



HOUSE OF REPRESENTATIVES

H. No. 5492

BY REPRESENTATIVES DURANO, KINTANAR, VILLAR, ABAYON,
MAGSAYSAY (E.), SALCEDA AND LAPUS, PER COMMITTEE REPORT
NO. 1683

AN ACT CONVERTING THE CEBU STATE COLLEGE OF SCIENCE
AND TECHNOLOGY SYSTEM IN THE CITY OF CEBU AND ALL
ITS SATELLITE CAMPUSES LOCATED IN THE PROVINCE OF
CEBU INTO A STATE UNIVERSITY TO BE KNOWN AS THE
CEBU UNIVERSITY OF SCIENCE AND TECHNOLOGY (CUST)
AND APPROPRIATING FUNDS THEREFOR

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

1 SECTION 1. *Conversion.* – The Cebu State College of Science and
2 Technology System in the City of Cebu, including all its existing satellite
3 campuses namely: the College of Fisheries in the Municipality of Moalboal,
4 the Agro-Industrial and Forestry College in the Municipality of Argao, the
5 Polytechnic College in the Municipality of Tuburan, the College of Fisheries
6 in the Municipality of Daanbantayan, the Fishery and Industrial College in the
7 Municipality of San Francisco, the College of Industrial Technology in the
8 Municipality of Danao, the College of Fisheries Technology in the
9 Municipality of Carmen, the Abellana College of Arts and Trades in the City

1 of Mandaue, the College of Agriculture in the Municipality of Barili
2 (previously located in Sudlon, Lahug of Cebu City) and the Experimental
3 Station in the Municipality of Sibonga, all municipalities located in the
4 Province of Cebu is hereby converted into a state university to be known as
5 the Cebu University of Science and Technology (CUST), hereinafter referred
6 to as the University. The main campus of the University shall be in Cebu City.

7 SEC. 2. *General Mandate.* – The University shall primarily provide
8 advanced professional and technical instruction for special purposes, advanced
9 studies in industrial trade, agriculture, fishery, forestry, aeronautics and land-
10 based programs, arts and sciences, health sciences, information technology
11 and other relevant fields of study. It shall also undertake research and
12 extension services, and provide progressive leadership in its areas of
13 specialization.

14 SEC. 3. *Curricular Offerings.* – The University shall offer
15 undergraduate and graduate studies in the fields of industrial trade, agriculture,
16 fishery, forestry, aeronautics, arts and sciences, health sciences, information
17 technology, nontraditional courses and other degrees/courses within its areas
18 of specialization and according to its capabilities as the Board of Regents may
19 deem necessary to carry out its objectives, in order to meet the needs of the
20 Province of Cebu and Region VII.

21 The existing high school/s shall be transferred to the jurisdiction and
22 supervision of the Department of Education (DepEd): *Provided*, That the high
23 school/s shall be allowed to remain and operate within the campus of the
24 University until the existing students shall have completed their high school
25 education: *Provided, further*, That the University may operate a reasonably-
26 sized laboratory school, if it has a College of Education.

27 SEC. 4. *Administration.* – The University shall have the general
28 powers of a corporation set forth in Batas Pambansa Blg. 68, as amended,

1 otherwise known as the “Corporation Code of the Philippines”. The
2 administration of the University and the exercise of its corporate powers shall
3 be vested exclusively in the Board of Regents and the president of the
4 University.

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

8 (a) The chairperson of the Commission on Higher Education (CHED),
9 chairperson;

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

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

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

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

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

19 (g) The president of the federation of faculty associations of the
20 University, member;

21 (h) The president of the federation of student councils of the
22 University, member;

23 (i) The president of the federation of alumni associations of the
24 University, member; and

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

1 The Board shall appoint the two prominent citizens from among a list
2 of at least five persons qualified in the Province of Cebu, as recommended by
3 the search committee constituted by the University president, in consultation
4 with the chairperson of the CHED and the other members of the Board, based
5 on the normal standards and qualifications for the position.

6 The term of office of the president of the federation of faculty
7 associations, the president of the federation of student councils and the
8 president of the federation of alumni associations shall be coterminous with
9 their terms of office, as set forth in their respective constitutions and bylaws.

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

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

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

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

24 (b) To receive and appropriate all sums as may be provided for the
25 support of the University in the manner it may determine, in its discretion, in
26 order to carry out the powers and functions of the University;

27 (c) To import duty-free economic, technical and cultural books and/or
28 publications, upon certification by the CHED that such imported books and/or

1 publications are for economic, technical, vocational, scientific, philosophical,
2 historical or cultural purposes, in accordance with the provisions of the Tariff
3 and Customs Code, as amended;

4 (d) To receive in trust legacies, gifts and donations of real properties of
5 all kinds and to administer and dispose of the same when necessary for the
6 benefit of the University, and subject to the limitations, directions and
7 instructions of the donor, if any.

8 Such donations shall be exempt from the donor's tax and the same shall
9 be considered as allowable deductions from the gross income in the
10 computation of the income tax of the donor, in accordance with the provisions
11 of the National Internal Revenue Code (NIRC) of 1997, as amended:
12 *Provided, That such donations shall not be disposed of, transferred or sold;*

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

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

22 Any provision of existing laws, rules and regulations to the contrary
23 notwithstanding, any income generated by the University from tuition fees and
24 other charges, as well as from the operation of auxiliary services and land
25 grants, shall be retained by the University, and may be disbursed by the Board
26 for instruction, research, extension or other programs/projects of the
27 University: *Provided, That all fiduciary fees shall be disbursed for the*
28 *specific purpose for which they are collected.*

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

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

9 (g) To authorize the construction or repair of its buildings, machinery,
10 equipment and other facilities, and the purchase and acquisition of real and
11 personal properties, including necessary supplies, materials and equipment;

12 (h) To appoint, upon recommendation of the president of the
13 University, vice presidents, deans, directors, heads of departments, faculty
14 members and other officials and employees of the University;

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

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

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

26 (l) To award honorary degrees upon persons in recognition of their
27 outstanding contribution in the fields of education, public service, arts, science
28 and technology, education or in any field of specialization within the academic

1 competence of the University; and to authorize the awarding of certificates of
2 completion for nondegree and nontraditional courses;

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

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

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

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

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

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

26 (s) *To enter into joint ventures with business and industry for the*
27 *profitable development and management of the economic assets of the*

1 University, the proceeds of which shall be used for the development and
2 strengthening of the same;

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

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

11 (v) To set up the adoption of modern and innovative modes of
12 transmitting knowledge such as the use of information technology, the dual
13 learning system, open or distance education and community laboratory for the
14 promotion of greater access to higher education and graduate studies, as the
15 case may be;

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

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

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

26 SEC. 8. *Meetings of the Board.* – The Board shall regularly convene at
27 least once every quarter. However, the chairperson of the Board may, upon

1 three days' prior written notice, call a maximum of two special meetings
2 whenever necessary.

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

7 In the absence of the chairperson of the CHED, a commissioner of the
8 CHED, duly designated by him/her, shall represent him/her in the meeting
9 with all the rights and responsibilities of a regular member: *Provided,*
10 *however,* That during this meeting, the president of the University as vice
11 chairperson shall be the presiding officer: *Provided, further,* That this *proviso*
12 notwithstanding, the chairperson of the CHED is hereby authorized to
13 designate a CHED commissioner as the regular chair of the Board, in which
14 case said CHED commissioner shall act as the presiding officer.

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

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

24 SEC. 9. *The University President.* – The University shall be headed by
25 a president, who shall render full time service. He/she shall be appointed by
26 the Board, subject to the guidelines, qualifications and/or standards set by the
27 Board, upon recommendation of a duly constituted search committee. He/she
28 shall have a term of four years and shall be eligible for reappointment for

1 another term: *Provided*, That in order to effect a smooth transition to a state
2 university, the incumbent president of the Cebu State College of Science and
3 Technology System, if qualified, shall serve as the first president of the
4 University.

5 Within six months before the expiration of the term of office of the
6 incumbent president of the CUST, the Board shall constitute the Search
7 Committee for the Presidency (SCP).

8 In case of vacancy in the office of the president by reason of death,
9 compulsory retirement, resignation, removal for cause or incapacity of the
10 president to perform the functions of his/her office, the Board shall designate
11 an officer-in-charge of the University within six months from date of vacancy,
12 pending the appointment of a new president.

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

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

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

24 The president of the University shall be assisted by a vice president for
25 academic affairs, and a vice president for administration and a vice president
26 for research and development, who shall be appointed by the Board upon
27 recommendation of the president: *Provided*, That the incumbent vice

1 president of the Cebu State College of Science and Technology System shall
2 serve as vice president for academic affairs.

3 SEC. 10. *Heads of University Campuses.* – Campus directors shall
4 head the University campuses and they shall render full time service. They
5 shall be appointed by the Board upon recommendation of the search
6 committee and the University president, subject to the guidelines,
7 qualifications and/or standards set by the Board: *Provided,* That the
8 incumbent college administrators of the extension campuses shall serve as
9 campus directors of their respective campuses.

10 SEC. 11. *The Administrative Council.* – There shall be an
11 administrative council consisting of the president of the University as
12 chairperson, vice presidents, deans, directors and other officials of equal rank
13 as members, whose duty is to review and recommend to the Board policies
14 governing the administration, management and development planning of the
15 University.

16 SEC. 12. *The Academic Council.* – There shall be an academic council
17 to be composed of the president of the University, who shall be the
18 chairperson, and all academic staff with the rank of at least an assistant
19 professor, as members.

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

1 SEC. 13. *The Secretary of the University.* – The Board shall appoint a
2 secretary, who shall serve as such for both the Board and the University and
3 shall keep all records and proceedings of the Board. He/she shall serve upon
4 each member of the Board the appropriate notice of the Board’s meetings.

5 SEC. 14. *The Treasurer of the University.* – The Treasurer of the
6 Republic of the Philippines shall be the *ex officio* treasurer of the University.

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

14 SEC. 16. *Scholarship Program/Admission.* – The University shall
15 provide a scholarship program and other affirmative action programs to assist
16 poor but deserving students who qualify for admission to the University.

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

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

23 SEC. 18. *Authority to Loan or Transfer Apparatus/Equipment/Supplies*
24 *and Detail of Personnel.* – The heads of the bureaus and offices of the national
25 government are hereby authorized to loan or transfer, upon the request of the
26 president of the University, such apparatus, equipment or supplies as may be
27 needed by the University, and to detail employees for duty therein when, in the
28 judgment of the head of bureau or office, such apparatus, equipment, supplies

1 or services of such employees can be spared without serious detriment to the
2 public service.

3 The employees so detailed shall perform such duties as required of
4 them by the president of the University and the time so employed shall be
5 counted as part of their regular services.

6 SEC. 19. *Assets, Liabilities and Personnel.* – All assets, real and
7 personal, personnel and records of the Cebu State College of Science and
8 Technology System and its satellite campuses, namely: the College of
9 Fisheries in the Municipality of Moalboal, the Agro-Industrial and Forestry
10 College in the Municipality of Argao, the Polytechnic College in the
11 Municipality of Tuburan, the College of Fisheries in the Municipality of
12 Daanbantayan, the Fishery and Industrial College in the Municipality of San
13 Francisco, the College of Industrial Technology in the Municipality of Danao,
14 the College of Fisheries Technology in the Municipality of Carmen, the
15 Abellana College of Arts and Trades in the City of Mandaue, the College of
16 Agriculture in the Municipality of Barili and the Experimental Station in the
17 Municipality of Sibonga, as well as liabilities or obligations, are hereby
18 transferred to the University. The positions, rights and security of tenure of
19 faculty members and personnel therein employed under existing laws prior to
20 the conversion into a University shall be respected.

21 All parcels of land belonging to the government occupied by the Cebu
22 State College of Science and Technology System and its satellite campuses are
23 hereby declared to be property of the University, and shall be titled under that
24 name: *Provided*, That should the University cease to exist or be abolished or
25 should such parcels of land aforementioned be no longer needed by the
26 University, the same shall revert to the LGUs concerned.

27 SEC. 20. *Appropriations.* – The amount necessary to carry out the
28 provisions of this Act shall be charged against the current year's

1 appropriations of the Cebu State College of Science and Technology System,
2 including all its existing satellite colleges namely: the College of Fisheries in
3 the Municipality of Mòalboal, the Agro-Industrial and Forestry College in the
4 Municipality of Argao, the Polytechnic College in the Municipality of
5 Tuburan, the College of Fisheries in the Municipality of Daanbantayan; the
6 Fishery and Industrial College in the Municipality of San Francisco, the
7 College of Industrial Technology in the Municipality of Danao, the College of
8 Fisheries Technology in the Municipality of Carmen, the Abellana College of
9 Arts and Trades in the City of Mandaue, the College of Agriculture in the
10 Municipality of Barili and the Experimental Station in the Municipality of
11 Sibonga, except the sums needed to continue the operations of the existing
12 high school/s. Thereafter, such sums as may be necessary for the continued
13 operation and maintenance of the CUST shall be included in the annual
14 General Appropriations Act.

15 SEC. 21. *Development Plan, Management Audit, Organizational/*
16 *Administrative/Academic Structure.* – Within the period of one hundred
17 twenty (120) days after the approval of this Act, the University shall
18 accomplish the following:

19 (a) Submit a five-year development plan, including its corresponding
20 program budget to the CHED, for corresponding recommendation to the
21 DBM;

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

23 (c) Accordingly set up its organizational, administrative as well as
24 academic structure, including the appointment of the University key officials.

25 SEC. 22. *Filing of Report.* – On or before the fifteenth (15th) day of the
26 second month after the opening of the regular classes each year, the Board
27 shall file with the Office of the President of the Philippines through the

1 chairperson of the CHED, and with both Houses of Congress a detailed report
2 on the progress, conditions and needs of the University.

3 SEC. 23. *Suppletory Application.* – The provisions of Republic Act
4 No. 8292, otherwise known as the “Higher Education Modernization Act of
5 1997”, shall be an integral part of this Act and shall serve as part of the
6 governing charter of the University.

7 SEC. 24. *Parity Clause.* – All other powers, functions and privileges,
8 responsibilities and limitations to state universities and/or their officials under
9 existing laws shall be deemed granted to or imposed upon the University
10 and/or its officials, whenever appropriate.

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

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

17 SEC. 27. *Repealing Clause.* – All laws, presidential decrees, executive
18 orders, rules and regulations contrary to or inconsistent with the provisions of
19 this Act are hereby repealed or modified accordingly.

20 SEC. 28. *Effectivity.* – This Act shall take effect fifteen (15) days after
21 its publication in two newspapers of general circulation.

Approved,