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SENATE

S. No. 566

INTRODUCED BY HON. MANUEL B. VILLAR JR.

EXPLANATORY NOTE


The State is mandated by the Constitution to constantly improve the standards of high education in the Philippines to ensure that students get the best possible education from both public and private higher education institutions.

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

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

- Set standards and initiate innovations in teaching, research and faculty development in the various academic disciplines; maintain excellence in such disciplines and professions;
- Serve as a graduate university providing advanced studies and specialization for scholars, scientists, writers, artists and professionals;
- Serve as a research university in the various fields of its expertise and specialization by conducting basic and applied research;
- Lead as a public service university by providing various forms of community, public and volunteer service, and scholarly and technical assistance to the government, private sector and civil society;
- Provide opportunities for training and learning in progressive leadership and citizenship
- Serve as a regional and global university in cooperation with international scientific unions and with universities and professional associations in the Asia-Pacific region and around the world.

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


MANUEL B. VILLAR, JR.
Senator



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

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

1 **SECTION 1. Title.** – This Act shall be known as the “**University of the Philippines**
2 **Charter of 2004.**”
3

4 **SECTION 2. Declaration of Policy.** – The State shall promote, foster, nurture and
5 protect the right of all citizens to quality education. Toward this end, it is the policy of the
6 State to strengthen the University of the Philippines which is its national university.
7

8 **SECTION 3. Purpose of the University.** – As the national university, a public and
9 secular institution of higher learning and a community of scholars dedicated to the search for
10 truth and knowledge, the University of the Philippines shall perform its unique and
11 distinctive leadership in higher education and national educational development through its
12 combined functions, as follows:
13

- 14 (1) Set standards and initiate innovations in teaching, research and faculty
15 development in philosophy, the arts and humanities, the social sciences, the
16 professions, and engineering, natural sciences, mathematics, and technology;
17 maintain centers of excellence in such disciplines and professions.
18
- 19 (2) Serve as a graduate university providing advanced studies and specialization for
20 scholars, scientists, writers, artists and professionals, especially those who serve
21 on the faculties of state and private colleges and universities;
22
- 23 (3) Serve as a research university in the various fields of its expertise and
24 specialization by conducting basic and applied research, and research and
25 development, promoting research in the various colleges and universities, and
26 contributing to the dissemination and application of knowledge;
27

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

4
5 (5) Provide opportunities for training and learning in progressive leadership and
6 leadership for service, responsible citizenship, and the development of democratic
7 values, institutions and practice; and

8
9 (6) Serve as a regional and global university in cooperation with international
10 scientific unions and with networks of universities and scholarly and professional
11 associations in the Asia-Pacific region around the world.

12
13 **SECTION 4. *The University System.*** – The University of the Philippines is a
14 university system and shall be composed of constituent universities and regional units.

15
16 **SECTION 5. *Academic Freedom.*** – The University has the right and the
17 responsibility to exercise academic freedom.

18
19 **SECTION 6. *Academic Excellence.*** – The University has the responsibility to
20 maintain and enhance its high academic standards in the performance of the functions of
21 instruction, research, and extension and public service.

22
23 **SECTION 7. *Social Responsibility.*** – The University is committed to serve the
24 Filipino nation and humanity. While it carries out the obligation to pursue universal
25 principles, it must relate its activities to the needs of the Filipino people and their aspirations
26 for social progress and transformation.

27
28 **SECTION 8. *Democratic Access.*** – No student shall be denied admission to the
29 University by reason of age, gender, nationality, religious belief, or political affiliation. The
30 University shall take affirmative steps to enhance the access of disadvantaged students to its
31 programs and services.

32
33 **SECTION 9. *The Board of Regents.*** – The government of the University is vested
34 in a board of regents known as the “Board of Regents of the University of the Philippines,”
35 composed of:

- 36
37 (1) The Chair of the Commission on Higher Education as Chairperson;
38 (2) The President of the University of the Philippines as Vice-Chairperson;
39 (3) The Chair of the Senate Committee on Education;
40 (4) The Chair of the House Committee on Higher Education;
41 (5) The President of the U.P. Alumni Association, to serve as Alumni Regent during
42 his/her incumbency in that position;
43 (6) One Faculty Regent chosen by the full-time and tenured faculty members of the
44 University from their ranks to serve for a term of two (2) years;
45 (7) One Student Regent, to serve for a term of one (1) year; chosen by the students
46 from their ranks;
47 (8) One Staff Regent representing the full-time permanent research, extension, and
48 professional staff and administrative personnel chosen by them from their ranks,
49 to serve for a term of two (2) years; and
50 (9) Five (5) other Regents, at least three (3) of whom should be alumni, appointed by
51 the President of the Philippines who shall each serve for a term of two (2) years;
52 *Provided*, That Regents holding office as members of the Board of Regents at the
53 time of this Act is promulgated shall continue to serve until the expiration of their
54 appointments as provided for in the Executive Order No. 204-A issued by the
55 President of the Philippines on July 15, 1987.

1 In case of vacancy in the Board of Regents of any appointive position, such vacancy
2 shall be filled by appointment by the President of the Philippines, and such appointee shall
3 hold office for the unexpired term. In case of vacancy in the position of sectoral Regents, the
4 successor, who shall serve for the unexpired term, shall be chosen in the same manner as
5 provided above for the predecessor; *Provided*, That in the case of a sectoral Regent,
6 membership in the Board ceases upon suspension from the University.

7
8 Members of the Board shall serve without compensation other than actual and
9 necessary expenses incurred in attendance of meetings of the Board or other official business
10 authorized by the Board.

11
12 **SECTION 10. Powers of the Board of Regents.** – The administration of the
13 University and the exercise of its corporate powers are vested in the Board of Regents and the
14 President insofar as authorized by the Board. The administration of each constituent
15 University is vested in the Chancellor insofar as authorized by the Board and the University
16 President

17
18 The Board shall exercise the following specific powers and duties:

- 19 (1) To adopt and define in general terms the thrusts of the University and board
20 policy guidelines to ensure their implementation;
- 21 (2) To preserve the integrity of the University of the Philippines System;
- 22 (3) To approve the institution, merger or abolition of academic programs;
- 23 (4) To approve the graduation of students, as recommended by their respective
24 University Councils;
- 25 (5) To confer honorary degrees upon persons in recognition of learning,
26 statesmanship, or eminence in literature, science, or art, upon recommendation of
27 a committee of the Board of Regents: *Provided*, That such degrees shall not be
28 conferred to consideration of any payment, gifts or other valuable consideration;
- 29 (6) To approve the rules on student discipline recommended by the university
30 councils;
- 31 (7) To create, organize, reorganize, merge or abolish constituent universities,
32 colleges, institutes, and other academic and administrative units of the
33 University;
- 34 (8) To establish chairs in the colleges and to provide for the maintenance or
35 endowment of such chairs;
- 36 (9) To provide fellowships and scholarships and to award the same to faculty, staff
37 and students giving special evidence of merit;
- 38 (10) To elect the University President for a term of six (6) years following process of
39 democratic consultation with the University community;
- 40 (11) To appoint faculty members and other officials and employees, to draw up a
41 position classification and compensation plan for its faculty and staff subject to
42 the provisions of the Revised Compensation and Position Classification System
43 and other pertinent budget and compensation laws, and to fix and adjust salaries
44 and benefits of the faculty members and other employees; to determine their

1 hours of service, and such other terms and conditions as it may deem proper; to
2 grant to them, in its discretion, leave of absence under such regulations as it may
3 promulgate, any other provisions of law to the contrary notwithstanding, and to
4 remove them for cause as provided by law after due investigation and proper
5 hearing.
6

7 (12) To extend, with their consent, the tenure of faculty members of the University
8 beyond the compulsory retirement age, any other provision of law to the contrary
9 notwithstanding, on recommendation of the units upon endorsement of the
10 President of the University, whenever their services are specially needed:
11 *Provided, however,* That no extension of tenure shall be made beyond the age of
12 seventy (70); *Provided, further,* That in case of extension of tenure of the
13 University President beyond the compulsory retirement age, such extension shall
14 be subject to the approval of the President of the Philippines;
15

16 (13) To fix the tuition fees and other necessary school charges, as the Board may
17 deem proper to impose. Such fees and charges, including government subsidies
18 and other income generated by the University, constitute special trusts funds and
19 shall be deposited in any authorized government depository bank. Any and all
20 interests that shall accrue therefrom shall form part of the same funds for the use
21 of the University. Any provision of existing law to the contrary notwithstanding,
22 all incomes generated by the University or by its own subsidiaries may, at the
23 discretion of the Board, be disbursed for the professional growth and
24 development, health, welfare and other benefits of the faculty members and other
25 personnel; for the acquisition, construction, maintenance and repair of urgently
26 needed instructional and auxiliary facilities, equipment buildings and other
27 infrastructure; and for expenses necessary for the attainment of its purposes
28 under this Act. If the University, for reasons beyond its control, shall not be able
29 to pursue any project for which funds have been appropriated and allocated
30 under its approved program of expenditures, the Board may authorize the use of
31 said funds for any reasonable purpose which it deems necessary and urgent for
32 the attainment of the objectives and goals of the University;
33

34 (14) To receive and appropriate all sums as may be provided by law for the support of
35 the University to the ends specified by law, and all other sums in the manner it
36 may, in its discretion, determine to carry out the purposes and functions of the
37 University;
38

39 (15) To authorize the construction or repair of buildings, machinery, equipment and
40 other facilities, and the purchase and acquisition of real and personal properties,
41 including the necessary supplies, materials and equipment;
42

43 (16) To receive in trust legacies, gifts and donations of real and personal property of
44 all kinds and to administer and dispose the same when necessary for the benefit
45 of the University and subject to the instruction of the donor, if any;
46

47 (17) To exercise the general powers set out in the Corporation Code;
48

49 (18) To delegate any of its powers to the President or any other officials or officers as
50 it may deem necessary; and
51

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

1
2 **SECTION 11. *Quorum of the Board of Regents.*** – A simple majority of all
3 members of the Board of Regents holding office at the time the meeting is called shall
4 constitute a quorum.

5
6 **SECTION 12. *The University President.*** – The University President is the chief
7 academic Officer of the university. The President shall preside over the meetings of the
8 constituent University Councils, if he or she is in attendance. The President shall exercise the
9 powers specifically provided for in this Act, those determined by the Board of Regents, those
10 which are usually pertaining to the office of the president of the university, and those which
11 are related or necessary to its functions. The compensation of the President shall be
12 determined by the Board of Regents.

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

18
19 **SECTION 14. *The University Council.*** – There shall be in each constituent
20 University Council consisting of the Chancellor as Chairperson and of all the faculty
21 members in the University holding the rank of assistant professor or higher.

22
23 **SECTION 15. *Powers of the University Council.*** – The University Council shall be
24 the highest academic body of each constituent University and shall exercise the following
25 powers:

- 26
27 (1) Fix the requirements for admission to any college or unit and for graduation and
28 receiving a degree, subject to the minimum system-wide requirements;
29
30 (2) Prescribe the academic programs including their institution, abolition and
31 merger, subject to the approval of the Board;
32
33 (3) Recommend to the Board the graduation of the students;
34
35 (4) Exercise the disciplinary power over the students, through the Chancellors or
36 their appropriate committees, subject to review by the President according to the
37 limits prescribed by the system-wide rules on student discipline;
38
39 (5) Undertake the periodic review of academic courses, programs, standards, thrusts
40 and policies; and
41
42 (6) Adopt internal rules of procedure consistent with the provisions of this Act.

43
44 **SECTION 16. *The Chancellor of the Constituent University.*** – The Chancellor of
45 the Constituent University shall be elected by the Board of Regents upon nomination of the
46 University President, following a process of democratic consultation with the constituents of
47 that constituent University. The Chancellor is the head of the faculty of that constituent
48 University. The Chancellor shall report to the President of the University, and shall perform
49 the duties and functions elsewhere stated in this Act, and all the usual, necessary and related
50 functions of the office of the Chancellor, subject to the policies and rules prescribed by the
51 Board of Regents. The term and compensation of the Chancellor shall be determined by the
52 Board of Regents.

53
54 **SECTION 17. *The Faculty.*** – The teaching staff of each college shall constitute its
55 faculty, which shall be presided over by the Dean elected by the Board of Regents on

1 nomination by the University President and upon the recommendation of the Chancellor of
2 the constituent University, following a process of democratic consultation with the
3 constituents of the college. In the appointment of faculty members, no religious test shall be
4 applied, nor shall the religious or political opinions or affiliation of the faculty members of
5 the University be made a matter of examination or inquiry.
6

7 **SECTION 18. *Appointment Requisites.*** – Faculty members, and research, extension
8 and professional staff of the University shall be exempt as such from any civil service
9 examination or regulation as a requisite to appointment.
10

11 **SECTION 19. *Land Grants and Other Real Properties of the University.*** –
12

13 (1) The State provides subsidy to the University of the Philippines as the national
14 university in the form of cash through general appropriations and other financial
15 benefits, and in kind, through land grants and donations and use of other real
16 properties. To carry out the intent of these grants, income derived from the
17 development of all land grants and real properties shall be used to further the ends
18 of the University, as may be decided upon by the Board of Regents.
19

20 (2) Such parcels of land ceded by law, decree or presidential issuance to the
21 University of the Philippines System, are hereby declared to be reserved for the
22 purposes intended, as confirmed by the Board of Regents. The absolute
23 ownership of the University over these landholdings is hereby affirmed. Where
24 issuance of proper certificates of title is yet pending for these landholdings, the
25 appropriate government office shall expedite the issuance thereof within six (6)
26 months from the date of effectivity of this Act.
27

28 (3) The Board of Regents shall plan, design, approve and/or cause the
29 implementation of financial mechanisms, such as joint ventures, long-term leases,
30 fully-owned subsidiaries, securitization and outright sale, to give the University the
31 most advantageous position in generating revenues and other resources from the
32 land grants and other real property entrusted by the Filipino people to their
33 national university; *Provided*, That such mechanisms and arrangements shall
34 sustain and protect the environment, and be exclusive of the academic core zone
35 of the U.P.'s campuses, and be for such periods of time as may be determined in
36 accordance with law.
37

38 **SECTION 20. *Appropriations.*** – The Board of Regents of the University of the
39 Philippines System (UPS) shall immediately include in the UPS programs the
40 implementation of this Act, the initial funding of which, shall be charged against the current
41 year's appropriations and other internally generated income of the University of the
42 Philippine System. Thereafter, such sums as may be necessary for the continued operation
43 and maintenance of the University shall be included in the Annual General Appropriations
44 Act.
45

46 **SECTION 21. *Tax Exemptions.*** – The provisions of any general or special law to
47 the contrary notwithstanding:
48

49 (1) All profits and income generated by the University derived exclusively from its
50 fundamental function as an educational institution, shall be exempt from the tax
51 being imposed on every corporation;
52

53 (2) Gifts and donations of real and personal properties of all kinds shall be exempt
54 from the donor's tax and the same shall be considered as allowable deductions

1 from the gross income of the donor, in accordance with the provisions of the
2 national internal revenue code, as amended; and
3

- 4 (3) Importation of economic, technical, vocational, scientific, philosophical,
5 historical and cultural books, supplies, and materials, including scientific and
6 educational computer and software equipment, shall be exempt from the
7 payment of customs duties upon endorsement from the Commission on Higher
8 Education and the Department of Finance.
9

10 **SECTION 22. *Auditing of Accounts.*** – All accounts and expenses of the University
11 shall be audited by the Commission on Audit, and all disbursements shall be made in
12 accordance with rules and regulations prescribed by the latter.
13

14 **SECTION 23. *Institutional Autonomy as the National University.*** – To provide the
15 greater flexibility to the University, it shall be treated in a manner consistent with its
16 institutional requirements as the national university by the service-wide agencies in the
17 exercise of their respective jurisdiction.
18

19 The University, taking into account national goals and priorities, shall exclusively
20 determine its teaching, research and extension thrusts, plans, policies, priorities, programs
21 and standards and, on the basis of such determination, the University shall recommend its
22 annual budget to the President and Congress.
23

24 **SECTION 24. *Rule Construction.*** – No statutory or other issuances shall diminish
25 the powers, rights, privileges, and benefits accorded to the University under this Act or
26 enjoyed at present by the University under other issuances not otherwise modified or repealed
27 under this Act, unless subsequent legislation expressly provides for their repeal, amendment
28 or modification. Any case of doubt in the interpretation of any of the provisions of this
29 Charter shall be resolved in favor of the academic freedom and fiscal autonomy of the
30 University of the Philippines.
31

32 **SECTION 25. *Separability Clause*** – Should any provision herein be declared
33 unconstitutional, the same shall not affect the validity of the other provisions of this Act.
34

35 **SECTION 26. *Repealing Clause.*** – Act No. 1870 is hereby repealed. All laws,
36 decrees, orders, rules and regulations, or portions thereof, inconsistent with the provisions of
37 this Act are hereby repealed or modified accordingly.
38

39 **SECTION 27. *Effectivity.*** - This act shall take effect fifteen (15) days after its
40 publication in the *Official Gazette* or any newspapers of general circulation in the
41 Philippines.
42

43 Approved,