

THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

'04 JUL -7 P1:15

SENATE

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Senate Bill No. 1399

Introduced by Senator Francis N. Pangilinan

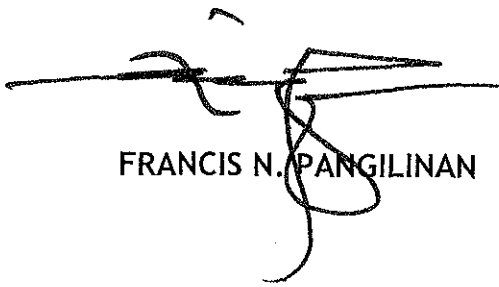
EXPLANATORY NOTE

The University of the Philippines Charter is 96 years old. It was enacted in 1908. As we live in a fast-changing world, with humankind advancing radically in terms of science and technology, many changes have taken place since 1908. Centuries-old monarchies crumbled, colonies gained independence, and dissimilar cultures came together through convenient continental unions. Likewise, globalization broke barriers in communications, trading and finance, and even personal relationships. Such sweeping changes are taking place, and while all else is changing, the University of the Philippines Charter has remained the same, in largely its original form, for 96 long years.

Said to be the bastion of academic freedom and academic excellence, the University of the Philippines nevertheless needs a revised charter to become more competitive in promoting, fostering, nurturing and protecting the right of all citizens to quality education. There is need for legislation to modernize, update and revise the organizational structure, rights and responsibilities of the University of the Philippines as an educational institution.

An updated charter therefore will allow the University of the Philippines to continue to perform its basic functions of teaching, research and service to the nation. Also, it will allow the University to effectively perform its role as a standard-setter and innovator in higher education, as a major center for the sciences and the professions, as the foremost graduate university in the country, as the leading university on research and public service, and as a recognized regional and international university.

In view of the foregoing considerations, immediate approval of the bill is earnestly urged.


FRANCIS N. PANGILINAN

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S. B. No. 1399

Introduced by Senator Pangilinan

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

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

1 **SECTION 1.** Title. This Act shall be known as "The University of the
2 Philippines Charter of 2004."

3 **SEC. 2.** Declaration of Policy. The State shall promote, foster, nurture
4 and protect the right of all citizens to quality education. Toward this end, it is
5 the policy of the State to strengthen the University of the Philippines as the
6 National University.

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

12 (1) Set standards and initiate innovations in teaching, research and
13 faculty development in philosophy, the arts and humanities, the social
14 sciences, the professions and engineering, natural sciences, mathematics,
15 and technology; and maintain centers of excellence in such disciplines
16 and professions;

1 (2) Serve as a graduate university providing advanced studies and
2 specialization for scholars, scientists, writers, artists and professionals,
3 especially those who serve on the faculties of state and private colleges
4 and universities;

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

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

12 (5) Provide opportunities for training and learning in progressive
13 leadership, responsible citizenship, and the development of democratic
14 values, institutions and practice; and

15 (6) Serve as a regional and global university in cooperation with
16 international and scientific unions with networks of universities and
17 scholarly and professional associations in the Asia-Pacific region and
18 around the world.

19 **SEC. 4. The University System.** The University of the Philippines is a
20 university system and shall be composed of constituent universities established
21 by its Board of Regents upon the recommendation of the President of the
22 University.

23 **SEC. 5. Academic Freedom.** The University has the right and the
24 responsibility to exercise academic freedom.

25 **SEC. 6. Academic Excellence.** The University has the responsibility to
26 maintain and enhance its high academic standards in the performance of the
27 functions of instruction, research, and extension and public service.

1 **SEC. 7. Social Responsibility.** The University is committed to serve the
2 Filipino nation and humanity. While it carries out the obligation to pursue
3 universal principles, it must relate its activities to the needs of the Filipino
4 people and their aspirations for social progress and transformation.

5 **SEC. 8. Democratic Access.** No student shall be denied admission to the
6 University by reason of age, gender, nationality, religious belief, or political
7 opinion or affiliation. The University shall take affirmative steps to enhance the
8 access of disadvantaged students to its programs and services.

9 **SEC. 9. The Board of Regents.** The government of the University is vested
10 in a board of regents known as the "Board of Regents of the University of the
11 Philippines System," composed of:

- 12 (a) The Chairperson of the Commission on Higher Education as
13 Chairperson;
- 14 (b) The President of the University of the Philippines System as Vice-
15 Chairperson;
- 16 (c) The Chairperson of the Senate Committee on Education, Arts and
17 Culture;
- 18 (d) The Chairperson of the House Committee on Higher and Technical
19 Education;
- 20 (e) The President of the U.P. Alumni Association, to serve as Alumni
21 Regent during his or her incumbency in that position;
- 22 (f) One Faculty Regent chosen by the full-time tenured faculty
23 members of the University from their ranks, to serve for a term of
24 two (2) years;
- 25 (g) One Student Regent, to serve for a term of one (1) year, chosen
26 by the students from their ranks;

- 1 (h) One Staff Regent representing the full-time permanent research,
2 extension, and professional staff (REPS) and administrative
3 personnel and chosen by them from their ranks, to serve for a
4 term of two (2) years; and
- 5 (i) Five (5) other Regents who have distinguished themselves in their
6 professions or field of specialization chosen from a list of five (5)
7 persons for every vacancy as recommended by a search
8 committee constituted by the President of the University based
9 on standards and guidelines approved by the Board of Regents.
10 At least three (3) of these Regents should be alumni. All these
11 Regents shall be appointed by the President of the Philippines and
12 shall each serve for a term of two (2) years: *Provided*, That the
13 Regents holding office as members of the Board of Regents at the
14 time of the effectivity of this Act shall continue to serve until the
15 expiration of their appointments as provided in Executive Order
16 No. 204-A issued by the President of the Philippines on July 15,
17 1987.

18 In case of vacancy in the Board of Regents of any appointive position, such
19 vacancy shall be filled by appointment by the President of the Philippines, and
20 such appointee shall hold office for the unexpired term. In case of vacancy in
21 the position of sectoral Regents, the successor, who shall serve for the
22 unexpired term, shall be chosen in the same manner as provided for the
23 predecessor: *Provided*, That in the case of a sectoral Regent, membership in the
24 Board ceases upon suspension or separation from the University.

25 Members of the Board shall serve without compensation other than actual
26 and necessary expenses incurred in attendance of meetings of the Board or other
27 official business authorized by the Board.

1 **SEC. 10. Powers of the Board of Regents.** The administration of the
2 University and the exercise of its corporate powers are vested in the Board of
3 Regents.

4 The Board shall exercise the following specific powers and duties:

5 (a) To define the thrusts of the University and adopt broad policy
6 guidelines to ensure their implementation;

7 (b) To preserve the integrity of the University of the Philippines
8 System;

9 (c) To approve the institution, merger or abolition of academic
10 programs upon recommendation of the University Council of the
11 Constituent University concerned through the President of the
12 University;

13 (d) To approve the graduation of students and grant of honors, as
14 recommended by their respective University Councils through the
15 President of the University;

16 (e) To confer honorary degrees upon persons in recognition of
17 learning, statesmanship, or eminence in literature, science, or art,
18 upon recommendation of a committee created by the President of
19 the University: *Provided*, That such degrees shall not be conferred
20 in consideration of any payment, gift or other valuable
21 consideration;

22 (f) To approve the rules on student discipline upon recommendation
23 of the University Councils through the President of the University;

24 (g) To create, organize, reorganize, merge or abolish constituent
25 universities, colleges, institutes, and other academic and
26 administrative units of the University;

27 (h) To establish professorial chair awards;

- 1 (i) To provide fellowships, scholarships and grants, and to award the
2 same to faculty, staff and students giving special evidence of
3 merit;
- 4 (j) To elect the President of the University for a term of six (6) years
5 following a process of democratic consultation with the University
6 community based on standards and guidelines set by the Board of
7 Regents. In the event of a vacancy, the Board of Regents shall
8 elect a president who shall serve a full term within six (6) months
9 from the occurrence of the vacancy;
- 10 (k) To appoint faculty members and other officials and employees, to
11 draw up a position classification and compensation plan for its
12 faculty and staff, and to fix and adjust salaries and benefits of the
13 faculty members and other employees; to determine their hours or
14 service, and such other terms and conditions as it may deem
15 proper; to grant to them, at its discretion, leave of absence under
16 such regulations as it may promulgate, any other provisions of law
17 to the contrary notwithstanding; and to remove them for cause as
18 provided by law after due investigation and proper hearing;
- 19 (l) To extend, with their consent, the tenure of faculty members of
20 the University beyond the compulsory retirement age, any other
21 provision of law to the contrary notwithstanding, on
22 recommendation of the units upon endorsement of the President
23 of the University, whenever their services are specially needed;
- 24 (m) To fix the tuition fees and other necessary school charges, as the
25 Board may deem proper to impose. Such fees and charges,
26 including government subsidies and other income generated by the
27 University, shall constitute special trust funds and shall be

1 deposited in any authorized government depository bank. Any and
2 all interests that shall accrue there from shall form part of the
3 same funds for the use of the University.

4 Any provision of existing law to the contrary
5 notwithstanding, all incomes generated by the University or by its
6 subsidiaries shall, upon their collection, be retained by the
7 University and disbursed at the discretion of the Board for the
8 professional growth and development, health, welfare, and other
9 benefits of the faculty members and other personnel; for the
10 acquisition, construction, maintenance and repair of urgently
11 needed instructional and auxiliary facilities, equipment, buildings
12 and other infrastructure; and for expenses necessary for the
13 attainment of its purposes under its approved program of
14 expenditures;

15 (n) To receive and appropriate all sums as may be provided by law for
16 the support of the University to the ends specified by law, and all
17 other sums in the manner it may, in its discretion, determine to
18 carry out the purposes and functions of the University;

19 (o) To authorize the construction or repair of its buildings, machinery,
20 equipment and other facilities, and the purchase and acquisition
21 of real and personal properties, including the necessary supplies,
22 materials and equipment;

23 (p) To receive in trust legacies, gifts and donations of real and
24 personal property of all kinds and to administer and dispose the
25 same when necessary for the benefit of the University and subject
26 to the instructions of the donor, if any;

- 1 (q) The provisions of law to the contrary notwithstanding, to authorize
2 its faculty and staff to travel abroad in order to study, deliver
3 papers, attend conferences and disseminate research: *Provided,*
4 That the fellowship, scholarship or grant is authorized by the
5 Board of Regents;
- 6 (r) To exercise the general powers set out in the Corporation Code;
- 7 (s) To delegate any of its powers to the President of the University or
8 any other officials or officers as it may deem necessary;
- 9 (t) To prescribe rules for its own government and the discipline of the
10 faculty and other personnel and to enact for the government of
11 the University such general policies, rules and regulations, not
12 contrary to law, as are consistent with the purposes of the
13 University; and
- 14 (u) To exercise such powers as may be proper and necessary to carry
15 out the objectives of this Act.

16 **SEC. 11. Quorum of the Board of Regents.** A simple majority of all
17 members of the Board of Regents holding office at the time the meeting is called
18 shall constitute a quorum.

19 **SEC. 12. The President of the University.** The President of the University
20 is the chief academic officer, head of the University Faculty and the chief
21 executive officer of the University. The President of the University shall exercise
22 the powers specifically provided for in this Act, those determined by the Board
23 of Regents, those which usually pertain to the office of the president of a
24 university, and those which are related or necessary to its functions. The Board
25 of Regents shall determine the compensation of the President of the University.

26 **SEC. 13. The Secretary of the University and of the Board of Regents.**
27 There shall be a Secretary of the University appointed by the Board of Regents,

1 who shall also be the Secretary of the Board, and who shall keep such records of
2 the University as may be designated by the Board.

3 **SEC. 14. The University Council.** There shall be in each Constituent
4 University a University Council consisting of the Chancellor as Chairperson, and
5 of all the faculty members in the University holding the rank of assistant
6 professor and higher.

7 **SEC. 15. Powers of the University Council.** The University Council shall
8 be the highest academic body of each Constituent University and shall exercise
9 the following powers:

- 10 (a) Fix the requirements for admission to any college or unit,
11 graduation, and the grant of honors subject to the minimum
12 system-wide requirements;
- 13 (b) Prescribe the academic programs including their institution,
14 revision, abolition and merger, subject to the approval of the
15 Board of Regents;
- 16 (c) Recommend to the Board of Regents the graduation of students
17 and the grant of honors;
- 18 (d) Exercise disciplinary power over the students, through the
19 Chancellors or their appropriate committees, subject to review by
20 the President of the University according to the limits prescribed
21 by system-wide rules on student discipline;
- 22 (e) Undertake the periodic review of academic courses, programs,
23 standards, thrusts and policies; and
- 24 (f) Adopt internal rules of procedure consistent with the provisions
25 of this Act.

26 **SEC. 16. The Chancellor of the Constituent University.** The
27 administration of each Constituent University is vested in the Chancellor insofar

1 as authorized by the Board of Regents and the President of the University. The
2 Chancellor of the Constituent University shall be elected by the Board of Regents
3 upon nomination of the President of the University, following a process of
4 democratic consultation with the constituents of the Constituent University
5 based on standards and guidelines set by the Board of Regents. The Chancellor
6 shall report to the President of the University, and shall perform the duties and
7 functions elsewhere stated in this Act, and all the usual, necessary and related
8 functions of the office of the chancellor, subject to the policies and rules
9 prescribed by the Board of Regents. The Board of Regents shall determine the
10 term and compensation of the Chancellor.

11 **SEC. 17. The Faculty.** The teaching staff of each college shall constitute
12 its faculty. The College Faculty shall be presided over by a Dean. The Dean shall
13 be elected by the Board of Regents on nomination by the President of the
14 University and upon recommendation of the Chancellor of the Constituent
15 University, following a process of democratic consultation with the constituents
16 of the college based on standards and guidelines set by the Board of Regents.

17 **SEC. 18. Appointment Requisites and Practice of Profession.** Faculty
18 members, as well as research, extension and professional staff (REPS) of the
19 University shall be exempt as such from any civil service examination or
20 regulation as a requisite to appointment. The provisions of existing law to the
21 contrary notwithstanding, licensing requirements for professional regulatory
22 boards shall not affect appointments to faculty positions. In the appointment of
23 faculty members, no religious test shall be applied, nor shall the religious or
24 political opinions or affiliations of the faculty members of the University be
25 made a matter of examination or inquiry.

26 **SEC. 19. Land Grants and Other Real Properties of the University.**

- 1 (a) The State shall provide subsidy to the University of the
2 Philippines System as the national university in the form of lump
3 sum amount, through general appropriations and other financial
4 benefits, and in kind, through land grants and donations and use
5 of other real properties. To carry out the intent of these grants,
6 income derived from the development of all land grants and real
7 properties shall be used to further the ends of the University, as
8 may be decided by the Board of Regents.
- 9 (b) Such parcels of land ceded by law, decree or presidential
10 issuance to the University of the Philippines, are hereby
11 declared to be reserved for the purposes intended. The absolute
12 ownership of the University over these landholdings including
13 those covered by original and transfer certificates of title in the
14 name of the University of the Philippines and their future
15 derivatives is hereby confirmed. Where the issuance of proper
16 certificates of title is yet pending for these landholdings, the
17 appropriate government office shall expedite the issuance
18 thereof within six (6) months from the date of effectivity of this
19 Act provided that all registration requirements necessary for the
20 issuance of the said titles have been submitted and complied
21 with.
- 22 (c) The Board of Regents may plan, design, approve and/or cause
23 the implementation of contracts, mechanisms, and financial
24 instruments, such as joint ventures, long-term leases, fully-
25 owned subsidiaries, securitization and outright sale, to give the
26 University the flexibility to generate revenues and other
27 resources from land grants and other properties: *Provided*, That

1 such mechanisms and arrangements shall sustain and protect the
2 environment in accordance with law, and be exclusive of the
3 academic core zone of the campuses of the University of the
4 Philippines.

5 **SEC. 20. Tax Exemptions.** The provisions of any general or special law to
6 the contrary notwithstanding:

7 (1) All revenues and assets of the University of the Philippines used
8 actually, directly and exclusively for educational purposes shall be
9 exempt from all taxes and duties;

10 (2) Gifts and donations of real and personal properties of all kinds shall
11 be exempt from the donor's tax and the same shall be considered as
12 allowable deductions from the gross income of the donor, in
13 accordance with the provisions of the National Internal Revenue
14 Code, as amended;

15 (3) Importation of economic, technical, vocational, scientific,
16 philosophical, historical and cultural books, supplies and materials,
17 including scientific and educational computer and software
18 equipment, shall be exempt from customs duties;

19 (4) The University shall be exempt from payment of value-added tax;
20 and

21 (5) All honoraria from professional chair awards shall be exempt from
22 taxes.

23 **SEC. 21. Auditing of Accounts.** The Commission on Audit shall audit all
24 accounts and disbursements of the University.

25 **SEC.22. Institutional Autonomy as the National University.** To provide
26 greater flexibility to the University, it shall be treated in a manner consistent

1 with its institutional requirements as the national university by the service-wide
2 agencies in the exercise of their respective jurisdiction.

3 **SEC. 23. Rules of Construction.** No statutory or other issuances shall
4 diminish the powers, rights, privileges, and benefits accorded to the University
5 under this Act or enjoyed at present by the University under other issuances not
6 otherwise modified or repealed under this Act, unless subsequent legislation
7 expressly provides for their repeal, amendment or modification. Any case of
8 doubt in the interpretation of any of the provisions of this Charter shall be
9 resolved in favor of the academic freedom and fiscal autonomy of the University
10 of the Philippines.

11 **SEC. 24. Appropriations.** The amount needed to carry out the
12 implementation of this Act shall be charged against the current fiscal year's
13 lump sum appropriation and other internal funds of the University. Thereafter,
14 such lump sum representing the national government's assistance for the
15 continued implementation of this Act shall be included in the Annual General
16 Appropriations Act.

17 The University may use unexpended balances in any appropriation for
18 purposes that the Board of Regents determines.

19 **SEC. 25. Separability Clause.** Should any provision herein be declared
20 unconstitutional, the same shall not affect the validity of the other provisions of
21 this Act.

22 **SEC. 26. Repealing Clause.** Act No. 1870, as amended, and all laws,
23 decrees, orders, rules, and regulations or other issuances or parts thereof
24 inconsistent with the provisions of this Act are hereby repealed or modified
25 accordingly.

1 **SEC. 27. Effectivity.** This Act shall take effect fifteen (15) days after its
2 publication in the Official Gazette or in any newspaper of general circulation in
3 the Philippines.

4 *Approved,*