

Republic of the Philippine
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Second Regular Session

House Bill No. **4779**



INTRODUCED BY REP. ROMAN T. ROMULO

EXPLANATORY NOTE

The Mindanao State University, which was founded on September 1, 1961 through Republic Act 1387 and Republic Act 1893, has expanded through the years to become a University System that now comprises several campuses located in major centers in Mindanao. A brainchild of late Senator Domocao Alonto, it has actually evolved into one of the leading universities in the Philippines. Its Iligan Institute of Technology Campus has even landed in the top 400 universities based on the Quacquarelli Symonds World University Ranking.

True to its mission, the MSU has been helping accelerate the program of the integration among the peoples of Southern Philippines, particularly the Muslims and other cultural minorities, and has been providing trained manpower skills and technical know-how for the economic development of Mindanao.

Yet, despite these developments, the MSU System is still governed by an old, archaic and weak charter.

Moreover, the MSU System's vision of becoming the premier supra-regional university committed to the social, political and economic development of Mindanao while achieving international recognition as a leading institution of higher learning will be hampered if it will continue to rely on a charter that is already more than sixty (60) years old and tantamount to being obsolete.

It is important to take cognizance of the MSU System's goals of setting the standards of excellence in science, arts, technology, and other fields, accelerating the economic, cultural, socio-political, and agro-industrial development of the Muslim and other cultural groups, and preserving and promote the cultural heritage of the region, which can only be attained if its charter is strengthened to make it more relevant and responsive to the needs of the times, especially in this age of globalization and rapid technological developments.

Hence, there is an urgent need to amend the existing charter of the MSU System.

In view of the foregoing reasons, immediate approval of this measure is earnestly sought.

ROMAN T. ROMULO
Representative
Lone District, Pasig City

Republic of the Philippines
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HOUSE BILL NO. 4779

Introduced by: REP. ROMAN T. ROMULO

AN ACT
STRENGTHENING THE MINDANAO STATE UNIVERSITY SYSTEM AS A
NATIONAL PEACE UNIVERSITY

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

SECTION 1. *Short Title.* This Act shall be known as "Mindanao State University
System Charter."

SEC.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 Mindanao State University as a System.

The Mindanao State University System (MSUS) was established as a potent
instrument to implement more effectively the policy of the government in the education
and integration of the Filipino youth, especially the Muslims and other cultural
communities, into the national body politic towards achieving peace, development and
national unity.

In view of its original mandate as a comprehensive university, the Mindanao
State University System (MSUS) is hereby designated as a national peace university,
hereinafter referred to as the MSUS or the University. The MSUS shall initiate, maintain
and promote programs and policies on peace education, conflict resolution,
multiculturalism, pluralism and diversity.

SEC. 3. *Objectives of the MSUS.* As a public and secular comprehensive university
and a community of scholars dedicated to the search for truth and knowledge, the
MSUS shall perform its unique and distinctive leadership in higher education and
national education development and shall continue its affirmative mandate for the
Muslims and other cultural communities through its combined functions, as follows:

a) 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;

b) 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;

c) Serve as a research university in the various fields of its expertise and specialization by conducting basic and applied research and development, promoting research in the various colleges and universities;

d) Lead as a public service university by providing various forms of community, public and volunteer services, and scholarly and technical assistance to the government, the private sector and civil society while maintaining its standards of excellence;

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

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

SEC. 4. *The Mindanao State University System.* The MSUS is composed of the following constituent campuses: 1) MSU Marawi; 2) MSU Iligan; 3) MSU General Santos; 4) MSU Tawi-Tawi; 5) MSU Sulu; 6) MSU Maguindanao; 7) MSU Misamis Oriental; and 8) MSU Zamboanga Sibugay, and those that may be recognized and/or established by the Board of Regents (BOR) upon the recommendation of the MSUS President.

SEC. 5. *Seat of Administration and Seal of the MSUS.* The seat of the system administration of MSU shall be in MSU in Marawi City. There shall be one common seal of the MSUS, which shall be the figure of a Meranao *awang* (boat) in full sail as the head of the seal, and a Maguindanao lamp with three rays emanating from its flame resting atop the Meranao *awang* (boat) with the number "1961" written on it. The University color shall be "sotra" or magenta and gold.

SEC. 6. *Academic Freedom.* The MSUS has the right and responsibility to exercise academic freedom.

SEC. 7. *Academic Excellence.* The MSUS shall maintain and enhance its high academic standards in the performance of its functions of instruction, research and extension service.

SEC. 8. *Social Responsibility.* The MSUS is committed to serve the Filipino nation and humanity. While it fulfills its obligation to pursue universal principles, it shall relate its activities to the needs of the Filipino people in general, the Muslims and other cultural communities and disadvantaged and marginalized people, in particular, and their aspirations for social progress and transformation, peace and national unity.

SEC. 9. *Democratic Access.* No student shall be denied admission to the MSUS by reason of age, gender, nationality, religious belief, or political opinion or affiliation. The University shall take affirmative steps to enhance the access of disadvantaged students to its programs and services.

SEC. 10. *Institutional Autonomy.* To provide greater flexibility, the University shall be treated in the manner consistent with its institutional requirements as the national peace university by service-wide agencies in the exercise of their respective jurisdictions. Taking into account national goals and priorities, the University shall exclusively determine its teaching, research and extension thrusts, plans, policies, programs and standards and on the basis of such determination, the University shall recommend its annual budget to the President of the Republic of the Philippines and Congress.

SEC. 11. The Board of Regents. The government of the MSUS is vested in a Board of Regents, hereinafter referred to as the Board, composed of the following:

- 1) The Chairperson, Commission on Higher Education as Chairperson;
- 2) The President, Mindanao State University as Vice Chairperson;
- 3) The Chairperson, Senate Committee on Education, Arts and Culture;
- 4) The Chairperson, House Committee on Higher and Technical Education;
- 5) The Secretary, Department of Budget and Management;
- 6) The Director-General, National Economic and Development Authority;
- 7) The Chairperson, Education, Culture and Sports Committee of the ARMM Legislative Assembly;
- 8) The National President, Mindanao State University Alumni Association;
- 9) The President, MSU System Faculty Federation;
- 10) The President, Federation of Mindanao State University Supreme Student Councils;
- 11) One (1) Staff Regent from the rank and file represented by the duly elected president of system-wide non-academic personnel federation duly accredited by the Civil Service Commission;

- 12) One (1) Regent representing the ethno-linguistic groups from Central Mindanao;
- 13) One (1) Regent representing the ethno-linguistic groups from Western Mindanao and Zamboanga Peninsula;
- 14) One (1) Regent representing the Indigenous Peoples of Mindanao; and
- 15) One (1) Regent who is prominent national educator and who is not presently employed in any of the MSU campuses.

The four (4) regents representing the ethno-linguistic groups, indigenous peoples, and the prominent national educator shall be chosen from a list of at least three (3) nominees by a BOR-designated search committee and elected by the BOR for a term of two (2) years; Provided, that the Regents holding office as members of the BOR at the time of the effectivity of this Act shall continue to serve until the expiration of their appointment.

In case of vacancy among appointive positions in the BOR, such vacancy shall be filled by the BOR following guidelines set by it and such appointee shall hold office for the unexpired term.

Members of the BOR shall receive a monthly honorarium and necessary expenses incurred in attendance of meetings of the BOR and other official business, as authorized by the BOR under existing laws.

SEC.12. Powers of the Board. The administration of the University and the exercise of its corporate powers are vested upon the Board, which shall exercise the following specific powers and duties:

- a) Define the thrusts of the University and adopt broad policy guidelines to ensure their implementation;
- b) Preserve the integrity of the Mindanao State University System;
- c) Approve the creation, merger or abolition of academic programs upon recommendation of the System University Council through the University President;
- d) Approve the graduation of students and grant of honors, as recommended by their respective University Councils, through the University President;
- e) Confer honorary degrees upon persons in recognition of learning, statemanship or eminence in literature, science, or art upon recommendation of a committee created by the University President;
- f) Approve rules on student discipline upon recommendation of the University Council through the University President;
- g) Create, organize, reorganize, merge or abolish constituent campuses, colleges, institutes and other academic and administrative units of the University upon recommendation of the University President;

- h) Establish professorial chairs and award the same to appropriate recipients upon recommendation of the University President;
- i) Provide fellowships, scholarships and grants and to award the same to faculty, staff and students giving evidence of merit;
- j) Elect the University President for a term of six (6) years from a list of at least three nominees by a search committee appointed by the BOR. In the event of a vacancy, the BOR shall, within six months, elect a president;
- k) Appoint faculty members, officials and employees to draw up a position classification and compensation plan for them, and any law to the contrary notwithstanding, to fix and adjust salaries and benefits of all employees; to determine their hours of service, and such other terms and conditions as it may deem proper, grant leave of absence, at its discretion, under such regulations as it may promulgate, and to remove them for cause, as provided by law after due investigation and proper hearing.
- l) Extend with their consent, the tenure of faculty members beyond the compulsory retirement age, on recommendation of the concerned units and the endorsement of the University President, whenever their services are needed; Provided, however, that no extension of tenure shall be made for a faculty member beyond the age of seventy (70);
- m) Fix tuition and other school fees and charges, which along with government subsidies and other incomes generated by the University, shall constitute special trust funds, which shall be deposited in an authorized government depository bank. These funds and all interests accruing therefrom shall be retained for the use of the University.
- n) Receive and appropriate all sums as may be provided by law to support the University in its ends, as specified by law, and all other sum in the manner it may, at its discretion, determine to carry out the purposes and functions of the University;
- o) Authorize the construction or repair of University buildings, machinery, equipment and other facilities, and the purchase and acquisition of real and personal properties, including necessary supplies, materials and equipment for the University;
- p) If the University, for reasons beyond its control, will not be able to pursue any project or program for which funds have been appropriated and/or allocated, the same funds may be used by the University, subject to the approval of the BOR; Provided, that funds collected from students for a specific purpose shall not be reprogrammed to other expenditures;
- q) Receive in trust legacies, gifts, and donations of real and personal properties of all kinds and to administer and dispose of the same for the benefit of the University, subject to the instructions, if any, of the donors;

- r) Enter into business and industry for the profitable development and management of the economic assets of the University, the proceeds from which shall be used to develop and strengthen the University;
- s) Authorize its faculty and staff to travel abroad in order to study, read papers, attend conferences and disseminate research, all provisions of law to the contrary notwithstanding;
- t) Exercise the general powers set out in the Corporation Code;
- u) Delegate any of its powers to the University President or any other official, as it may deem necessary;
- v) Prescribe rules and regulations for the governance of the University; and
- w) Exercise such other powers, not contrary to law, as may be proper and necessary to carry out the objectives of this Act.

SEC. 13. *Meetings and Quorum.* The Board shall meet regularly once every quarter. The University President, as Vice Chairperson, in consultation with the Chairperson, shall schedule meetings of the Board. The Chairperson may call a special meeting whenever necessary; Provided, that members are notified in writing at least ten (10) working days prior to the meeting. Provided, further, that the notice shall contain a brief description of the agenda items to be discussed. A simple majority of all members of the BOR holding office at the time the meeting is called shall constitute a quorum. In accordance with existing laws and jurisprudence, no designated proxy by a BOR member may be allowed to participate in the BOR deliberation or cast a vote thereat.

SEC.14. *The University President.* The University President shall be elected by the BOR from a list of at least three nominees by a Board-constituted Search Committee and shall serve for a single term of six years. The University President shall be the Chief Executive Officer, the Chief Academic Officer, and the head of the University Faculty. The University President shall exercise the powers specifically provided for in this Act, those determined by the BOR, those which usually pertain to the office of the president of a university, and those, which are related to its functions. The compensation of the University President shall be equivalent to the salary of a Department Secretary.

SEC.15. *The Secretary of the University and of the Board.* There shall be a Secretary of the University, who shall also serve as Secretary to the BOR, appointed by the Board upon recommendation of the University President. The Secretary shall be the custodian of all official records of the University.

SEC.16. *The University Council and Constituent Campus Councils.* There shall be a System University Council consisting of the University President as its Chairperson, the Chancellors, and representatives of the various Constituent Campus Councils; Provided, that there shall be one representative for every twenty such members.

The Constituent Campus Council, composed of the Chancellor as Chairperson, the Vice-Chancellors, Deans, and all faculty members with the academic rank of assistant professor or higher, shall meet, evaluate and recommend campus agenda to the System University Council.

SEC.17. *The University Council.* The University Council shall be the highest academic body of the University and shall exercise the following powers:

- a) Prescribe the academic programs, including their institution, revision, abolition or merger, subject to the approval of the Board on recommendation by the University President;
- b) Fix the requirements for admission to any college or unit, graduation, and the grant of honors;
- c) Recommend to the Board, through the University President, graduation of students and grant of honors;
- d) Undertake a periodic review of academic courses, programs, standards, thrusts and policies; and
- e) Adopt internal rules of procedure consistent with the provisions of this Act.

SEC.18. *The Chancellor of a Constituent Campus.* The administration of each Constituent Campus is vested in the Chancellor, insofar as authorized by the Board and the University President. The Chancellor shall be elected by the Board, upon nomination of the University President, from a list of at least three (3) nominees by a search committee appointed by the University President in accordance with guidelines as may be determined by the Board. The Chancellor shall perform duties and functions mandated by this Act, under the supervision of the University President. The Chancellor shall serve a term of three (3) years without prejudice to reappointment for one (1) final term. The compensation of the Chancellor shall be equivalent to the salary of an Undersecretary.

SEC.19. *The Faculty.* The teaching staff of each college shall constitute its faculty, which shall be presided over by a Dean, who shall be appointed by the University President on nomination by the Chancellor, subject to the confirmation of the Board.

SEC. 20. *Requisites of Appointment and Practice of Profession.* Faculty members, as well as Research, Extension and Professional Staff (REPS) of the University, shall be exempt from any civil service examinations or regulation as a requisite for appointment. All provisions of existing law to the contrary notwithstanding, licensing requirements by professional regulatory boards shall not be required in the appointment of faculty members. No religious or political opinions and affiliations shall be made a matter of examination or inquiry.

All provisions of law to the contrary notwithstanding, the Board of Regents, upon the recommendation of the University President, may grant permit for the practice of

profession to professors, instructors, teachers or academic staff, provided, that they are not assigned to perform administrative functions and that the said practice will not jeopardize their services to the University.

SEC. 21. *Student Councils.* There shall be established a College Student Council in every college or degree-granting unit; a University Student Council for every constituent campus; and a Federation of University Student Council for the University System.

The student councils shall serve as the primary student bodies that shall advance the interests, welfare, and aspirations of the students. It shall have the power to adopt internal rules of procedure consistent with the provisions of this Act.

Student publications are encouraged in every college, unit, or constituent campus to be funded from student fees, subject to supervision by designated faculty advisers. Freedom of expression and autonomy in all matters of editorial and fiscal policy shall be guaranteed, especially in the selection of editors and staff, provided that there shall be strict adherence to the canons of responsible journalism.

SEC. 22. *Tax Exemptions.* All provisions of existing laws to the contrary notwithstanding, all revenues and assets of the MSUS used for educational purposes or in support thereof shall be exempt from all taxes and duties:

- a) Gifts and donations of real and personal properties of all kinds to the University shall be exempt from the donor's tax and the same shall be considered as allowable deductions from the gross income of the donors, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended; Provided, that the allowable deductions shall be equivalent to 150 percent of the value of such donation. Valuation of assistance other than money shall be based on the acquisition cost of the property. Such valuation shall take into consideration the depreciated value of property, in case said property has been used;
- b) Importation of economic, technical, vocational, scientific, philosophical, historical and cultural books, supplies, materials and equipment, including computer software and hardware, duly certified by the University President, shall be exempt from customs duties; and
- c) The University shall be exempt from the payment of value added tax for all transactions subject to the said tax.

SEC. 23. *Land Grants and Other Real Properties of the University.* The State shall provide subsidy for the University in the form of a lump sum amount, through general appropriations and other financial benefits, and in kind, through land grants, donations

and use of other real properties. All incomes derived from the land grants and other real properties shall be used by the University, as may be decided by the BOR:

- a) Such parcels of land ceded by law, decrees or presidential issuances to the University, are hereby declared reserved for the purposes intended. The absolute ownership of the University over these landholdings, including those covered by original and transfer certificates of title in the name of the University, is hereby confirmed;
- b) The BOR may confirm contracts, mechanisms, and financial instruments, such as joint ventures, long-term leases, securitization and the like, entered into by the University President; Provided, that such mechanisms and arrangements shall sustain and protect the environment in accordance with law, and be exclusive of the academic core zone of the campuses of the University;
- c) The BOR may allow the use of the income derived from real properties of the University as security for financial transactions to generate additional revenues when needed for education purposes;
- d) The BOR may approve the implementation of joint venture agreements: Provided, that in the event that real properties of the University are involved, only incomes from the use of the said real properties shall be pledged in the joint ventures; Provided, further, that no joint venture shall result in the alienation of the real properties of the University; and
- e) Any plan to generate revenues and other sources from land grants and other real properties entrusted to the University shall be consistent with the academic mission and orientation of the University; Provided, that such programs, projects or mechanisms shall be approved by the BOR; Provided, further, that funds generated from such programs, projects or mechanisms shall not be construed to replace, in part or in whole, the annual government appropriations to the University.

SEC. 24. Auditing of Accounts. The Commission on Audit shall audit all accounts and disbursements of the University.

SEC. 25. Institutional Autonomy. To provide greater flexibility to the University, it shall be treated in a manner consistent with its institutional requirements as a comprehensive university by all service-wide agencies in the exercise of their respective jurisdiction.

SEC. 26. Fiscal Autonomy of the Constituent Campuses. No portion of the funds appropriated or allocated for a constituent campus shall be disbursed by the System Administration.

SEC. 27. Rules 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, the same shall be resolved in favor of the academic freedom and fiscal autonomy of the University.

SEC. 28. Appropriations. The amount needed to carry out the implementation of this Act shall be charged against the current fiscal year's lump sum appropriations and other internal funds of the University. Thereafter, such lump sum representing the national government's assistance for the continued implementation of this Act shall be included in the Annual General Appropriations Act.

The University may use unexpended balances in any appropriation for purposes that the Board of Regents determines. In addition to the regular appropriations and increases for the University under the annual GAA, a peace-building and development fund shall be appropriated equitably among Constituent Campuses in the amount of One Billion Pesos (P1,000,000,000.00) per year for a period of five years, which shall likewise be included in the annual GAA.

SEC. 29. Transitory Provision. MSU shall, in addition to its laboratory high schools, continue to operate its feeder community high schools located in conflict-affected areas pursuant to its original mandate.

SEC. 30. Separability Clause. Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

SEC. 31. Repealing Clause. Republic Act No. 1387, RA No. 1893, RA No. 3860, Memorandum Order No. 45, Executive Order No. 3 and all laws, decrees, orders, rules, and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 32. Effectivity Clause. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,