

SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

18 JUL 31 A10 :34

S E N A T E

COMMITTEE REPORT NO. 402

Submitted jointly by the Committees on Education, Arts and Culture, Ways and Means and Finance on JUL 31 2018

Re: House Bill No. 6715

Recommending its approval with amendments.

Sponsor: Senator Escudero

MR. PRESIDENT:

The Committees on Education, Arts and Culture, Ways and Means and Finance to which was referred House Bill No. 6715, introduced by Rep. Bautista-Bandigan, L., et. al., entitled:

"AN ACT SEPARATING THE SOUTHERN PHILIPPINES AGRICULTURE BUSINESS, MARINE AND AQUATIC SCHOOL OF TECHNOLOGY (SPAMAST)-DIGOS CITY CAMPUS IN THE CITY OF DIGOS, DAVAO DEL SUR, FROM THE SPAMAST IN THE MUNICIPALITY OF MALITA, DAVAO OCCIDENTAL AND CONVERTING IT INTO A STATE COLLEGE TO BE KNOWN AS THE DAVAO DEL SUR STATE COLLEGE, 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 with the following amendments:

- 1. ON PAGE 6, LINE 19 AFTER "DESERVING STUDENTS", ADD THE PHRASE "IN ACCORDANCE WITH THE PROVISIONS OF REPUBLIC ACT NO. 10931, OR THE UNIVERSAL ACCESS TO QUALITY TERTIARY EDUCATION ACT".**

THE PARAGRAPH SHALL NOW READ AS FOLLOWS:

f. To adopt and implement a socialized scheme of tuition and other school fees for greater access to education of poor but deserving students **IN ACCORDANCE WITH THE PROVISIONS OF REPUBLIC ACT NO. 10931, OR THE UNIVERSAL ACCESS TO QUALITY TERTIARY EDUCATION ACT.**

2. ON PAGE 8, LINE 9-10, DELETE THE PHRASE "SUBJECT TO THE RULES AND REGULATIONS OF THE COMMISSION ON AUDIT (COA)" AND THE FOLLOWING COMMA (,);
3. ON PAGE 11, LINES 2-6, DELETE EVERYTHING AFTER "SPAMAST" ON LINE 2 UNTIL "SPAMAST" ON LINE 6 AND IN LIEU, INSERT THE FOLLOWING: **"SHALL SERVE AS THE OFFICER-IN-CHARGE OF THE COLLEGE PENDING THE APPOINTMENT OF THE FIRST COLLEGE PRESIDENT"**
4. ON THE SAME PAGE, LINES 6-7, DELETE THE PHRASE "BEFORE THE EXPIRATION OF THE TERM OF OFFICE OF THE INCUMBENT PRESIDENT OF THE COLLEGE" AND IN LIEU, INSERT **"FROM THE DATE OF APPROVAL OF THIS ACT";**

THE PROVISIO SHALL NOW READ AS FOLLOWS:

Provided, That in order to effect a smooth transition to a state college, the incumbent President of the SPAMAST **SHALL SERVE AS THE OFFICER-IN-CHARGE OF THE COLLEGE PENDING THE APPOINTMENT OF THE FIRST COLLEGE PRESIDENT.** Within six (6) months **FROM THE DATE OF APPROVAL OF THIS ACT,** the Board shall constitute the Search Committee for the Presidency (SCP).

5. ON PAGE 11, LINE 16, DELETE THE PHRASE "OR THE OIC";

THE PARAGRAPH SHALL NOW READ AS FOLLOWS:

In case of vacancy in the Office of the President, as mentioned in the immediately preceding paragraph, the successor shall serve for the unexpired portion of the term.

6. ON PAGE 16, LINE 23, AFTER THE WORD "STATUS" AND BEFORE THE PERIOD (.), INSERT THE PHRASE **"BASED ON CHED MEMORANDUM ORDER NO. 46, SERIES OF 2012";**

THE PARAGRAPH SHALL NOW READ AS FOLLOWS:

The CHED shall designate a panel of experts who shall prepare a recommendation to the Chairperson of the CHED, on whether the institution has complied with the requirements for the grant of college status **BASED ON CHED MEMORANDUM ORDER NO. 46, SERIES OF 2012.**

7. DELETE LINES 24-27 ON PAGE 16 AND LINES 1-8 ON PAGE 17;
8. ON PAGE 17, LINE 10, AFTER THE WORD "ACT", DELETE THE COMMA (,) AND THE PHRASE "UNLESS IN THE MEANTIME" AND IN LIEU, INSERT **"UNTIL"**;
9. ON THE SAME PAGE, LINE 11, AFTER THE WORD "THEREIN", DELETE THE COMMA (,) AND THE PHRASE "WITHIN A PERIOD NOT EXCEEDING JANUARY 31, 2021.

THE PARAGRAPH SHALL NOW READ AS FOLLOWS:

The institution shall retain its status prior to the effectivity of this Act **UNTIL** it is able to comply with the requirements provided therein.

Respectfully submitted:



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*Member, Committees on Ways and
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*Vice Chairperson, Committee on
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*Vice Chairperson, Committees on Education, Arts
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Vice Chairpersons:



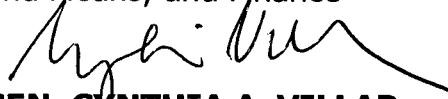
SEN. PAOLO BENIGNO AQUINO IV
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SEN. WIN GATCHALIAN
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SEN. JOSEPH VICTOR G. EJERCITO
*Committees on Education, Arts
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Committee on Finance
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and Culture; and Ways and Means*
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Members:




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SEN. RICHARD J. GORDON
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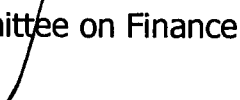
SEN. EMMANUEL "MANNY" D. PACQUIAO

Committee on Education, Arts
and Culture



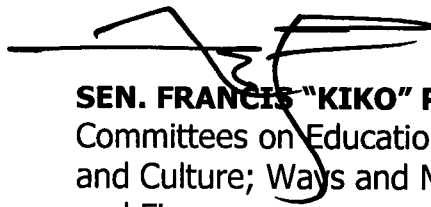
SEN. GREGORIO B. HONASAN II

Committee on Finance



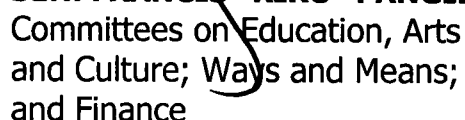
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Senate Minority Floor Leader



SEN. JUAN MIGUEL "MIGZ" F. ZUBIRI

Senate Majority Floor Leader



SEN. RALPH G. RECTO

Senate President Pro-Tempore

HON. VICENTE C. SOTTO III

Senate President



HOUSE OF REPRESENTATIVES

H. No. 6715

BY REPRESENTATIVES BAUTISTA-BANDIGAN, CAGAS, HOFER,
NOGRALES (K.A.), CUA AND SY-ALVARADO, PER COMMITTEE
REPORT No. 493

AN ACT SEPARATING THE SOUTHERN PHILIPPINES
AGRICULTURE, BUSINESS, MARINE AND AQUATIC
SCHOOL OF TECHNOLOGY (SPAMAST)-DIGOS CITY
CAMPUS IN THE CITY OF DIGOS, DAVAO DEL SUR,
FROM THE SPAMAST IN THE MUNICIPALITY OF
MALITA, DAVAO OCCIDENTAL AND CONVERTING IT
INTO A STATE COLLEGE TO BE KNOWN AS THE DAVAO
DEL SUR STATE COLLEGE, AND APPROPRIATING
FUNDS THEREFOR

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

1 SECTION 1. *Separation/Establishment.* - The Southern
2 Philippines Agriculture, Business, Marine and Aquatic School of
3 Technology (SPAMAST)-Digos City Campus in the City of Digos,
4 Province of Davao del Sur, is hereby separated from the SPAMAST
5 in the Municipality of Malita, Davao Occidental and converted into
6 a state college to be known as the Davao del Sur State College, and
7 integrating therewith the SPAMAST-Digos City Campus in
8 Barangay Matti, Digos City, the SPAMAST Laboratory and

1 Production Campus in the Municipality of Matanao, the SPAMAST
2 Extension Classes in Barangay Kapatagan, Digos City, and the
3 SPAMAST Extension Campus in the Municipality of Sulop, all
4 located in the Province of Davao del Sur. Its main campus shall be
5 in Digos City.

6 After the effectivity of this Act, the Davao del Sur State
7 College, hereinafter referred to as the College, shall exist
8 independently, separate and distinct from the SPAMAST in Malita,
9 Davao Occidental, to be governed by their respective charters.

10 SEC. 2. *General Mandate.* - The College shall primarily
11 provide advance instruction and professional training in education,
12 agriculture, engineering and technology, agribusiness, information
13 technology and other related fields of study. It shall also undertake
14 research, extension services, and production activities in support of
15 the socioeconomic development of the Province of Davao del Sur and
16 provide progressive leadership in its areas of specialization.

17 SEC. 3. *Curricular Offerings.* - The College shall offer
18 undergraduate and graduate courses in the fields of education,
19 agriculture, engineering and technology, agribusiness, information
20 technology and other degree courses within its areas of
21 specialization and according to its capabilities, as the Board of
22 Trustees may deem necessary to carry out its objectives, and in
23 order to meet the needs of the Province of Davao del Sur.

24 SEC. 4. *Administration.* - The College shall have the
25 general powers of a corporation set forth in Batas Pambansa Blg.
26 68, as amended, otherwise known as "The Corporation Code of the
27 Philippines". The administration of the College and the exercise of

1 its corporate powers shall be vested exclusively in the Board of
2 Trustees and the President of the College.

3 SEC. 5. *The Governing Board.* – The governing board of the
4 College shall be the Board of Trustees, hereinafter referred to as the
5 Board, which shall be composed of the following:

6 (a) The Chairperson of the Commission on Higher
7 Education (CHED), Chairperson;

8 (b) The President of the College, Vice Chairperson;

9 (c) The Chairperson of the Committee on Education, Arts
10 and Culture of the Senate, member;

11 (d) The Chairperson of the Committee on Higher and
12 Technical Education of the House of Representatives, member;

13 (e) The Regional Director of the National Economic and
14 Development Authority (NEDA), member;

15 (f) The Regional Director of the Department of Science and
16 Technology, member;

17 (g) The Regional Director of the Department of Agriculture,
18 member;

19 (h) The President of the faculty associations of the College,
20 member;

21 (i) The President of the student councils of the College,
22 member;

23 (j) The President of the alumni associations of the College,
24 member; and

25 (k) Two (2) prominent citizens from the private sector who
26 have distinguished themselves in their profession or fields of
27 specialization, members.

1 The Board shall appoint the two (2) prominent citizens from
2 among a list of at least five (5) qualified persons in the Province of
3 Davao del Sur, as recommended by a search committee constituted
4 by the College President, in consultation with the Chairperson of
5 the CHED and the other members of the Board, based on the
6 normal standards and qualifications for the position set by the
7 Board.

8 The President of the faculty associations, the President of the
9 student councils and the President of the alumni associations of the
10 College shall serve in the Board only for the duration of their terms
11 of office, as set forth in their respective constitutions and bylaws.

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

14 SEC. 6. *Promulgation and Implementation of Policies.* - The
15 Board shall promulgate and implement policies in accordance with
16 the declared State policies on education and other pertinent
17 provisions of the Philippine Constitution on education, agriculture,
18 science and technology, as well as the policies, standards and
19 thrusts of the CHED under Republic Act No. 7722, otherwise known
20 as the "Higher Education Act of 1994".

21 SEC. 7. *Powers and Duties of the Board.* - In addition to its
22 general powers of administration and the exercise of all the powers
23 granted to the Board of Directors of a corporation under existing
24 laws, the Board shall have the following specific powers and duties:

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

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

5 (c) To import duty-free economic, technical and cultural
6 books or publications, machineries and equipment, upon
7 certification by the CHED that such imported books or publications,
8 machineries and equipment are for economic, technical, vocational,
9 scientific, philosophical, historical or cultural purposes, in
10 accordance with the provisions of the Tariff and Customs Code of
11 the Philippines, as amended;

12 (d) To receive in trust legacies, gifts and donations of real
13 and personal properties of all kinds and to administer and dispose
14 of the same when necessary for the benefit of the College, and
15 subject to the limitations, directions and instructions of the donor, if
16 any.

17 Such donations shall be exempt from the donor's tax and the
18 same shall be considered as allowable deductions from the gross
19 income in the computation of the income tax of the donor, in
20 accordance with the provisions of the National Internal Revenue
21 Code of 1997, as amended: *Provided*, That such donations shall not
22 be disposed of, transferred or sold;

23 (e) To fix the tuition fees and other necessary school charges
24 such as matriculation fees, graduation fees and laboratory fees, as
25 the Board may deem proper to impose, after due consultations with
26 the involved sectors: *Provided*, That such fees and charges,
27 including government subsidies and other income generated by the
28 College, shall be considered as special trust funds and shall be

1 deposited in any authorized government depository bank, and all
2 interest income that shall accrue therefrom shall form part of the
3 same funds for the use of the College: *Provided, further,* That any
4 provision of existing laws, rules and regulations to the contrary
5 notwithstanding, any income generated by the College from tuition
6 fees and other charges, as well as from the operation of auxiliary
7 services and land grants, shall be retained by the College and may
8 be disbursed by the Board for instruction, research, extension or
9 other programs/projects of the College: *Provided, finally,* That all
10 fiduciary fees shall be disbursed for the specific purposes for which
11 these are collected. If, for reasons beyond its control, the College
12 shall not be able to pursue any project for which the funds have
13 been appropriated and allocated under its approved program of
14 expenditures, the Board may authorize the use of said funds for any
15 reasonable purpose which, in its discretion, may be necessary and
16 urgent for the attainment of the objectives and goals of the College;

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

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

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

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

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

13 (k) To set the policies on admission and graduation of
14 students;

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

21 (m) To establish and absorb non-chartered tertiary
22 institutions with the Province of Davao del Sur as branches and
23 centers, in coordination with the CHED, and in consultation with
24 the Department of Budget and Management (DBM), and to offer
25 programs or courses to promote and carry out equal access to
26 educational opportunities, as mandated by the Constitution;

27 (n) To establish research and extension centers of the
28 College where such will promote the development of the latter;

1 (o) To establish professorial chairs in the College and to
2 provide fellowships for qualified faculty members and scholarships
3 to deserving students;

4 (p) To delegate any of its powers and duties provided herein
5 to the President or other officials of the College, as it may deem
6 appropriate, so as to expedite the administration of the affairs of the
7 College;

8 (q) To authorize an external management audit of the
9 College, subject to the rules and regulations of the Commission on
10 Audit (COA), and to institute reforms, including academic and
11 structural changes, on the basis of the audit results and
12 recommendations;

13 (r) To collaborate with the governing boards of other state
14 universities and colleges (SUCs) within the Province of Davao del
15 Sur and Region XI, under the supervision of the CHED and in
16 consultation with the DBM, and work towards the restructuring of
17 the College to become more efficient, relevant, productive and
18 competitive;

19 (s) To enter into joint ventures with business and industry
20 for the profitable development and management of the economic
21 assets of the College, the proceeds from which shall be used for the
22 development and strengthening of the College;

23 (t) To develop consortia and other economic forms of
24 linkage with local government units (LGUs), institutions and
25 agencies, both public and private, local and foreign, in the
26 furtherance of the purposes and objectives of the College;

27 (u) To develop academic arrangements for institutional
28 capability building with appropriate institutions and agencies,

1 public and private, local and foreign, and to appoint
2 experts/specialists as consultants, part-time or visiting or exchange
3 professors, scholars or researchers, as the case may be;

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

9 (w) To establish policy guidelines and procedures for
10 participative decision-making and transparency within the College;

11 (x) To privatize, where most advantageous to the College,
12 the management of nonacademic services such as health, food,
13 building or grounds or property maintenance and such other similar
14 activities; and

15 (y) To extend the term of the President of the College whose
16 performance has been unanimously rated by the Board as
17 outstanding beyond the age of retirement, but not beyond the age of
18 seventy (70), based on the guidelines, qualifications and standards
19 set by the Board after unanimous recommendation by the search
20 committee.

21 SEC. 8. *Meetings of the Board.* – The Board shall regularly
22 convene at least once every quarter. The Chairperson of the Board
23 may, upon three (3) days' prior written notice, call a maximum of
24 two (2) special meetings whenever necessary.

25 A quorum of the Board shall consist of majority of all its
26 members holding office at the time of the meeting: *Provided*, That
27 the Chairperson of the Board or the President of the College is
28 among those present in the meeting.

1 In the absence of the Chairperson of the CHED, a
2 Commissioner of the CHED, duly designated by the CHED
3 Chairperson, shall represent the latter in the meeting. The
4 designated CHED Commissioner shall have all the rights and
5 responsibilities of a regular member: *Provided*, That during this
6 meeting, the President of the College as Vice Chairperson shall be
7 the Presiding Officer: *Provided, further*, That this provision
8 notwithstanding, the Chairperson of the CHED is hereby
9 authorized to designate a CHED Commissioner as the regular
10 Chairperson of the Board, in which case the said CHED
11 Commissioner shall act as the Presiding Officer.

12 In case the Chairpersons of the Congressional Committees on
13 Education shall not be able to attend the Board meeting, they may
14 duly designate their respective representatives to attend the said
15 meeting, who shall have the same rights and responsibilities as the
16 regular members of the Board.

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

22 SEC. 9. *The College President.* – The College shall be headed
23 by a President who shall render full-time service. The President
24 shall be appointed by the Board, subject to the guidelines,
25 qualifications and standards set by the Board, upon the
26 recommendation of a duly constituted search committee. The
27 President shall serve for a term of four (4) years and shall be
28 eligible for reappointment for another term: *Provided*, That in

1 order to effect a smooth transition to a state college, the incumbent
2 President of the SPAMAST, if qualified, shall serve as the first
3 President of the College: *Provided, further,* That for said reason and
4 pending the appointment of a new president for SPAMAST, the
5 Chairperson of the CHED shall appoint an Officer-in-Charge (OIC)
6 of SPAMAST. Within six (6) months before the expiration of the
7 term of office of the incumbent President of the College, the Board
8 shall constitute the Search Committee for the Presidency (SCP).

9 In case of vacancy in the Office of the President, by reason of
10 death, compulsory retirement, resignation, removal for cause or
11 incapacity of the President to perform the functions of the office, the
12 Board shall designate an OIC of the College within six (6) months
13 from the date of vacancy, pending the appointment of a new
14 President.

15 In case of vacancy in the Office of the President, as mentioned
16 in the immediately preceding paragraph, the successor or the OIC
17 shall serve for the unexpired portion of the term.

18 The powers and duties of the President of the College, in
19 addition to those specifically provided in this Act, shall be those
20 usually pertaining to the Office of the President of similar state
21 colleges and those delegated by the Board.

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

26 The President of the College shall be assisted by a Vice
27 President for Academic Affairs and a Vice President for

1 Administration, who shall be appointed by the Board upon the
2 recommendation of the President.

3 SEC. 10. *Heads of College Campuses.* – A Campus Director
4 shall head the College campus and shall render full-time service.
5 The Campus Director shall be appointed by the Board, upon the
6 recommendation of the search committee and the President of the
7 College, subject to the guidelines, qualifications and standards set
8 by the Board.

9 SEC. 11. *The Administrative Council.* – There shall be an
10 Administrative Council consisting of the President of the College, as
11 Chairperson, and the vice president(s), deans, directors and other
12 officials of equal rank, as members, whose duties are to review and
13 recommend to the Board the policies governing the administration,
14 management and development planning of the College.

15 SEC. 12. *The Academic Council.* – There shall be an
16 Academic Council to be composed of the President of the College,
17 who shall act as Chairperson, and all the academic staff with the
18 rank of at least an assistant professor, as members.

19 The Academic Council shall have the power to review and
20 recommend the curricular offerings and rules of discipline of the
21 College, subject to the approval of the Board. It shall fix the
22 requirements for the admission of students, as well as for their
23 graduation and the conferment of degrees, subject to the review and
24 approval of the Board through the President of the College. It shall
25 have disciplinary power over students of the College and shall
26 formulate academic policies and rules and regulations on discipline,
27 subject to the approval of the Board.

1 SEC. 13. *The Secretary of the College.* – The Board shall
2 appoint a Secretary, who shall serve as such for both the Board and
3 the College and shall keep all records and proceedings of the Board.
4 The Secretary shall serve upon each member of the Board the
5 appropriate notice of the Board meetings.

6 SEC. 14. *The Treasurer of the College.* – The Treasurer of the
7 Philippines shall be the *ex officio* Treasurer of the College.

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

15 SEC. 16. *Scholarship Program/Admission.* – The College
16 shall provide a scholarship program and other affirmative action
17 programs to assist poor but deserving students who qualify for
18 admission to the College. No student shall be denied admission to
19 the College by reason of sex, religion, cultural or community
20 affiliation or ethnic origin.

21 SEC. 17. *Academic Freedom and Institutional Autonomy.* –
22 The College shall enjoy academic freedom and institutional
23 autonomy, pursuant to paragraph 2, Section 5 of Article XIV of the
24 Constitution of the Republic of the Philippines.

25 SEC. 18. *Authority to Loan or Transfer Apparatus/
26 Equipment/Supplies and Detail of Personnel.* – The heads of the
27 bureaus and offices of the national government are hereby
28 authorized to loan or transfer, upon the request of the President of

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

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

9 SEC. 19. *Tax Exemptions.* – The Davao del Sur State College
10 shall be entitled to the following tax exemptions:

11 (a) All revenues and assets of the Davao del Sur State
12 Colleges used exclusively and solely for educational purposes or in
13 furtherance thereof shall be exempt from all taxes and duties;

14 (b) All grants, bequests, endowments, donations and
15 contributions made to the College to be used actually, directly and
16 exclusively by the College shall be exempt from donor's tax and the
17 same shall be allowed as allowable deductions from the gross
18 income of the donor for purposes of computing the taxable income of
19 the donor in accordance with the provisions of the National Internal
20 Revenue Code of 1997, as amended;

21 (c) Importation of economic, technical, and cultural books or
22 publications, which are for economic, technical, vocational,
23 scientific, philosophical, historical or cultural purposes made by the
24 College upon certification by the CHED, shall be exempt from
25 customs duties in accordance with the provisions of Republic Act
26 No. 10863, otherwise known as the "Customs Modernization and
27 Tariff Act (CMTA)";

1 (d) The College shall be exempt from value-added tax, as
2 provided for in Section 109(1)(h) of the National Internal Revenue
3 Code of 1997, as amended; and

4 (e) All educational monetary awards shall be exempt from
5 income tax as prescribed in Section 32(b)(7)(c) of the National
6 Internal Revenue Code of 1997, as amended.

7 SEC. 20. *Assets, Liabilities and Personnel.* – All assets, real
8 and personal, personnel and records of the SPAMAST-Digos City
9 Campus, the SPAMAST Laboratory and Production Campus in the
10 Municipality of Matanao, the SPAMAST Extension Classes in
11 Barangay Kapatagan, Digos City, and the SPAMAST Extension
12 Campus in the Municipality of Sulop, as well as the liabilities or
13 obligations, are hereby transferred to the College. The positions,
14 rights and security of tenure of faculty members and personnel
15 therein employed under existing laws prior to the conversion into a
16 College shall be respected: *Provided*, That all plantilla positions
17 created for the SPAMAST-Malita Campus shall be retained in
18 the SPAMAST-Malita Campus and those created for the
19 SPAMAST-Digos City Campus shall be transferred to the College.

20 All parcels of land belonging to the government occupied by
21 the SPAMAST-Digos City Campus are hereby declared to be
22 property of the College and shall be titled under that name:
23 *Provided*, That should the College cease to exist or be abolished or
24 should such parcels of land aforementioned be no longer needed by
25 the College, the same shall revert to the local government.

26 SEC. 21. *Development Plan, Management Audit/
27 Organizational/Administrative/Academic Structure.* – Within the

1 period of one hundred twenty (120) days after the approval of this
2 Act, the College shall accomplish the following:

3 (a) Submit a five (5)-year development plan, including its
4 corresponding program budget to the CHED, for corresponding
5 recommendation to the DBM;

6 (b) Undergo a management audit in cooperation with the
7 CHED; and

8 (c) Accordingly set up its organizational, administrative and
9 academic structure, including the appointment of the key officials of
10 the College.

11 SEC. 22. *Compliance with CHED Requirements.* - The
12 provisions of this Act notwithstanding, the establishment or
13 conversion of the institution into a state college shall become
14 effective only upon the determination and declaration by the CHED,
15 based on the recommendation of a panel of experts, that the
16 institution has complied with the requirements for a college status.
17 The CHED, through its regional office, shall regularly provide
18 technical assistance to the institution and monitor compliance with
19 the requirements of the CHED.

20 The CHED shall designate a panel of experts who shall
21 prepare a recommendation to the Chairperson of the CHED, on
22 whether the institution has complied with the requirements for the
23 grant of college status.

24 The following are the operational requirements for a state
25 college:

26 (a) Equivalent or appropriate accreditation under CHED
27 policies and guidelines for colleges;

1 (b) Ratio of qualified full-time faculty with requisite degree
2 to number of students;

3 (c) Adequate library and laboratories;

4 (d) Research and development output of practical and
5 commercial application to the community;

6 (e) Relevant linkages and outreach programs that are of
7 service to the community; and

8 (f) Relevant academic policies, systems and processes.

9 The institution shall retain its status prior to the effectivity of
10 this Act, unless in the meantime it is able to comply with the
11 requirements provided therein, within a period not exceeding
12 January 31, 2021.

13 SEC. 23. *Supplementary Application.* – The provisions of
14 Republic Act No. 8292, otherwise known as the “Higher Education
15 Modernization Act of 1997”, shall be an integral part of this Act and
16 shall serve as part of the Governing Charter of the College.

17 SEC. 24. *Parity Clause.* – All other powers, functions and
18 privileges, responsibilities and limitations to SUCs and their
19 officials under existing laws shall be deemed granted to or imposed
20 upon the College and its officials, whenever appropriate.

21 SEC. 25. *Appropriations.* – The amount necessary to carry
22 out the provisions of this Act shall be charged against the current
23 year’s appropriations of the SPAMAST-Digos City Campus.
24 Thereafter, such sums as may be necessary for the continued
25 operation and maintenance of the College shall be included in the
26 annual General Appropriations Act.

27 SEC. 26. *Implementing Rules and Regulations.* – The Board,
28 in consultation with the CHED, shall formulate the guidelines to

1 fully implement the provisions of this Act within sixty (60) days
2 from its effectivity.

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

7 SEC. 28. *Repealing Clause.* – All laws, presidential decrees,
8 executive orders, rules and regulations contrary to or inconsistent
9 with the provisions of this Act are hereby repealed or modified
10 accordingly.

11 SEC. 29. *Effectivity.* – This Act shall take effect fifteen (15)
12 days after its publication in the *Official Gazette* or in a newspaper of
13 general circulation.

Approved,

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