the religious or political affiliations or opinions of the faculty members of the University be made a matter of examination or inquiry.

To ensure that the University retains the best in its faculty, it shall formulate a compensation package commensurate if not better that the private education sector. Its faculty shall be allowed to apply for promotion on a yearly basis, subject to the standards set by the Board of Regents following a process of democratic consultation with the faculty of its constituent Universities.

To ensure that the faculty is abreast with the latest developments in the academe, the University may hire professorial lecturers from foreign universities for a term of one year and may be renewed on the discretion of the Board of Regents. To facilitate the entry of these professorial lecturers, their hiring shall be exempt from the taxes, duties, permits imposed by the Bureau of Internal Revenue, Bureau of Immigration, Department of Labor and Employment.

SECTION 18. *Appointment Requisites* - Faculty members as well as the academic Research Extension and Professional Staff (REPS) of the University shall be exempt from any civil service examination or regulation as a requisite to appointment.

SECTION 19. *Land Grants and other Real Properties of the University* -

(1) The State shall provide subsidy to the University of the Philippines as the national university in the form of lump sum amount through general appropriations and other financial benefits, and in kind, through land grants and donations and use of other real properties. To carry out the intent of these grants, income derived from the development of all land grants and real properties shall be used to further the ends of the University, as may be decided upon by the Board of Regents.

(2) Such parcels of land ceded by law, decree or presidential issuance to the University of the Philippines System, are hereby declared to be reserved for the purposes intended, as confirmed by the Board of Regents. The absolute ownership of the University over these landholdings is hereby affirmed. Where issuance of proper certificates of title is yet pending for these landholdings, the

appropriate government office shall expedite the issuance thereof within six (6) months from the date of effectivity of this Act.

(3) The Board of Regents shall plan, design, approve and/or cause the implementation of financial mechanisms, such as joint ventures, long-term leases, subsidiaries, securitization and disposition to give the University the most advantageous position in generating revenues and other resources from the land grants and other real property entrusted by the Filipino people to their national university: *Provided,* That such mechanisms and arrangements shall not conflict with the University's academic mission as well as sustain and protect the environment: *Provided, further,* That the plans shall preserve the academic core zone of each constituent campus which shall be determined in consultation with all sectors of the constituent university concerned.

SECTION 20. *Appropriations* - The Board of Regents of the University of the Philippines System (UPS) shall immediately include in the University of the Philippines System programs for implementation of this Act, the initial funding of which, shall be charged against the current year's appropriations and other internally generated income of the University of the Philippines System. Thereafter, such sums as may be necessary for the continued operation and maintenance of the University shall be included in the annual General Appropriations Act.

SECTION 21. *Tax Exemptions* - The provisions of any general or special law to the contrary notwithstanding:

(1) All revenues and assets of the University of the Philippines used actually, directly and exclusively for educational purposes shall be exempt from all taxes and duties;

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

(3) Importation of economic, technical, vocational, scientific, philosophical, historical and cultural books, supplies, equipment, machinery and other materials, including scientific and educational computer and software equipment, shall be exempt from the payment of customs duties; and

(4) Payment of value-added tax on any of its transactions.

SECTION 22. *Auditing of Accounts* - All accounts and expenses of the University shall be audited by the Commission on Audit, and all disbursements shall be made in accordance with rules and regulations prescribed by the latter.

SECTION 23. *Institutional Autonomy as the National University* - To provide greater flexibility to the University, it shall be treated in a manner consistent with its institutional requirements as the national university by the service-wide agencies in the exercise of their respective jurisdiction.

The University, taking into account national goals and priorities, shall exclusively determine its teaching, research and extension thrusts, plans, policies, priorities, programs and standards and, on the basis of such determination, the University shall recommend its annual budget to the President and Congress.

SECTION 24. *Rule of Construction* - No statutory or other issuances shall diminish the powers, rights, privileges, and benefits accorded to the University under this Act or enjoyed at present by the University under other issuances not otherwise modified or repealed under this Act, unless subsequent legislation expressly provides for their repeal, amendment or modification. Any case of doubt in the interpretation of any of the provisions of this Charter shall be resolved in favor of the academic freedom and fiscal autonomy of the University of the Philippines.

SECTION 25. *Separability Clause* - Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

SECTION 26. *Repealing Clause* - Act NO. 1870 is hereby repealed. All laws, decrees, orders, rules, and regulation or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 27. *Effectivity* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any newspaper of general circulation in the Philippines.

Approved,