

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

7 SEP -6 2007

SENATE

RECEIVED BY: JA

S. No. 1540

Introduced by Senator JUAN MIGUEL F. ZUBIRI

EXPLANATORY NOTE

It is the State's duty to protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make education accessible to all and to give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development as enshrined in Articles XIV and II of the 1987 Constitution respectively.

The University of the Philippines has been consistent in rendering service to the Filipinos in particular and the nation in general through its academic and volunteer programs. In the same manner, the same institution has and is continuing in molding the students under its various programs in giving back to the country whatever it is that they have learned in the four corners of their classrooms—a result of which is the active performance and participation of most of its products in public and civic affairs.

With the University's total commitment in achieving truth and expertise in every field with the end in view of providing information and intellectual capital for the upliftment of the nation, the University of the Philippines has been successful in enlightening its students to participate in its cause.

The effectiveness of U.P.'s academic programs even garnered it a prestigious rank of 34, amidst the complexities of the criteria for ranking different academic institutions, among the academic institutions in Asia in a survey conducted by Asiaweek in the year 2000. Regardless of the rank standing of the University of the Philippines, it is feared that maintaining its performance will be hard if its charter will not be updated to keep it attune with the demands and challenges of the times as it prepares itself in entering the new millennium.

Established in 1908, the University of the Philippines' Charter then was constituted under the conditions of a Commonwealth under the United States. The Charter was then created to meet the demands and challenges of an era entirely different from ours right now. Being 93 years old, the U.P.'s Charter is believed to be obsolete if it is to be compared with the thrusts of the institution's programs for the years to come namely:

1. Set standards and initiate innovations in teaching, research and faculty development in philosophy, the arts and humanities, the social sciences, the professions, and engineering, natural sciences, mathematics, and technology; maintain centers of excellence in such disciplines and professions;

2. Serve as a graduate university providing advanced studies and specialization for scholars, scientists, writers, artists and professionals, especially those who serve on the faculties of state and private colleges and universities;
3. Serve as a research university in the various fields of its expertise and specialization by conducting basic and applied research, and research and development, promoting research in the various colleges and universities, and contributing to the dissemination and application of knowledge;
4. Lead as a public service university by providing various forms of community, public and volunteer service, and scholarly and technical assistance to the government, the private sector, and civil society;
5. Provide opportunities for training and learning in progressive leadership, responsible citizenship, and the development of democratic values, institutions and practice; and
6. Serve as a regional and global university in cooperation with international scientific unions and with networks of universities and scholarly and professional associations in the Asia-Pacific region and around the world.

The University of the Philippines has to become relevant to the times and the demands of our nation in the present new millennium.

Hence, urgent passage of this bill is earnestly sought.

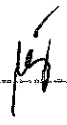


JUAN MIGUEL F. ZUBIRI

FOURTEENTH CONGRESS OF THE)
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**AN ACT
TO STRENGTHEN THE U.P. 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 2007."

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

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

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

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

18 (3) Serve as a research university in the various fields of its expertise and
19 specialization by conducting basic and applied research, and research and
20 development, promoting research in the various colleges and universities,
21 and contributing to the dissemination of 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
3 government, the private sector, and civil society;

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

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

10 SECTION 4. *The University System.* The University of the Philippines is a
11 university system and shall be composed of constituent universities and regional units.

12 SECTION 5. *Academic Freedom.* The University has the right and the
13 responsibility to exercise academic freedom.

14 SECTION 6. *Academic Excellence.* The University has the responsibility to
15 maintain and enhance its high academic standards in the performance of the functions
16 of instruction, research, and extension and public service.

17 SECTION 7. *Social Responsibility.* The University is committed to serve the
18 Filipino nation and humanity. While it carries out the obligation to pursue universal
19 principles, it must relate its activities to the needs of the Filipino people and their
20 aspirations for social progress and transformation.

21 SECTION 8. *Democratic Access.* No student shall be denied admission to the
22 University by reason of age, gender, nationality, religious belief, or political affiliation.
23 The University shall take affirmative steps to enhance the access of disadvantaged
24 students to its programs and services.

25 SECTION 9. *The Board of Regents.* The government of the University is vested
26 in a board of regents known as the "The Board of Regents of the University of the
27 Philippines," composed of:

- 28 a) The Chair of the Commission on Higher Education as Chairperson;
- 29 b) The President of the University of the Philippines as Vice-Chairperson;
- 30 c) The Chair of the Senate Committee on Education;
- 31 d) The Chair of the House Committee on Higher Education;
- 32 e) The President of the U.P. Alumni Association, to serve as Alumni Regent
33 during his or her incumbency in that person;

- 1 f) One Faculty Regent chosen by the full-time and tenured faculty members of
2 the University from their ranks, to serve for a term of two (2) years;
- 3 g) One Student Regent, to serve for a term of one (1) year, chosen by the
4 students from their ranks;
- 5 h) One Staff Regent representing the full-time permanent research, extension,
6 and professional staff and administrative personnel and chosen by them from
7 their ranks, to serve for a term of two (2) years; and,
- 8 i) Five (5) other Regents, at least three (3) of whom should be alumni,
9 appointed by the President of the Philippines who shall each serve for a term
10 of two (2) years; *Provided*, That Regents holding office as members of the
11 Board of Regents at the time of this Act is promulgated shall continue to serve
12 until the expiration of their appointments as provided for in the Executive
13 Order No. 204-A issued by the President of the Philippines on July 15, 1987.

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

21 Members of the Board shall without compensation other than actual and
22 necessary expenses incurred in attendance of meetings of the Board or other official
23 business authorized by the Board.

24 SECTION 10. *Powers of the Board of Regents*. The administration of the
25 University and the exercise of its corporate powers are vested in the Board of Regents
26 and the President insofar as authorized by the Board. The administration of each
27 Constituent University is vested in the Chancellor insofar as authorized by the Board
28 and the University President.

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

- 30 a) To adopt and define in general terms the thrusts of the University and broad
31 policy guidelines to ensure their implementation;
- 32 b) To preserve the integrity of the University of the Philippines System;
- 33 c) To preserve the institution, merger or abolition of academic programs upon
34 recommendation of the University Council of the constituent university
35 concerned;

- 1 d) To approve the graduation of students, as recommended by their respective
2 University Councils;
- 3 e) To confer honorary degrees upon persons in recognition of learning,
4 statesmanship, or eminence in literature, science, or art, upon
5 recommendation of a committee of the Board of Regents: *Provided*, That
6 such degrees shall not be conferred in consideration of any payment, gifts or
7 other valuable consideration;
- 8 f) To approve the rules on student discipline recommended by the university
9 councils;
- 10 g) To create, organize, reorganize, merge or abolish constituent universities,
11 colleges, institutes, and other academic and administrative units of the
12 University;
- 13 h) To establish chairs in the colleges and to provide for the maintenance or
14 endowment of such chairs;
- 15 i) To provide fellowships and scholarships and to award the same to faculty, staff
16 and students giving special evidence of merit;
- 17 j) To elect the University President for a term of six (6) years following a
18 process of democratic consultation with the University community;
- 19 k) To appoint faculty members and other officials and employees, to draw up a
20 position classification and compensation plan for its faculty and staff, and to
21 fix and adjust salaries and benefits of the faculty members and other
22 employees; to determine their hours of service, and such other terms and
23 conditions as it may deem proper; to grant to them, in its discretion, leave of
24 absence under such regulations as it promulgate, any other provisions of law
25 to the contrary notwithstanding; and to remove them for cause as provided by
26 law after due investigation and proper hearing;
- 27 l) To extend, with their consent, the tenure of faculty members of the University
28 beyond the compulsory retirement age, any other provision of law to the
29 contrary notwithstanding, on recommendation of the units upon endorsement
30 of the President of the University, whenever their services are specially
31 needed: *Provided however*, That no extension of tenure shall be made
32 beyond the age of seventy (70); *Provided further*, That in case of extension of
33 tenure of the University President beyond the compulsory retirement age,
34 such extension shall be subject to the approval of the President of the
35 Philippines;

- 1 m) To fix the tuition fees and other necessary school charges, as the Board may
2 deem proper to impose. Such fees and charges, including government
3 subsidies and other income generated by the University, constitute special
4 trust funds shall be deposited in any authorized government depository bank.
5 Any and all interests that shall accrue therefrom shall for part of the same
6 funds for the use of the University. Any provision of existing law to the
7 contrary notwithstanding, all incomes generated by the University or by its
8 own subsidiaries may, at the discretion of the Board, be disbursed for the
9 professional growth and development, health, welfare, and other benefits of
10 the faculty members and other personnel; for the acquisition, construction,
11 maintenance and repair or urgently needed instructional and auxiliary
12 facilities, equipment, buildings and other infrastructure; and for expenses
13 necessary for the attainment of its purposes under this Act. If the University,
14 for reasons beyond its control, shall not be able to pursue any project for
15 which funds have been appropriated and allocated under its approved
16 program of expenditures, the Board may authorize the use of said funds for
17 any reasonable purpose which it deems necessary and urgent for the
18 attainment of the objectives and goals of the University;
- 19 n) To receive and appropriate all sums as may be provided by law for the
20 support of the University to the ends specified by law, and all other sums in
21 the manner it may, in its discretion, determine to carry out the purposes and
22 functions of the University;
- 23 o) To authorize the construction or repair of its buildings, machinery, equipment
24 and other facilities, and the purchase and acquisition of real and personal
25 properties, including the necessary supplies, materials and equipment;
- 26 p) To receive in trust legacies, gifts and donations of real and personal property
27 of all kinds and to administer and dispose the same when necessary for the
28 benefit of the University and subject to the instructions of the donor, if any;
- 29 q) To exercise the general powers set out in the Corporation Code;
- 30 r) To delegate any of its powers to the President or any other officials or officers
31 as it may deem necessary; and
- 32 s) To prescribe rules for its own government and the discipline of the faculty and
33 other personnel and to enact for the government of the University such
34 general policies, rules and regulations, not contrary to law, as are consistent
35 with the purposes of the University.

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

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

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

16 SECTION 14. *The University Council.* There shall be in each Constituent
17 University a University Council consisting of the Chancellor as Chairperson, and of all
18 the faculty members in the University holding the rank of assistant professor or higher.

19 SECTION 15. *Powers of the University Council.* The University Council shall be
20 the highest academic body of each Constituent University and shall exercise the
21 following powers:

- 22 a) Fix the requirements for admission to any college or unit and for graduation
23 and receiving a degree, subject to the minimum system-wide requirements;
- 24 b) Prescribe the academic programs including their institution, abolition and
25 merger, subject to the approval of the Board;
- 26 c) Recommend to the Board the graduation of students;
- 27 d) Exercise disciplinary power over the students, through the Chancellors or
28 their appropriate committees, subject to review by the President according to
29 the limits prescribed by the system-wide rules on student discipline;
- 30 e) Undertake the periodic review of academic course, programs, standards,
31 thrusts and policies; and
- 32 f) Adopt internal rules or procedure consistent with the provisions of this Act.

33 SECTION 16. *The Chancellor of the Constituent University.* The Chancellor of
34 the Constituent University shall be elected by the Board of Regents upon nomination of
35 the University President, following a process of democratic consultation with the

1 constituents of that Constituent University. The Chancellor is the head of the faculty of
2 that Constituent University. The Chancellor shall report to the President of the
3 University, and shall perform the duties and functions elsewhere stated in this Act, and
4 all the usual, necessary and related functions of the office of the chancellor, subject to
5 *the policies and rules* prescribed by the Board of Regents. The term and compensation
6 of the Chancellor shall be determined by the Board of Regents.

7 SECTION 17. *Faculty.* The teaching staff of each college shall constitute its
8 faculty, which shall be presided over by a Dean elected by the Board of Regents on
9 nomination by the University President and upon the recommendation of the Chancellor
10 *of the Constituent University, following a process of democratic consultation with the*
11 *constituents of the college.* In the appointment of faculty members, no religious test
12 shall be applied, nor shall the religious or political opinions or affiliations of the faculty
13 members of the University be made a matter of examination or inquiry.

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

17 SECTION 19. *Land Grants and Other Real Properties of the University.*

18 (a) The State provides subsidy to the University of the Philippines System as the
19 national university in the form of lump sum amount, through general
20 appropriations and other financial benefits, and in kind, through land grants
21 and donations and use of other real properties. To carry out the intent of
22 these grants, *income derived from the development of all land grants and real*
23 *properties shall be used to further the ends of the University, as may be*
24 *decided upon by the Board of Regents.*

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

32 (c) The Board of Regents shall plan, design, approve, and/or cause the
33 implementation of financial mechanisms, such as joint ventures, long-term
34 leases, fully-owned subsidiaries, securitization and outright sale, to give the
35 University the most advantageous position in generating revenues and other
36 resources from the land grants and other real property entrusted by the

1 Filipino people to their national university; *Provided*, That such mechanisms
2 and arrangements shall sustain and protect the environment, and be
3 exclusive of the academic core zone of the U.P.'s campuses.

4 SECTION 20. *Appropriations*. The amount needed to carry out the
5 implementation of this Act shall be charged against the current year's lump sum
6 appropriation and other internal funds of the University. Thereafter, such lump sum
7 representing the national government's assistance for the continued implementation of
8 this Act shall be included in the Annual General Appropriations Act.

9 SECTION 21. *Tax Exemptions*. The provisions of any general or special law to
10 the contrary notwithstanding:

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

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

18 (3) Importation of economic, technical, vocational, scientific, philosophical,
19 historical and cultural books, supplies and materials, including scientific and
20 educational computer and software equipment, shall be exempt from the
21 payment of customs duties upon endorsement from the Commission on
22 Higher Education and the Department of Finance.

23 SECTION 22. *Auditing of Accounts*. All accounts and expenses of the University
24 shall be audited by the Commission on Audit, and all disbursements shall be made in
25 accordance with rules and regulations prescribed by the latter.

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

30 The University, taking into account national goals and priorities, shall exclusively
31 determine its teaching, research and extension thrusts, plans, policies, priorities,
32 programs and standards and, on the basis of such determination, the University shall
33 recommend its annual budget to the President and Congress.

34 SECTION 24. *Rule of Construction*. No statutory or other issuances shall
35 diminish the powers, rights, privileges, and benefits accorded to the University under

1 this Act or enjoyed at present by the University under other issuances not otherwise
2 modified or repealed under this Act, unless subsequent legislation expressly provides
3 for their repeal, amendments or modification. Any case of doubt in the interpretation of
4 any of the provisions of this Charter shall be resolved in favor of the academic freedom
5 and fiscal autonomy of the University of the Philippines.

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

8 SECTION 26. *Repealing Clause.* All laws, decrees, orders, rules and regulations
9 or other issuances or parts thereof inconsistent with the provisions of this Act are
10 hereby repealed or modified accordingly.

11 SECTION 27. *Effectivity.* This Act shall take effect fifteen (15) days after its
12 publication in the *Official Gazette* or in any newspaper of general circulation in the
13 Philippines.

14 Approved,