



HOUSE OF REPRESENTATIVES

H. No. 4407.

BY REPRESENTATIVES RODRIGUEZ, LAGBAS, EMANO, VILLAR, LAGMAN,
JAVIER AND REMULLA, PER COMMITTEE REPORT NO. 745

AN ACT CONVERTING THE MINDANAO POLYTECHNIC STATE COLLEGE IN CAGAYAN DE ORO CITY, PROVINCE OF MISAMIS ORIENTAL INTO A STATE UNIVERSITY TO BE KNOWN AS THE MINDANAO UNIVERSITY OF SCIENCE AND TECHNOLOGY (MUST) AND APPROPRIATING FUNDS THEREFOR

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

1 SECTION 1. *Conversion/Integration.* – The Mindanao Polytechnic
2 State College in Cagayan de Oro City, Province of Misamis Oriental is hereby
3 converted into a state university to be known as the Mindanao University of
4 Science and Technology (MUST), hereinafter referred to as the University,
5 integrating therewith the satellite campuses in Jasaan, Misamis Oriental;
6 Alubijid, Misamis Oriental; Panaon, Misamis Occidental; and Oroquita City.
7 The main campus of the university shall be in Cagayan de Oro City.

8 SEC. 2. *General Mandate.* – The University shall primarily provide
9 advanced education, higher technological, professional instruction and training
10 in the fields of arts and sciences, education, engineering and other relevant
11 fields of study. It shall also undertake research and extension in support of the
12 socioeconomic development of Mindanao, and provide progressive leadership

1 in human resource development in critical skills and competencies required for
2 global competitiveness.

3 SEC. 3. *Curricular Offerings.* – The University shall offer
4 undergraduate and graduate courses in the fields of arts and sciences,
5 education, engineering and technology and other degree courses within its
6 areas of specialization and according to its capabilities, as the Board of
7 Regents may deem necessary to carry out its objectives in order to meet
8 national and regional needs for trained manpower.

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

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

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

23 (a) The Chairperson of the Commission on Higher Education (CHED),
24 Chairperson;

25 (b) The President of the University, Vice Chairperson;

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

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

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

5 (f) The Regional Director of the Department of Science and
6 Technology (DOST), member;

7 (g) The President of the federation of faculty associations of the
8 University, member;

9 (h) The President of the federation of student councils of the
10 University, member;

11 (i) The President of the federation of alumni associations of the
12 University, member; and

13 (j) Two (2) prominent citizens from the private sector who have
14 distinguished themselves in their profession or fields of specialization of the
15 University, members.

16 The Board shall appoint the two (2) prominent citizens from among a
17 list of at least five (5) qualified persons in the Province of Misamis Oriental
18 and the City of Cagayan de Oro, as recommended by the search committee
19 constituted by the University President, in consultation with the Chairperson of
20 the CHED and other members of the Board, based on the normal standards and
21 qualifications for the position.

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

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

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

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

11 (a) To promulgate rules and regulations not contrary to law as may be
12 necessary to carry out the purposes and functions of the University;

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

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

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

25 Such donations shall be exempt from the donor’s tax and the same shall
26 be considered as allowable deductions from the gross income in the
27 computation of the income tax of the donor, in accordance with the provisions

1 of the National Internal Revenue Code (NIRC) of 1997, as amended:
2 *Provided*, That such donations shall not be disposed of, transferred or sold;

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

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

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

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

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

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

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

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

15 (j) To approve the curricula, instructional programs and rules of
16 discipline drawn by the Administrative and Academic Councils as herein
17 provided;

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

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

24 (m) To establish and absorb nonchartered tertiary institutions within the
25 provinces of Misamis Oriental and Misamis Occidental as branches and
26 centers in coordination with the CHED, and in consultation with the
27 Department of Budget and Management (DBM), and to offer therein programs

1 or courses, to promote and carry out equal access to educational opportunities
2 as mandated by the Constitution;

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

5 (o) To establish professorial chairs in the University and to provide
6 fellowships for qualified faculty members and scholarships to deserving
7 students;

8 (p) To delegate any of its powers and duties provided for hereinabove
9 to the President and/or other officials of the University as it may deem
10 appropriate, so as to expedite the administration of the affairs of the
11 University;

12 (q) To authorize an external management audit of the University, to be
13 financed by the CHED, subject to the rules and regulations of the Commission
14 on Audit; and to institute reforms, including academic and structural changes,
15 on the basis of the audit results and recommendations;

16 (r) To collaborate with other governing boards of the state colleges and
17 universities within the provinces of Misamis Oriental and Misamis Occidental
18 or Region 10, under the supervision of the CHED and in consultation with the
19 DBM, and work towards the restructuring of the University to become more
20 efficient, relevant, productive and competitive;

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

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

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

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

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

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

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

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

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

27 In the absence of the Chairperson of the CHED, a Commissioner of the
28 CHED, duly designated by him/her, shall represent him/her in the meeting with

1 all the rights and responsibilities of a regular member: *Provided, however,*
2 That during this meeting, the President of the University as Vice Chairperson
3 shall be the Presiding Officer: *Provided, further,* That this *proviso*
4 notwithstanding, the Chairperson of the CHED is hereby authorized to
5 designate a CHED Commissioner as the regular Chair of the Board in which
6 case said CHED Commissioner shall act as the Presiding Officer.

7 In case the Chairpersons of the Congressional Committees on Education
8 shall not be able to attend the Board meeting, they may duly designate their
9 respective representatives to attend the said meeting, who shall have the same
10 rights and responsibilities as a regular member of the Board.

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

16 SEC. 9. *The University President.* – The University shall be headed by
17 a President, who shall render full-time service. He/She shall be appointed by
18 the Board, subject to the guidelines, qualifications and/or standards set by the
19 Board, upon recommendation of a duly constituted search committee. He/She
20 shall have a term of four (4) years and shall be eligible for reappointment for
21 another term: *Provided,* That in order to effect a smooth transition to a state
22 university, the incumbent President of the Mindanao Polytechnic State College
23 shall serve as the first President of the University.

24 Within six (6) months before the expiration of the term of office of the
25 incumbent President of the University, the Board shall constitute the Search
26 Committee for the Presidency (SCP).

27 In case of vacancy in the Office of the President by reason of death,
28 compulsory retirement, resignation, removal for cause or incapacity of the

1 President to perform the functions of his/her office, the Board shall designate
2 an Officer-in-Charge of the University within six (6) months from the date of
3 vacancy, pending the appointment of a new President.

4 In case of vacancy in the Office of the President as mentioned in the
5 immediately preceding paragraph, his/her successor or the Officer-in-Charge
6 shall serve only the unexpired portion of the term.

7 The powers and duties of the President of the University, in addition to
8 those specifically provided in this Act, shall be those usually pertaining to the
9 Office of the President of similar universities, and those delegated by the
10 Board.

11 The salary of the President of the University shall be in accordance with
12 the Revised Compensation and Position Classification System and shall be
13 comparable to that being received by the Presidents of similar educational
14 institutions.

15 The President of the University shall be assisted by Vice Presidents,
16 who shall be appointed by the Board upon recommendation of the President.

17 SEC. 10. *Heads of University Campuses.* – Campus Directors shall
18 head the University campuses and they shall render full-time service. They
19 shall be appointed by the Board upon recommendation of the search committee
20 and the University President, subject to the guidelines, qualifications and/or
21 standards set by the Board: *Provided,* That the incumbent college
22 administrators of the extension campuses shall serve as Campus Directors of
23 their respective campuses.

24 SEC. 11. *The Administrative Council.* – There shall be an
25 Administrative Council consisting of the President of the University as
26 Chairperson, Vice Presidents, deans, directors and other officials of equal rank
27 as members, whose duty is to review and recommend to the Board the policies
28 governing the administration, management and development of the University.

1 SEC. 12. *The Academic Council.* – There shall be an Academic
2 Council to be composed of the President of the University, who shall act as
3 Chairperson, and all academic staff with the rank of at least an assistant
4 professor, as members.

5 The Academic Council shall have the power to review and recommend
6 the curricular offerings and rules of discipline of the University, subject to the
7 approval of the Board. It shall fix the requirements for the admission of
8 students, as well as for their graduation and conferment of degrees, subject to
9 review and/or approval by the Board through the President of the University.
10 It shall have the disciplinary power over students of the University and shall
11 formulate academic policies and rules and regulations on discipline, subject to
12 the approval of the Board.

13 SEC. 13. *The Secretary of the University* – The Board shall appoint a
14 secretary, who shall serve as such for both the Board and the University and
15 shall keep all records and proceedings of the Board. He/She shall serve upon
16 each member of the Board the appropriate notice of the Board meetings.

17 SEC. 14. *The Treasurer of the University.* – The Treasurer of the
18 Philippines shall be the *ex officio* treasurer of the University.

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

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

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

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

7 SEC. 18. *Authority to Loan or Transfer Apparatus/Equipment/Supplies*
8 *and Detail of Personnel.* – The heads of the bureaus and offices of the
9 national government are hereby authorized to loan or transfer, upon the request
10 of the President of the University, such apparatus, equipment or supplies as
11 may be needed by the University, and to detail employees for duty therein
12 when, in the judgment of the head of the bureau or office, such apparatus,
13 equipment, supplies or services of such employees can be spared without
14 serious detriment to the public service.

15 The employees so detailed shall perform such duties as required of them
16 by the President of the University, and the time so employed shall be counted
17 as part of their regular services.

18 SEC. 19. *Assets, Liabilities and Personnel.* – All assets, real and
19 personal, personnel and records of the Mindanao Polytechnic State College, as
20 well as liabilities or obligations, are hereby transferred to the University. The
21 positions, rights and security of tenure of faculty members and personnel
22 therein employed under existing laws prior to the conversion into a University
23 shall be respected.

24 All parcels of land belonging to the government occupied by the
25 Mindanao Polytechnic State College are hereby declared to be property of the
26 University, and shall be titled under that name: *Provided,* That should the
27 University cease to exist or be abolished or should such parcels of land

1 aforementioned be no longer needed by the University, the same shall revert to
2 the original owner/s.

3 SEC. 20. *Appropriations.* – The amount necessary to carry out the
4 provisions of this Act shall be charged against the current year’s appropriations
5 of the Mindanao Polytechnic State College, except the sums needed to
6 continue the operations of the existing high school. Thereafter, such sums as
7 may be necessary for the continued operation and maintenance of the
8 Mindanao University of Science and Technology shall be included in the
9 annual General Appropriations Act.

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

14 (a) Submit a five (5)-year development plan, including its
15 corresponding program budget to the CHED, for corresponding
16 recommendation to the DBM.

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

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

21 SEC. 22. *Filing of Report.* – On or before the fifteenth (15th) day of the
22 second (2nd) month after the opening of the regular classes each year, the
23 Board shall file with the Office of the President of the Philippines through the
24 Chairperson of the CHED, and with both Houses of Congress, a detailed report
25 on the progress, conditions and needs of the University.

26 SEC. 23. *Suppletory Application.* – The provisions of Republic Act No.
27 8292, otherwise known as the “Higher Education Modernization Act of 1997”,

1 shall be an integral part of this Act and shall serve as part of the Governing
2 Charter of the University.

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

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

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

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

16 SEC. 28. *Effectivity.* – This Act shall take effect fifteen (15) days after
17 its publication in two (2) newspapers of general circulation.

Approved,

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