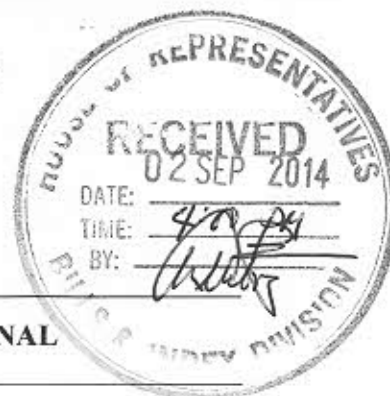


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SIXTEENTH CONGRESS
Second Regular Session

House Bill No. **4939**



Introduced by: HON. HENRY S. OAMINAL

EXPLANATORY NOTE

This bill seeks to convert the Northwestern Mindanao State College of Science and Technology in the City of Tangub, Province of Misamis Occidental into a state university to be known as the University of Northwestern Mindanao (UNM) and integrating therewith the satellite campuses of Mindanao University of Science and Technology (MUST) in the City of Oroquieta and in the Municipality of Panaon, the satellite campuses of the Mindanao State University-Iligan Institute of Technology (MSU-IIT) in the Municipalities of Baliangao and Lopez Jaena, and the Ozamiz City School of Arts and Trade (OCSAT) in the City of Ozamiz, all in the Province of Misamis Occidental. The main campus of the University shall be in the City of Tangub, Province of Misamis Occidental.

It is a well-known fact that institutions of higher learning have grown significantly in number over the years and majority of these institutions are concentrated in highly urbanized cities and the more affluent provinces in the country. The most expensive university buildings with well-equipped facilities and the most curriculum are found in Metro Manila and the adjoining cities and provinces in the National Capital Region.

This situation effectively limits the educational opportunities available for the poor but deserving Mindanaoans who cannot afford the prohibitive cost of private tertiary education offered in those schools. Education for Mindanaoans, particularly in the Province of Misamis Occidental, is fast becoming an exclusive privilege for those who can readily afford to pay the expensive fees and other related expenses as a result of living in the cities outside of their own province.

The conversion of the Northwestern Mindanao State College of Science and Technology into a state university to be known as the University of Northwestern Mindanao will certainly provide refuge for students from poor families in this part of the country as university education outside of the province entails collateral expenses such as boarding house rentals, food and transportation and miscellaneous expenses.

This bill therefore is a concrete gesture to the growing clamor of the people in the Province of Misamis Occidental to have a quality and affordable tertiary educational institution accessible to all.

The foregoing reasons warrant the immediate approval of this bill.



ATTY. HENRY S. GAMINAL
Representative
Second District, Misamis Occidental

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

SIXTEENTH CONGRESS
 Second Regular Session

House Bill No. **4839**

Introduced by: HON. HENRY S. OAMINAL

AN ACT

CONVERTING THE NORTHWESTERN MINDANAO STATE COLLEGE OF SCIENCE AND TECHNOLOGY (NMSCST) IN THE CITY OF TANGUB, PROVINCE OF MISAMIS OCCIDENTAL INTO A STATE UNIVERSITY TO BE KNOWN AS THE UNIVERSITY OF NORTHWESTERN MINDANAO (UNM), INTEGRATING THEREWITH THE SATELLITE CAMPUSES OF MINDANAO UNIVERSITY OF SCIENCE AND TECHNOLOGY (MUST) IN THE CITY OF OROQUIETA AND IN THE MUNICIPALITY OF PANAON, THE SATELLITE CAMPUSES OF THE MINDANAO STATE UNIVERSITY-ILIGAN INSTITUTE OF TECHNOLOGY (MSU-IIT) IN THE MUNICIPALITIES OF BALIANGAO AND LOPEZ JAENA, AND THE OZAMIZ CITY SCHOOL OF ARTS AND TRADE (OCSAT), IN THE CITY OF OZAMIZ, ALL IN THE PROVINCE OF MISAMIS OCCIDENTAL, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Conversion. – The Northwestern Mindanao State College of Science and Technology in the City of Tangub, Province of Misamis Occidental is hereby converted into a state university to be known as the University of Northwestern Mindanao (UNM), hereinafter referred to as the University, and integrating therewith the satellite campuses of Mindanao University of Science and Technology (MUST) in the City of Oroquieta and in the Municipality of Panaon, the satellite campuses of the Mindanao State University-Iligan Institute of Technology (MSU-IIT) in the Municipalities of Baliangao and Lopez Jaena, and the Ozamiz City School of Arts and Trade (OCSAT) in the City of Ozamiz, all in the Province of Misamis Occidental. The main campus of the University shall be in the City of Tangub, Province of Misamis Occidental.

SEC. 2. General Mandate. – The University shall primarily provide advanced education, higher technological, professional instruction and training in the fields of agriculture, fisheries, engineering, arts and sciences, education, business administration and management, health sciences and other relevant fields of study. It shall also undertake research, extension services and production activities in support of the socio-economic development of the Province of Misamis Occidental, and provide progressive leadership in its areas of specialization.

SEC. 3. *Academic Freedom and Institutional Autonomy.* – The University shall enjoy academic freedom and institutional autonomy, pursuant to paragraph 2, Section 5 of Article XIV of the Constitution of the Republic of the Philippines.

SEC. 4. *Curricular Offerings.* – The University shall offer undergraduate, graduate and short-term courses within its areas of specialization and according to its capabilities, as the Board of Regents may deem necessary to carry out its objectives, particularly in order to meet the needs of the Province of Misamis Occidental and Region X.

The existing high school shall be transferred to the jurisdiction and supervision of the Department of Education (DepED): *Provided*, That the high school shall be allowed to remain and operate within the campus of the University until the existing students shall have completed their high school education: *Provided, further*, That the University may operate a reasonably-sized laboratory school under its College of Education in the main campus.

SEC. 5. *Administration.* – The University shall have the general powers of a corporation set forth in Batas Pambansa Blg. 68, as amended, otherwise known as the “Corporation Code of the Philippines.” The administration of the University and the exercise of its corporate powers shall be vested exclusively in the Board of Regents and the President of the University.

SEC. 6. *The Governing Board.* – The governing body of the University shall be the Board of Regents, hereinafter referred to as Board, which shall be composed of the following:

- (a) The Chairperson of the Commission on Higher Education (CHED), chairperson;
- (b) The President of the University, vice-chairperson;
- (c) The Chairperson of the Committee on Education, Arts and Culture of the Senate, member;
- (d) The Chairperson of the Committee on Higher and Technical Education of the House of Representatives, member;
- (e) The Regional Director of the National Economic and Development Authority (NEDA), member;
- (f) The Regional Director of the Department of Agriculture, member;
- (g) The President of the federation of the faculty associations of the University, member;
- (h) The President of the federation of student councils of the University, member;
- (i) The President of the federation of alumni associations of the University, member; and
- (j) Two (2) prominent citizens from the private sector who have distinguished themselves in their profession or fields of specialization and who can primarily contribute to the deployment of on the job trainees, interns and graduates of the University, members;
- (k) The Regional Director of the Department of Science and Technology (DOST), member

The Board of Regents shall appoint the two (2) prominent citizens from among a list of at least five (5) qualified persons in the Philippines, as recommended by the search committee constituted by the University president, in consultation with the Chairperson of the CHED and the other members of the Board, based on the normal standards and qualifications for the position.

The term of office of the President of the federation of faculty associations, the President of the federation of student councils, and the President of the federation of alumni associations shall be coterminous with their respective terms of office, as set forth in their respective constitutions and bylaws.

The two (2) prominent citizens shall serve for a term of two (2) years from the date of appointment.

SEC. 7. Powers and Duties of the Board of Regents. – 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:

(a) To promulgate and implement policies in accordance with the declared State policies and the provisions of the Philippine Constitution on education, agriculture, science and technology, as well as the policies, standards and thrusts of the CHED under Republic Act No. 7722, otherwise known as the “Higher Education Act of 1994”;

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

(c) 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, in order to carry out the purposes and functions of the University;

(d) To import economic, technical and cultural books and/or publications;

(e) To fix the tuition fees and other necessary school charges, such as matriculation fees, graduation fees and laboratory fees, as the Board may deem proper to impose, upon the recommendation of the University President;

Such fees and charges, including government subsidies and other income generated by the University, shall constitute special trust funds and shall be deposited in any authorized government depository bank, and in the absence of any government depository banks in the main campus and satellite campuses, to any banks available in the locality and all interests that shall accrue therefrom shall form part of the same funds for the use of the University.

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

(f) To enter into a contract but not limited:

1. To borrow money from government banks to finance infrastructure projects, laboratory equipment and facilities and other income generating projects;

2. To enter into a lease purchase agreement or other module of procurement authorized by law.

If, for reasons beyond its control, the University shall not be able to pursue any project for which the 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, in its discretion, may be necessary and urgent for the attainment of the objectives and goals of the University;

(g) To adopt and implement a socialized scheme of tuition and school fees for greater access to poor but deserving students;

(h) To approve the curricula, instructional programs and rules of discipline drawn by the Administrative and the Academic Councils herein provided;

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

(j) To authorize the construction or repair of its buildings, machinery, equipment and other facilities and the purchase and acquisition of real and personal properties, and;

(k) To award honorary degrees upon persons in recognition of their outstanding contribution in the fields of education, public service, arts, science and technology, agriculture or in any field of specialization within the academic competence of the University, and to authorize the awarding of certificates of completion of non-degree and nontraditional courses;

(l) To establish and absorb non-chartered tertiary institutions within the Province of Misamis Occidental as branches and centers in coordination with the CHED, and in consultation with the Department of Budget and Management (DBM), and to offer therein programs or courses, to promote and carry out equal access to educational opportunities as mandated by the Constitution;

(m) To establish research and extension centers of the University where such will promote the development of the latter and to commercialize research, invention and innovations upon the recommendation of the president;

(n) To appoint deans, directors, heads of departments subject to the confirmation of the board except that of faculty members and other officials, and;

(o) To delegate any of its powers and duties 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;

(p) To authorize an external management audit of the University, to be financed by the CHED, subject to the rules and regulations of the Commission on Audit (COA); and to institute reforms, including academic and structural changes, on the basis of the audit results and recommendations;

(q) To collaborate with other governing boards of state colleges and universities within the Province of Misamis Occidental or Region X, under the supervision of the CHED

and in consultation with the Department of Budget and Management (DBM), and work towards the restructuring of the University to become more efficient, relevant, productive and competitive;

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

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

(t) To establish professorial chairs in the University and to provide fellowships for qualified faculty members and scholarships to deserving students;

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

(v) To fix and adjust the salaries of faculty members and administrative officials and employees subject to the Revised Compensation and Classification System and other pertinent budget and compensation laws governing the hours of service and such other duties and conditions as it may deem proper, to grant them, at its discretion, leaves of absences and under existing law and to remove them for cause in accordance with the requirements of due process of law, and;

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

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

(y) To privatize, where most advantageous to the University, management of non-academic services such as health, food, building or grounds or property maintenance and such other similar activities; and

(z) To appropriate 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 State University and subject to the instructions of the donor, if any. Such donation's shall be exempt from 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;

(aa) To extend the term of the President of the University beyond the age of retirement but not beyond the age of seventy (70), whose performance has been unanimously

rated by the Board as outstanding based on the guidelines, qualifications and/or standards set by the Board, after unanimous recommendation by the search committee.

SEC. 8. *Meetings of the Board.* – The Board shall regularly convene once every three (3) months. Whenever necessary, the Chairperson of the Board may call, upon three (3) days' prior written notice, a maximum of two (2) special meetings within the same period.

A quorum of the Board shall consist of majority of all its members holding office at the time of the meeting: *Provided*, That the Chairperson of the Board or the President of the University is among those present in the meeting.

The Chairperson of the CHED who cannot attend a meeting of the Board shall duly designate a CHED Commissioner as representative, with all the rights and responsibilities of a regular member: *Provided, however*, That in the said meeting, the president of the University as vice chairperson shall be the presiding officer: *Provided, further*, That this proviso, notwithstanding, the Chairperson of the CHED is hereby authorized to designate a CHED Commissioner as the regular Chair of the Board of Regents, in which case said CHED Commissioner shall act as the presiding officer.

In case the Chairpersons of the Congressional Committees on Education shall not be able to attend the Board meeting, they may duly designate their respective representatives to attend the meeting, who shall have the same rights and responsibilities as a regular member of the Board.

The members of the Board shall not receive any salary but shall be entitled to reimbursements for actual and necessary expenses incurred, either in their attendance to meetings of the Board or in connection with other official business authorized by resolution of the Board, subject to existing laws and regulations.

SEC. 9. *The University President.* – The University shall be headed by a President, who shall render full-time service and who shall be appointed by the Board, subject to the guidelines, qualifications and standards set by the Board, upon recommendation of a duly constituted search committee. The University President shall have a term of four (4) years and shall be eligible for reappointment for another term: *Provided*, That in order to effect a smooth transition to a state university, the president of the Northwestern Mindanao State College of Science and Technology, if qualified, shall serve as the first president of the University.

Within six (6) months before the expiration of the term of office of the incumbent President, the Board shall constitute the Search Committee for the Presidency (SCP).

In case of vacancy in the Office of the President by reason of death, compulsory retirement, resignation, removal for cause or incapacity of the President to perform the functions of the office, the Board shall designate an Officer-in-Charge of the University within six (6) months from date of vacancy, pending the appointment of a new President. The successor or the Officer-in-Charge shall serve only the unexpired portion of the term.

SEC. 10. *Powers and Duties of the University President* – The administration of the university shall be vested in the President of the University.

The President exercises the following powers and functions :

- (a) General supervision over all businesses and financial operations of the University;
- (b) All officers, members of the teaching staff, and employees shall be responsible to, and under the direction of the President;
- (c) The President shall carry out the general policies laid down by the Board of Regents, and shall have power to act within the lines of said general policies. He alone shall undertake to direct or to assign the details of executive actions;
- (d) The President shall have the power to determine and propose the agenda of all meetings of the Board of Regents and of the State University Councils; provided, however, that any member of the Board shall be entitled to have any matter included in the agenda;
- (e) Presides at the commencement and other public exercises of the University, and confer such degrees and honors as are granted by the Board of Regents. All diplomas and certificates shall be signed by him, by the Vice-President for Academic Affairs, and by the Chairman of Board of Regents;
- (f) Official center of communication between the faculty, employees and students of the State University on the one hand and the Board of Regents or Board of Visitors on the other hand.
- (g) Recommends to the Board of Regents suitable persons upon consultation with the Vice-President for Academic Affairs and University Deans and Heads of Non-Academic Units, as the case may be, to fill vacancies and new positions, and to make such other arrangements as to meet emergencies accruing between the meetings of the Board so that the work of the State University will not be hampered.
- (h) Exercises these specific powers.
 - 1. Accepts resignation of faculty member/s and employee/s which he shall report to the Board of Regents in its meeting immediately following the resignation ;
 - 2. General supervision and control over extracurricular activities of students and authority to issue adequate rules for the organization and operation of student organizations;
 - 3. Authority to renew appointments for not more than one year if the budget permits and the services are necessary;
 - 4. Authority to transfer faculty and employees from one department, unit of the State University to another with the written consent of the faculty member or employee concerned, provided that:
 - 1. there is no demotion in rank and salary;
 - 2. it is with the consent of the head of the unit; and
 - 3. it is for the interest of the service.
 - 5. Authority to grant or deny permission for members of the faculty to accept training grants, fellowships, scholarships, assistantship, or invitations to conferences sponsored by other agencies or organizations.
- (i) He/She shall have the authority to change the leave status of the faculty from that of teacher's leave to that of cumulative leave or vice versa on the recommendation of the Vice-President for Academic Affairs and respective College Deans concerned.
- (j) He/She shall hold officers, teachers, and employees responsible to the full discharge of their duties and, if in his judgment the necessity arises, he shall, after consultation with the Vice-President for Academic Affairs, University Deans and Administrative Officer, in proper cases, initiate the necessary proceedings for the separation from the service of any of them for cause. He/she shall report to the Board of Regents the case of the supposed erring employee or faculty member for the Board to appoint a committee to hear the case.

- (k) He/She shall prepare an annual report to the Board of Regents on the work of the past year and the needs for the current year. He shall also present to the Board the annual budget of the State University with the estimates of incomes and expenditures.
- (l) He/She shall execute and sign in behalf of the University, all contracts, deeds and other instruments necessary for the proper conduct of the business of the University, unless otherwise therein provided.
- (m) He/She shall have general responsibility for the enforcement of discipline and for the maintenance of satisfactory academic standards in all its units.
- (n) He/She shall have the right to modify or disapprove any action or resolution of any college, faculty or administrative body, if in his judgment the larger interest of the University so requires. Should he/she exercise such power, the President shall communicate his/her decision in writing to the body immediately affected, stating the reasons for his/her action, and thereafter shall accordingly inform the Board of Regents, which may take any action it may deem appropriate in connection therewith.
- (o) He/She shall have the power to authorize expenses from miscellaneous funds in the budget for maintenance, repairs, remodeling or modification of buildings and grounds without further action by the Board of Regents, provided, that the account does not exceed P50,000.00.
- (p) The President may invite, from time to time, scholars of eminence and other persons who have achieved distinction in some learned professions or careers, to deliver a lecture or a series thereof; and for this purpose, he may authorize honoraria for such services, to be taken from the miscellaneous fund and at rates prescribed by existing regulations.
- (q) He/She shall have the power to purchase equipment for the University not exceeding P50,000.00 without securing approval by the Board of Regents subject to the existing laws, rules and regulations on procurement and auditing regulations. His action should be reported to the Board in its next meeting or by referendum.
- (r) He/She shall exercise such other powers as are elsewhere provided in this Code, or by the Charter of the University, or as may be specially authorized by the Board of Trustees, such as are usually pertaining to the Office of a President of State University. He/She may delegate in writing any of this specific functions to any office in the State University.

Designation for and In the Absence of the President. In case of a brief absence of the President a ranking officer, preferably the Vice President for Academic Affairs, may be designated as Officer-In-Charge for the Office of the President to carry out his functions in the University.

The Offices Under the President:

- 1. Line Offices directly under the Office of the President :
 - 1. Office of the Vice President for Academic Affairs, Research and Extension
 - 2. Center for the Information and Communications Technology
 - 3. Office of Finance and Management Services
 - 4. Office of the Administrative Services.
- 2. The Staff Offices of the President includes the State University and Board Secretary, the Executive Assistants and Planning and Development

The powers and duties of the President of the University, in addition to those specifically provided in this Act, shall be those usually pertaining to the office of the President of similar universities, and those delegated by the Board.

The salary of the President of the University shall be in accordance with the Revised Compensation and Position Classification System, as modified by Joint Resolution No. 4 dated June 17, 2009 and other pertinent budget and compensation laws, and shall be comparable to that being received by the Presidents of similar educational institutions.

The President of the University shall be assisted by the Vice President/s, who shall be appointed by the Board upon recommendation of the President.

SEC. 11. *The Secretary of the University.* – The Board shall appoint a Secretary, who shall serve as such for both the Board and the University and shall keep all records and proceedings of the Board. The Secretary shall serve upon each member of the Board the appropriate notice of the Board meetings.

SEC. 12. *The Treasurer of the University.* – The Treasurer of the Philippines shall be the *ex officio* Treasurer of the University.

SEC. 13. *The Administrative Council.* – There shall be an Administrative Council consisting of the President of the University as Chairperson, vice presidents, deans, directors and other officials of equal rank as members, whose duties are to review and recommend to the Board policies governing the administration, management and development planning of the University.

SEC. 14. *The Academic Council.* – There shall be an Academic Council to be composed of the President of the University, who shall act as Chairperson, and all academic staff with the rank of at least an assistant professor, as members.

The Academic Council shall have the power to review and recommend the curricular offerings and rules of discipline of the University, subject to the approval of the Board. It shall fix the requirements for the admission of students, as well as for their graduation and conferment of degrees, subject to review and approval by the Board through the President of the University. It shall have the disciplinary power over students of the University and shall formulate academic policies and rules and regulations on discipline, subject to the approval of the Board.

SEC. 15. *The Faculty.* – No political beliefs, gender preference, cultural or community affiliation or ethnic origin, and religious opinion or affiliation shall be a matter of inquiry in the appointment of faculty members of the University: *Provided*, That said appointment shall be subject to the guidelines, qualifications and standards set by the Board: *Provided, further*, That no member of the faculty shall teach for or against any particular church or religious sect.

SEC. 16. *Scholarship Program/Admission.* – The University shall provide a scholarship program and other affirmative action programs to assist poor but deserving students who qualify for admission to the University.

No student shall be denied admission to the University by reason of gender, religion, cultural or community affiliation or ethnic origin.

SEC. 17. *Authority to Loan or Transfer Apparatus/Equipment/Supplies and Detail of Personnel.* – The heads of the bureaus and offices of the national government are hereby authorized to loan or transfer, upon the request of the President of the University, such apparatus, equipment or supplies as may be needed by the University, and to detail employees for duty therein when, in the judgment of the head of bureau or office, such apparatus, equipment, supplies or services of such employees can be spared without serious detriment to public service.

The employees so detailed shall perform such duties as required of them by the President of the University, and the time so employed shall be counted as part of their regular services.

Municipalities, cities and the Province of Misamis Occidental or other nearby LGU's in the province may appropriate funds to support infrastructure, scholarship program, facilities and laboratory and research to the University.

SEC. 18. *Assets, Liabilities and Personnel.* – All assets, real and personal, personnel and records of the Northwestern Mindanao State College of Science and Technology, of the satellite campuses of the Mindanao University of Science and Technology in the City of Oroquieta and in the Municipality of Panaon, of the satellite campuses of the Mindanao State University-Iligan Institute of Technology in the Municipalities of Baliangao and Lopez Jaena and of the Ozamiz City School of Arts and Trades in the City of Ozamiz, as well as liabilities or obligations, are hereby transferred to the University. The positions, rights and security of tenure of faculty members and personnel therein employed under existing laws prior to the conversion into a University shall be respected.

All parcels of land belonging to the government occupied by the Northwestern Mindanao State College of Science and Technology, including its extension campuses are hereby transferred to the University, and shall be titled under that name: *Provided*, That should the University cease to exist or be abolished or should such parcels of land aforementioned be no longer needed by the University, the same shall revert to the local government units concerned.

SEC. 19. *Tax Exemption on Importation and Donations.* The importation of economic, technical and cultural books or publication, which are for economic, technical, vocational, scientific, philosophical, historical or cultural purposes made by the University upon certification by the CHED shall be exempt from customs duties in accordance with the provisions of the Tariff and Customs Code of the Philippines, as amended.

Donations in any form to the University shall be exempt from the donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

SEC. 20. *Appropriations.* – The amount necessary to carry out the provisions of this Act shall be charged against the current year's appropriations of the Northwestern Mindanao State College of Science and Technology, satellite campuses of the Mindanao State University of Science and Technology in the City of Oroquieta and in the Municipality of Panaon, satellite campuses of the Mindanao State University-Iligan Institute of Technology in the Municipalities of Baliangao and Lopez Jaena and the Ozamiz City School of Arts and

Trade in the City of Ozamiz, except the sums needed to continue the operations of the existing high schools. 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.

SEC. 21. *Development Plan, Management Audit, Organizational/ Administrative/ Academic Structure.* – Within the period of one hundred twenty (120) days after the approval of this Act, the University shall accomplish the following:

- (a) Submit a five (5)-year development plan, including its corresponding program budget to the CHED, for corresponding recommendation to the DBM;
- (b) Undergo a management audit in cooperation with the CHED; and
- (c) Set up its organizational, administrative as well as academic structure, including the appointment of the key officials of the University.

SEC. 22. *Filing of Report.* – On or before the fifteenth (15th) day of the second (2nd) month after the opening of the regular classes each year, the Board shall file with the Office of the President of the Philippines through the Chairperson of the CHED, and with both Houses of Congress, a detailed report on the progress, conditions and needs of the University.

SEC. 23. *Suppletory Application.* – The provisions of Republic Act No. 8292, otherwise known as the “Higher Education Modernization Act of 1997”, shall be an integral part of this Act and shall serve as part of the Governing Charter of the University.

SEC. 24. *Parity Clause.* – All other powers, functions and privileges, responsibilities and limitations to state universities and their officials under existing laws shall be deemed granted to or imposed upon the University and its officials whenever appropriate.

SEC. 25. *Compliance with CHED Requirements.* – The provisions of this Act notwithstanding, the establishment or conversion of the institution into a state university shall become effective only upon the determination and declaration by the CHED, based on the recommendation of a panel of experts, that the institution has complied with the requirements for a university status. The CHED, through its regional office, shall regularly provide technical assistance to the institution and monitor compliance with the requirements of a Commission.

The CHED shall designate a panel of experts who shall prepare a recommendation to the Chairperson of the CHED, on whether the institution has substantially complied with the requirements for the grant of university status.

The following are the operational requirements for a university:

- (a) Level III accreditation or equivalent under CHED policies for at least four (4) of its undergraduate programs, one (1) in the sciences, and two (2) of its graduate programs;
- (b) Ratio of qualified full-time faculty with requisite degrees to number of students;
- (c) Adequate library and laboratories;

- (d) Research and development output of practical and commercial application to the community;
- (e) Relevant linkages and outreach programs that are of service to the community; and
- (f) Relevant academic policies, systems and processes.

The institution shall retain its status prior to the effectivity of this Act, unless in the meantime it is able to comply with the requirements provided herein, within a period not exceeding January 1, 2016.

SEC. 26.*Implementing Rules and Regulations.* – The Board, in consultation with the CHED, shall formulate the rules and regulations to fully implement the provisions of this Act.

SEC. 27.*Repealing Clause.* – All laws, presidential decrees, executive orders, rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 28.*Separability Clause.* – If, for any reason, any part or provision of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected thereby shall remain in full force and effect.

SEC. 29.*Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved.