

SENATE

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COMMITTEE REPORT NO. 310

Submitted jointly by the Committees on Education, Arts and Culture (Sub-Committee on Basic and Higher Education and Culture) and Finance on  
JUN 05 2007

Re: **House Bill No. 4918**

Recommending its approval without amendment.

Sponsor: Senator Recto

**Mr. President:**

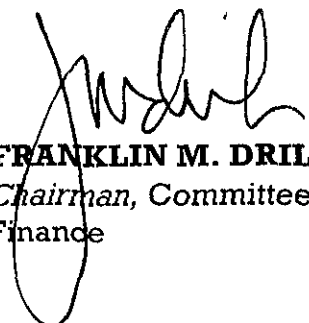
The Committees on Education, Arts and Culture (Sub-Committee on Basic and Higher Education and Culture) and Finance, to which was referred **House Bill No. 4918**, introduced by **Reps. Espina, Villar, Abayon, Andaya, Lapus and Teves** entitled:

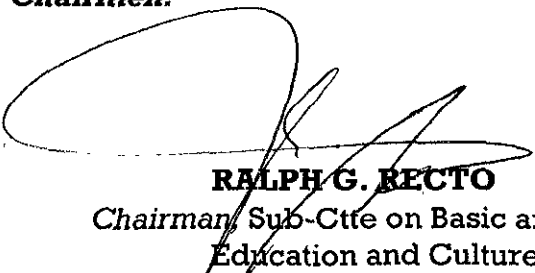
**“AN ACT  
CONVERTING THE NAVAL INSTITUTE OF TECHNOLOGY IN THE MUNICIPALITY OF NAVAL, PROVINCE OF BILIRAN INTO A STATE UNIVERSITY TO BE KNOWN AS THE BILIRAN STATE UNIVERSITY, INTEGRATING THEREWITH THE BILIRAN NATIONAL AGRICULTURAL COLLEGE IN THE MUNICIPALITY OF BILIRAN AND APPROPRIATING FUNDS THEREFOR”**

have considered the same and have the honor to report it back to the Senate with the recommendation that it be approved without amendment.

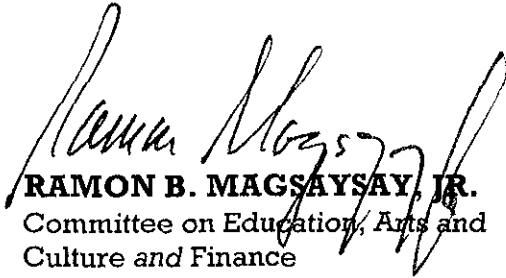
Respectfully submitted:

*Chairmen:*

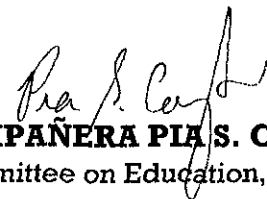
  
**FRANKLIN M. DRILON**  
*Chairman, Committee on Finance*

  
**RALPH G. RECTO**  
*Chairman, Sub-Ctte on Basic and Higher Education and Culture*

**Members:**




**RAMON B. MAGSAYSAY, JR.**  
Committee on Education, Arts and  
Culture and Finance



**COMPAÑERA PIA S. CAYETANO**  
Committee on Education, Arts and Culture


**MIRIAM DEFENSOR SANTIAGO**  
Committee on Finance



**M A R ROXAS**  
Committee on Education, Arts and  
Culture and Finance



**JOKER P. ARROYO**  
Committee on Finance



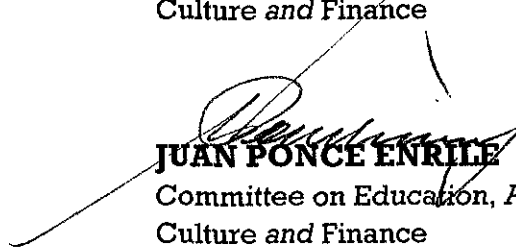
**RODOLFO G. BIAZON**  
Committee on Education, Arts and  
Culture and Finance



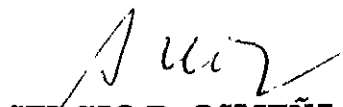
**RICHARD J. GORDON**  
Committee on Education, Arts and  
Culture and Finance

**RAMON "BONG" REVILLA, JR.**  
Committee on Education, Arts and  
Culture and Finance


**MANUEL "LITO" M. LAPID**  
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**JUAN PONCE ENRILE**  
Committee on Education, Arts and  
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**SERGIO R. OSMEÑA III**  
Committee on Education, Arts and  
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**EDGARDO J. ANGARA**  
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**PANFILO M. LACSON**  
Committee on Finance



**ALFREDO S. LIM**  
Committee on Education, Arts and  
Culture and Finance

**LUISA "LOI" EJERCITO ESTRADA**  
Committee on Education, Arts and  
Culture and Finance



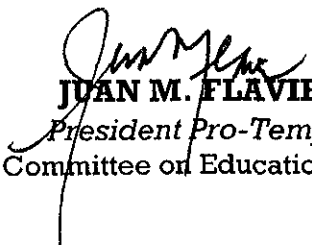
**M.A. MADRIGAL**  
Committee on Education, Arts and  
Culture and Finance

**Ex-Officio Members:**


**AQUILINO Q. PIMENTEL, JR.**  
*Minority Leader*



**FRANCIS N. PANGILINAN**  
*Majority Leader*



**JUAN M. FLAVIER**  
*President Pro-Tempore*  
*Chairman, Committee on Education, Arts and Culture*



**HON. MANNY VILLAR**  
*President*  
*Senate of the Philippines*  
*Pasay City*



## HOUSE OF REPRESENTATIVES

H. No. 4918

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BY REPRESENTATIVES ESPINA, VILLAR, ABAYON, ANDAYA, LAPUS AND  
TEVES, PER COMMITTEE REPORT NO. 1208

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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 BILIRAN 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 House of Representatives of the Philippines in  
Congress assembled:*

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

7           SEC. 2. *General Mandate.* – The University shall primarily provide  
8 advanced education, higher technological, professional instruction and training  
9 in the fields of agriculture, fishery, forestry, maritime education, information  
10 communications technology, engineering and other related fields of study. It

1 shall also undertake research and extension services, and provide progressive  
2 leadership in its areas of specialization.

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

10       The existing high school shall be transferred to the jurisdiction and  
11 supervision of the Department of Education: *Provided,* That the high school  
12 shall be allowed to remain and operate within the campus of the University  
13 until the existing students shall have completed their high school education:  
14 *Provided, further,* That the University may operate a reasonably-sized  
15 laboratory school, if it has a College of Education.

16       SEC. 4. *Administration.* – The University shall have the general powers  
17 of a corporation set forth in Batas Pambansa Blg. 68, as amended, otherwise  
18 known as the “Corporation Code of the Philippines”. The administration of the  
19 University and the exercise of its corporate powers shall be vested exclusively  
20 in the Board of Regents and the president of the University insofar as  
21 authorized by the Board.

22       SEC. 5. *The Governing Board.* – The governing board of the  
23 University shall be the Board of Regents, hereinafter referred to as the Board,  
24 which shall be composed of the following:

25       (a) The chairperson of the Commission on Higher Education (CHED),  
26 chairperson;

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

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

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

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

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

9           (g) The president of the federation of faculty associations of the  
10 University, member;

11           (h) The president of the federation of student councils of the  
12 University, member;

13           (i) The president of the federation of alumni associations of the  
14 University, member, and

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

18           The Board shall appoint the two prominent citizens from among a list of  
19 at least five persons qualified in the Province of Biliran, as recommended by  
20 the search committee constituted by the University president, in consultation  
21 with the chairperson of the CHED and other members of the Board, based on  
22 the normal standards and qualifications for the position set by the Board.

23           The term of office of the president of the federation of faculty  
24 associations, the president of the federation of student councils and the  
25 president of the federation of alumni associations shall be coterminous with  
26 their respective terms of office, as set forth in their respective constitutions and  
27 bylaws.

1           The two prominent citizens shall serve for a term of two years from the  
2 date of appointment.

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

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

13           (a) To promulgate rules and regulations as may be necessary to carry  
14 out the purposes and functions of the University;

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

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

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

27           Such donations shall be exempt from the donor’s tax and the same shall  
28 be considered as allowable deductions from the gross income in the

1 computation of the income tax of the donor, in accordance with the provisions  
2 of the National Internal Revenue Code (NIRC), as amended: *Provided*, That  
3 such donations shall not be disposed of, transferred or sold;

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

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

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

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

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



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

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

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

15 (j) To approve the curricula, instructional programs and rules of  
16 discipline drawn by the administrative and academic councils herein provided;

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

18 (l) To award honorary degrees upon persons in recognition of their  
19 outstanding contribution in the fields of education, public service, arts, science  
20 and technology, agriculture or in any field of specialization within the  
21 academic competence of the University; and to authorize the awarding of  
22 certificates of completion of nondegree and nontraditional courses;

23 (m) To establish and absorb nonchartered tertiary institutions within the  
24 Province of Biliran as branches and centers in coordination with the CHED,  
25 and in consultation with the Department of Budget and Management (DBM),  
26 and to offer therein programs or courses to promote and carry out equal access  
27 to educational opportunities as mandated by the Constitution;

- 1           (n) To establish research and extension centers of the University where  
2 such will promote the development of the latter;
- 3           (o) To establish chairs in the University and to provide fellowships for  
4 qualified faculty members and scholarships to deserving students;
- 5           (p) To delegate any of its powers and duties provided for hereinabove  
6 to the president and/or other officials of the University as it may deem  
7 appropriate, so as to expedite the administration of the affairs of the  
8 University;
- 9           (q) To authorize an external management audit of the University, to be  
10 financed by the CHED, subject to the Commission on Audit rules and  
11 regulations; and to institute reforms, including academic and structural  
12 changes, on the basis of the audit results and recommendations;
- 13           (r) To collaborate with other governing boards of the state colleges and  
14 universities within the Province of Biliran or Region VIII, under the  
15 supervision of the CHED and in consultation with the DBM, and work towards  
16 the restructuring of the University to become more efficient, relevant,  
17 productive and competitive;
- 18           (s) To enter into joint ventures with business and industry for the  
19 profitable development and management of the economic assets of the  
20 University, the proceeds from which shall be used for the development and  
21 strengthening of the University;
- 22           (t) To develop consortia and other economic forms of linkages with  
23 local government units, institutions and agencies, both public and private, local  
24 and foreign, in the furtherance of the purpose and objectives of the University;
- 25           (u) To develop academic arrangements for institutional capability  
26 building with appropriate institutions and agencies, public and private, local  
27 and foreign, and to appoint experts/specialists as consultants, part-time or  
28 visiting or exchange professors, scholars or researchers, as the case may be;

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

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

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

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

15 SEC. 8. *Meetings of the Board.* – The Board shall regularly convene at  
16 least once every quarter. However, the chairperson of the Board may, upon  
17 three days' prior written notice, call a maximum of two special meetings  
18 whenever necessary.

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

23 In the absence of the chairperson of the CHED, a commissioner of the  
24 CHED, duly designated by him/her, shall represent him/her in the meeting with  
25 all the rights and responsibilities of a regular member: *Provided, however,*  
26 That during this meeting, the president of the University as vice chairperson  
27 shall be the presiding officer: *Provided, further,* That this proviso  
28 notwithstanding, the chairperson of the CHED is hereby authorized to

1 designate a CHED commissioner as the regular chair of the Board, in which  
2 case said CHED commissioner shall act as the presiding officer.

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

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

12 SEC. 9. *The University President.* – The University shall be headed by  
13 a president, who shall render full-time service. He/she shall be appointed by  
14 the Board, subject to the guidelines, qualifications and/or standards set by the  
15 Board, upon recommendation of a duly constituted search committee. He/she  
16 shall have a term of four years and shall be eligible for reappointment for  
17 another term: *Provided*, That in order to effect a smooth transition to a state  
18 university, the incumbent president of the Naval Institute of Technology, if  
19 qualified, shall serve as the officer-in-charge, pending the appointment of the  
20 first president of the University.

21 Within six months before the expiration of the term of office of the  
22 incumbent president of the Biliran State University, the Board shall constitute  
23 the Search Committee for the Presidency (SCP).

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

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

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

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

12          The president of the University shall be assisted by a vice president for  
13 academic affairs and a vice president for administration who shall be appointed  
14 by the Board upon the recommendation of the president.

15          SEC. 10. *The Administrative Council.* – There shall be an  
16 administrative council consisting of the president of the University as  
17 chairperson, vice presidents, deans, directors and other officials of equal rank  
18 as members, whose duty is to review and recommend to the Board the policies  
19 governing the administration, management and development planning of the  
20 University.

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

24          The academic council shall have the power to review and recommend  
25 the curricular offerings and rules of discipline of the University, subject to the  
26 approval of the Board. It shall fix the requirements for the admission of  
27 students, as well as for graduation and conferment of degrees, subject to review  
28 and/or approval by the Board through the president of the University. It shall

1 have the disciplinary power over students of the University and shall formulate  
2 academic policies and rules and regulations on discipline, subject to the  
3 approval of the Board.

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

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

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

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

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

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

26 SEC. 17. *Authority to Loan or Transfer Apparatus/Equipment/Supplies*  
27 *and 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

1 president of the University, such apparatus, equipment or supplies as may be  
2 needed by the University, and to detail employees for duty therein when, in the  
3 judgment of the head of bureau or office, such apparatus, equipment, supplies  
4 or services of such employees can be spared without serious detriment to the  
5 public service.

6 The employees so detailed shall perform such duties as required of them  
7 by the president of the University, and the time so employed shall be counted  
8 as part of their regular services.

9 SEC. 18. *Assets, Liabilities and Personnel.* – All assets, real and  
10 personal, personnel and records of the Naval Institute of Technology and the  
11 Biliran National Agricultural College, as well as liabilities or obligations, are  
12 hereby transferred to the University. The positions, rights and security of  
13 tenure of the personnel therein employed under existing laws shall be  
14 respected.

15 All parcels of land belonging to the government and occupied by the  
16 Naval Institute of Technology and the Biliran National Agricultural College  
17 are hereby declared to be property of the Biliran State University, and shall be  
18 titled under that name: *Provided*, That should the University cease to exist or  
19 be abolished or should such parcels of land aforementioned be no longer  
20 needed by the University, the same shall revert to the Local Government Unit  
21 concerned.

22 SEC. 19. *Appropriations.* – The amount necessary for the initial  
23 implementation of this Act shall be charged against the current year's  
24 appropriations of the Naval Institute of Technology and the Biliran National  
25 Agricultural College, except the sums needed to continue the operations of the  
26 existing high school/s. Thereafter, such sums as may be necessary for the  
27 continued operation and maintenance of the Biliran State University shall be  
28 included in the annual General Appropriations Act.

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

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

10          SEC. 21. *Filing of Report.* – On or before the fifteenth (15<sup>th</sup>) day of the  
11 second month after the opening of the regular classes each year, the Board  
12 shall file with the Office of the President of the Philippines through the  
13 chairperson of the CHED, and with both Houses of Congress a detailed report  
14 on the progress, conditions and needs of the University.

15          SEC. 22. *Suppletory Application.* – The provisions of Republic Act No.  
16 8292, otherwise known as the “Higher Education Modernization Act of 1997”,  
17 shall be an integral part of this Act and shall serve as part of the governing  
18 charter of the University.

19          SEC. 23. *Parity Clause.* – All other powers, functions and privileges,  
20 responsibilities and limitations to state universities and/or their officials under  
21 existing laws shall be deemed granted to or imposed upon the University  
22 and/or its officials whenever appropriate.

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

26          SEC. 25. *Separability Clause.* – If, for any reason, any part or  
27 provision of this Act is declared invalid or unconstitutional, the remaining  
28 parts or provisions not affected shall remain in full force and effect.



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

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

Approved,

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