

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

8 MAR 27

SENATE

RECEIVED BY

A

S. No. 2146

Introduced by Senator JUAN MIGUEL F. ZUBIRI

EXPLANATORY NOTE

The Naval Institute of Technology is the only State College in the province of Biliran. Its main campus is strategically located in the Municipality of Naval, while a second campus is based in the Municipality of Biliran. More than 6,000 students are enrolled in both campuses, many of whom are from poor and underserved localities in the province, including nearby municipalities of Leyte and other provinces in the Eastern Visayas Region.

Given the high cost of attending universities and colleges in urban centers, including tuition and miscellaneous fees, plus room and board expenses, it is necessary to make quality education more accessible in the countryside. This means providing facilities to enhance learning, and offering additional courses that will equip graduates with the skills and competence that are in demand globally.

By upgrading the status of the NIT, it can offer a wider range of courses within its flagship programs, including maritime education, agriculture, forestry, engineering, information and communications technology, tourism and other allied fields. And with additional resources and improved facilities, it can accommodate more students from different municipalities in Biliran, Leyte and Samar Islands, who will not have to travel outside of the region to receive the best education.

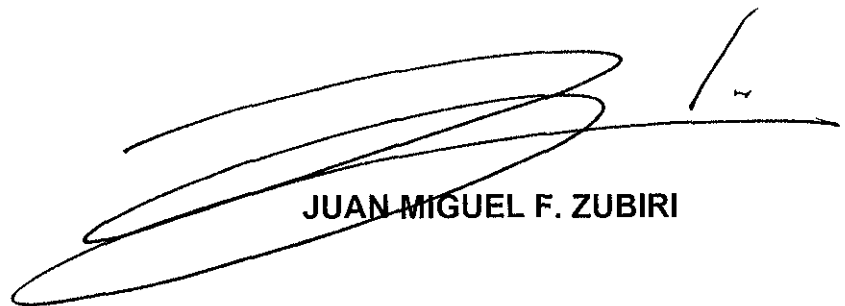
Converting the NIT into a State University is a positive step towards realizing the national government's program of providing affordable but quality education in the provinces that will benefit the youth, as well as others who may want to finish their education without moving to urban centers. And with an improved education center that will produce a competent work force, employment opportunities, in case new investors should come into the province or region, will increase.

Another argument for the conversion is the need to decongest urban centers by lessening migration. With quality education – through the NSU – more accessible, there will be no need for students to leave the province or region just to earn a diploma. Establishing a state university is a vital ingredient towards bringing development and progress to the countryside.

Converting the Naval Institute of Technology to a State University will also mean improving, revitalizing and ensuring the sustainability of the institution through greater fiscal and institutional autonomy, flexibility in curricular offerings and implementation of meaningful and well-pronounced research and extension programs. It will likewise strengthen income-generating projects (IGPs) and enable the NIT to acquire modern facilities and undertake physical development within the campus.

Finally, approving this proposed measure will give meaning to the constitutional mandate of making education accessible to all as stipulated in Section 1, Article XIV of the Constitution.

Hence, approval of this bill is earnestly requested.



JUAN MIGUEL F. ZUBIRI

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S. No. 2146

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AN ACT
CONVERTING THE NAVAL INSTITUTE OF TECHNOLOGY IN THE MUNICIPALITY
OF NAVAL, PROVINCE OF BILIRAN INTO A STATE UNIVERSITY TO BE KNOWN
AS THE NAVAL STATE UNIVERSITY, INTEGRATING THERewith THE BILIRAN
NATIONAL AGRICULTURAL COLLEGE IN THE MUNICIPALITY OF BILIRAN, AND
APPROPRIATING FUNDS THEREFOR

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

1 **SECTION 1. Conversion/Integration.** – The Naval Institute of Technology in the
 2 Municipality of Naval, Province of Biliran, is hereby converted into a state university to
 3 be known as the Naval State University (NSU), hereinafter referred to as the University,
 4 integrating therewith the the Biliran National Agricultural College in the Municipality of
 5 Biliran. The University's main campus of shall be located in Naval, Biliran.

6 **SEC. 2. General Mandate.** – The University shall primarily provide advanced
 7 education, higher technical and professional instruction and training in the fields of
 8 agriculture, fishery, forestry, maritime education, information and communications
 9 technology, engineering, tourism and other fields of study. It shall also undertake
 10 research and extension services, and provide progressive leadership in its areas of
 11 specialization.

12 **SEC. 3. Curricular Offerings.** – The University shall offer undergraduate and
 13 graduate courses in the fields of agriculture, fishery, forestry, maritime education,
 14 information and communications technology, engineering, tourism and other related
 15 courses within its areas of specialization and according to its capabilities, as the Board
 16 of Regents may deem necessary to carry out its objectives, particularly to meet the
 17 needs of the Province of Biliran and Region VIII.

18 Jurisdiction and supervision of the existing high school shall be transferred to the
 19 Department of Education: *Provided*, That the high school shall be allowed to remain and
 20 operate within the University's campus until its student population is able to complete
 21 their secondary education: *Provided, further*, That the University may thereafter operate

1 a reasonably-sized laboratory high school once it has established a College of
2 Education.

3 **SEC. 4. Administration.** – The University shall have the general powers of a
4 corporation set forth in Batas Pambansa Blg. 68, as amended, otherwise known as the
5 "Corporation Code of the Philippines." The administration of the University and the
6 exercise of its corporate powers shall be vested exclusively in the Board of Regents and
7 the President of the University in so far as authorized by the Board.

8 **SEC. 5. The Governing Board.** – The governing body of the University shall
9 be the Board of Regents, hereinafter referred to as the Board, which shall be composed
10 of the following:

11 (a) The chairperson of the Commission on Higher Education (CHED),
12 Chairperson;

13 (b) The president of the University, vice-chairperson;

14 (c) The chairperson of the Committee on Education, Arts and Culture of the
15 Senate, member;

16 (d) The chairperson of the Committee on Higher and Technical Education of
17 the House of Representatives, member;

18 (e) The regional director of the National Economic and Development Authority
19 (NEDA), member;

20 (f) The regional director of the Department of Science and Technology
21 (DOST), member;

22 (g) The president of the federation of faculty associations of the University,
23 member;

24 (h) The president of the federation of student councils of the University,
25 member;

26 (i) The president of the federation of alumni associations of the University,
27 member; and

28 (j) Two (2) prominent citizens from the private sector who have distinguished
29 themselves in their profession or fields of specialization, as members.

30 The Board of Regents shall appoint the two (2) prominent citizens from among a
31 list of at least five (5) persons qualified in the Province of Biliran, whose nominations
32 were submitted to the Board after publication for at least two (2) consecutive weeks, as
33 recommended by the search committee constituted by the University president, in
34 consultation with the chairperson of the CHED and the other members of the Board,
35 based on the normal standards and qualifications for the position set by the Board.

36 The term of office of the president of the federation of faculty associations, the
37 president of the federation of student councils and the president of the federation of

1 alumni associations shall be coterminous with their respective terms of office, as set
2 forth in their respective Constitutions and By-Laws.

3 The two (2) prominent citizens shall serve for a term of two (2) years from the
4 date of appointment.

5 No private sector representative shall be appointed to the Board if he/she is
6 related by consanguinity or affinity up to the third civil degree to any incumbent local or
7 national official.

8 **SEC. 6. *Promulgation and Implementation of Policies.*** – The Board shall
9 promulgate and implement policies in accordance with the declared State policies on
10 education and other pertinent provisions of the Philippine Constitution on education,
11 agriculture, science and technology, as well as the policies, standards and thrusts of the
12 CHED under Republic Act No. 7722, otherwise known as the “Higher Education Act of
13 1994.”

14 **SEC. 7. *Powers and Duties of the Board of Regents.*** – The Board shall have
15 the following specific powers and duties, in addition to its general powers of
16 administration and the exercise of all the powers granted to the board of directors of a
17 corporation under existing laws:

18 (a) To promulgate rules and regulations not contrary to law to carry out the
19 purposes and functions of the University;

20 (b) To receive and appropriate all sums as may be provided for the support of
21 the University in the manner it may determine in its discretion, in order to carry out the
22 purposes and functions of the University;

23 (c) To import duty-free economic, technical and cultural books and/or
24 publications, upon certification by the CHED that such imported books and/or
25 publications are for economic, technical, vocational, scientific, philosophical, historical or
26 cultural purposes, in accordance with the provisions of the Tariff and Customs Code, as
27 amended;

28 (d) To receive in trust legacies, gifts and donations of real and personal
29 properties of all kinds and to administer and, when necessary, to dispose the same for
30 the benefit of the University, and subject to the limitations, directions and instructions of
31 the donor, if any.

32 Such donations shall be exempt from the donor’s tax and the same shall be
33 considered as allowable deductions from the gross income in the computation of the
34 income tax of the donor, in accordance with the provisions of the National Internal
35 Revenue Code (NIRC), as amended: *Provided*, That such donations shall not be
36 disposed of, transferred or sold;

1 (e) To fix the tuition fees and other necessary school charges, such as, but not
2 limited to, matriculation fees, graduation fees and laboratory fees, as the Board may
3 deem proper to impose, after due consultations with the involved sectors.

4 Such fees and charges, including government subsidies and other income
5 generated by the University, shall constitute special trust funds and shall be deposited
6 in any authorized government depository bank, and all interests that shall accrue
7 therefrom shall form part of the same funds for the use of the University.

8 Any provision of existing laws, rules and regulations to the contrary
9 notwithstanding, any income generated by the University from tuition fees and other
10 charges, as well as from the operation of auxiliary services and land grants, shall be
11 retained by the University, and may be disbursed by the Board for instruction, research,
12 extension or other programs/projects of the University; *Provided*, That all fiduciary fees
13 shall be disbursed for the specific purposes for which they are collected.

14 If, for reasons beyond its control, the University shall not be able to pursue any
15 project for which the funds have been appropriated and allocated under its approved
16 program of expenditures, the Board may authorize the use of said funds for any
17 reasonable purpose which, in its discretion, may be necessary and urgent for the
18 attainment of the objectives and goals of the University;

19 (f) To adopt and implement a socialized scheme of tuition and school fees for
20 greater access to poor but deserving students;

21 (g) To authorize the construction or repair of its buildings, machinery,
22 equipment and other facilities, and the purchase and acquisition of real property,
23 including necessary supplies, materials and equipment;

24 (h) To appoint upon recommendation of the president of the University, vice
25 presidents, deans, directors and heads of campuses, faculty members and other
26 officials and employees of the University;

27 (i) To fix and adjust salaries of faculty members and administrative officials and
28 employees, *subject to the provisions of the Revised Compensation and Position*
29 *Classification System* and other pertinent budget and compensation laws governing
30 hours of service and such other duties and conditions as it may deem proper; to grant
31 them, at its discretion, leaves of absence under such regulations as it may promulgate,
32 any provision of existing law to the contrary notwithstanding; and to remove them for
33 cause in accordance with the requirements of due process of law;

34 (j) To approve the curricula, instructional programs and rules of discipline
35 drawn by the Administrative and Academic Councils herein provided;

36 (k) To set policies on admission and graduation of students;

37 (l) To award honorary degrees upon persons in recognition of their outstanding
38 contribution in the fields of education, public service, arts, science and technology,

1 agriculture or in any field of specialization within the academic competency of the
2 University; and to authorize the awarding of certificates of completion of non-degree and
3 non-traditional courses;

4 (m) To establish and absorb non-chartered tertiary institutions within the
5 Province of Biliran as branches and centers in coordination with the CHED, and in
6 consultation with the Department of Budget and Management (DBM), and to offer
7 therein programs or courses to promote and carry out equal access to educational
8 opportunities as mandated by the Constitution;

9 (n) To establish research and extension centers of the University where such
10 will promote the development of the latter;

11 (o) To establish chairs in the University and to provide fellowships for qualified
12 faculty members and scholarships to deserving students;

13 (p) To delegate any of its powers and duties provided for hereinabove to the
14 president and/or other officials of the University as it may deem appropriate, so as to
15 expedite the administration of the affairs of the University;

16 (q) To authorize an external management audit of the University, to be financed
17 by the CHED, subject to Commission on Audit (COA) rules and regulations; and to
18 institute reforms, including academic and structural changes, on the basis of the audit
19 results and recommendations;

20 (r) To collaborate with other governing boards of the state colleges and
21 universities within the Province of Biliran or Region VIII, under the supervision of the
22 CHED and in consultation with the DBM, and work towards the restructuring of the
23 University to become more efficient, relevant, productive and competitive;

24 (s) To enter into joint ventures with business and industry for the profitable
25 development and management of the economic assets of the University, the proceeds
26 from which shall be used for the development and strengthening of the University;

27 (t) To develop consortia and other economic forms of linkages with local
28 government units, institutions and agencies, both public and private, local and foreign,
29 in the furtherance of the purpose and objectives of the University;

30 (u) To develop academic arrangements for institution capability building with
31 appropriate institutions and agencies, public and private, local and foreign, and to
32 appoint experts/specialists as consultants, part time or visiting or exchange professors,
33 scholars or researchers, as the case may be;

34 (v) To set up the adoption of modern and innovative modes of transmitting
35 knowledge such as the use of information technology, the dual system, open learning or
36 distance education and community laboratory for the promotion of greater access to
37 education;

1 (w) To establish policy guidelines and procedures for participative decision-
2 making and transparency within the University;

3 (x) To privatize, where most advantageous to the University, management of
4 nonacademic services such as health, food, building or grounds or property
5 maintenance and such other similar activities; and

6 (y) To extend the term of the president of the University beyond the age of
7 retirement but not beyond than the age of seventy (70), whose performance has been
8 unanimously rated by the governing board as outstanding based on the guidelines,
9 qualifications and/or standards set by the Board, after unanimous recommendation by
10 the search committee.

11 **SEC. 8. Meetings of the Board.** – The Board shall regularly convene at least
12 once every quarter. However, the chairperson of the Board may, upon three (3) days'
13 prior written notice, call a maximum of two (2) special meetings whenever necessary.

14 A quorum of the Board shall consist of majority of all its members holding office
15 at the time of the meeting: *Provided, however,* That the chairperson of the Board or the
16 president of the University is among those present in the meeting.

17 In the absence of the chairperson of the CHED, a commissioner of the CHED,
18 duly designated by him/her, shall represent him/her in the meeting with all the rights and
19 responsibilities of a regular member: *Provided, however,* That during this meeting, the
20 president of the University as vice chairperson shall be the presiding officer: *Provided,*
21 *further,* That this *proviso* notwithstanding, the chairperson of the CHED is hereby
22 authorized to designate a CHED commissioner as the regular chair of the Board of
23 Regents, in which case said CHED commissioner shall act as the presiding officer.

24 In case the chairpersons of the Congressional Committees on Education shall
25 not be able to attend the Board meeting, they may duly designate their respective
26 representatives to attend the said meeting, who shall have the same rights and
27 responsibilities as a regular member of the Board.

28 The members of the Board shall not receive any salary but shall be entitled to
29 reimbursements for actual and necessary expenses incurred, either in their attendance
30 to meetings of the Board or in connection with other official business authorized by
31 resolution of the Board, subject to existing laws and regulations.

32 **SEC. 9. The University President.** – The University shall be headed by a
33 president, who shall render full time service. He/She shall be appointed by the Board,
34 subject to the guidelines, qualifications and/or standards set by the Board, upon
35 recommendation of a duly constituted search committee: *Provided,* That no person shall
36 be appointed as University president if he/she is related by consanguinity or affinity up
37 to the third civil degree to any incumbent local or national official.

1 The president shall have a term of four (4) years and shall be eligible for re-
2 appointment for another term; *Provided*, That this shall not adversely affect the term of
3 incumbents: *Provided, further*, That in order to effect a smooth transition to a state
4 university, the incumbent president of the Naval Institute of Technology shall have one
5 (1) year from the date of conversion to oversee the transition process, after which
6 he/she shall be considered as nominee for University president to be appointed by the
7 Board thereafter.

8 Within six (6) months before the expiration of the term of office of the incumbent
9 president of the Naval State University, the Board shall constitute a Search Committee
10 for the Presidency (SCP).

11 In case of vacancy in the office of the president by reason of death, compulsory
12 retirement, resignation, removal for cause or incapacity of the president to perform the
13 functions of his/her office, the Board shall have the authority to designate an officer-in-
14 charge of the University pending the appointment of a new president.

15 In case of vacancy in the office of the president as mentioned in the immediately
16 preceding paragraph, his/her successor or the officer-in-charge shall hold office for the
17 unexpired term only.

18 The powers and duties of the president of the University, in addition to those
19 specifically provided in this Act, shall be those usually pertaining to the office of the
20 president of similar universities, and those delegated by the Board.

21 The salary of the president of the University shall be in accordance with the
22 Revised Compensation and Position Classification System and shall be comparable to
23 that being received by the presidents of similar educational institutions.

24 The president of the University shall be assisted by a vice president for Academic
25 Affairs, a vice president for Administration and Development, a vice president for
26 research, extension, external affairs and production services, and/or other vice
27 presidents when so warranted, who shall be appointed by the Board upon the
28 recommendation of the president.

29 **SEC. 10. The Administrative Council.** – There shall be an Administrative
30 Council consisting of the president of the University as chairperson, vice presidents,
31 deans, directors and other officials of equal rank as members, whose duty is to review
32 and recommend to the Board of Regents the policies governing the administration,
33 management and development planning of the University.

34 **SEC. 11. The Academic Council.** – There shall be an Academic Council with
35 the president of the University as chairperson and all members of the academic staff
36 with the rank of not lower than assistant professor as members.

37 The Academic Council shall have the power to review and recommend the
38 curricular offerings and rules of discipline of the University, subject to the approval of the

1 Board of Regents. It shall fix the requirements for the admission of students, as well as
2 for graduation and conferment of degrees, subject to review and/or approval by the
3 Board of Regents through the president of the University. It shall have the disciplinary
4 power over students of the University and shall formulate academic policies and rules
5 and regulations on discipline, subject to the approval of the Board of Regents.

6 **SEC. 12. *The Secretary of the University.*** – The Board shall appoint a
7 secretary, who shall serve as such for both the Board and the University and shall keep
8 all records and proceedings of the Board. He/She shall serve upon each member of the
9 Board the appropriate notice of the Board's meetings.

10 **SEC. 13. *The Treasurer of the University.*** – The Treasurer of the Philippines
11 shall be the *ex officio* treasurer of the University.

12 **SEC. 14. *Faculty.*** – No political affiliation or beliefs, gender preference, cultural
13 or community affiliation or ethnic origin, religious opinion or affiliation shall be a matter
14 of inquiry in the appointment of faculty members of the University: *Provided*, That said
15 appointment shall be subject to the guidelines, qualifications and/or standards set by the
16 Board: *Provided, further*, That no member of the faculty shall teach for or against any
17 particular church or religious sect.

18 **SEC. 15. *Scholarship Program/Admission.*** – The University shall provide a
19 scholarship program and other affirmative action programs to assist poor but deserving
20 students who qualify for admission to the University.

21 No student shall be denied admission to the University by reason of sex, religion,
22 cultural or community affiliation or ethnic origin.

23 **SEC. 16. *Academic Freedom and Institutional Autonomy.*** – The University
24 shall enjoy academic freedom and institutional autonomy, pursuant to paragraph 2,
25 Section 5 of Article XIV of the Constitution of the Republic of the Philippines.

26 **SEC. 17. *Authority to Loan or Transfer Apparatus/Equipment/ Supplies and***
27 ***Detail of Personnel.*** – The heads of the bureaus and offices of the national
28 government are hereby authorized to loan or transfer, upon the request of the president
29 of the University, such apparatus, equipment or supplies as may be needed by the
30 University, and to detail employees for duty therein when, in the judgment of the head of
31 bureau or office, such apparatus, equipment, supplies or services of such employees
32 can be spared without serious detriment to the public service. The employees so
33 detailed shall perform such duties as required of them by the president of the University,
34 and the time so employed shall be counted as part of their regular services.

35 **SEC. 18. *Assets, Liabilities and Personnel.*** – All assets, real and personal,
36 personnel and records of the Naval Institute of Technology and the Biliran National
37 Agricultural College, as well as liabilities or obligations are hereby transferred to the

1 University. The positions, rights and security of tenure of the personnel therein
2 employed under existing laws shall be respected.

3 All parcels of land belonging to the government and occupied by the Naval
4 Institute of Technology and the Biliran National Agricultural College are hereby declared
5 to be property of the Naval State University, and shall be titled under that name:
6 *Provided*, That should the University cease to exist or be abolished or should such
7 parcels of land aforementioned be no longer needed by the University, the same shall
8 revert to the LGU concerned.

9 **SEC. 19. Appropriations.** – The amount necessary for the initial implementation
10 of this Act shall be charged against the current year’s appropriations of the Naval
11 Institute of Technology, and the Biliran National Agricultural College except the sums
12 needed to continue the operations of the existing high school/s. Thereafter, such sums
13 as may be necessary for the continued operation and maintenance of the Biliran State
14 University shall be included in the annual General Appropriations Act.

15 **SEC. 20. Development Plan, Management Audit, Organizational/
16 Administrative/ Academic Structure.** – Within the period of one hundred twenty (120)
17 days after the approval of this Act, the University shall accomplish the following:

- 18 (a) Submit a five (5)-year development plan, including its corresponding
19 program budget to the CHED, for corresponding recommendation to DBM;
20 (b) Undergo a management audit in cooperation with the CHED; and
21 (c) Accordingly set up its organizational, administrative as well as academic
22 structure, including the appointment of the University key officials.

23 **SEC. 21. Filing of Report.** – On or before the fifteenth (15th) day of the
24 second month after the opening of the regular classes each year, the Board shall file
25 with the Office of the President of the Philippines through the chairperson of the CHED,
26 and with both Houses of Congress a detailed report on the progress, conditions and
27 needs of the University.

28 **SEC. 22. Supplementary Application.** – The provisions of Republic Act No. 8292,
29 otherwise known as the “Higher Education Modernization Act of 1997”, shall be an
30 integral part of this Act and shall serve as part of the Governing Charter of the
31 University.

32 **SEC. 23. Parity Clause.** - All other powers, functions and privileges,
33 responsibilities and limitations to State Universities and/or their officials under existing
34 laws shall be deemed granted to or imposed upon the University and/or its officials
35 whenever appropriate.

36 **SEC. 24. Implementing Rules and Regulations.** – The Board of Regents, in
37 consultation with the CHED, shall formulate the guidelines to fully implement the
38 provisions of this Act.

1 **Sec. 25. Separability Clause.** - If, for any reason, any part or provision of this
2 Act is declared invalid or unconstitutional, the remaining parts or provisions not affected
3 shall remain in full force and effect.

4 **SEC. 26. Repealing Clause.** – All laws, presidential decrees, executive orders,
5 rules and regulations contrary to or inconsistent with the provisions of this Act are
6 hereby repealed or modified accordingly.

7 **SEC. 27. Effectivity.** – This Act shall take effect fifteen (15) days after its
8 publication in two (2) newspapers of general circulation.

9 Approved,