

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

19th Congress

FIRST REGULAR SESSION

HOUSE BILL NO. 7948



Introduced by Representative **ALLEN JESSE C. MANGAOANG**

EXPLANATORY NOTE

The 1987 Constitution recognizes the importance of education in nation building and improving the quality of lives of their citizens.

Sections 1 and 2 of Article XIV of the 1987 Constitution provides that the State shall protect and promote the right of all citizens to quality education and shall take appropriate steps to make such education accessible to all. It shall establish, maintain and support a complete, adequate, and integrated system of education relevant to the needs of the people and society.

This bill aims to strengthen the Kalinga State University by strengthening its research and curricula in the various fields of study consistent with standards set by the world's leading institutions of learning. It shall also establish itself as a leading university in arts, culture and indigenous governance.

The Kalinga State University was established on May 24, 2013, under Republic Act No. 10584, entitled "An Act Converting the Kalinga- Apayao State College in the City of Tabuk, Province of Kalinga into a State University to be known as the Kalinga State University and Providing Funds Therefor." The University provides higher education and advanced professional instructions and trainings in the arts, agriculture, forestry, social and natural sciences and technology, and other relevant fields of study. It also promotes and undertakes research and extension services and provides leadership in its areas of specialization. The University is committed to provide quality education and steadfast in developing the human resources in the Philippines.

Accessibility to quality education is imperative to improve the quality of life of the Filipino people. In this regard, by increasing the funding and strengthening the curricula of Kalinga State University and establishing it as a leading state university of culture, arts and indigenous governance, the university will be in a better position to efficiently and effectively pursue its mission of providing quality education to the residents of the Province, the Cordillera Region and the rest of the country.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


ALLEN JESSE C. MANGAOANG

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

19th Congress

FIRST REGULAR SESSION

HOUSE BILL NO. 7948

Introduced by Representative **ALLEN JESSE C. MANGAOANG**

**AN ACT STRENGTHENING THE KALINGA STATE UNIVERSITY, PROVIDING
THE COMPOSITION OF THE BOARD OF REGENTS, PRESCRIBING ITS
CURRICULAR OFFERINGS, CONVERTING THE EXTENSION CAMPUSES AS
CONSTITUENT CAMPUSES AND APPROPRIATING FUNDS THEREFOR**

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 the “Revised Kalinga State University Charter”.

SEC. 2. General Mandate. - The University shall primarily provide advanced education, higher technological, professional instruction and training in the arts, culture, agriculture, forestry, social and natural sciences and technology, and other relevant fields of study. It shall also promote and undertake research and extension services, provide progressive leadership in its areas of specialization and establish itself as a leading university in arts, culture and indigenous governance.

SEC. 3. Declaration of Policy. - The State shall promote quality education that is accessible and relevant to the changing needs of the people and society. It shall also strengthen the research and curricula of the various fields of study, culture, arts and indigenous governance consistent with standards set by the world’s leading institutions of learning. Towards this end, the Kalinga State University is established as a comprehensive and leading university in culture, arts and indigenous governance.

SEC. 4. Purpose of the Kalinga State University. – As a comprehensive and leading university in culture, arts and indigenous governance, the Kalinga State University shall:

- a. Primarily provide advanced education, higher technological, professional instruction and training align with its curricular offerings and other relevant fields of study. It shall also promote and undertake research, extension services, and transnational education programs, provide progressive leadership in its areas of specialization and establish itself as a leading university in culture, arts and indigenous governance;
- b. Offer undergraduate, graduate and post graduate courses in the fields of arts and humanities, culture, peace, education, agriculture, forestry, agroforestry, environmental science, social and natural sciences, engineering and technology, juris doctor, medicine and allied medical professions, business and

entrepreneurship and programs in public administration, tourism, hotel and restaurant management, social work, public safety and allied courses, sports, human kinetics and other degrees within its areas of specialization and according to its capabilities as the Board of Regents may deem necessary to carry out its objectives and in order to meet the needs of the Province of Kalinga, the Cordillera Administrative Region and the country;

- c. Provide world- class academic training to young Filipinos and mold them into becoming responsible citizens who are aware of their role in nation- building, and motivated to meet the challenges and opportunities as the country pursues its development goals;
- d. Offer advanced studies and specialization for future educators and academics including experts in the fields of education, agriculture, forestry, cultural anthropology, peace advocates, engineering, medicine, business, civil service, public administration, rural and urban planning, community organizing, and other similar fields;
- e. Strengthen its existing programs by developing and offering industry-driven cultural programs; spearheading collaboration between the academe, culture and arts agencies, and leading in the implementation of innovative pedagogies in cultural education through the Heritage and Cultural Center;
- f. Serve as a research university in culture, arts, and indigenous governance, and other related fields of specialization by conducting basic and applied research and development, promote research collaboration with various colleges and universities in the country and contribute to the dissemination and application of knowledge;
- g. Intensify scientific, innovative and technological research and development that would lead in the development of high- impact research start-ups and spinoffs and technology transfer of products and services in areas such as, geotechnics, health, information and computer technology, water and environmental research in the Cordillera Administrative Region;
- h. Provide progressive leadership in setting academic standards and innovations in advanced instruction, research, and professional training in the fields of culture, arts, indigenous governance, peace education, agriculture, forestry, engineering, education, entrepreneurship and maintain centers of excellence in such discipline and professions;
- i. Protect and promote the professional and economic rights and welfare of its academic and non-academic personnel;
- j. Provide civic, social and extra-curricular activities including sports, and opportunities for training and learning to promote leadership, responsible citizenship, democratic values, healthy practices and an active social life through academic and non-academic programs, with an aim towards the promotion of nationalism and a deep and enduring pride in the national identity.

SEC. 5. University Campuses. - The Kalinga State University is composed of the main and constituent campuses established by its governing board upon the recommendation

of its President.

The extension campuses located in Rizal and Dagupan shall now be converted into constituent campuses.

SEC. 6. Academic Freedom and Institutional Autonomy. – The University shall enjoy academic freedom and institutional autonomy as provided for in Republic Act. No. 8292, otherwise known as the “Higher Education Modernization Act of 1997”, and Paragraph 2, Section 5 of Article XIV of the Constitution.

As the comprehensive and leading university in arts, culture and indigenous governance, the KSU shall be treated with greater flexibility. It shall determine its teaching, research, extension services thrusts, plans, policies, programs, and standards which shall be consistent with its purpose, priorities and national goals, and shall be approved by the Board of Regents.

SEC. 7. Commitment to National Development. - The KSU shall harness the expertise of the members of its community and other individuals to aid in national development of culture, arts and indigenous governance to preserve and develop culture and arts in the country.

SEC. 8. Social Responsibility. - The KSU shall continue 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. The KSU shall strengthen its extension services and may provide venues for volunteerism.

SEC. 9. Democratic Access. - The KSU shall take affirmative steps which may take the form of an alternative and equitable admission process to enhance the access of disadvantaged and underprivileged students, such as indigenous people, persons with disabilities, and poor but deserving students, to its programs and services.

No students shall be denied admission to the KSU by reason solely of age, gender, nationality, religious belief, economic status, ethnicity, physical disability and political opinion or affiliation.

In recognition of the separation of Church and State, the KSU shall guarantee religious freedom and shall not discriminate on the basis of religion

SEC. 10. Sports, Culture and the Arts. - The KSU shall undertake and support comprehensive sports programs, promote physical education, uphold excellence and encourage competitive participation in sports activities. It shall instil school identity and solidarity, and cultivate pride, self- discipline and teamwork. The KSU shall strengthen culture and the arts as a strategic national resource and promote its importance to our identity, social well-being and in the preservation of the cultural heritage of the country.

SEC. 11. Administration. - The KSU shall have the general powers of a corporation set forth in Republic Act No. 11232, otherwise known as the “Revised Corporation Code of the Philippines”. The administration of the KSU and the exercise of its corporate powers shall be vested exclusively in the Board of Regents and the President of the KSU.

There shall be a central administration headed by the KSU President who shall provide leadership and overall strategic direction in the areas of academic excellence, research, extension services, infrastructure development, linkages and partnerships, and resource management designed to achieve its vision and mission.

The KSU President shall be assisted by the Vice- Presidents who shall be designated by the Board of Regents upon the recommendation of the KSU President, subject only to certain limitations and insofar as delegated by the KSU President and authorized by the Board of Regents.

The administration of the constituent campuses is vested in the Chancellor who shall be designated by the Board of Regents, upon the recommendation of the KSU President, subject only to certain limitations and insofar as delegated by the KSU President and authorized by the Board.

The chancellor shall be assisted by the Vice Chancellors who shall likewise be designated by the Board of Regents, upon the recommendation of the KSU President, subject only to certain limitations and insofar as defined in the University Administrative Manual.

SEC. 12. - The Board of Regents. - The KSU shall be governed by the Board of Regents, hereinafter referred to as the Board. It shall be co-chaired by the Chairperson of the Commission on Higher Education and the President of the KSU, with the following as members:

- (a) Chairperson of the Committee on Higher, Technical and Vocational Education of the Philippine Senate;
- (b) Chairperson of the Committee on Higher and Technical Education of the House of Representatives;
- (c) Director General of the National Economic and Development Authority;
- (d) Secretary of the Department of Science and Technology;
- (e) Secretary of the Department of Agriculture;
- (f) President of the Federation of Faculty Associations of the KSU;
- (g) President of the Federation of Student Councils of the KSU;
- (h) President of the Federation of Alumni Associations of the KSU;
- (i) President of the Association of the Non-teaching Personnel of the KSU; and
- (j) Two (2) representatives of the private sector who have distinguished themselves in their professions and fields of specialization, chosen from among a list of at least three (3) qualified persons as recommended by the Search Committee constituted by the President of the KSU, in consultation with the chairperson of the Commission on Higher Education and other members of the Board, based on the standards and qualifications for the position set by the Board: Provided, That one (1) of the private sector representatives must come from the tribal leaders of Kalinga who have a distinctive contribution in the field of culture, and/or arts and/or indigenous

governance.

The two (2) private sector representatives shall serve for a term of two (2) years, and may be reappointed only for another term.

The regents holding office as members of the Board at the time of the effectivity of this Act shall continue to serve until the expiration of their appointments.

The terms of office of the President of the Federation of Faculty Associations, the President of the Federation of Student Councils, the President of the Federation of Alumni Associations and the President of the Association of Non-teaching personnel shall be coterminus with their terms of office, as provided under their respective constitutions and by-laws.

For the purpose of this section, the associations of faculty, alumni and student councils in each constituent campus shall organize themselves to form their respective federations, which in turn shall elect their federation officials; Provided, that the alumni representative to the Board must not be a faculty or an employee of the KSU, regardless of status or rank, at the time of representation.

In case of vacancy in the Office of the President, the officer-in-charge designated by the Board shall serve for the unexpired term only or until such time that a new president is elected.

SEC. 13. - Compensation. Members of the Board shall serve without compensation but are entitled to honorarium or reimbursement of actual and necessary expenses incurred in attendance to the meetings of the Board and other official businesses authorized by the Board, subject to existing laws, rules and regulations.

SEC. 14. Meetings; Quorum. - The Board shall convene regularly. The Chairperson of the Board may call a special meeting whenever necessary: Provided, That members are notified in writing at least five (5) working days prior to the meeting. The notice shall contain a brief description of the agenda and items to be discussed.

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 CHED or the President of the KSU is among those present in the meeting. In the absence of the chairperson of the CHED, a CHED commissioner duly designated by the Chairperson of the CHED as representative to the meeting, shall have all the rights and responsibilities of a regular member. The Chairperson of the CHED is authorized to designate a CHED Commissioner as the regular Chairperson to the Board, in which case, the said CHED Commissioner shall act as the presiding officer.

In case the Chairpersons of the Senate Committee on Higher, Technical and Vocational Education and the House Committee on Higher and Technical Education, as well as the Secretary of the DOST, Secretary of DA and the Director General of the NEDA shall not be able to attend a Board meeting, they may designate in writing their representatives to the meeting: Provided, That the DOST, DA and NEDA shall be represented by their Regional Directors in the Cordillera Administrative Region. The designees shall be entitled to voice and vote. The members of the Board may exercise their right to vote through remote communication and in absentia, as provided for in Section 49 of Republic Act No. 11232.

SEC. 15. Powers and Duties of the Board. - The administration of the KSU and the

exercise of its corporate powers are vested in the Board, which shall have the following specific powers and duties:

- (a) Define in general terms the academic thrusts and institutional goals of the KSU and adopt broad policy guidelines to ensure effective implementation;
- (b) Preserve the integrity of the KSU;
- (c) Approve the institution, merger or abolition of academic programs, upon recommendation of the University's Academic Council through the President of the KSU;
- (d) Create, organize, reorganize, merge or abolish constituent campuses, extension campuses, colleges, institutes and other academic and administrative units of the KSU;
- (e) Approve the curricula, institutional programs and rules on student discipline drawn by the Administrative and Academic Councils;
- (f) Approve the rules on student discipline recommended by the Academic Council through the President of the KSU, with the Board retaining the power to review and pass final judgement on student disciplinary cases;
- (g) Approve the graduation of the students and grant of honors, as recommended by the Academic Council through the President;
- (h) Appoint, upon the recommendation of the President of the KSU, faculty members and other officials and employees in accordance with the compensation and position classification system;
- (i) Draw up a position classification and compensation plan for its faculty and staff, subject to the review and approval of the Department of Budget and Management.
- (j) Fix and adjust salaries and benefits of the faculty members and other employees in accordance with the compensation and classification system;
- (k) Determine the hours of service of faculty and staff, and such other terms and conditions of employment as it may deem proper;
- (l) Grant leave of absence of faculty members and other employees under such regulations as it may promulgate;
- (m) Remove faculty members and other employees for causes provided by law after due investigation and proper hearing;
- (n) Fix the tuition fees and other necessary school charges as the Board may deem proper to impose, after due consultation with the students concerned. Such fees and charges, including government support and other income generated by the KSU, shall constitute its special trust funds and shall be deposited in any authorized government depository bank. All interest that accrue therefrom form part of the same funds for the use of the KSU;

Any income generated and collected by the KSU or by its subsidiaries, as well as from operation of auxiliary services and land grants, shall be retained by the KSU and may be disbursed by the Board for research, extension services or other programs and projects of the KSU for the professional growth, development, health, welfare and other benefits of the students, faculty members and administrative personnel, and for the acquisition, construction, maintenance and repair of its facilities, as well as for the development of economic assets, and for other expenses necessary for the attainment of its purpose under its approved program expenditures.

If the KSU, for reasons beyond its control, shall not be able to pursue any project or purpose 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, in its discretion, may be necessary and urgent for the attainment of the objectives of the KSU, including utilization for the professional growth, and other benefits of the students, faculty members and administrative personnel; Provided, that trust funds created by law for a specific purpose, other than special trust funds constituted herein, shall not be reprogrammed to other expenditures;

(o) Adopt and implement a socialized scheme of tuition and other school fees for greater access of poor but deserving students in accordance with Republic Act No. 10931 or the “ Universal Access to Quality Tertiary Education Act”;

(p) Receive appropriate sums as may be provided by law for the support of the KSU and all other sums in the manner it may, in its discretion, determine to carry out the purposes and functions of the KSU;

(q) Set policies on admission and graduation of students;

(r) Award honorary degrees upon persons in recognition of learning, statemanship or eminence in the field of engineering, science, technology, education, public service or in any field of specialization within the academic competency of the KSU, upon recommendation of a committee created by the President of the KSU. Such degrees shall not be conferred in consideration of any payment, gift or other valuable consideration;

(s) Establish research and extension centers to promote the development of the KSU.

(t) Authorize its faculty and staff to travel abroad to study, deliver papers, attend conferences and conduct and disseminate research. The faculty and staff involved in research in fields or topics with promising commercial applications shall be allowed to participate in its financial and economic benefits, subject to existing rules and regulations.

(u) Provide fellowships, scholarships and grants, including athletic grants , and to award the same to faculty, staff and students having special evidence of merit, especially those who are poor and deserving individuals;

(v) Develop academic arrangements for institutional capability building with appropriate institutions and agencies, whether public, private, local or foreign, and appoint experts or specialists as consultants, part-time, visiting or exchange

professors, scholars and researchers, as the case maybe;

(w) Develop consortia and other economic forms of linkages with local government units, as well as public, private, local or foreign institutions and agencies for the furtherance of the purposes and objectives of the KSU;

(x) Enter into joint ventures or public-private partnerships with business and industry for the profitable development and management of the economic assets, the proceeds of which shall be used for the development and strengthening of the KSU, and for the professional growth and development, health, welfare and other benefits of the students, faculty members and administrative personnel;

(y) Receive in trust legacies, gifts and donations of real and personal properties of all kinds, and administer and dispose the same when necessary for the benefit of the KSU and subject to the limitations, discretions and instructions of the donor, if there are any;

(z) Elect the President of the KSU following a process of democratic consultation with the university community based on standards and guidelines set by the Board.

(aa) 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;

(bb) Extend with their consent the tenure of faculty members of the KSU beyond the compulsory retirement age, on recommendation of the units and upon endorsement of the President of the KSU, whenever their services are specifically needed; Provided, That no extension of tenure shall be made beyond the age of seventy (70);

(cc) Authorize the construction or repair of its buildings, machinery, equipment and other facilities, and the purchase and acquisition of real property, including the necessary supplies, materials and equipment;

(dd) Delegate any of its powers and duties to the President or other officials of the KSU, as it may deem appropriate, so as to expedite the administration of the affairs of the KSU;

(ee) Prescribe rules for its own government and the discipline of the faculty and other personnel, and to enact such general policies, rules and regulations consistent with its purpose;

(ff) Privatize the management of non- academic services such as health, food, maintenance of grounds, buildings or properties, and such other similar activities, when most advantageous to the University;

(gg) Develop mechanisms for the efficient adoption of public private partnerships in the areas of research, instructions, extensions and in the acquisition of facilities and structures of the KSU; and

(hh) Promulgate rules and regulations, as may be necessary, to carry out the purposes and functions of the KSU.

SEC. 16. - University President. - The President of the KSU is its chief academic officer, head of the university and faculty and chief executive officer. He shall exercise the powers specifically provided for in this Act, those determined or delegated by the Board and those which are related or necessary to its functions.

The President of the KSU shall be elected by the Board upon recommendation of a duly constituted Search Committee and shall render full-time service. The minimum qualification of an applicant for the President shall set by the Board of Regents taking into consideration his administrative qualifications for the last ten years from the time of application. He shall have a term of four (4) years and may be reappointed to another term, upon recommendation of the Search Committee.

In case of vacancy in the Office of the President by reason of death, resignation, removal for a cause or incapacity of the President to perform the functions of the Office, the Board shall designate an officer-in-charge who shall come from the KSU community, pending the appointment of a new president. The designated officer-in-charge shall not be allowed to join as candidate in the search process. In no case shall the search and appointment of the next president be longer than ninety (90) calendar days from the date when the vacancy occurs. The newly appointed president shall serve full term.

The salary of the President shall be in accordance with Republic Act No. 11466 or the "Salary Standardization Law of 2019" and by such other laws amendatory thereto which may hereinafter enacted, and on the joint circular for state universities and colleges levelling instruments and guidelines of the CHED and the DBM.

SEC. 17. The Secretary of the KSU and of the Board. - There shall be a secretary of the KSU designated by the Board, who shall also act as the secretary to the Board. The secretary shall keep all records concerning KSU and the Board.

SEC. 18. The Academic Council.- There shall be an Academic Council consisting of the President of the KSU as the chairperson, the Vice President for Academic Affairs as vice-chairperson and all faculty members holding the rank of assistant professor and higher, as members.

SEC. 19. - Powers of the Academic Council. - The academic council shall be the highest academic body of the KSU and shall exercise the following powers:

- (a) Review and propose academic policies and standards, curricular offerings, instructional evaluation and assessment systems of the university;
- (b) Recommend to the Board, through the President of the KSU, the award of all honorary degrees;
- (c) Fix the requirements for admission to any college or unit, graduation and the grant of honors, subject to the prescribed university policies and guidelines;
- (d) Recommend to the Board, the President of KSU, matters pertaining to the conduct and welfare of the KSU, such as the preparation of the academic calendar,

student life, standards of conduct and discipline, living conditions, organizations, sports, culture and the arts, and participation in extracurricular activities;

(e) Prescribe the academic programs including their institution, revision, abolition and merger, subject to the approval of the Board;

(f) Recommend to the Board, through the President of KSU, the graduation of students and the grant of honors; and

(g) Adopt internal rules of procedure, not contrary to law and consistent with the provisions of this Act.

SEC. 20. Administrative Council. - There shall be created a University Administrative Council consisting of the President of the KSU as Chairperson; the Vice-President for Administration and Finance as vice- chairperson; and the vice-presidents, chancellors, deans, university chairpersons, directors and other officials of equal rank, as members.

SEC. 21. Duty of the Administrative Council. - The Administrative Council shall review and recommend, in accordance with the direction of the Board, appropriate policies governing the administration, management and development planning of the KSU.

SEC. 22. Research Council. - There shall be created a Research Council consisting of the President of KSU as Chairperson; the Vice-President for Research Development and Extension Services as vice- chairperson; and the Director for Research Services, heads of established research centers and the chairperson of College Research, as members.

SEC. 23. Duty of the Research Council. - The Research Council so formed and constituted shall act as an advisory body to the President on matters relating to the setting of research directions, planning, fund sourcing and allocation of such funds, and the formulation and review of policies and guidelines pertaining to the research program of the KSU.

SEC. 24. Extension Services Council. - There shall be created in the KSU an Extension Services Council consisting of the President of KSU as chairperson; the Vice-President for Research Development and Extension Services as vice-chairperson; and the Director for Extension and chairpersons of College Extensions, as members.

SEC. 25. Duty of the Extension Services Council. - The Extension Services Council shall act as an advisory body to the President on matters of setting extension services direction, planning, fund sourcing and allocation of such funds and in reviewing and recommending policies and guidelines pertaining to the Extension Services Program of the KSU.

SEC. 26. The Chancellor of the Constituent Campus. – The chancellor shall be in charge of the administration of each constituent campus. The chancellor shall be designated by the Board upon the recommendation of the President of the KSU. The chancellor shall report to the President of the KSU and shall perform duties and functions necessary and related to the administration of the campus, subject to the policies and rules prescribed by the Board.

SEC. 27. The Faculty. - The teaching staff of each college shall constitute its faculty. The College Faculty shall be presided over by a dean, who shall be designated by the Board upon the recommendation of the President of the KSU.

The appointment of the faculty shall be subject to the guidelines, qualifications and standards set by the Board. No political belief, gender preference, cultural or community affiliation or ethnic origin, nor religious opinion or affiliation shall be a matter of inquiry in the appointment of faculty members of the KSU. No member of the faculty shall teach for or against any particular church or religious sect.

SEC. 28. Student Affairs. - There shall be established in the KSU a college student council for every college, a campus student council for every constituent campus, and a federation of all student councils.

The university student council shall be composed of students from constituent campuses and their extension campuses elected to represent themselves. The student council shall serve as the primary student body that shall advance the interests, welfare and aspirations of the students of the KSU. It shall have the power to adopt internal rules of procedure consistent with the provisions of this Act.

Subject to due and comprehensive consultation with the students, there shall be a student publication established in every constituent campus to be funded by student fees. Freedom of expression and autonomy in all matters of editorial and fiscal policy shall be guaranteed especially in the selection of its editors and staff.

SEC. 29. Land Grants and other Real Properties of the KSU. - The State may support the KSU as a comprehensive and leading university for arts, culture and indigenous governance in the form of a lump sum amount in the annual general appropriations act 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 determined and decided by the Board.

Such parcels of land ceded by law, decree or presidential issuances to KSU are hereby declare to be reserved for the purposes intended. The absolute ownership of the KSU over these landholdings, including those covered by original and transfer certificates of title in the name of KSU and their future derivatives, is hereby confirmed. Where the issuance of proper certificates of titles for these landholdings is yet pending, the appropriate government office may expedite the issuance thereof within six (6) months from the date of effectivity of this Act; Provided, That all registration requirements necessary for the issuance of the said titles have been submitted and complied with.

The Board may plan, design, approve and cause the implementation of land leases; 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 KSU; Provided further, That such mechanisms and arrangements shall not conflict with the academic mission of the KSU.

The Board may allow the use of the income coming from real properties of the KSU as security for transactions to generate additional revenues when needed for educational purposes.

The Board may approve the implementation of joint ventures; Provided, That in the event real properties of the KSU are involved, only the income derived by the KSU from the use of the real properties shall be the subject of its participation or obligation in the joint ventures; Provided further, that no joint venture shall result in the alienation of the real

properties of the KSU.

Any plan to generate revenues and other sources from land grants and other real properties entrusted to the KSU shall be consistent with the academic mission and orientation of the University as well as protect it from undue influence and control of commercial interests; Provided, That such programs, projects or mechanisms shall be approved by the Board subject to a transparent and democratic process of consultation with the constituents of the KSU; Provided further, That funds generated from such programs, projects or mechanisms shall not meant to replace, in part or in whole, the annual appropriations provided by the national government to the KSU.

SEC. 30. Safeguards on Asset Disposition. - The preservation of the value of the assets of the KSU shall be of primordial consideration.

The sale of any existing real property of the KSU is prohibited except if the terms of the donation of real property specifically allows the Board to alienate such donated real property.

The lease of more than five (5) years of the assets of the KSU and any transaction referred to in this section must be:

- (a) Discussed with the members of the Board in any of its formally convened regular or special meeting;
- (b) Based on a multi-year comprehensive development plan, crafted and developed by qualified urban planning professionals having at least five (5) years experience, with prior consultation with and concurrence of third-party experts and duly approved by a majority vote of all the members of the Board; and
- (c) Subject to competitive and public bidding as provided for under Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act".

In the case of two (2) failed biddings and negotiated transactions, the Board, when considering the approval of any such transaction, shall secure a fairness opinion report from an independent third- party body. The body shall have three (3) members, one (1) of which shall be from the bank as identified by the Board, one (1) from the Provincial Assesor's Office and one (1) from KSU. The members are entitled to a reasonable per diem as the Board may specify.

The fairness opinion report shall contain a statement expressing the opinion of the Body on the terms of the proposed transaction, particularly its financial terms. The report shall include a review and analysis of the proposed transaction, financial statements, industry information, economic condition assumptions using management projections and the assumptions used therein and a comparison of similar transactions; Provided, That if the Board differs with the fairness opinion report they shall justify their decision in writing and make this available to the KSU community. This provision shall not apply to leases granted to faculty and staff as part of their benefit and those for academic purposes;

If the contract or transaction involves an amount of more than Fifty (50) Million Pesos, it shall be approved by at least three-fourths of all members of the Board; Provided, That the splitting of contracts, which is breaking up of a contract into smaller quantities or amounts or dividing contract implementation into artificial or arbitrary phases or subcontracts for the purpose of circumventing this provision, shall not be allowed.

SEC. 31. Management of Funds. - There shall be an independent trust committee to be composed of the President of the KSU as chairperson and with representatives from the bank, Provincial Assesor's Office and from the KSU as members. The members of the independent trust committee are entitled to a reasonable per diem, as the Board may specify.

The independent trust committee shall recommend to the Board five (5) universal banks selected on a prudent basis. Trust departments shall manage the corporate and other funds through trust agreements of the KSU in a non- directed basis. Any such agreement shall be for a period of not more than two (2) years.

The independent trust committee shall provide the Board with direction on appropriate investments with the view of preserving the value of funds while allowing the KSU to earn a reasonable return thereon.

SEC. 32. Tax Exemptions. - All revenues and assets of the KSU used for educational purposes or in support thereof and academic awards shall be exempt from all taxes;

All Grants, bequests, endowments, contributions and donations in any form to KSU shall be exempt from donor's tax and the same shall be considered as allowable deductions 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;

The importation by KSU of economic, technical, vocational, scientific, philosophical, historical and cultural books or publications, supplies and materials duly certified by the Board and the CHED, including scientific and educational computer and software equipment, shall be exempt from customs duties in accordance with the provisions of Republic Act No. 10863, otherwise known as the "Customs Modernization and Tariff Act (CMTA)".

SEC. 33. Reportorial Requirements and Auditing of Accounts. - The KSU shall submit an annual report to Congress containing the financial statements, statements of assets and liabilities, statement of income from tuition fees and other revenue sources. All accounts and disbursements of KSU shall be audited by the Commission on Audit.

SEC. 34. Rules of Construction.- No statutory or other issuances shall diminish the powers, rights, privileges and benefits accorded to KSU under this Act, or those enjoyed at present by virtue of 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 KSU.

SEC. 35. Appropriations. - The amount needed to carry out the implementation of this Act shall be charged against the current year's appropriations of the KSU and its other internal funds. Thereafter, the amount necessary to strengthen its capacity as the national university of culture, arts and indigenous governance shall be included in the annual general appropriations act.

SEC. 36. Development Plan and Organizational Structure. - Within one hundred twenty (120) days after the approval of this Act, KSU shall accomplish the following;

- (a) Submit a five (5) year development plan, including its corresponding program budget to CHED and DBM;

(b) Set up its organization, as well as its academic structure and designate its key officials and administrative personnel; and

(c) Secure additional plantilla positions, including technical, support to technical and key administrative positions for the existing constituent campuses and extension campuses, and augmentation of personnel services allocation from the DBM, in order to enhance the efficiency and effectiveness of the administration and management of KSU, towards the attainment of its mandate as the national university of culture, arts and indigenous governance.

SEC. 37. 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 KSU.

SEC. 38. Transitory Provision. - Upon the effectivity of this Act, all employees of the KSU shall be retained in their present positions and no one shall be adversely affected by the approval of the amendments to the original charter.

SEC. 39. Parity Clause.- All other powers, functions, 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. 40. 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. 41. Repealing Clause.- Republic Act 10584, otherwise known as the “ Kalinga State university Charter” and all other laws, presidential decrees, executive orders, rules and regulations contrary to or inconsistent with the provision of this Act, are hereby amended, repealed or modified accordingly.

SEC. 42. Effectivity. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation.

Approved,