



HOUSE OF REPRESENTATIVES

H. No. 2845

BY REPRESENTATIVES ANGARA, SUSANO, GULLAS, ZIALCHA, CUA (G.), CASIÑO, CHATTO, ABLAN, ESCUDERO, VILLAR, NOGRALES, TAÑADA, VILLAFUERTE, GARCIA (P.), TEODORO, DEL MAR, SILVERIO, VILLAROSA, UNGAB, BICHARA, ABANTE, MANGUDADATU, CODILLA, LAGMAN, CERILLES, ROMUALDEZ, HOFER, DIASNES, DEFENSOR (M.), MANDANAS, DATUMANONG, ZAMORA (R.), RODRIGUEZ, BINAY, GOLEZ, VILLANUEVA, GUNIGUNDO, GARCIA (P.J.), ANTONINO-CUSTODIO, REMULLA, JAVIER, NICOLAS, CHIPECO, LAGDAMEO, FUENTEBELLA, ABAYA, AGGABAO, ALCALA, ALFELOR, ALMARIO, AMANTE, AMATONG, ANGPING, ARROYO (D.), BARZAGA, BELMONTE, BIAZON, CABILAO, CAGAS, CARI, CASTRO, CHAVEZ, CHIUNGALAO, CLARETE, CLIMACO, COQUILLA, COSCOLLUELA, CUA (J.), DANGWA, DE GUZMAN, DUMARPA, DURANO, FUA, GARAY, GATLABAYAN, GO, GONZALEZ, HATAMAN, ILAGAN, JOSON, LAGBAS, MATUGAS, NOEL, OLAÑO, ONG, PADILLA, PANCRUDO, PICHAY, REYES (C.), ROBES, ROMAN, ROMARATE, ROMUALDO, ROXAS, SALIMBANGON, SALVACION, SINGSON (R.), SY-ALVARADO, UY (E.), VARGAS, VELARDE, YAP, YU, AGBAYANI, AGYAO, AKBAR, ALBANO, ALVAREZ (G.), ANTONINO, APOSTOL, AQUINO, ARAGO, ARENAS, ARNAIZ, ASILO, BAGATSING, BAUTISTA, BELTRAN, BONDOC, BONOAN-DAVID, BRAVO, BRIONES, BULUT, CAJAYON, CASTELO-DAZA, CELESTE, CHIIONGBIAN, CHONG, COJUANGCO, CRISOLOGO, CRUZ-GONZALES, CUENCO, DAYANGHIRANG, DAZA, DE VENECIA, DEFENSOR (A.), DEL ROSARIO, DILANGALEN, DIMAPORO, DOMOGAN, DUAVIT, DUEÑAS, DUMPIT, DY, EMANO, ENVERGA, ERMITA-BUHAIN, ESTRELLA (C.), ESTRELLA (R.), FERNANDEZ, FERRER, GARCIA (A.), GARCIA (V.), GARIN, GONZALES (N.), GUINGONA, HONTIVEROS-BARAQUEL, JAAFAR, JALOSIOS, JALOSIOS-CARREON, KHO, LABADLABAD, LACSON, LAPUS, LIM, SY-LIMKAICHONG, LOCSIN, LOPEZ, MACAPAGAL-ARROYO, MADRONA, MAGSAYSAY, MALAPITAN, MAMBA, MARAÑON, MARCOS,

MENDOZA, MIRAFLORES, MITRA, NAVA, ORTEGA, PABLO, PANCHIO, PIAMONTE, PINGOY, PIÑOL, PLAZA, PRIETO-TEODORO, PUENTEVELLA, PUNO, RAMIRO, REYES (V.), RODRIGUEZ-ZALDARRIAGA, ROMULO, SAN LUIS, SANDOVAL, SANTIAGO (J.), SEACION-LANETE, SINGSON (E.), SOLIS, SYJUCO, TALIÑO-MENDOZA, TAN, TEVES, TIENG, TUPAS, UMALI (A.), UMALI (C.), UY (R.A.), VALDEZ, VALENCIA, VIOLAGO, ZAMORA (M.) AND ZUBIRI, PER COMMITTEE REPORT NO. 4

AN ACT TO STRENGTHEN THE UNIVERSITY OF THE PHILIPPINES
AS THE NATIONAL STATE UNIVERSITY

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

1 SECTION 1. *Title.* – This Act shall be known as “The University of the
2 Philippines Charter of 2007”.

3 SEC. 2. *Declaration of Policy.* – The State shall promote, foster,
4 nurture and protect the right of all citizens to accessible quality education.
5 Towards this end, it is the policy of the State to strengthen the University of the
6 Philippines as the national state university.

7 SEC. 3. *Purpose of the University.* – As the national state university, a
8 public and secular institution of higher learning and a community of scholars
9 dedicated to the search for truth, knowledge and training/development of future
10 leaders, the University of the Philippines shall perform its unique and
11 distinctive leadership in higher education and national education development.
12 The University shall:

13 (a) Lead in setting academic standards and initiating innovations in
14 teaching, research and faculty development in philosophy, the arts and
15 humanities, the social sciences, the professions and engineering, natural
16 sciences, mathematics, and technology; and maintain centers of excellence in
17 such disciplines and professions;

1 (b) Serve as a graduate university by providing advanced studies and
2 specialization for scholars, scientists, writers, artists and professionals,
3 especially those who serve on the faculties of State and private colleges and
4 universities;

5 (c) Serve as a research university in the various fields of its expertise
6 and specialization by conducting basic and applied research and development,
7 promoting research in the various colleges and universities, and contributing to
8 the dissemination and application of knowledge;

9 (d) Lead as a public service university by providing forms of
10 community, public and volunteer service, and scholarly and technical
11 assistance to the government, the private sector and civil society while
12 maintaining its standards of excellence;

13 (e) Protect and promote the professional and economic rights and
14 welfare of its academic and nonacademic personnel;

15 (f) Provide opportunities for training and learning in progressive
16 leadership, responsible citizenship, and the development of democratic values,
17 institutions and practice, and the enhancement of nationalism and national
18 identity;

19 (g) Provide democratic governance in the university based on
20 collegiality, representation, accountability, transparency and active
21 participation of its constituents; and

22 (h) Serve as a regional and global university in cooperation with
23 international and scientific unions with networks of universities and scholarly
24 and professional associations in the Asia-Pacific region and around the world.

1 SEC. 4. *Definition of Terms.* – As used in this Act, the following terms
2 shall mean:

3 (a) “University” refers to the University of the Philippines.

4 (b) “University of the Philippines System (UPS)” refers to the
5 University of the Philippines as composed by its existing constituent
6 universities, as follows: University of the Philippines Diliman; University of
7 the Philippines Manila; University of the Philippines Los Baños; University of
8 the Philippines Visayas; University of the Philippines Mindanao; University of
9 the Philippines Baguio; University of the Philippines Open University; and
10 those that may be created in the future.

11 (c) “*University of the Philippines System Assembly (UPSA)*” refers to
12 an assembly of individuals representing the students, academic personnel
13 (faculty and research, extension and professional staff), administrative
14 personnel, and alumni of the seven (7) constituent universities (UP Diliman,
15 UP Manila, UP Los Baños, UP Visayas, UP Mindanao, UP Baguio, UP Open
16 University) and other constituent universities that may be created in the future.
17 Members of the assembly shall be elected pursuant to Section 17 hereof.

18 (d) “University Assembly (UA)” refers to an assembly of individuals
19 representing the students, academic personnel (faculty and research, extension
20 and professional staff), administrative personnel, and alumni elected by the
21 constituents of a particular constituent university of the University of the
22 Philippines.

23 (e) “Research, Extension and Professional Staff (REPS)” refers to
24 University personnel who perform academic nonteaching duties. These
25 include University researchers, extension personnel, law reform group, law
26 education group, science education, guidance service group, library service
27 group, development management group, and museum research group.

28 (f) “Academic freedom” refers to the right of every constituent of the
29 University to express one’s ideas, to write, research and publish, and act in

1 accordance with one's viewpoint inside and outside the classroom in the
2 pursuit of academic ideals and in service to the Filipino people.

3 (g) "Professorial chair awards" refers to awards given to faculty
4 members for meritorious performance in teaching, research, creative writing;
5 one of the highest forms of recognition for achievement in the academe;
6 holders of these awards deliver a lecture or publish a paper in a scholarly
7 journal within the period of award and may be named after the donor or after a
8 person that the donor may wish to honor.

9 (h) "Established religious beliefs" refers to mandatory spiritual and
10 theological practices, convictions and faith of the University population to
11 make them God-fearing, productive, patriotic citizens conscious of their values
12 and cultural heritage.

13 SEC. 5. *The University System.* – The University of the Philippines is a
14 university system and shall be composed of constituent universities established
15 solely by its Board upon the recommendation of the president of the
16 University.

17 SEC. 6. *Academic Freedom.* – The University has the right and the
18 responsibility to exercise academic freedom.

19 SEC. 7. *Academic Excellence.* – The University has the responsibility
20 to maintain and enhance its high academic standards in the performance of the
21 functions of instruction, research and extension, and public service.

22 SEC. 8. *Social Responsibility.* – The University is committed to serve
23 the Filipino nation and humanity. While it carries out the obligation to pursue
24 universal principles, it must relate its activities to the needs of the Filipino
25 people and their aspirations for social progress and transformation. The
26 University may provide venues for student volunteerism.

27 SEC. 9. *Democratic Access.* – No student shall be denied admission
28 to the University by reason of age, gender, nationality, religious belief,
29 ethnicity, economic status, political opinion or political affiliation or for being

1 differently-abled physically. The University shall take affirmative steps to
2 enhance the access of disadvantaged students to its programs and services
3 while maintaining its standards of excellence: *Provided*, That valedictorians of
4 public high schools duly accredited by the Department of Education shall
5 likewise be afforded affirmative action in their admission.

6 SEC. 10. *The Board of Regents.* – The governance of the University is
7 vested in the Board of Regents, hereinafter referred to as the Board, of the
8 UPS which shall be composed of:

9 (a) The chairperson of the Commission on Higher Education as
10 chairperson;

11 (b) The president of the University as vice chairperson;

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

14 (d) The chairperson of the House Committee on Higher and Technical
15 Education;

16 (e) The president of the UP Alumni Association, to serve as alumni
17 regent during *his/her incumbency in that position*;

18 (f) One faculty regent representing all teaching personnel, chosen in
19 accordance with the rules and qualifications set by the constituent university
20 councils, composed of full-time tenured faculty members of the University to
21 serve for a term of two (2) years;

22 (g) One REPS regent representing full-time permanent nonteaching
23 REPS chosen in accordance with the rules and qualifications set by their duly
24 recognized organizations;

25 (h) One student regent to serve for a term of one (1) year chosen in
26 accordance with the rules and qualifications set by the general assembly of
27 recognized university student councils;

1 (i) One staff regent representing full-time administrative personnel
2 chosen in accordance with the rules and qualifications set by their duly
3 recognized organizations, to serve for a term of two (2) years; and

4 (j) Three other regents representing the private sector, at least one of
5 whom should be an alumnus of the University, who have distinguished
6 themselves in their professions or fields of specialization chosen from a list of
7 five (5) persons for every vacancy as recommended by a search committee
8 constituted by the president of the University based on standards and
9 guidelines approved by the Board, appointed by the Board and shall each
10 serve for a term of two (2) years: *Provided*, That the regents holding office as
11 members of the Board at the time of the effectivity of this Act shall continue
12 to serve until the expiration of their appointments as provided for in
13 Executive Order No. 204-A issued by the President of the Philippines on
14 July 15, 1987.

15 In case of vacancy in the representation of the private sector in the
16 Board, such vacancy shall be filled by appointment by the Board as provided
17 in the preceding paragraph, and such appointee shall hold office for the
18 unexpired term. In case of vacancy in the position of sectoral regents, the
19 successor, who shall serve for the unexpired term, shall be chosen in the same
20 manner as provided for the predecessor: *Provided*, That in the case of a
21 sectoral regent, membership in the Board ceases upon suspension, separation
22 or recall from the University.

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

26 SEC. 11. *Powers of the Board of Regents.* – The administration of the
27 University and the exercise of its corporate powers are vested in the Board.

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

1 (a) To define in general terms the thrusts of the University and adopt
2 broad policy guidelines to ensure their implementation;

3 (b) To preserve the integrity of the UPS;

4 (c) To approve the creation, institution, merger or abolition of
5 academic units and programs and adopt the necessary measures to enable
6 students to exercise their established religious beliefs consistent with the
7 accepted norms and mores of society. Students shall be given options to fulfill
8 their academic responsibilities such as, but not limited to, make-up
9 classes/examinations on missed school days/examinations which coincided
10 with the exercise of their established religious beliefs, all upon the
11 recommendation of the university council of the constituent university
12 concerned through the president of the University;

13 (d) To approve the graduation of students and grant of honors, as
14 recommended by their respective university councils through the president of
15 the University;

16 (e) To confer honorary degrees upon persons in recognition of
17 learning, statesmanship, or eminence in literature, science or art, upon the
18 recommendation of a committee created by the president of the University:
19 *Provided*, That such degrees shall not be conferred in consideration of any
20 payment, gift or other valuable consideration;

21 (f) To approve the rules on student discipline recommended by the
22 university councils through the president of the University, with the Board
23 retaining the power to review and pass final judgment on student disciplinary
24 cases;

25 (g) To create, organize, reorganize, merge or abolish constituent
26 universities, colleges, institutes, and other academic and administrative units
27 of the University;

28 (h) To establish professorial chair awards in the colleges and to
29 provide for the maintenance or endowment of such chairs;

1 (i) To provide fellowships, scholarships and grants, and to award the
2 same to faculty, staff and students giving special evidence of merit;

3 (j) To elect the president of the University for a single term of six (6)
4 years without reelection following a process of democratic consultation with
5 the University community based on the guidelines, qualifications and/or
6 standards set by the Board. In the event of a vacancy for whatever reason/s,
7 the Board shall elect a new president who shall serve the unexpired term of the
8 predecessor within six (6) months from the occurrence of the vacancy;

9 (k) To appoint faculty members and other officials and employees to
10 draw up a position classification and compensation plan for its faculty and
11 staff; to fix and adjust salaries and benefits of the faculty members and other
12 employees; to determine their hours of service, and such other terms and
13 conditions as it may deem proper; to grant to them, at its discretion, leave of
14 absence, under such regulations as it may promulgate, and other provisions of
15 law to the contrary notwithstanding; and to remove them for cause as provided
16 by law after due investigation and proper hearing;

17 (l) To extend, with their consent, the tenure of faculty members of the
18 University beyond the compulsory retirement age, any other provision of law
19 to the contrary notwithstanding, on recommendation of the units upon
20 endorsement of the president of the University, whenever their services are
21 specially needed: *Provided, however,* That no extension of tenure shall be
22 made beyond the age of seventy (70);

23 (m) To fix the tuition fees and other necessary school charges, after
24 *due consultations and consent of the various student councils of constituent*
25 *universities* as provided for in Section 22 of this Act. Such fees and charges,
26 including government support and other incomes generated by the University,
27 shall constitute special trust funds and shall be deposited in any authorized
28 government depository bank. Any and all interests that shall accrue therefrom
29 shall form part of the same funds for the use of the University.

1 Any provision of law to the contrary notwithstanding, all incomes
2 generated by the University or by its own subsidiaries may, at the discretion of
3 the Board, be disbursed for the professional growth and development, health,
4 welfare and other benefits of the faculty members and other personnel; for the
5 acquisition, construction, maintenance and repair of urgently needed
6 instructional and auxiliary facilities, equipment, buildings and other
7 infrastructure; and for expenses necessary for the attainment of its purposes
8 under this Act. If the University, for reasons beyond its control, shall not be
9 able to pursue any project for which funds have been appropriated and
10 allocated under its approved program of expenditures, the Board may
11 authorize the use of said funds for any reasonable purpose which it deems
12 necessary and urgent for the attainment of the objectives of the University;
13 *Provided*, That funds collected from students for a specific purpose shall not
14 be reprogrammed to other expenditures;

15 (ii) To receive and appropriate all sums as may be provided by law for
16 the support of the University to the ends specified by law, and other sums in
17 the manner it may, in its discretion, determine to carry out the purposes and
18 functions of the University;

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

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

27 (q) The provisions of law to the contrary notwithstanding, to authorize
28 its faculty and staff to travel abroad in order to study, deliver paper, attend

1 conferences and disseminate research: *Provided*, That the fellowship,
2 scholarship or grant is authorized by the Board;

3 (r) To exercise the general powers set out in the Corporation Code;

4 (s) To delegate any of its powers to the president of the University or
5 any other officials or officers as it may deem necessary;

6 (l) To prescribe the rules for its own governance and the discipline of
7 the faculty and other personnel, and to enact for the governance of the
8 University such general policies, rules and regulations, not contrary to law, as
9 are consistent with the purposes of the University; and

10 (u) To exercise such other powers as may be necessary and proper to
11 carry out the objectives of this Act.

12 SEC. 12. *Quorum of the Board of Regents.* – A simple majority of the
13 actual members of the Board holding office at the time the meeting is called
14 shall constitute a quorum.

15 SEC. 13. *The University President.* – The University president is the
16 chief academic officer and head of the University faculty and the chief
17 executive officer of the University elected by the Board. Upon the election of
18 the president by the Board, he/she shall immediately be issued appointment
19 papers by the presiding chair of the Board which elected the president. The
20 president shall preside over the meetings of the constituent university councils,
21 if he/she is in attendance. The president shall exercise the powers specifically
22 provided for in this Act, those determined by the Board, those which usually
23 pertain to the office of the president of the University, and those which are
24 related or necessary to its functions. The compensation of the president shall
25 be determined by the Board.

26 SEC. 14. *The Secretary of the University and of the Board of Regents.*
27 – There shall be a secretary of the University appointed by the Board who
28 shall also be the secretary of the Board and who shall keep such records of the
29 University as may be designated by the Board.

1 SEC. 15. *The University Council.* – There shall be in each constituent
2 university a university council consisting of the chancellor as chairperson and
3 all of the faculty members in the University holding the rank of assistant
4 professor and higher and a representative of nontenured teaching personnel.

5 SEC. 16. *Powers of the University Council.* – The university council
6 shall be the highest academic body of each constituent university and shall
7 exercise the following powers:

8 (a) Fix the requirement for admission to any college or unit, or any
9 academic program or course offering and for graduation and conferment of a
10 degree, and the grant of honors subject to the minimum system-wide
11 requirements;

12 (b) Prescribe the academic programs including their institution,
13 revision, abolition and merger, subject to the approval of the Board;

14 (c) Recommend to the Board the graduation of students and the grant
15 of honors;

16 (d) Exercise disciplinary power over the students and fraternities,
17 through the chancellors or their appropriate committees, subject to review by
18 the president of the University according to the limits prescribed by
19 system-wide rules on student discipline;

20 (e) Undertake a periodic review of academic courses, programs,
21 standards, thrusts and policies;

22 (f) Adopt the necessary measures to enable students to exercise their
23 established religious beliefs consistent with the accepted norms and mores of
24 society. *Students shall be given options to fulfill their academic*
25 *responsibilities such as, but not limited to, make-up classes/examinations on*
26 *missed school days/examinations, which coincided with the exercise of their*
27 *established religious beliefs; and*

28 (g) Adopt internal rules or procedures consistent with the provisions of
29 this Act.

1 SEC. 17. *The University Consultative Assemblies* – There shall be
2 established for the whole UPS, consultative assemblies, as follows:

3 (a) There shall be a college assembly for every college, other degree
4 granting institute composed of representatives coming from the students,
5 academic personnel (faculty and REPS), and administrative personnel. The
6 dean of the college/director of the institute shall be the presiding officer of the
7 college assembly.

8 (b) There shall be a university assembly in each constituent university
9 composed of *elected members from college assemblies, representing the*
10 students, academic personnel (faculty and REPS), and administrative
11 personnel. Vice chancellors, deans of colleges and directors of degree-
12 granting institutes who have not been elected as delegates by their respective
13 college assemblies shall be *ex officio* nonvoting members of the university
14 assembly. The recognized unions for academic, administrative personnel, and
15 university student council shall have representation in the university assembly
16 and the chancellor of each constituent university would be the presiding
17 officer.

18 (c) There shall be a University of the Philippines System Assembly
19 (UPSA) for the whole UPS composed of at least twenty-eight (28) members to
20 be elected from the university assemblies of seven (7) existing constituent
21 universities with each constituent university entitled to four (4) members
22 representing the students, academic personnel (faculty and REPS),
23 administrative personnel and alumni.

24 The members of the UPSA shall elect from among themselves the
25 executive committee to be composed of a chairperson, a vice chairperson and
26 an executive board composed of a representative from each constituent sector,
27 the students, faculty and REPS, administrative personnel and alumni.

28 The term of office of all representatives in the consultative assemblies
29 shall be for one (1) year without prejudice to their reelection.

1 SEC. 18. *The Role and Functions of the Consultative Assemblies.* –
2 The consultative assemblies as consultative, consensus-building, democratic
3 and collegial bodies shall have the following functions:

4 (a) To serve as the principal forum where faculty, students, REPS, and
5 administrative personnel shall address nonacademic issues affecting the
6 University, its thrust and directions, and issues relating to long/medium-term
7 development plans for the University;

8 (b) To promote direct interaction among the various unit constituencies
9 of the University (faculty, REPS, administrative personnel and students) in the
10 discussion of issues and grievances which heretofore have been mainly
11 sectoral;

12 (c) To serve as a multi-sectoral forum to recommend policies on
13 administrative and nonacademic matters in consultation with the chancellors
14 for approval by the Board; and

15 (d) To act as a consultative body in the search process for deans,
16 directors and equivalent positions in the units of the University, as may be
17 necessary.

18 SEC. 19. *The Chancellor of the Constituent University.* – The
19 administration of each constituent university is vested in the chancellor insofar
20 as authorized by the Board and the president of the University. The chancellor
21 of the constituent university shall be elected by the Board upon nomination of
22 the president of the University, following a process of democratic consultation
23 with constituents of the constituent university subject to the guidelines,
24 qualifications and/or standards set by the Board. The chancellor shall report
25 to the president of the University, and shall perform the duties and functions
26 elsewhere as stated in this Act, and all the usual, necessary and related
27 functions of the office of the chancellor, subject to the policies and rules
28 prescribed by the Board. The Board shall determine the term and
29 compensation of the chancellor.

1 SEC. 20. *The Faculty.* – The teaching staff of each college shall
2 constitute its faculty, which shall be presided over by the dean, elected by the
3 Board on nomination by the University president and upon the
4 recommendation of the chancellor of the constituent university, following a
5 process of democratic consultation with the constituents of the college subject
6 to the guidelines, qualifications and/or standards set by the Board.

7 SEC. 21. *Appointment Requisites and Practice of Profession.* – Faculty
8 members, as well as REPS of the University, shall be exempt as such from any
9 civil service examination or regulation as a requisite to appointment. The
10 provisions of existing law to the contrary notwithstanding, licensing
11 requirements for professional regulatory boards shall not affect appointments
12 to faculty positions. In the appointment of faculty members, no religious test
13 shall be applied nor shall religious or political opinions or affiliations of the
14 faculty members of the University be made a matter of examination or inquiry.

15 SEC. 22. *Student Affairs.* – (a) There shall be established in the
16 University the following student councils: for every college and degree
17 granting institute, a college or institute student council; for every constituent
18 university, a university student council; and for the University system, a
19 general assembly of all student councils.

20 The student council shall be composed of elected students of a definite
21 academic unit of the University. Each member of the student council shall
22 serve a term of one (1) year, without prejudice to reelection.

23 The student council shall serve as the primary student body that shall
24 advance the interest, welfare and aspirations of the students of the University.
25 It shall have the power to adopt internal rules of procedure consistent with the
26 provisions of this Act.

27 The manner of selecting the student regent shall be based on the rules
28 and qualifications set by the general assembly of the student councils of all
29 constituent universities.

1 (b) There shall be a student publication established in every constituent
2 unit and college. Freedom of expression and autonomy in all matters of
3 editorial and fiscal policy shall be guaranteed especially in the selection of its
4 editors and staff.

5 SEC. 23. *Land Grants and Other Real Properties of the University.* –

6 (a) The State shall fully support the UPS through the General
7 Appropriations Act and other financial benefits, and in kind, through land
8 grants, donations and use of other real properties. To carry out the intent of
9 these grants, income derived from the development of all land grants and real
10 properties shall be used to further the University's mission and orientation as
11 the national state university.

12 (b) Such parcels of land ceded by law, decree or presidential issuance
13 to the UPS are hereby declared to be reserved for the purposes intended, as
14 confirmed by the Board. The absolute ownership of the University over these
15 landholdings including those covered by original and transfer certificates of
16 title in the name of the University of the Philippines and their future
17 derivatives is hereby affirmed. Where the issuance of proper certificates of
18 title is yet pending for these landholdings, the appropriate government office
19 shall expedite the issuance thereof within six (6) months from the date of
20 effectivity of this Act: *Provided*, That all registration requirements necessary
21 for the issuance of the said titles have been submitted and complied with.

22 (c) Any plan to generate revenues and other resources from land grants
23 and other real properties entrusted to the University shall be consistent with
24 the University's academic mission and orientation as the national state
25 university as well as protect the University from undue influence and control
26 of commercial interests: *Provided, further*, That such programs, projects or
27 mechanisms shall be approved by the Board subject to a transparent and
28 democratic process of consultation with the University's constituents:
29 *Provided, finally*, That funds generated from such programs, projects or

1 mechanisms shall not be meant to replace, in part or in whole, the annual
2 appropriations provided by the national government to the University.

3 SEC. 24. *Grant of Special Allowances.* – In order to continue to attract
4 and maintain competent and excellent teaching personnel, all faculty members
5 of the University may be granted special allowances upon approval of the
6 Board up to a maximum amount equivalent to two hundred percent (200%) of
7 their basic monthly salary.

8 The grant of special allowances may initially be implemented upon
9 approval of the Board uniformly in such sums or amounts equivalent to
10 twenty-five percent (25%) of the basic salary of the positions concerned.
11 Subsequent implementation shall be in such sums and amounts and up to the
12 extent only that can be supported by internally generated funds of the
13 University.

14 SEC. 25. *Effects of Subsequent Salary Increases.* – Upon
15 implementation of any subsequent increase in the salary rates provided for the
16 positions concerned under Republic Act No. 6758, as amended, all special
17 allowances granted under this Act for the faculty members shall be considered
18 as an implementation of the said salary increases as may be provided by law.
19 The special allowances equivalent to the increase of the basic salary, as may
20 be provided by law, shall be converted as part of the basic salary: *Provided,*
21 That any excess in the amount of special allowance not converted as part of
22 the basic salary shall continue to be granted and paid as such.

23 SEC. 26. *Funding Source.* – The amount necessary to initially
24 implement the special allowances granted under this Act shall be sourced from
25 and charged against the internally generated income of the University of the
26 Philippines, and that subsequent implementation shall be at such percentages,
27 sums and amounts which can be supported by internally generated funds of the
28 UPS.

1 The annual funding requirements of the special allowances granted
2 under this Act shall continuously be charged exclusively against the internally
3 generated funds of the University and shall, in no case, be paid chargeable
4 against direct or realigned national government financial assistance or budget
5 subsidy.

6 SEC. 27. *Appropriations.* – The Board of the UPS shall immediately
7 include in its programs, the implementation of this Act, the initial funding of
8 which shall be charged against the current fiscal year’s appropriations and
9 other internally generated income of the University. Thereafter, such sum as
10 may be necessary as the national government assistance to the University shall
11 be included in the annual General Appropriations Act.

12 The Board of the UPS shall assure that studies shall be made with the
13 end in view of giving more funds to UP Visayas and UP Mindanao.

14 SEC. 28. *Tax Exemptions.* – The provision of any general or special
15 law to the contrary notwithstanding:

16 (a) All revenues and assets of the University of the Philippines used
17 actually, directly and exclusively for educational purposes shall be exempt
18 from all taxes and duties;

19 (b) Gifts and donations of real and personal properties of all kinds
20 shall be exempt from the donor’s tax and the same shall be considered as
21 allowable deductions from the gross income of the donor, in accordance with
22 the provisions of the National Internal Revenue Code of 1997, as amended;

23 (c) Importation of economic, technical, vocational, scientific,
24 philosophical, historical and cultural books, supplies, equipment, machinery
25 and other materials, including scientific and educational computer and
26 software equipment, shall be exempt from customs duties and taxes;

27 (d) Educational services rendered by the University shall be exempt
28 from value-added tax; and

1 (e) All honoraria for professorial chair awards shall be exempt from
2 taxes.

3 SEC. 29. *Auditing of Accounts.* – All accounts and expenses of the
4 University shall be audited by the Commission on Audit, and all
5 disbursements shall be made in accordance with the rules and regulations
6 prescribed by the latter.

7 SEC. 30. *Institutional Autonomy as the National State University.* – To
8 provide greater flexibility to the University, it shall be treated in a manner
9 consistent with its institutional requirements as the national state university by
10 the service-wide agencies in the exercise of their respective jurisdiction.

11 The University, taking into account national goals and priorities, shall
12 exclusively determine its teaching, research and extension thrusts, plans,
13 policies, programs and standards and, on the basis of such determination, the
14 University shall recommend its annual budget to the President of the Republic
15 of the Philippines and Congress.

16 SEC. 31. *Rules of Construction.* – No statutory or other issuance shall
17 diminish the powers, rights, privileges and benefits accorded to the University
18 under this Act or enjoyed at present by the University under other issuances
19 not otherwise modified or repealed under this Act, unless subsequent
20 legislation expressly provides for their repeal, amendment or modification.
21 Any case of doubt in the interpretation of any of the provisions of this Charter
22 shall be resolved in favor of the academic freedom and fiscal autonomy of the
23 University of the Philippines.

24 SEC. 32. *Implementing Rules and Regulations.* – The Board of the
25 UPS shall issue, within sixty (60) days after the effectivity of this Act, the
26 rules and regulations for the effective implementation of this Act.

27 SEC. 33. *Repealing Clause.* – Act No. 1870 is hereby repealed. All
28 laws, decrees, orders, rules and regulations or other issuances or parts thereof

1 inconsistent with the provisions of this Act are hereby repealed or modified
2 accordingly.

3 SEC. 34. *Separability Clause.* – Should any provision herein be
4 declared unconstitutional, the same shall not affect the validity of the other
5 provisions of this Act.

6 SEC. 35. *Effectivity.* – This Act shall take effect fifteen (15) days after
7 its publication in the *Official Gazette* or in any newspaper of general
8 circulation in the Philippines.

Approved,