

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

04 JUN 30 P6:04

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S E N A T E

S. No. 498

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Introduced by Senator S. R. Osmeña III

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#### EXPLANATORY NOTE

The Iligan Institute of Technology (IIT) located in Iligan City was created under Republic Act 5363 as an attached external unit of the Mindanao State University (MSU) in Marawi City.

This bill proposes a separate charter for IIT which will be known as the Iligan State University, separating it from the MSU and giving its full autonomy.

The proposed separation will be beneficial to both the MSU and the IIT. Freed from the burden of supervising an external unit, MSU would then be able to devote its attention and resources in fulfillment of its original mandate under R.A. 1837. IIT on the other hand, will have the freedom and flexibility to pursue its own academic growth in response to the needs of its immediate environs. Autonomy will enable it to offer more courses or programs for the development of managerial, professional, and technical skills to supply the requirements of industries in the area.

The ultimate beneficiary of this measure will be the regional economy, which will enjoy the services of two leading institutions of higher learning, each with its own specialized capabilities to contribute to the economic growth of the region and the rest of Southern Philippines.

In view of the foregoing, early passage of this bill is earnestly requested.

*S. Osmeña III*  
SERGIO OSMEÑA III  
Senator

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AN ACT  
SEPARATING THE ILIGAN INSTITUTE OF TECHNOLOGY FROM THE MINDANAO  
STATE UNIVERSITY TO BE KNOWN AS THE ILIGAN STATE UNIVERSITY OF  
SCIENCE AND TECHNOLOGY, GRANTING IT FULL STATUS AS A CHARTERED  
STATE INSTITUTION OF HIGHER LEARNING, THEREBY REPEALING REPULIC  
ACT NO. 5363 AND AMENDING REPUBLIC ACT NO. 1387, AS AMENDED AND  
APPROPRIATING FUNDS THEREFORE

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

1       SECTION 1. **Short Title.** – This Act shall be known as the “Charter of  
2       the Iligan State University of Science and Technology Act of 2004.”

3       SEC. 2. **Declaration of Policy.** – It shall be the policy of the Philippine  
4       government to achieve national development through the establishment,  
5       maintenance and support of adequate and integrated system of university  
6       education, to promote research, and to further science and technology  
7       education, training and services that shall be responsive to the needs to the  
8       needs of the people.

9       SEC. 3. **Charter of the University.** – The charter of the Iligan Institute of  
10       Technology is hereby repealed, constituting in its stead the Iligan State  
11       University of Science and Technology, hereinafter referred to as the “University”  
12       independent and autonomous from the Mindanao State University in Marawi  
13       City, Lanao del Sur.

1           SEC. 4. **Board of Regents.** – The government of the University shall be  
2   vested in the Board of Regents, hereinafter referred to as the Board, which shall  
3   be composed of the following:

- 4           1) Chairperson of the Commission on Higher Education (CHED),  
5           chairperson;
- 6           2) President of the University, vice chairperson;
- 7           3) Chairperson of the Committee on Education and Culture of the  
8           Senate, member;
- 9           4) Chairperson of the Committee on Higher and Technical Education of  
10          the House of Representatives, member;
- 11          5) Regional Director of the National Economic Development Authority  
12          (NEDA), Region XII, member;
- 13          6) Regional Director of the Department of Science and Technology  
14          (DOST), Region XII, member;
- 15          7) President of the faculty, staff and employees association of the  
16          University, member;
- 17          8) President of the supreme student council of the University, member;
- 18          and
- 19          9) Two (2) private sector representatives who have distinguished  
20          themselves in their profession or fields of specialization chosen from  
21          among the Chamber of Commerce and Industry, Sectoral,  
22          Professional and Trade Associations based in Iligan city or Lanao del  
23          Norte and shall be appointed by the Board of Regents upon  
24          recommendation of a duly constitute Search Committee.

25          The Senate and House Education Committee chairpersons or their  
26   representatives and the two- (2) private sector representatives shall have the  
27   same powers, authority and privileges as the regular members of the Board.

28          The Chairperson of the Commission on Higher Education, the President  
29   of the University, the Education Committee Chairpersons of the Senate and the

1 House of Representatives, the representatives of the Department of Science  
2 and Technology and of the National Economic Development Authority shall  
3 serve in their *ex officio* capacities, while the two (2) Private Sector  
4 representatives shall serve for a term of two (2) years.

5 The term of office of the representatives of the faculty, staff and  
6 employees association, supreme student council and the alumni association  
7 shall be co-terminus with their office.

8 In case of vacancy among the appointed regents, the President shall  
9 appoint a replacement who shall hold office only for the unexpired term. The  
10 members of the Board shall be citizens and residents of the Philippines. No  
11 person in the employ of the University or in the employ of any other educational  
12 institutions in any capacity whatsoever shall be eligible for membership in the  
13 Board

14 The Chairperson of the Commission of Higher Education shall be the *ex*  
15 *officio* Chairman of the Board.

16 Member of the Board shall serve without compensation, but shall be  
17 reimbursed for necessary expenses incurred in their attendance of meetings of  
18 the Board or in connection with their official business authorized by resolution of  
19 the Board, subject to existing budget laws, rules and regulations on honoraria  
20 and allowances.

21 **SEC. 5. Powers and Duties of the Governing Board.** ~ The Board of  
22 Regents shall have the following specific powers and duties, in addition to its  
23 general powers of administration and the exercise of the powers granted to the  
24 Board of Directors of a corporation under Section 36 of Batas Pambansa Blg.  
25 68, otherwise known as the Corporation Code of the Philippines:

26 (a) To enact rules and regulations not contrary to law as may be  
27 necessary to carry out the purposes and functions of the University;

1 (b) To receive and appropriate sums as may be provided, for the support  
2 of the University in the manner it may determine, in its discretion, to  
3 carry out the purposes and functions of the University;

4 (c) To receive in trust legacies gifts and donations of real and personal  
5 properties of all kinds, to administer and dispose the same when  
6 necessary for the benefits of the University, subject to limitations,  
7 directions and instructions of the donors, if any. Such donations shall  
8 be exempt from all taxes and shall be considered as deductible items  
9 from the income tax of the donor;

10 (d) To fix the tuition fees and other necessary school charges, such as  
11 but not limited to matriculation fees, graduation fees and laboratory  
12 fees, as the Board of Regents may deem proper to impose after due  
13 consultations with the involved sectors.

14 Such fees and charges, including government subsidies and other  
15 income generated by the University shall constitute special trust funds  
16 and shall be deposited in any authorized government depository bank,  
17 and all interests that shall accrue therefrom shall form part of the  
18 same fund for the use of the University. Any provision of existing laws,  
19 rules and regulations to the contrary notwithstanding, any income  
20 generated by the University from tuition fees and other charges as  
21 well as from the operation of auxillary services and land grants, shall  
22 be retained by the University, and may be disbursed by the Board of  
23 Regents for instruction, research, extension, or other  
24 programs/projects of the University: *Provided*, That all fiduciary fees  
25 shall be disbursed for the specific purposes for which they are  
26 collected.

27 If, for reasons beyond its control, the University shall not be able to  
28 pursue any project for which funds have been appropriated and  
29 allocated under its approved program of expenditures, the Board of

1 Regents may authorize the use of said funds for a reasonable  
2 purpose which in its discretion, may be necessary and urgent for the  
3 attainment of the objectives and goals of the University.

4 (e) To adopt and implement a socialized scheme of tuition and school  
5 fees for greater access to poor but deserving students;

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

12 (g) To appoint upon the recommendation of the President of the  
13 University, Vice Presidents, deans, directors, heads of departments,  
14 faculty members and other officials and employees;

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

24 (i) To approve the curricula, institutional programs and rules of discipline,  
25 drawn by the Administrative and Academic Councils as herein  
26 provided;

27 (j) To set policies on admission and graduation of students;

28 (k) To award honorary degrees upon persons in recognition of  
29 outstanding contribution in the field of education, public service, arts,

1 science and technology or in any field of specialization within the  
2 academic competence of the University and to authorize the award of  
3 certificates of completion of non-degree and non-traditional courses;

4 (l) *To absorb non-chartered tertiary institutions within the Province of*  
5 *Lanao Del Norte or Mindanao, in coordination with the Commission on*  
6 *Higher Education and in consultation with the Department of Budget*  
7 *and Management, and to offer therein needed programs or courses,*  
8 *to promote and carry out equal access to educational opportunities*  
9 *mandated by the Constitution;*

10 (m) *To establish research and extension center where such will promote*  
11 *the development of the University;*

12 (n) *To establish chairs in the university and to provide fellowships for*  
13 *qualified faculty members and scholarships to deserving students;*

14 (o) *To delegate any of its powers and duties provided for herein above to*  
15 *the president and/or other officials of the University as if may deem*  
16 *appropriate so as to expedite the administration of the affairs of the*  
17 *University;*

18 (p) *To authorize an external management audit of the institution, to be*  
19 *financed by the CHED and to institute reforms, including academic*  
20 *and structural changes, on the basis of the audit results and*  
21 *recommendations;*

22 (q) *To collaborate with other governing boards of state universities and*  
23 *colleges within the Province of Lanao Del Norte or Mindanao, under*  
24 *the supervision of the Commission on Higher Education and in*  
25 *consultation with the Department of Budget and Management, the*  
26 *restructuring of the University to become more efficient, relevant,*  
27 *productive, and competitive;*

28 (r) *To enter into joint ventures with business and industry for the*  
29 *profitable development and management of the economic assets of*

1 the University, the proceeds from which to be used for the  
2 development and strengthening of the University;

3 (s) To develop consortia and other forms of linkages with local  
4 government units, institutions and agencies, both public and private,  
5 local and foreign, in furtherance of the purposes and objectives of the  
6 University;

7 (t) To develop academic arrangements for institution capability building  
8 with appropriate institutions and agencies, public or private, local or  
9 foreign, and to appoint experts/specialists as consultants, or visiting or  
10 exchange professors, scholars, researchers as the case may be;

11 (u) To set up the adoption of modern and innovative modes of  
12 transmitting knowledge such as the use of information technology, the  
13 dual system, open learning, community laboratory, etc., for the  
14 promotion of greater access to higher education;

15 (v) To establish policy guidelines and procedures for participative  
16 decision-making and transparency within the University;

17 (w) To privatize, where most advantageous to the University,  
18 management and on-academic services such as health, food, building  
19 or grounds or property maintenance and similar such other activities;  
20 and

21 (x) To extend the term of the president of the University beyond the age  
22 of retirement but not later than the age of seventy (70), whose  
23 performance has been unanimously rated as outstanding and upon  
24 unanimous recommendation by the Search Committee for the  
25 President of the University.

26 SEC. 6. **Meetings of the Board of Regents, Quorum, Notices and**  
27 **Presiding Officer.** – The Board of Regents shall convene regularly at least  
28 once every two (2) months.



1       The Chairperson of the Board of Regents may, upon three (3) days prior  
2 written notice, call a special meeting whenever necessary.

3       A quorum of the Board of Regents shall consist of the majority of all  
4 members holding office at the time of the meeting: *Provided*, That the  
5 Chairperson of the Commission on Higher Education who is the Chairperson of  
6 the Board or the President of the University are among those present in the  
7 meeting.

8       In the absence of the Chairperson of the Commission on Higher  
9 Education, a Commissioner of the Commission on Higher Education, duly  
10 designated by him, shall represent him in the meeting with all the rights and  
11 responsibilities of a regular member: *Provided, however*, That in the said  
12 meeting, the President of the University as Vice Chairman shall be the Presiding  
13 Officer: *Provided, further*, That this proviso notwithstanding, the Chairperson of  
14 the Commission on Higher Education is hereby authorized to designate the  
15 regular Chair of the university, in which case said CHED Commissioner shall act  
16 as Presiding Officer.

17       In the absence of the Chairperson of the Senate Committee on Education  
18 and Culture, a senator, preferably from Mindanao duly designated by the  
19 Chairperson, shall represent him.

20       In the absence of the Chairperson of the House Committee on Higher  
21 and Technical Education, the representative from Iligan City or Lanao del Norte  
22 duly designated by the chairperson, shall represent him.

23       **SEC. 7. *Promulgation and Implementation of Policies.*** – The Board of  
24 Regents as the governing body of the University shall promulgate and  
25 implement policies in accordance with the declared state policies on education  
26 and other pertinent provisions of the Philippine Constitution on education,  
27 science and technology, arts, culture and sports, as well as the policies,  
28 standards and thrusts of the Commission on Higher Education under Republic  
29 Act No. 7722.

1           SEC. 8. **University Administration.** – The administration of the  
2   University shall be vested in the President of the University who shall render full-  
3   time service. He shall be appointed by the Board of Regents, upon  
4   recommendation of a duly constituted Search Committee. He shall have a term  
5   of four (4) years and shall be eligible for reappointment for another term:  
6   *Provided,* That this provisions shall not adversely affect the terms of the  
7   incumbents.

8           The President shall be assisted by a Vice President for Academic Affairs  
9   who shall be appointed by the Board upon the former's recommendation without  
10   prejudice to the appointment of more than one Vice President when so  
11   warranted.

12          In case of vacancy by reason of death, resignation, removal for cause or  
13   incapacity of the President to perform the functions of his office, the Board shall  
14   have he authority to designate an Officer-in-Charge pending the appointment of  
15   a new President.

16          In case of vacancy in the office of the President as mentioned in the  
17   immediately preceding paragraph, his successor shall hold office for the  
18   unexpired term.

19          SEC. 9. **The Treasurer of the Philippines.** – The Treasurer of the  
20   Philippines shall be the *ex-officio* Treasurer of the University. All accounts and  
21   expenses of the University shall be audited by the Commission on Audit or its  
22   duly authorized representative.

23          SEC. 10. **University Council.** – There shall be an University Council  
24   consisting of the President of the University as Chairperson, the Vice  
25   President(s), Deans, Directors and other officials of equal rank as members, and  
26   whose duty is to review and recommend to the Board of Regents policies  
27   governing the administration, management and development planning of the  
28   University for appropriate action.

1           SEC. 11. **Academic Council.** – There shall be an Academic Council with  
2 the President of the University as Chairperson and all members of the  
3 instructional staff with the rank of not lower than Assistant Professor as  
4 members.

5           The Academic Council shall have the power to review and recommend  
6 the curricular offerings and rules of discipline of the University subject for  
7 appropriate action of the Board of Regents. It shall fix the requirements for the  
8 admission of students as well as for graduation and the conferment of degrees  
9 subject to review and/or approval by the Board of Regents through the President  
10 of the University.

11          SEC. 12. **Faculty Council.** – The body of teachers of each college,  
12 school or institute shall comprise the Faculty Council. The Dean or Director shall  
13 be the presiding officer of each Faculty Council who shall be elected from the  
14 members of such faculty by the Board upon recommendation of the President.

15          SEC. 13. **University Secretary.** – There shall be a Secretary of the  
16 University who shall be appointed by the Board upon the recommendation of the  
17 President of the University. He shall be the Secretary of the Board and shall  
18 keep the records of the University and the Board.

19          SEC. 14. **Board of Visitors.** – The President of the Philippines, the  
20 President of the Senate and the Speaker of the House of Representatives shall  
21 constitute the Board of Visitors of the University. The Board of Visitors shall  
22 attend the annual commencement program of the University, to make visitation  
23 and examine the property, curricular offering, discipline and books of account of  
24 the University and to report to the legislature such other recommendations as  
25 may be necessary to carry out the objectives and programs of the University.

26          SEC. 15. **University Site.** – The site of the Mindanao State University-  
27 Iligan Institute of Technology that has been reserved for the use of the latter  
28 under Republic Act No. 5363 and the Memorandum of Agreement with the  
29 defunct Bureau of Vocational Education or its successor in interest, covering

1 nine (9) hectares, more or less, located in the City of Iligan, Lanao del Norte, is  
2 hereby granted for the exclusive use of the University.

3 The Board of Regents, upon the recommendation of the University  
4 President is hereby authorized to utilize the build and operate transfer scheme  
5 as provided for under Republic Act No. 7718, as amended, for the construction  
6 of the physical infrastructure, acquisition of laboratory and other academic  
7 equipment, library and reference materials and books, subject to the approval by  
8 appropriate government agencies.

9 SEC. 16. **Filling of Report.** – On or before the fifteenth (15<sup>th</sup>) day of the  
10 second month after opening of regular classes each year, the President of the  
11 University shall file with the Office of the President of the Philippines through the  
12 Chairperson of the Commission on Higher Education, and with the Senate and  
13 House of Representatives a detailed report of the progress, conditions and  
14 needs of the University.

15 SEC. 17. **Academic Freedom.** – Pursuant to Paragraph 2, Section 5 of  
16 Article XIV of the Constitution of the Republic of the Philippines, Iligan State  
17 University of Science and Technology shall enjoy academic freedom and  
18 institutional autonomy.

19 SEC. 18. **Admission.** – No student shall be denied admission to the  
20 University by reason of sex, nationality, religion, political affiliation or physical  
21 disability.

22 SEC. 19. **Appropriation.** – The amount needed to carry out the  
23 provisions of this Act shall be charged against the current year's appropriations  
24 of the Mindanao State University-Iligan Institute of Technology. Thereafter, such  
25 sums as may be necessary for the operation and maintenance of the University  
26 shall be included in the annual General Appropriations Act.

27 SEC. 20. **Initial Assets of the University.** – The assets, properties,  
28 personnel and funds of the Mindanao State University-Iligan Institute of  
29 Technology are hereby transferred to the University without exception and

1 unconditionally. All personnel, academic and administrative, are hereby deemed  
2 absorbed into the staff of the University, with all rights and privileges carried  
3 over and these shall neither be diminished or altered as a consequence of this  
4 Act.

5 SEC. 21. **Separability Clause.** – If any provision of this Act or the  
6 application of such provision to any person or party is declared invalid, the  
7 remainder of the Act or the application of such provision to other persons or  
8 parties shall not be affected by such declaration of invalidity.

9 SEC. 22. **Repealing Clause.** – The Republic Act No. 5363 is hereby  
10 repealed and Republic Act No. 1387, as amended is likewise hereby amended.  
11 Accordingly, all laws, rules and regulations and other issuances or parts thereof  
12 which are contrary to or inconsistent with this Act are hereby repealed or  
13 modified accordingly.

14 SEC. 23. **Effectivity.** – This Act shall take effect fifteen (15) days after its  
15 publication in two (2) national newspapers of general circulation

16 Approved,