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(In substitution of Senate Bill Nos. 2448 and 2495)

S.B. No. 2669

Prepared and submitted jointly by the Committees on Higher, Technical and Vocational Education; Ways and Means; and Finance with Senators Zubiri, Ejercito, Escudero, Gatchalian and Angara as authors thereof

AN ACT

STRENGTHENING THE POLYTECHNIC UNIVERSITY OF THE PHILIPPINES AS THE NATIONAL POLYTECHNIC UNIVERSITY, REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NUMBERED 1341, AND APPROPRIATING FUNDS THEREFOR

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

Section 1. Short Title. – This Act shall be known as the "*Revised Charter of the Polytechnic University of the Philippines*".

Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote, foster, nurture, and protect the right of all citizens to accessible quality education; and establish, maintain, and support a complete, adequate, and integrated system of education that is relevant to the needs of the people and society.

8 Towards this end, the Polytechnic University of the Philippines (PUP) shall be 9 strengthened as a national polytechnic university to enhance its capacity to provide 10 accessible quality education, to develop the competencies and specialization of its 11 constituent units, to adopt conventional or alternative instructional methodologies, 12 and to foster a unique and distinctive academic leadership in the development and 13 delivery of higher education services in the Philippines.

14 Sec. 3. *The Polytechnic University of the Philippines.* – The PUP as a state 15 university shall be comprised of its main campus and existing branches and

campuses located in the Cities of Manila, Caloocan, Parañague, Ouezon, San Juan 1 and Taguig in the National Capital Region; Municipalities of Pulilan and Sta. Maria in 2 the Province of Bulacan; Municipality of Mariveles in the Province of Bataan; 3 Municipality of Cabiao in the Province of Nueva Ecija; Municipalities of Alfonso and 4 5 Maragondon in the Province of Cavite; City of Sto. Tomas in the Province of Batangas; Cities of Biñan, San Pedro and Sta. Rosa and Municipality of Calauan in 6 the Province of Laguna; Municipalities of General Luna, Lopez, Mulanay and Unisan 7 in the Province of Quezon; Municipality of Bansud in the Province of Oriental 8 Mindoro; Municipality of Sablayan in the Province of Occidental Mindoro; Municipality 9 of Ragay in the Province of Camarines Sur; Municipality of Leyte in the Province of 10 Leyte and other constituent units, regular and extension campuses, and academic or 11 nonacademic units that may be established in the future to improve access to quality 12 13 education, promote innovation and progress in the academe, and advance its research capabilities: Provided, That PUP shall comply with the policies, standards 14 and guidelines of the Commission on Higher Education (CHED) for the operation of 15 regular or extension campuses. 16

Sec. 4. General Mandate. - As a national polytechnic university, PUP shall 17 adopt a polytechnic program of education designed to provide the individuals with 18 employable skills and managerial knowledge to bolster their creativity, productivity 19 and self-reliance. The PUP shall also provide advanced education, higher 20 technological, professional courses and training programs in accountancy, 21 engineering and architecture, applied sciences, law, education, interior design, 22 psychology, business and management, among other disciplines, and promote 23 applied research, advance studies, and progressive leadership in the stated fields. 24

Sec. 5. *Curricular Offering.* – The PUP shall offer undergraduate and graduate courses, advanced professional and technical instruction and training within its areas of specialization in the fields of accountancy, engineering and architecture, applied sciences, law, education, interior design, psychology, business and management, and in other polytechnic areas: *Provided*, That PUP shall comply with the policies, standards and guidelines of CHED for the offering of courses and the introduction of new or revised programs.

Sec. 6. *Administration.* — The PUP shall have the general powers of a corporation set forth in Republic Act No. 11232, otherwise known as the "Revised Corporation Code of the Philippines". The exercise of its corporate powers shall be vested exclusively in the Governing Board, and the President of PUP.

Sec. 7. *Governing Board*. – The governing board of PUP shall be the Board of Regents, hereinafter referred to as the Board, which shall be chaired and co-chaired by the Chairperson of CHED and the President of PUP, respectively, and with the following as members:

- 9 (a) Chairperson of the Committee on Higher, Technical and Vocational
 10 Education of the Senate;
- (b) Chairperson of the Committee on Higher and Technical Education of
 the House of Representatives;
- 13 (c) Secretary of Socioeconomic Planning;
- 14 (d) Secretary of Science and Technology;
- 15 (e) President of the PUP federation of faculty associations;
- 16 (f) President of the PUP federation of student councils;
- 17 (g) President of the PUP federation of alumni associations;
- 18 (h) President of the PUP non-teaching personnel association; and
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(i) Three (3) prominent citizens from the private sector who have distinguished themselves in their professions or fields of specialization.

The Board shall appoint three (3) prominent citizens who shall be selected from a list of at least five (5) qualified persons as recommended by a search committee constituted by the President of PUP, in consultation with the Chairperson of CHED and other members of the Board, based on the guidelines, qualifications and standards for the position set by the Board. They shall serve for a term of two (2) years from the date of appointment.

The president of the federation of faculty associations, the president of the federation of student councils, the president of the federation of alumni associations, and the president of the non-teaching personnel association of PUP shall be coterminous with their terms of office, as provided under their respective constitutions and bylaws.

Sec. 8. *Powers and Duties of the Board.* – In addition to its general powers of
administration and the exercise of powers granted to the Board of Directors of a
Corporation under Section 35 of R.A. No. 11232, the Board of PUP shall exercise and
perform the following specific powers and duties:

(a) Promulgate and implement policies in accordance with the declared state
policies on education, other pertinent provisions of the Constitution on education,
agriculture, science and technology, and the policies, standards and thrusts of
CHED under Republic Act No. 7722, otherwise known as the "Higher Education Act
of 1994";

(b) Approve the curricula, instructional programs, and rules on student
 discipline drawn by the Administrative and Academic Councils as herein provided;

(c) Appoint, upon the recommendation of the President of PUP, the vice
 presidents, deans, directors, heads of the campuses, faculty members, and other
 similar officials of PUP;

(d) Prescribe the salaries of faculty members and administrative officials and
employees, subject to the provisions of Republic Act No. 11466, otherwise known as
the "Salary Standardization Law of 2019", civil service rules and regulations
governing hours of service and such other requirements and conditions, and other
pertinent laws, rules and regulations;

(e) Fix the tuition fees and other necessary school charges, such as matriculation fees, graduation fees and laboratory fees, as the Board may deem proper to impose, after due consultation with the concerned sectors. The fees and charges, including government subsidies and other income generated by PUP shall constitute its funds to be used exclusively in pursuit of its mandate as a state university, and shall be deposited in any authorized government depository bank. All

interests that shall accrue therefrom shall form part of the same funds for the use ofPUP.

The fees and charges collected by PUP, including government subsidies and proceeds from other income sources, as well as interests that would accrue therefrom, shall be retained by the University: *Provided,* That in no case shall the said income be used for the payment of allowances and other benefits not authorized by law; *Provided, further,* That all fiduciary fees shall be disbursed for the specific purposes for which they were collected.

Notwithstanding any provision of law to the contrary, the Board may 9 authorize, for such reasonable and legal purposes for which it deems necessary and 10 urgent for the attainment of the objectives of the University, the use of: (i) any 11 unexpended balance whose fiduciary character has been ipso facto removed 12 pursuant to the grant of subsidy under Republic Act No. 10931, otherwise known as 13 the "Universal Access to Quality Tertiary Education Act"; and/or (ii) any 14 appropriation for any project under the duly approved program of expenditures of 15 the University that PUP, for reasons beyond its control, would not be able to pursue: 16 *Provided,* That funds collected from students for specific purposes shall not be 17 18 realigned or reprogrammed to other expenditures;

(f) Adopt and implement a socialized scheme of tuition and other school
 fees for greater access of poor but deserving students in accordance with R.A. No.
 10931;

(g) Establish professorial chairs in PUP and provide fellowships for qualified
 faculty members, and scholarships to deserving students;

(h) Receive and appropriate sums as may be provided by law for the
 support of PUP, and all other sums in the manner it may, in its discretion, determine
 to carry out the purposes and functions of the University;

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(i) Set the policies on admission and graduation of students;

(j) Award honorary degrees upon persons in recognition of their outstanding contributions in the fields of education, public service, arts, science and technology, sports and human kinetics or any field of specialization within the academic competency of PUP, and authorize the awarding of certificates of completion of nondegree and nontraditional courses;

(k) Establish research and extension centers to promote the development of
 PUP;

3 (I) Develop academic arrangements for institutional capability building with
4 appropriate institutions and agencies, whether public, private, local or foreign, and
5 appoint experts or specialists as consultants, part-time, visiting or exchange
6 professors, scholars or researchers, as the case may be;

(m) Adopt modern and innovative modes of knowledge transfer for the
promotion of greater access to education such as the use of information technology,
the dual training system, open distance learning, and community laboratory;

(n) Collaborate with the governing bodies of other state universities and
 colleges within the Philippines, under the supervision of CHED and in consultation
 with the Department of Budget and Management (DBM), in restructuring PUP to
 make it more efficient, relevant, productive and competitive;

(o) Absorb non-chartered tertiary institutions within the Philippines as branches, extension or external centers, in coordination with CHED and in consultation with the DBM, and offer therein programs or courses to carry out the constitutional mandate of providing equal access of students to educational opportunities;

(p) Authorize an external management audit of PUP, to be financed by
 CHED, subject to the rules and regulations of the Commission on Audit, and institute
 reforms, including academic and structural changes, on the basis of the audit results
 and recommendations;

(q) Develop consortia and other economic forms of linkages with local
 government units as well as public, private, local or foreign institutions and agencies
 for the furtherance of the purposes and objectives of PUP;

(r) Import books or publications, instruments, equipment and apparatuses
 for economic, technical-vocational, scientific, medical, philosophical, historical, legal,
 or cultural purposes;

(s) Enter into joint ventures with business and industry, after consultation
with the NEDA, for the profitable development and management of economic assets,
the proceeds of which shall be used for the development and strengthening of PUP
in accordance with the law;

1 (t) Receive, in trust, all legacies, gifts and donations of real and personal 2 properties of all kinds and administer and dispose of the same, when necessary, for 3 the benefit of PUP and subject to the limitations, directions and instructions of the 4 donor, if any;

5 (u) Extend the term of the President of PUP beyond the age of retirement, 6 but not beyond seventy (70) years of age, based on the guidelines, qualifications 7 and standards set by the Board: *Provided*, That such extension shall be subject to 8 the term limits provided in Section 10 of this Act: *Provided*, *further*, That the 9 President's performance has been rated by the Board as outstanding and a 10 unanimous recommendation for such extension has been decided upon by the 11 search committee;

(v) Delegate any of its powers and duties provided to the President and other university officials, as it may deem appropriate, so as to efficiently and effectively administer the affairs of PUP;

15 (w) Establish policy guidelines and procedures for participative and 16 transparent decision-making within PUP;

17 (x) Where most advantageous to PUP, outsource the management of non-18 academic services such as health, food, building or grounds or property 19 maintenance, and such other similar activities;

(y) Authorize the construction or repair of its buildings, machinery,
 equipment and other facilities, and the purchase and acquisition of real and personal
 property, including the necessary supplies, materials, and equipment; and

(z) Promulgate rules and regulations, as may be necessary, to carry out thepurposes and functions of PUP.

Sec. 9. *Meetings of the Board*. – The Board shall regularly convene once every three (3) months. The Chairperson of the Board or the President of PUP may, however, call a special meeting whenever necessary: *Provided*, That members are notified in writing at least three (3) days prior to the conduct of said meeting.

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

In case the Chairperson of CHED cannot attend a meeting of the Board, a 1 2 CHED Commissioner, duly designated by the Chairperson of CHED as representative to the meeting, shall have all the rights and responsibilities of a regular member: 3 Provided, That during the meeting, the President of the PUP, as Co-Chairperson, 4 shall be the presiding officer; *Provided, further*, That this provision notwithstanding, 5 the Chairperson of CHED may designate a CHED Commissioner as the regular 6 Chairperson of the Board, in which case, the said CHED Commissioner shall act as 7 the presiding officer. 8

9 In case the Chairpersons of the Senate Committee on Higher, Technical and 10 Vocational Education and the House Committee on Higher and Technical Education 11 cannot attend the Board meeting, they may designate their respective 12 representatives, who shall have the same rights and responsibilities as regular 13 members of the Board.

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

Sec. 10. *University President.* – The PUP shall be headed by a President who shall be appointed by the Board, subject to its guidelines, qualifications and standards, and based on the recommendation of a search committee duly constituted for the purpose of selecting the President.

The President shall render full-time service and shall have a term of four (4) years and may be reappointed to another term: *Provided*, That this provision shall not adversely affect the terms of the incumbents and that the incumbent president shall become the first President of the University upon the effectivity of this Act; *Provided, further*, That in case where no appointment was made thereafter, the incumbent president shall remain as such in a hold-over capacity, which in no case shall exceed ninety (90) days.

Within six (6) months before the expiration of the term of office of the President of PUP, the Board shall constitute the Search Committee for the

Presidency, and shall ensure the appointment or reappointment of a President on or
 before the expiration of the term.

The powers and duties of the President of PUP, in addition to those specifically provided for in this Act, shall include those usually pertaining to the Office of the President of similar state universities and colleges and those delegated by the Board.

The salary of the President of PUP shall be in accordance with R.A. No. 11466 and such other laws amendatory thereto, which may hereinafter be enacted, and on the joint circular for state universities and colleges' leveling instruments, and guidelines of CHED and DBM.

In case of a vacancy in the Office of the President by reason of death, compulsory retirement, resignation, removal for cause, or incapacity to perform the functions of the office, the Board shall designate an Officer-in-Charge (OIC) of the PUP, pending the appointment of a new President: *Provided,* That the OIC shall serve only during the unexpired portion of the term.

The President of PUP shall be assisted by the following officials: Executive 16 Vice President, the Vice President for Administration, the Vice President for Academic 17 Affairs, the Vice President for Student Affairs, the Vice President for Research and 18 19 Extension, the Vice President for Planning and Development, the Vice President for Finance, the Vice President for External Affairs, the Secretary of the University and 20 such other academic and administrative officials, whose positions and functions are 21 deemed necessary to assist in the effective and efficient administration of the 22 University as may be determined by the Board. They shall all be appointed by the 23 Board upon the recommendation of the President of PUP. 24

Sec. 11. *The University Secretary*. – The Board shall appoint a Secretary who shall serve as such for both the Board and PUP and shall keep all records and proceedings of meetings of the Board. The Secretary of PUP shall serve upon each member of the Board the appropriate notice of board meetings.

29 Sec. 12. *The University Treasurer*. – The Treasurer of the Philippines shall be 30 the *ex officio* Treasurer of PUP.

Sec. 13. *The Administrative Council.* – There shall be an Administrative Council consisting of the President of PUP as Chairperson, and the vice presidents, deans, directors, and other officials of equal rank, as members. The Administrative Council shall review and recommend to the Board the policies that shall govern the administration, management, and development planning of the PUP.

Sec. 14. The Academic Council. - There shall be an Academic Council, which 6 shall formulate academic policies. It shall be composed of the President of PUP, who 7 shall act as chairperson, and all academic staff with the rank of at least an assistant 8 professor, as members. The Academic Council shall have the power to review and 9 recommend the curricular offerings and rules on student discipline, subject to the 10 approval of the Board. It shall fix the requirements for the admission of students, as 11 well as for their graduation and conferment of degrees, subject to the review and 12 13 approval of the Board through the President of PUP.

14 It shall exercise disciplinary power over the students of PUP and shall 15 formulate rules and regulations on student discipline, subject to the approval of the 16 Board.

Sec. 15. Heads of University Campuses. - The constituent campuses of PUP 17 shall each be headed by a Campus Director who shall serve as head or administrator 18 of each of the campuses and shall render full-time service for a term of two (2) 19 years and may be reappointed to another term. The Campus Director shall be 20 appointed or designated by the Board, upon the recommendation of the Search 21 Committee and the PUP President, subject to the guidelines, qualifications and 22 standards set by the Board: Provided, That upon the effectivity of this Act, the 23 incumbent Campus Directors of the existing campuses of PUP shall continue to serve 24 as such. 25

Sec. 16. *The Faculty*. – The teaching staff of each college shall constitute its faculty. The College Faculty shall be presided over by a Dean. The Dean shall be appointed by the Board, subject to the guidelines, qualifications and standards set by the Board, and upon the recommendation of the President of PUP, following a process of consultation with the constituents of the college concerned.

The powers and duties of the Dean of the College, in addition to those specifically provided for in this Act, shall include those usually pertaining to the Office of the Dean of similar state universities and colleges and those delegated by the President of the PUP.

In case of vacancy in the Office of the Dean by reason of death, compulsory retirement, resignation, removal for cause, or incapacity of the Dean to perform the functions of the Office, the Board shall, upon the recommendation of the President of the PUP, designate an Officer-in-Charge of the College, pending the appointment of a new Dean.

No political belief, sex, gender, cultural or community affiliation, ethnic origin, or religious opinion or affiliation shall be a matter of inquiry in the appointment of faculty members of PUP: *Provided*, That said appointment shall be subject to the guidelines, qualifications and standards set by the Board: *Provided*, *further*, That no member of the faculty shall teach for or against any particular religious denomination.

Sec. 17. *Faculty Sabbatical Leave.* – The PUP may grant sabbatical leave to deserving and qualified faculty for purposes of research or community engagement ranging from three (3) months to one (1) year, subject to the recommendation of the President of the PUP and upon approval of the Board.

Faculty engaged in long-term sabbatical leave shall be temporarily relieved from their teaching duties to conduct research, write, and engage in scholarly or professional activity and required to submit a research output published in a reputable journal.

24 Sec. 18. *Academic Freedom*. – The PUP shall enjoy academic freedom 25 pursuant to Article XIV, Section 5(5) of the Constitution.

Sec. 19. *Institutional Autonomy as the National Polytechnic University.* – The PUP shall be treated in a manner consistent with its institutional requirements as the national polytechnic university by the service-wide agencies in the exercise of their respective jurisdiction, subject to compliance with policies, standards and guidelines to be set by CHED. Upon compliance with such policies, standards and guidelines

and with due consideration of national goals and policies, PUP shall exclusively
determine its teaching, research and extension thrusts, plans, policies, programs and
standards, and, on the basis of such determination, recommend its annual budget to
the President of the Republic of the Philippines and Congress.

5 Sec. 20. *Scholarship Programs and Admission.* – The PUP shall provide 6 scholarship programs and other affirmative action programs to assist poor but 7 deserving students who qualify for admission to PUP.

8 No student shall be denied admission to PUP by reason of sex, gender, 9 religion, cultural community affiliation, ethnic origin, or any other forms of 10 discrimination.

Sec. 21. *Loan or Transfer of Supplies, Apparatuses, or Equipment, or Detail of Personnel.* – Heads of national government agencies and instrumentalities may, upon the request of the Board through the President of PUP, loan or transfer supplies, apparatuses, or equipment, or detail personnel to the University: *Provided*, that such loan, transfer or detail shall not be detrimental to public service.

The personnel to be detailed to the University shall perform such duties as may be deemed required by the President of PUP and the time spent for such duties shall be counted as part of the detailed personnel's regular service.

19 Sec. 22. Assets, Liabilities, and Personnel. – All assets, both real and personal, personnel and records of PUP, as well as its liabilities or obligations, shall remain 20 under the name of PUP: Provided, That the positions, rights, and security of tenure 21 of faculty members and personnel therein employed under existing laws shall be 22 respected: Provided, further, That the incumbents occupying the positions shall 23 remain in the same status until otherwise provided for by the Board: Provided, 24 finally, That PUP shall also accordingly upgrade or increase its human resource 25 component as may be deemed appropriate by the Board. 26

All parcels of land belonging to the government occupied by PUP and all its campuses are hereby declared as property of PUP and shall be titled under its name: *Provided*, That should PUP cease to exist or be abolished or should such aforementioned parcels of land be no longer needed by PUP, the same shall revert

to the local government units concerned or to the Republic of the Philippines, as the
case may be.

Sec. 23. *Duty and Tax Exemptions.* – The importation of books or publications, instruments, equipment and apparatuses which are for economic, technical-vocational, scientific, medical, philosophical, historical, legal or cultural purposes made by PUP shall, upon certification by CHED, be exempt from customs duties in accordance with the provisions of Republic Act No. 10863, otherwise known as the "Customs Modernization and Tariff Act".

9 All grants, bequests, endowments, donations, and contributions made to and 10 used actually, directly, and exclusively for educational purposes by PUP shall be 11 exempt from donor's tax and the same shall be considered as allowable deductions 12 from gross income for purposes of computing the taxable income of the donor in 13 accordance with the provisions of the National Internal Revenue Code of 1997, as 14 amended.

15 Sec. 24. *Development Plan, Management Audit, and Organizational,* 16 *Administrative, and Academic Structure.* – Within a period of one hundred twenty 17 (120) days after the approval of this Act, PUP shall accomplish the following:

(a) Submit a five (5) year development plan, including its program budget toCHED for endorsement to the DBM;

(b) Set up its organizational, administrative, and academic structure, including
 the appointment of key officials of PUP; and

22 (c) Undertake a management audit in coordination with CHED.

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

Sec. 26. Suppletory Application. – The provisions of Republic Act No. 8292,
 otherwise known as the "Higher Education Modernization Act of 1997", shall have
 suppletory application to this Act.

Sec. 27. *Parity Clause*. – All other powers, functions, privileges,
responsibilities, and limitations under existing laws shall be deemed granted to or
imposed upon PUP and its officials, whenever appropriate.

Sec. 28. *Appropriations*. – The amount necessary to carry out the initial
implementation of this Act shall be charged against the current year's appropriation
of PUP. Thereafter, such sums as may be necessary for the implementation of this
Act shall be included in the annual General Appropriations Act (GAA).

In addition to the regular appropriations and increases for PUP under the annual GAA, a fund shall be appropriated in the amount of One Hundred Million Pesos (P100,000,000.00) per year for a period of five (5) years, which shall likewise be included in the annual GAA.

15 Sec. 29. *Implementing Rules and Regulations (IRR)*. – Within ninety (90) days 16 from the effectivity of this Act, the Board shall, in consultation with CHED, formulate 17 rules and regulations to fully implement the provisions of this Act.

Sec. 30. *Separability Clause*. – If any provision or part hereof is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in full force and effect.

Sec. 31. *Repealing Clause.* – Presidential Decree No. 1341, entitled "Converting the Philippine College of Commerce into a Polytechnic University, Defining its Objectives, Organizational Structure and Functions, and Expanding Its Curricular Offerings" is hereby repealed. Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

27 Sec. 32. *Effectivity*. – This Act shall take effect fifteen (15) days after its 28 complete publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,