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S E N A T E

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COMMITTEE REPORT NO. 675

Submitted jointly by the Committees on Education, Arts and Culture, Ways and Means and Finance on MAY 22 2019

Re: Senate Bill No. 2124

Recommending its approval with amendments, taking into consideration Senate Bill No. 2037

Sponsor: Senator Escudero

MR. PRESIDENT:

The Committees on Education, Arts and Culture, Ways and Means and Finance to which were referred Senate Bill No. 2124, introduced by Sen. Joseph Victor G. Ejercito, entitled:

"AN ACT
AMENDING PRESIDENTIAL DECREE NUMBER 1341, OTHERWISE KNOWN AS THE
CHARTER OF THE POLYTECHNIC UNIVERSITY OF THE PHILIPPINES"

taking into ^{the} consideration Senate Bill No. 2037, introduced by Senator Sonny M. Angara, ^{and Cardinal} entitled:

"AN ACT
DECLARING THE POLYTECHNIC UNIVERSITY OF THE PHILIPPINES AS THE
NATIONAL POLYTECHNIC UNIVERSITY, STRENGTHENING IT FOR THE PURPOSE,
AND APPROPRIATING FUNDS THEREFOR"

have considered the same and have the honor to report them back to the Senate with the recommendation that Senate Bill No. 2124 be approved with the following amendments, taking into consideration Senate Bill No. 2037:

1. ON PAGE 1, LINES 3 TO 8, SECTION 1 OF THE BILL, DELETE THE LINES STARTING FROM THE PHRASE "INTO THE" ON LINE 3 UNTIL "COLLEGES" ON LINE 8.
2. ON THE SAME PAGE, LINE 8, SECTION 1 OF THE BILL, INSERT "TO" BEFORE THE WORD "RAISE";
3. ON THE SAME PAGE, LINE 9, SECTION 1 OF THE BILL, AFTER THE WORD "BAR", INSERT THE PHRASE "IN THE DEVELOPMENT AND DELIVERY OF".
4. ON THE SAME PAGE, LINES 9 AND 10, SECTION 1 OF THE BILL, DELETE THE PHRASE "BY HAVING THE FORMER SERVE AS THE LATTER'S GUIDE IN DEVELOPING".
5. ON THE SAME PAGE, LINE 11, SECTION 1 OF THE BILL, DELETE THE PHRASE "INSTITUTIONAL AUTONOMY AND".
6. ON THE SAME PAGE, LINES 12 TO 14, SECTION 1 OF THE BILL, DELETE THE SENTENCE "IT SHALL BE TREATED IN A MANNER CONSISTENT WITH ITS INSTITUTIONAL REQUIREMENTS BY THE SERVICE WIDE AGENCIES IN THE EXERCISE OF THEIR RESPECTIVE JURISDICTION."
7. ON THE SAME PAGE, LINE 15, SECTION 1 OF THE BILL, DELETE THE WORD "EXCLUSIVELY" BETWEEN THE WORDS "SHALL" AND "DETERMINE".
8. ON THE SAME PAGE, LINE 17, SECTION 1 OF THE BILL, DELETE THE PHRASE "AND STANDARDS" AND IN LIEU THEREOF, INSERT A COMMA (,) AND THE FOLLOWING PHRASE "CONSISTENT WITH THE POLICIES, STANDARDS AND GUIDELINES PROMULGATED BY THE COMMISSION ON HIGHER EDUCATION".
9. ON THE SAME PAGE, LINES 17 TO 18, SECTION 1 OF THE BILL, DELETE "NATIONAL POLYTECHNIC".
10. ON PAGE 2, SECTION 1 OF THE BILL, DELETE LINES 2 TO 4.
11. ON PAGE 2, LINES 10 TO 11, SECTION 2 OF THE BILL, DELETE THE PHRASE "AND SHALL BE STRENGTHENED AS THE COUNTRY'S NATIONAL POLYTECHNIC UNIVERSITY".
12. ON THE SAME PAGE, LINES 12 TO 13, SECTION 2 OF THE BILL, DELETE THE PHRASE "AS A NATIONAL POLYTECHNIC UNIVERSITY" AND THE COMMA (,) THEREAFTER.
13. ON THE SAME PAGE, LINE 14, SECTION 2 OF THE BILL, REPLACE THE WORD "AMELIORATE" WITH THE WORD "ADDRESS".

14. ON THE SAME PAGE, LINE 14, SECTION 2 OF THE BILL, DELETE THE WORD "NEED" AFTER THE WORD "SOCIAL" AND INSERT THE PHRASE "AND ECONOMIC NEEDS".
15. ON THE SAME PAGE, LINES 22 TO 23, SECTION 3 OF THE BILL, DELETE THE PHRASE "IN LIGHT OF ITS PURPOSE AS A NATIONAL POLYTECHNIC UNIVERSITY".
16. ON PAGE 4, LINE 33, SECTION 6 OF THE BILL, REPLACE "CO-CHAIRPERSON" WITH "VICE CHAIRPERSON".
17. ON PAGE 7, LINES 13 TO 14, INSERT A COMMA (,) AFTER "PRESIDENT" ON LINE 13 AND REPLACE "AND" WITH "THE" ON LINE 14.
18. ON PAGE 9, LINE 14, SECTION 9 OF THE BILL, REPLACE THE PHRASE "EVERY THIRD TUESDAY OF THE MONTH" WITH "AT LEAST ONCE EVERY QUARTER".
19. ON THE SAME PAGE, LINES 15 TO 16, SECTION 9 OF THE BILL, REPLACE THE PHRASE "OR ON REQUEST OF THE FOUR (4) MEMBERS OF THE BOARD" WITH "WHENEVER NECESSARY".
20. ON THE SAME PAGE, LINES 21 TO 22, SECTION 10 OF THE BILL, DELETE "THE EXECUTIVE VICE-PRESIDENT, THE VICE-PRESIDENT FOR ADMINISTRATION" AND THE COMMA (,) THEREAFTER.
21. ON THE SAME PAGE, LINES 23 TO 26, SECTION 10 OF THE BILL, DELETE THE LINES STARTING FROM "THE VICE-PRESIDENT FOR STUDENT" ON LINE 23 UNTIL "LEGAL AFFAIRS" AND THE COMMA (,) ON LINE 26.
22. ON THE SAME PAGE, LINE 34, SECTION 11 OF THE BILL, REPLACE THE PHRASE "CHOSEN BY THE" WITH "APPOINTED BY THE BOARD OF REGENTS, UPON RECOMMENDATION OF THE".
23. ON PAGE 10, LINE 9, SECTION 12 OF THE BILL, DELETE THE PHRASE "AS THE NATIONAL POLYTECHNIC UNIVERSITY".
24. ON THE SAME PAGE, LINE 14, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".
25. ON THE SAME PAGE, LINE 19, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".
26. ON THE SAME PAGE, LINE 34, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".
27. ON THE SAME PAGE, LINE 36, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".

28. ON PAGE 11, LINES 4 TO 5, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".
29. ON THE SAME PAGE, LINE 9, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".
30. ON THE SAME PAGE, LINE 11, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".
31. ON THE SAME PAGE, LINE 13, SECTION 12 OF THE BILL, DELETE THE PHRASE "NATIONAL POLYTECHNIC".
32. ON THE SAME PAGE, LINE AND SECTION, AFTER THE WORD "UNIVERSITY", INSERT THE FOLLOWING PHRASE "AND ITS LAND USE AND DEVELOPMENT PLAN"
33. ON THE SAME PAGE, LINES 17 AND 20, SECTION 12 OF THE BILL, DELETE "NATIONAL POLYTECHNIC".
34. ON THE SAME PAGE, LINES 26, 28 TO 29 AND 35, SECTION 13 OF THE BILL, DELETE "NATIONAL POLYTECHNIC"
35. ON PAGE 13, LINES 10 TO 21, DELETE THE ENTIRE SECTION 16 OF THE BILL.
36. ON PAGE 14, LINES 1 AND 2, SECTION 19 OF THE BILL, DELETE THE PHRASE "REPUBLIC ACT NO. 8292, AS AMENDED, AND" ON LINE 1; AND CAPITALIZE THE LETTER "A" IN THE WORD "ALL" ON LINE 2.
37. ON PAGE 14, BETWEEN LINES 4 AND 5, INSERT A NEW SECTION TO READ AS FOLLOWS:


"SECTION 20. SUPPLEMENTARY APPLICATION OF REPUBLIC ACT NO. 8292. THE PROVISIONS OF REPUBLIC ACT NO. 8292 IN SO FAR AS THEY ARE APPLICABLE SHALL BE SUPPLEMENTARY TO THIS ACT."
38. RENUMBER SUCCEEDING SECTION.

Respectfully submitted:



SEN. LOREN B. LEGARDA

Chairperson, Committee on Finance
Vice Chairperson, Committee on
Ways and Means
Member, Committee on Education,
Arts and Culture



SEN. FRANCIS G. ESCUDERO

Chairperson, Committee on
Education, Arts and Culture
Member, Committees on Ways and
Means; and Finance



SEN. SONNY M. ANGARA

Chairperson, Committee on Ways and Means
Vice Chairperson, Committees on Education, Arts
and Culture; and Finance

Vice Chairpersons:



SEN. PAOLO BENIGNO AQUINO IV

Committees on Education, Arts
and Culture; Ways and Means;
and Finance



SEN. WIN GATCHALIAN

Committee on Education, Arts
and Culture
Member, Committees on Ways
and Means; and Finance



SEN. JOSEPH VICTOR G. EJERCITO

Committees on Education, Arts
and Culture; and Finance
Member, Ways and Means

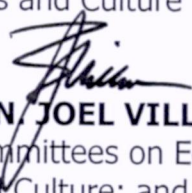
SEN. CYNTHIA A. VILLAR

Committee on Finance
Member, Committee on Education,
Arts and Culture



SEN. PANFILO M. LACSON

Committee on Finance
Member, Committee on Ways and Means



SEN. JOEL VILLANUEVA

Committees on Education, Arts
and Culture; and Ways and Means
Member, Finance

Will propose amendments

Members:




SEN. MARIA LOURDES NANCY S. BINAY

Committees on Education, Arts
and Culture; Ways and Means;
and Finance

SEN. RICHARD J. GORDON

Committees on Education, Arts
and Culture; Ways and Means;
and Finance

SEN. EMMANUEL "MANNY" D. PACQUIAO
Committee on Education, Arts
and Culture


SEN. GRACE POE
Committees on Education, Arts
and Culture; Ways and Means;
and Finance


SEN. GREGORIO B. HONASAN II
Committee on Finance

SEN. FRANCIS "KIKO" PANGILINAN
Committees on Education, Arts
and Culture; Ways and Means;
and Finance


SEN. AQUILINO "KOKO" PIMENTEL III
Committees on Ways and Means
and Finance


SEN. RISA HONTIVEROS
Committees on Education, Arts
and Culture; Ways and Means;
and Finance


SEN. ANTONIO "SONNY" F. TRILLANES IV
Committees on Education, Arts
and Culture; Ways and Means;
and Finance


SEN. FRANKLIN M. DRILON
Senate Minority Floor Leader

Ex-Officio Members:


SEN. JUAN MIGUEL "MIGZ" F. ZUBIRI
Senate Majority Floor Leader


SEN. RALPH G. RECTO
Senate President Pro-Tempore

HON. VICENTE C. SOTTO III
Senate President

SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE

'18 DEC -3 P2 :43

SENATE BILL NO. 2124

R. ...

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

**AN ACT
AMENDING PRESIDENTIAL DECREE NUMBER 1341, OTHERWISE
KNOWN AS THE CHARTER OF THE POLYTECHNIC UNIVERSITY OF
THE PHILIPPINES**

EXPLANATORY NOTE

No less than the Constitution guarantees the right of every citizen an access to quality education at all levels. Towards this end, the State shall promote and develop its educational institutions by providing sufficient governmental support. The Polytechnic University of the Philippines (PUP) serves as one of the country's premier state universities by providing every citizen an affordable yet quality higher education.

Through the years, the University had produced competent and fully-equipped graduates who now serve as the country's industry leaders especially in the field of science and technology, engineering and architecture, education, information technology, law, business, public administration, and social sciences. Results of surveys conducted by Jobstreet.com show that employers in the Philippines consider graduates of PUP as their top choice for employment.

The country, with its thrust towards an unparalleled development in the new century, needs more quality industry leaders who will serve under the principle of excellence, patriotism, and love for knowledge and truth. In order to contribute more to this thrust, and for nation building and national development, it is now high time to strengthen the Polytechnic University of the Philippines and elevate this into a National Polytechnic University which will cater into educating and developing the country's future industry leaders.

In so doing, PUP shall maintain and propagate the ideals for which its core values are based—social justice, peace, freedom, academic excellence, ethical and moral standards, cultural identity and respect for diversity, civil society engagement, and passion for learning. Furthermore it shall live up to its mandate of providing technical and professional instruction and training applied arts and sciences, and to take steps to enrich the academic freedom in other fields of study and offer other courses that are essential to produce individuals with highly technological and specialized skills. It is likewise bound to promote applied research, advance studies, and progressive leadership in the aforementioned fields.

To this end, the State will empower PUP as an institution committed in producing industry leaders and professionals towards nation-building and national development.

For these reasons, the passage of this bill is most respectfully sought.

A handwritten signature in black ink, appearing to read 'JOSEPH VICTOR G. EJERCITO'. The signature is stylized with a long horizontal stroke on the left and a circular flourish on the right.

JOSEPH VICTOR G. EJERCITO



'18 DEC -3 P2 :43

SENATE

SENATE BILL NO. 2124

R. ...

Handwritten signature or initials, possibly 'SV', over a horizontal line.

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

AN ACT
AMENDING PRESIDENTIAL DECREE NUMBER 1341, OTHERWISE
KNOWN A THE CHARTER OF THE POLYTECHNIC UNIVERSITY OF THE
PHILIPPINES

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

1 **Section 1.** Section 1 of PD 1341 is hereby amended to read as follows:

2 **"Section 1. Declaration of Policy.** --- The Polytechnic
3 University of the Philippines is hereby strengthened into the
4 Country's National Polytechnic University. In order to execute its
5 mandate, it is hereby declared that as the country's first national
6 polytechnic university. *Along with its elevated status as the*
7 *country's first national polytechnic university, the University will aid*
8 *and support other polytechnic state universities and colleges raise*
9 *the bar by having the former serve as the latter's guide in*
10 *developing professional and technical programs.*

11 *"The University shall enjoy institutional autonomy and fiscal*
12 *autonomy. It shall be treated in a manner consistent with its*
13 *institutional requirements by the service-wide agencies in the*
14 *exercise of their respective jurisdiction. Taking into account*
15 *national goals and priorities, it shall exclusively determine its*
16 *teaching research and extension thrusts, plans, policies, programs*
17 *and standards. On the basis of such determination, the national*
18 *polytechnic university shall recommend its annual budget to the*

1 President of the Republic of the Philippines and Congress.
2 Appropriations for the university shall not be reduced by the
3 legislature below the amount appropriated for the previous year
4 and after approval shall be automatically and regularly released."

5 **Section 2.** Section 2 of PD 1341 is hereby amended to read as follows:

6 **"Section 2. Primary Purpose.** --- The University shall primarily
7 provide higher occupational, technical and professional instruction
8 and training in the fields of engineering and architecture, applied
9 sciences, accountancy, law, education, business and management,
10 and shall be strengthened as the country's National Polytechnic
11 University. It shall also promote applied research, advance studies,
12 and progressive leadership in the stated fields. As a national
13 polytechnic university, PUP is committed in implementing programs
14 designed to ameliorate the pressing social need by rendering
15 services to individuals and communities and empowering citizenry
16 for sustainable development. "

17 **Section 3.** Section 3 of PD 1341 is hereby amended to read as follows:

18 **"Section 3. Secondary Purpose.** The University shall offer
19 undergraduate and graduate programs in the field of accountancy,
20 engineering and architecture, applied sciences, law, education,
21 business and management. In addition, the University shall offer
22 other programs in the polytechnic areas in light of its purpose as a
23 national polytechnic university."

24 **Section 4.** Section 4 of PD 1341 is hereby amended to read as follows:

25 **"Section 4. The University Administration.** --- The
26 administration of the university shall be vested in the President of
27 the university who shall render full-time service. He shall be
28 appointed by the Board of Regents, upon the recommendation of
29 a duly constituted search committee. He shall have a term of six
30 (6) years without an eligibility for reappointment for another term:
31 Provided, That this provision shall not adversely affect the terms
32 of the incumbents; *Provided* further that in cases no appointment
33 was made, the incumbent President shall continue to hold the
34 office in a hold-over capacity, such period shall in no case be more
35 than 90 days.
36

1 "The president shall be assisted by a vice president for academic
2 affairs who shall be appointed by the Board upon the former's
3 recommendation without prejudice to the appointment of more
4 than one vice president when so warranted.
5

6 "In case of vacancy by reason of death, resignation, removal for
7 cause or incapacity of the president to perform the functions of his
8 office, the Board of Regent shall have the authority to designate
9 an officer-in-charge pending the appointment of a new president.
10

11 "In case of vacancy in the office of the president as mentioned in
12 the immediately preceding paragraph, his successors shall hold
13 office for the unexpired term."

14 **Section 5.** Section 5 of PD 1341 is hereby amended to read as follows:

15 "**Section 5. Powers and Duties of the President. ---**
16 Specifically, the President of the University shall have the following
17 powers and duties in addition to those normally appertaining to the
18 Office of the President of the University:
19

20 "(a) He shall be the Chief Executive Officer of the University. As
21 such, progressive and dynamic, ethical, and intellectual and
22 administrative leadership in the University is expected of him and
23 vested in him;

24 "(b) He shall be the head of the University Faculties and of any
25 branch thereof;

26 "(c) He shall have general supervision over all academic as well as
27 business and financial operations of the University;

28 "(d) He shall promulgate and enforce general policies affecting any
29 unit of the University and take such actions which in his judgment
30 are necessary for the protection of property and general interest
31 of the University, students and personnel and for the operation of
32 the University as a whole and shall inform the Board on all matters
33 relating to the operation and welfare of the University;

34 "(e) He shall appoint qualified persons to fill all vacancies and new
35 positions subject to the approval of the Board and make such other
36 arrangements to meet emergencies occurring between meetings
37 of the Board so that the work of the University shall not suffer.

38 "(f) He shall institute disciplinary action against any member of the
39 University personnel, faculty or non-faculty as well as any student
40 of the University whose actions adversely affect the general
41 interest of the University;

1 “(g) He shall decide appeals in controversies between ranking
2 officials of the University, his decisions being final and conclusive;
3 “(h) He shall grant or deny sabbatical leaves and leaves of absence
4 without pay and/or extension of such leaves as well as extension
5 of fellowships or any form of scholarship for a period not exceeding
6 one academic year if the budget permits and for reasons he may
7 deem satisfactory;
8 “(i) He shall make ad-interim appointments;
9 “(j) He shall grant or withhold permission to reveal confidential
10 matters affecting the University or any unit thereof, as well as any
11 action taken by the Board of Regents;
12 “(k) He shall grant permission for the use of buildings and premises
13 of the University for academic, professional and scientific
14 conventions, for student and related activities and to fix the fee
15 thereof;
16 “(l) He is authorized to join the execution of all contracts, deeds,
17 and instruments for the proper conduct of the business of the
18 University and to assign the same in behalf of the University;
19 “(m) He shall prepare an annual report on the work of the past
20 year and needs of the current year including a budget with
21 estimates of income and expenditures; and
22 “(n) He shall have such other powers as may be specifically
23 authorized by the Board of Regents. He may delegate in writing
24 any of his specific functions to any office.”

25 **Section 6.** Section 6 of PD 1341 is hereby amended to read as follows:

26 **“Section 6. The Board of Regents. ---** The governing body of the
27 University shall be the Board of Regents of the Polytechnic University
28 of the Philippines (hereinafter referred to as the “Board”).
29

30 (1)The Board shall be composed of :

- 31 (a)The Chairperson of the Commission on Higher Education as
32 Chairperson;
- 33 (b)The President of the University as Co-Chairperson;
- 34 (c)The Chairperson of the Senate Committee on Education,
35 Arts, and Culture;
- 36 (d)The Chairperson of the House Committee on Higher and
37 Technical Education;
- 38 (e)The Director-General of the National Economic Development
39 Authority;

- 1 (f) The President of the Alumni Association who will serve for a
2 period of two (2) years, provided that he is not in the employ
3 of the University in any capacity whatsoever;
4 (g) One Faculty Regent representing all teaching personnel,
5 elected by the said personnel in accordance with the rules
6 and qualifications set out by the same constituency, who
7 shall serve for a period of two (2) years;
8 (h) One Student Regent, elected by the students in accordance
9 with the rules and qualifications set out by said constituency,
10 who shall serve for a period of one (1) year;
11 (i) One Staff Regent representing all non-teaching personnel,
12 elected in accordance with the rules and regulations set out
13 by said constituency, who shall serve for a period of two (2)
14 years; and
15 (j) Two other Regents who are prominent citizens representing
16 the private sector who shall serve for a period of two (2)
17 year and who shall be appointed by the Board as
18 recommended by the search committee organized for the
19 purpose.

20
21 (2) Compensation. --- The members shall serve without
22 compensation, but they shall be reimbursed for necessary
23 expense incurred in their attendance of meetings of the Board
24 or in connection with their official business authorities by
25 resolution of the Board.
26

27 (3) Vacancy. --- In case of vacancy in the Board, except for the
28 President of the University, such vacancy shall be filled in the
29 same manner as provided for the predecessor, and such
30 appointee shall hold the office only for the unexpired portion of
31 the term. In case of Regents representing a particular sector,
32 their membership shall cease upon suspension, separation, or
33 recall. No person, however, who has succeeded and served for
34 more than 3 years of the unexpired portion shall be eligible for
35 appointment as president.
36

37 **Section 7.** Section 7 of PD 1341 is hereby amended to read as follows:
38

39 **"Section 7. Powers and Duties of the Governing Board. –**
40 The governing board shall have the following specific powers and
41 duties in addition to its general powers of administration and the
42 exercise of all the powers granted to the board of directors of a

1 corporation under Section 36 of Batas Pambansa Blg. 68 otherwise
2 known as the Corporation Code of the Philippines;
3

4 (a) to enact rules and regulations not contrary to law as may
5 be necessary to carry to carry out the purposes and
6 functions of the university;

7 (b) to receive and appropriate all sums as may be provided,
8 for the support of the university in the manner it may
9 determine, in its discretion, to carry out the purposes and
10 functions of the university;

11 (c) to receive in trust legacies, gifts and donations of real
12 and personal properties of all kinds, to administer and
13 dispose the same when necessary for the benefit of the
14 university, subject to limitations, directions and instructions
15 of the donors, if any. Such donations shall be exempt from
16 all taxes and shall be considered as deductible items from
17 the income tax of the donor;

18 (d) to fix the tuition fees and other necessary school
19 charges, such as but not limited matriculation fees,
20 graduation fees and laboratory fees, as their respective
21 boards may deem proper to impose after due consultations
22 with the involved sectors.

23 Such fees and charges, including government
24 subsidies and other income generated by the university,
25 shall constitute special trust funds and shall be deposited in
26 any authorized government depository bank, and all
27 interests shall accrue therefrom shall part of the same fund
28 for the use of the university.

29 Any provision of existing laws, rules and regulations
30 to the contrary notwithstanding, any income generated by
31 the university from tuition fees and other charges, as well as
32 from the operation of auxiliary services and land grants, shall
33 be retained by the university, and may be disbursed by the
34 Board of Regents for instruction, research, extension, or
35 other programs/projects of the university: *Provided*, That all
36 fiduciary fees shall be disbursed for the specific purposes for
37 which they are collected.

38 If, for reason of control, the university, shall not be
39 able to pursue any project for which funds have been
40 appropriated and, allocated under its approved program of
41 expenditures, the Board of Regents may authorize the use
42 of said funds for any reasonable purpose which, in its
43 discretion, may be necessary and urgent for the attainment

1 of the objectives and goals of the universities, Provided
2 further, That a portion of any amount of fees increased,
3 however, shall inure to the benefit of the College or Institute
4 for the purpose of faculty, physical facilities and equipment
5 development;

6 (e) to authorize the construction or repair of its buildings,
7 machineries, equipment and other facilities and the
8 purchase and acquisition of real and personal properties
9 including necessary supplies, materials and equipment.
10 Purchases and other transactions entered into by the
11 university through the Board of Regents shall be exempt
12 from all taxes and duties;

13 (f) to appoint, upon the recommendation of the president
14 and vice presidents of the University;

15 (g) to fix and adjust salaries of faculty members and
16 administrative officials and employees subject to the
17 provisions of the revised compensation and classification
18 system and other pertinent budget and compensation laws
19 governing hours of service, and such other duties and
20 conditions as it may deem proper; to grant them, at its
21 discretion, leaves of absence under such regulations as it
22 may promulgate, any provisions of existing law to the
23 contrary notwithstanding; and to remove them for cause in
24 accordance with the requirements of due process of law;

25 (h) to approve the curricula, institutional programs and rules
26 of discipline drawn by the administrative and academic
27 councils as herein provided;

28 (i) to set polices on admission and graduation of students;

29 (j) to award honorary degrees upon persons in recognition
30 of outstanding contribution in the field of education, public
31 service, arts, science and technology or in any field of
32 specialization within the academic competence of the
33 university and to authorize the award of certificates of
34 completion of non-degree and non-traditional courses;

35 (k) to absorb non-chartered tertiary institutions within their
36 respective provinces in coordination with the CHED and in
37 consultation with the Department of Budget and
38 Management, and to offer therein needed programs or
39 courses, to promote and carry out equal access to
40 educational opportunities mandated by the Constitution ;

41 (l) to establish research and extension centers of the SUC
42 where such will promote the development of the latter;

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- (m) to establish chairs in the university and to provide fellowships for qualified faculty members and scholarships to deserving students;
- (n) 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;
- (o) to authorize an external management audit of the institution and to institute reforms, including academic and structural changes, on the basis of the audit results and recommendations;
- (p) to collaborate with other governing boards of SUCs within the province or the region, in coordination with the CHED and the Department of Budget and Management, the restructuring of said colleges and universities to become more efficient, relevant, productive, and competitive;
- (q) to enter into joint ventures with business and industry for the profitable development and management of the economic assets of the college or institution, the proceeds from which to be used for the development and strengthening of the university;
- (r) to develop consortia and other forms of linkages with local government units, institutions and agencies, both public and private, local and foreign, in furtherance of the purposes and objectives of the institution;
- (s) to develop academic arrangements for institution capability building with appropriate institutions and agencies, public or private, local or foreign, and to appoint experts/specialists as consultants, or visiting or exchange professors, scholars, researchers, as the case may be;
- (t) to set up the adoption of modern and innovative modes of transmitting knowledge such as the use of information technology, the dual system, open learning, community laboratory, etc., for the promotion of greater access to higher education;
- (u) to establish policy guidelines and procedures for participative decision-making and transparency within the institution;
- (v) To create, organize, reorganize, merge or abolish colleges, institutes, and other academic and administrative units of the University; and
- (w) to privatize, where most advantageous to the institution, management and non-academic services such as health,

1 food, building or grounds or property maintenance and
2 similar such other objectives.
3

4 **Section 8.** Section 8 of PD 1341 is hereby amended insofar as a section title
5 was inserted, and to read as follows:
6

7 **"Section 8. Quorum and service of processes. ---** A
8 quorum of the Board of Regents shall consist of a majority of all
9 members. All processes against the Board of Regents shall be
10 served on the President or Secretary thereof."

11 **Section 9.** Section 9 of PD 1341 is hereby amended insofar as a section title
12 was inserted, and to read as follows:

13 **"Section 9. Meetings. ---** Regular meetings of the Board
14 of Regents shall be held every third Tuesday of the month. Special
15 meetings of the Board may be called upon by the Chairman or on
16 request of the four (4) members of the Board. In both cases, notice
17 of such meetings shall be issued at least three (3) days prior to the
18 meeting."

19 **Section 10.** Section 10 of PD 1341 is hereby amended and to read as follows:

20 **"Section 10. University Officials. ---** The officers of the
21 administration of the University shall be University President, the
22 Executive Vice-President, the Vice-President for Administration, the
23 Vice-President for Academic Affairs, the Vice-President for Student
24 Affairs, the Vice-President for Research and Extension, the Vice-
25 President for Finance, the Vice-President for Branches and
26 Campuses, the Vice-President for Legal Affairs, the Secretary of the
27 University and such other academic and administrative officials
28 whose positions and functions are deemed necessary to assist in
29 the effective and efficient administration of the University as may
30 be determined by the Board of Regents."

31 **Section 11.** A new Section 11 is hereby inserted and to read as follows:

32 **"Section 11. The Faculty. -** The teaching staff of each
33 college shall constitute its faculty. The College Faculty shall be
34 presided over by a Dean. The Dean shall be chosen by the
35 President selected from a shortlist of three nominees submitted by
36 a special selection committee established for the purpose. If a
37 Dean fails to complete his/her term, the President shall appoint an

1 acting Dean while a search process is in progress. In no case shall
2 the search and election of the next Dean be longer than sixty (60)
3 calendar days from the date when the vacancy occurs."

4 **Section 12.** A new Section 12-A is hereby inserted, amending PD 1341 to read
5 as follows:

6 **"Section 12-A. Land Grants and Other Real Properties of**
7 **the University. –**

8 (a) The State shall support the Polytechnic University of the
9 Philippines as the national polytechnic university in the form of lump sum
10 amount, through general appropriations and other financial benefits, and
11 in kind, through land grants and donations and use of other real
12 properties. To carry out the intent of these grants, income derived from
13 the development of all land grants and real properties shall be used to
14 further the end of the national polytechnic university, as may be decided
15 by the board;

16 (b) Such parcels of land ceded by law, decree or presidential
17 issuance to the Polytechnic University of the Philippines are hereby
18 declared to be reserved for the purposes intended. The absolute
19 ownership of the national polytechnic university over these landholdings,
20 including those covered by original and transfer certificates of title in the
21 name of the Polytechnic University of the Philippines and their future
22 derivatives, is hereby confirmed. Where the issuance of proper
23 certificates of title is yet pending for these landholdings, the appropriate
24 government office shall expedite the issuance thereof within six months
25 from the date of effectivity of this Act: Provided, that all registration
26 requirements necessary for the issuance of the said titles have been
27 submitted and complied with;

28 (c) The Board may plan, design, approve and/or cause the
29 implementation of land leases: Provided, that such mechanisms and
30 arrangements shall sustain and protect the environment in accordance
31 with law, and be exclusive of the academic core zone of the campuses of
32 the Polytechnic University of the Philippines: Provided, further, that such
33 mechanisms and arrangements shall not conflict with the academic
34 mission of the national polytechnic university;

35 (d) The Board may allow the use of the income coming from real
36 properties of the national polytechnic university as security for

1 transactions to generate additional revenues when needed for
2 educational purposes;

3 (e) The Board may approve the implementation of joint
4 ventures: Provided, That in the event real properties of the national
5 polytechnic university are involved, only the income derived by the
6 University from the use of the real properties shall be the subject of its
7 participation or obligation in the joint ventures: Provided, further, that no
8 joint venture shall result in the alienation of the real properties of the
9 national polytechnic university; and

10 (f) Any plan to generate revenues and other sources from land
11 grants and other real properties entrusted to the national polytechnic
12 university shall be consistent with the academic mission and orientation
13 of the national polytechnic university as well as protect it from undue
14 influence and control of commercial interests: Provided, that such
15 programs, projects or mechanisms shall be approved by the Board
16 subject to a transparent and democratic process of consultation with the
17 constituents of the national polytechnic university: Provided, further, that
18 funds generated from such programs, projects or mechanisms shall not
19 be meant to replace, in part or in whole, the annual appropriations
20 provided by the national government to the national polytechnic
21 university."

22 **Section 13.** A new Section 12-B is hereby inserted, amending PD 1341 to read
23 as follows:

24 **"Section 12-B. Safeguards on Assets**
25 **Disposition.** - The preservation of the value of the assets
26 of the national polytechnic university shall be of primordial
27 consideration.

28 The sale of any existing real property of the national
29 polytechnic university shall be prohibited: Provided, That the
30 Board may alienate real property donated after the
31 effectivity of this Act if the terms of the donation specifically
32 allow it.

33 Notwithstanding the provision of this Act or any other
34 law to the contrary, the lease of more than five (5) years of
35 the assets of the national polytechnic university and any
36 transaction referred to in Section 22 shall be subject to the
37 following conditions and procedures:

38 (a) The transactions shall be discussed with the
39 members of the Board, in any of its formally convened

1 regular or special meeting, at least one (1) month before a
2 decision is to be made;

3 (b) The transactions shall be based on a multi-year
4 comprehensive development plan, crafted and developed by
5 qualified urban planning professionals having at least five (5)
6 years experience, with prior consultations with and
7 concurrence of third-party experts and duly approved by a
8 majority vote of all the members of the Board;

9 (c) The transactions shall be subject to competitive
10 and public bidding as provided under Republic Act No. 9184,
11 otherwise known as the "Government Procurement Reform
12 Act"; and

13 (d) If the contract or transaction involves an amount
14 more than Fifty Million Pesos (P50,000,000.00), it shall be
15 approved by three-fourths (3/4) of all the members of the
16 Board: Provided, That the splitting of contracts, which is by
17 breaking up a contract into smaller quantities or amounts or
18 dividing contract implementation into artificial or arbitrary
19 phases or subcontracts for the purpose of circumventing this
20 provision, shall not be allowed."

21 **Section 14.** A new Section 12-D is hereby inserted amending PD 1341 to read
22 as follows:

23 **"Section 12-C. Tax Exemptions.** - The provisions of any
24 general or special law to the contrary notwithstanding:

25 (a) All revenues and assets of the Polytechnic University of the
26 Philippines used for educational purposes or in support
27 thereof shall be exempt from all taxes and duties;

28 (b) Gifts and donations of real and personal properties of all
29 kinds shall be exempt from the donor's tax and the same
30 shall be considered as allowable deductions from the gross
31 income of the donor, in accordance with the provisions of
32 the National Internal Revenue Code of 1997, as
33 amended: Provided, that the allowable deductions shall be
34 equivalent to 150 percent of the value of such donation.
35 Valuation of assistance other than money shall be based on
36 the acquisition cost of the property. Such valuation shall
37 take into consideration the depreciated value of property in
38 case said property has been used;

1 (c) Importation of economic, technical, vocational, scientific,
2 philosophical, historical, legal and cultural books, supplies
3 and materials duly certified by the Board, including scientific
4 and educational computer and software equipment, shall be
5 exempt from customs duties;

6 (d) The University shall only pay 0% value-added tax for all
7 transactions subject to this tax; and

8 (e) All academic awards shall be exempt from taxes."

9 **Section 15.** Sections 11, 12 and 13 of PD 1341 are hereby repealed.

10 **Section 16.** A new Section 13 is hereby inserted amending PD 1341 to read
11 as follows:

12 "Section 13. Rules of Construction. - No statutory or
13 other issuances shall diminish the powers, rights, privileges and
14 benefits accorded to the national polytechnic university under this
15 Act or enjoyed at present, by it under other issuances not
16 otherwise modified or repealed under this Act, unless subsequent
17 legislation expressly provides for their repeal, amendment or
18 modification. Any case of doubt in the interpretation of any of the
19 provisions of this Charter shall be resolved in favor of the academic
20 freedom and fiscal autonomy of the Polytechnic University of the
21 Philippines."

22 **Section 17.** Section 14 of PD 1341 is hereby amended to read as follows:

23 "Section 14. Appropriations. - In addition to the amount
24 already appropriated for the Polytechnic University of the
25 Philippines for the current fiscal year, there is hereby appropriated
26 an initial sum of THREE BILLION pesos (P3,000,000,000.00) from
27 any amount available in the Treasury of the Philippines for the
28 purpose of carrying out the implementation of this Act. Further, an
29 additional sum of FIFTY MILLION pesos (P50,000,000.00) shall be
30 appropriated separate and above the said initial funding for each
31 fiscal year for the first three years of the implementation of this
32 Act."

33 **Section 18. Separability Clause.** - Should any provision herein be declared
34 unconstitutional, the same shall not affect the validity of the other provisions of
35 this Act.

1 **Section 19. Repealing Clause.** – Republic Act No. 8292, as amended, and
2 all laws, decrees, orders, rules, and regulations or other issuances or parts
3 inconsistent with the provisions of this Act are hereby repealed or modified
4 accordingly.

5 **Section 20. Effectivity.** - This Act shall take effect fifteen (15) days after its
6 publication in the Official Gazette or in any newspaper of general circulation in
7 the Philippines.

8 Approved.