

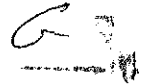
THIRTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

SENATE  
OFFICE OF THE SECRETARY

04 OCT 25 1908

SENATE  
S. No. 1827

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Introduced by **Senator Richard J. Gordon**

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### EXPLANATORY NOTE

On June 18, 1908, the First Philippine Legislature passed Act No. 1870, which created the University of the Philippines. The University of the Philippines became the nation's leading institution of higher learning, renowned as the bastion of academic freedom and academic excellence.

Nearly a century after its enactment, the old charter of the University of the Philippines no longer reflects the realities nor responds to the challenges of the times. It is now time for a thorough review and amendment of the old charter to strengthen the University of the Philippines as the national university and to assert its unique and distinctive leadership in higher education not only in producing graduates with knowledge and skills that the current job market demands, but also in breeding leaders in the major fields, industries and academic disciplines of the country.

This bill, which seeks to strengthen the University of the Philippines as the national university, incorporates several statutes and issuances issued for administrative purposes that have been tested through time in the University of the Philippines. Among its salient provisions are the inclusion of a Staff Regent in the Board of Regents to represent the full-time, permanent research, extension, and professional staff and administrative personnel in the highest policy-making body of the University of the Philippines, the grant of sole authority to the Board of Regents to draw up a position classification and compensation plan for the faculty and staff of the University of the Philippines, the productive utilization of land grants and other real properties of the University of the Philippines through the grant of the same powers as the Philippine Economic Zone Authority in the Board of Regents, and the exemption of the University of the Philippines from the payment of certain taxes to promote its financial health, and fiscal and institutional autonomy. The provisions of this bill are largely based on House Bill No. 455 passed by the House of Representatives in the 12<sup>th</sup> Congress.

In line with the State policy to give priority to education to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development, the passage of this bill strengthening the University of the Philippines as the State's national university is earnestly sought.



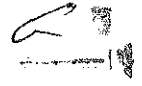
**RICHARD J. GORDON**  
Senator

THIRTEENTH CONGRESS OF THE REPUBLIC )  
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2004 OCT 25 11:18

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**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 Philippines  
2 Charter of 2004."

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

6 Sec. 3. *Purpose and Functions.* – As the national university and a public and secular  
7 institution of higher learning and a community of scholars dedicated to the search for truth  
8 and knowledge, the University of the Philippines shall lead in higher education and national  
9 educational development through its combined functions, as follows:

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

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

17 (3) Serve as a research university in the various fields of its expertise and  
18 specialization by conducting basic and applied research and development, promoting  
19 research in the various colleges and universities, and contributing to the dissemination and  
20 application of knowledge;

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

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

6 (6) Serve as a regional and global university in cooperation with international  
7 scientific unions and with networks of universities and scholarly and professional  
8 associations; and

9 (7) Enter into academic and research consortia agreements with foreign and local  
10 universities and research entities.

11 Sec. 4. *The University System.* – The University of the Philippines is a university  
12 system and shall be composed of constituent universities.

13 Sec. 5. *Academic Freedom.* – The University of the Philippines shall enjoy academic  
14 freedom.

15 Sec. 6. *Academic Excellence.* – The University of the Philippines shall maintain and  
16 enhance its high academic standards in the performance of the functions of instruction,  
17 research, and extension and public service.

18 Sec. 7. *Social Responsibility.* – The University of the Philippines shall serve the  
19 Filipino nation and humanity. While it carries out the obligation to pursue universal  
20 principles, it shall relate its activities to the needs of the Filipino people and their aspirations  
21 for social progress and transformation. In fulfilling its social responsibility, the University of  
22 the Philippines may provide venues for student volunteerism.

23 Sec. 8. *Democratic Access.* – No student shall be denied admission to the University  
24 of the Philippines by reason of age, gender, nationality, ethnicity, physical disability,  
25 religious belief, or political opinion or affiliation. The University of the Philippines shall take  
26 affirmative steps to enhance the access of disadvantaged students to its programs and  
27 services while maintaining its standards of excellence.

28 Sec. 9. *The Board of Regents.* – The government of the University of the Philippines  
29 is vested in a board of regents known as the "Board of Regents of the University of the  
30 Philippines System," composed of:

31 (1) The Chairperson of the Commission on Higher Education as Chairperson;

32 (2) The President of the University of the Philippines as Vice-Chairperson;

33 (3) The Chairperson of the Senate Committee on Education, Arts and Culture;

1 (4) The Chairperson of the House Committee on Higher and Technical Education;

2 (5) The President of the University of the Philippines Alumni Association, to serve as  
3 Alumni Regent during his or her incumbency in that position;

4 (6) One (1) Faculty Regent chosen by the full-time and tenured faculty members of  
5 the University of the Philippines from their ranks, to serve for a term of two (2) years;

6 (7) One (1) Student Regent, to serve for a term of one (1) year, chosen by the  
7 students from their ranks through a process approved in a referendum by the students;

8 (8) One (1) Staff Regent representing the full-time permanent research, extension,  
9 and professional staff and administrative personnel and chosen by them from their ranks, to  
10 serve for a term of two (2) years; and

11 (9) Three (3) other Regents who have distinguished themselves in their professions  
12 or fields of specialization chosen from a list of five (5) persons for every vacancy as  
13 recommended by a search committee constituted by the President of the University of the  
14 Philippines based on standards and guidelines approved by the Board of Regents. At least  
15 two (2) of these Regents should be alumni. All these Regents shall be appointed by the  
16 President of the Philippines and shall each serve for a term of two (2) years; Provided, That  
17 the Regents holding office as members of the Board of Regents at the time of this Act shall  
18 continue to serve until the expiration of their appointments as provided in Executive Order  
19 No. 204-A issued by the President of the Philippines on July 15, 1987.

20 In case of vacancy in the Board of Regents of any position, such vacancy shall be  
21 filled in the same manner as provided for the predecessor, and such successor shall hold  
22 office for the unexpired term. Membership in the Board of a sectoral Regent ceases upon  
23 suspension, separation or recall from the University of the Philippines.

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

27 *Sec. 10. Powers of the Board of Regents.* – The administration of the University of  
28 the Philippines and the exercise of its corporate powers are vested in the Board of Regents.  
29 The Board of Regents shall exercise the following specific powers and duties:

30 (1) To define the thrusts of the University of the Philippines and adopt broad policy  
31 guidelines to ensure their implementation;

32 (2) To preserve the integrity of the University of the Philippines System;

1 (3) To approve the institution, merger or abolition of academic programs upon  
2 recommendation of the University Council of the constituent university concerned through  
3 the President of the University of the Philippines;

4 (4) To approve the graduation of students and grant of honors, as recommended by  
5 the University Council of the constituent university concerned through the President of the  
6 University of the Philippines;

7 (5) To confer honorary degrees upon persons in recognition of learning,  
8 statesmanship, or eminence in literature, science, or art, upon recommendation of a  
9 committee created by the President of the University of the Philippines: Provided, That such  
10 degrees shall not be conferred in consideration of any payment, gift or other valuable  
11 consideration;

12 (6) To approve the rules on student discipline, as recommended by the University  
13 Council of the constituent university concerned through the President of the University of the  
14 Philippines;

15 (7) To create, organize, reorganize, merge or abolish constituent universities,  
16 colleges, institutes, and other academic and administrative units of the University of the  
17 Philippines and to determine or transfer their geographical location;

18 (8) To establish professorial chair awards;

19 (9) To provide fellowships, scholarships and grants, and to award the same to  
20 faculty, staff and students having special evidence of merit, especially those who are poor  
21 and deserving individuals;

22 (10) To elect the President of the University of the Philippines for a term of six (6)  
23 years following a process of democratic consultation with the University of the Philippines  
24 community, subject to guidelines, qualifications and standards set by the Board of Regents.  
25 In the event of a vacancy, the Board of Regents shall elect a president who shall serve a full  
26 term within six (6) months from the occurrence of the vacancy;

27 (11) To appoint faculty members and other officials and employees, to draw up a  
28 position classification and compensation plan for its faculty and staff, and to fix and adjust  
29 salaries and benefits of the faculty members and other employees, any other provision of  
30 law to the contrary notwithstanding; to determine their hours of service, and such other  
31 terms and conditions as it may deem proper; and to remove them for cause as provided by  
32 law after due investigation and proper hearing;

1 (12) To extend, with their consent, the tenure of faculty members of the University of  
2 the Philippines beyond the compulsory retirement age, any other provision of law to the  
3 contrary notwithstanding, on recommendation of the units upon endorsement of the  
4 President of the University of the Philippines, whenever their services are especially  
5 needed;

6 (13) To fix the tuition fees and other necessary school charges. Such fees and  
7 charges, including government financial and material support and other income generated  
8 by the University of the Philippines, shall constitute special trust funds and shall be  
9 deposited in any authorized government depository bank. Any and all interests that shall  
10 accrue therefrom shall form part of the same funds for the use of the University of the  
11 Philippines. Any other provision of law to the contrary notwithstanding, all incomes  
12 generated by the University of the Philippines or by its own subsidiaries shall, upon their  
13 collection, be retained by the University of the Philippines and disbursed at the discretion of  
14 the Board of Regents for the professional growth and development, health, welfare, and  
15 other benefits of the faculty members and other personnel; for the acquisition, construction,  
16 maintenance and repair of urgently needed instructional and auxiliary facilities, equipment,  
17 buildings and other infrastructure; and for expenses necessary for the attainment of its  
18 purpose and functions under this Act;

19 (14) To receive and appropriate all sums, as may be provided by law, for the support  
20 of the University to the ends specified by law, and all other sums in the manner it may, in its  
21 discretion, determine to carry out the purpose and functions of the University of the  
22 Philippines;

23 (15) To authorize the construction, maintenance and repair of its buildings,  
24 machinery, equipment and other facilities, and the purchase and acquisition of real and  
25 personal properties, including the necessary supplies, materials and equipment;

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

29 (17) To develop land grants and other real properties of the University of the  
30 Philippines in accordance with Sec. 19 of this Act;

31 (18) To authorize its faculty and staff to travel abroad in order to study, deliver  
32 papers, attend conferences and disseminate research, any provision of law to the contrary  
33 notwithstanding;

1 (19) To exercise the general powers set out in the Corporation Code;

2 (20) To delegate any of its powers to the President or any other officials or officers of  
3 the University of the Philippines as it may deem necessary;

4 (21) To prescribe rules for its own government and the discipline of the faculty and  
5 other personnel and to enact for the government of the University of the Philippines such  
6 general policies, rules and regulations, not contrary to law, as are consistent with the  
7 purpose and functions of the University of the Philippines under this Act; and

8 (22) To exercise such other powers as may be necessary and proper to carry out the  
9 purposes of this Act.

10 Sec. 11. *Quorum of the Board of Regents.* – A simple majority of all members of the  
11 Board of Regents holding office at the time the meeting is called shall constitute a quorum.

12 Sec. 12. *The President.* – The President of the University of the Philippines is the  
13 chief academic officer, head of the University of the Philippines Faculty and the chief  
14 executive officer of the University of the Philippines. The President of the University of the  
15 Philippines shall exercise the powers specifically provided for in this Act, those determined  
16 by the Board of Regents, those which usually pertain to the office of the president of a  
17 university, and those which are related or necessary to its functions. The Board of Regents  
18 shall determine the compensation of the President of the University of the Philippines.

19 Sec. 13. *The Secretary and the Board of Regents.* – There shall be a Secretary of  
20 the University of the Philippines appointed by the Board of Regents, who shall also be the  
21 Secretary of the Board, and who shall keep such records of the University of the Philippines  
22 as may be designated by the Board.

23 Sec. 14. *The University Council.* – There shall be in each constituent university a  
24 University Council consisting of the Chancellor as Chairperson, and of all the faculty  
25 members in the University of the Philippines holding the rank of assistant professor and  
26 higher.

27 Sec. 15. *Powers of the University Council.* – The University Council shall be the  
28 highest academic body of each constituent university and shall exercise the following  
29 powers:

30 (1) Fix the requirements for admission to any college or unit, graduation, and the  
31 grant of honors, subject to the minimum system-wide requirements;

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

1 (3) Recommend to the Board of Regents the graduation of students and the grant of  
2 honors;

3 (4) Exercise disciplinary power over the students, through the Chancellors or their  
4 appropriate committees, subject to review by the President of the University of the  
5 Philippines according to the limits prescribed by the system-wide rules on student discipline;

6 (5) Undertake the periodic review of academic courses, programs, standards, thrusts  
7 and policies; and

8 (6) Adopt internal rules of procedure consistent with the provisions of this Act.

9 SEC. 16. *The Chancellor of the Constituent University.* – The administration of each  
10 constituent university is vested in the Chancellor insofar as authorized by the Board of  
11 Regents and the President of the University of the Philippines. The Chancellor of the  
12 constituent university shall be elected by the Board of Regents upon nomination of the  
13 President of the University of the Philippines, following a process of democratic consultation  
14 with the constituents of the constituent university concerned, subject to guidelines,  
15 qualifications and standards set by the Board of Regents. The Chancellor shall be the head  
16 of the faculty of each constituent university. The Chancellor shall report to the President of  
17 the University of the Philippines, and shall perform the duties and functions provided in this  
18 Act, and all related functions of the office of the Chancellor, subject to rules prescribed by  
19 the Board of Regents. The Board of Regents shall determine the term and compensation of  
20 the Chancellor.

21 Sec. 17. *The Faculty.* – The teaching staff of each college shall constitute its faculty.  
22 The college faculty shall be presided over by a Dean. The Dean shall be elected by the  
23 Board of Regents on nomination by the President of the University of the Philippines and  
24 upon recommendation of the Chancellor of the constituent university, following a process of  
25 democratic consultation with the constituents of the college, subject to guidelines,  
26 qualifications and standards set by the Board of Regents.

27 Sec. 18. *Appointment Requisites.* – Faculty members as well as academic research,  
28 extension and professional staff of the University of the Philippines shall be exempt from  
29 any civil service examination or regulation as a requisite to appointment. Any other  
30 provision of law to the contrary notwithstanding, licensing requirements for professional  
31 regulatory boards shall not affect appointments to faculty positions. In the appointment of  
32 faculty members, no religious test shall be applied, nor shall the religious belief, or political



1 opinion or affiliation of the faculty members of the University of the Philippines be made a  
2 matter of examination or inquiry.

3       Sec. 19. *Land Grants and Other Real Properties.* –

4       (1) The State shall provide financial and material support to the University of the  
5 Philippines in the form of lump sum amount, through general appropriations and other  
6 financial benefits, and in kind, through land grants and donations and use of other real  
7 properties. Income derived from the development of all land grants and other real  
8 properties shall be used to further the ends of the University of the Philippines, as may be  
9 decided upon by the Board of Regents.

10       (2) Such parcels of land ceded by law, decree or presidential issuance to the  
11 University of the Philippines are reserved for the purposes intended, and the absolute  
12 ownership of the University of the Philippines over these landholdings including those  
13 covered by original and transfer certificates of title in the name of the University of the  
14 Philippines and their future derivatives is hereby confirmed. Where the issuance of proper  
15 certificates of title is yet pending for these landholdings, the appropriate government office  
16 shall expedite the issuance thereof within six (6) months from the date of effectivity of this  
17 Act provided that all registration requirements necessary for the issuance of the said titles  
18 have been submitted and complied with.

19       (3) The Board of Regents may plan, design, approve or cause the implementation of  
20 contracts, mechanisms, and financial instruments, such as joint ventures, long-term leases,  
21 fully-owned subsidiaries, securitization, but without in any manner alienating or disposing  
22 land grants and other real properties, to give the University of the Philippines the flexibility to  
23 generate revenues and other resources from land grants and other real properties entrusted  
24 by the Filipino people to their national university; Provided, That such mechanisms and  
25 arrangements shall sustain and protect the environment in accordance with law, not conflict  
26 with the academic mission of the University of the Philippines, and preserve the academic  
27 core zone of the campuses of the constituent universities of the University of the  
28 Philippines. For this purpose, the Board of Regents shall have the same powers as the  
29 Philippine Economic Zone Authority in Republic Act No. 7916, as amended, or The Special  
30 Economic Zone Act of 1995, over the land grants and other real properties of the University  
31 of the Philippines for its productive utilization.

32       Sec. 20. *Tax Exemptions.* – Any other provision of general or special law to the  
33 contrary notwithstanding,

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

3 (2) Gifts and donations of real and personal properties of all kinds to the University of  
4 the Philippines shall be exempt from the donor's tax and the same shall be considered as  
5 allowable deductions from the gross income of the donor;

6 (3) Importation of economic, technical, vocational, scientific, philosophical, historical  
7 and cultural books, supplies, equipment, machinery and other materials, including scientific  
8 and educational computer and software equipment by the University of the Philippines shall  
9 be exempt from the payment of customs duties and taxes;

10 (4) Any and all transactions of the University of the Philippines shall be exempt from  
11 the payment of value added tax; and

12 (5) All honoraria for professorial chair awards shall be exempt from taxes.

13 *Sec. 21. Institutional Autonomy as the National University.* – To provide greater  
14 flexibility to the University of the Philippines, it shall be treated in a manner consistent with  
15 its institutional requirements as the national university by the service-wide agencies in the  
16 exercise of their respective jurisdictions. The University of the Philippines, taking into  
17 account national goals and priorities, shall exclusively determine its teaching, research and  
18 extension thrusts, plans, policies, priorities, programs and standards. On the basis of such  
19 determination, the University of the Philippines shall recommend its annual budget.

20 *Sec. 22. Appropriations.* – The Board of Regents of the University of the Philippines  
21 shall immediately include in the programs the implementation of this Act, the initial funding  
22 of which shall be charged against the current year's appropriations and other internally  
23 generated income of the University of the Philippines. Thereafter, such sums as may be  
24 necessary for the continued operation and maintenance of the University of the Philippines  
25 shall be included in the annual General Appropriations Act. The University of the  
26 Philippines shall enjoy fiscal autonomy.

27 *Sec. 23. Construction.* – No statutory or other issuances shall diminish the powers,  
28 rights, privileges, and benefits accorded to the University of the Philippines under this Act or  
29 enjoyed at present by the University of the Philippines under other issuances not otherwise  
30 modified or repealed under this Act, unless subsequent legislation expressly provides for  
31 their repeal, amendment or modification. Any doubt in the interpretation of any of the  
32 provisions of this Act shall be resolved in favor of the academic freedom, and fiscal and  
33 institutional autonomy of the University of the Philippines.

1           Sec. 24. *Separability Clause.* – Should any provision herein be declared  
2 unconstitutional, the same shall not affect the validity of the other provisions of this Act.

3           Sec. 25. *Repealing Clause.* – Act No. 1870, as amended, and all laws, decrees,  
4 orders, rules and regulations or other issuances or parts thereof inconsistent with the  
5 provisions of this Act are hereby repealed or modified accordingly.

6           Sec. 26. *Effectivity.* – This Act shall take effect after fifteen (15) days following the  
7 completion of its publication in the Official Gazette or in a newspaper of general circulation  
8 in the Philippines.

9           Approved,