CONGRESS OF THE PHILIPPINES SIXTEENTH CONGRESS Third Regular Session

## HOUSE OF REPRESENTATIVES

## H. No. 5991

By Representatives Oaminal, Romulo, Ungab, Quimbo, Suansing, Garin (S.), Alvarez (M.) and Nograles, per Committee Report No. 822

AN ACT CONVERTING THE NORTHWESTERN MINDANAO STATE COLLEGE OF SCIENCE AND TECHNOLOGY (NMSCST) IN THE CITY OF TANGUB, PROVINCE OF MISAMIS OCCIDENTAL INTO A STATE UNIVERSITY TO BE KNOWN AS THE UNIVERSITY OF NORTHWESTERN MINDANAO INTEGRATING THEREWITH THE SATELLITE CAMPUSES OF THE MINDANAO UNIVERSITY OF SCIENCE AND TECHNOLOGY (MUST) IN THE CITY OF OROQUIETA AND IN THE MUNICIPALITY OF PANAON, BOTH LOCATED IN THE PROVINCE OF MISAMIS OCCIDENTAL, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Conversion. — The Northwestern Mindanao State College
of Science and Technology (NMSCST) in the City of Tangeb, Province of
Misamis Occidental is hereby converted into a state university to be known as
the University of Northwestern Mindanao (UNM), hereinafter referred to as
the University, and integrating therewith the satellite campuses of the
Mindanao University of Science and Technology (MUST) in the City of

Oroquieta and in the Municipality of Panaon, both located in the Province of Misamis Occidental. The main campus of the University shall be in the City of Tangub, Province of Misamis Occidental.

SEC. 2. General Mandate. – The University shall primarily provide advanced education, higher technological, professional instruction and training in the fields of agriculture, fisheries, engineering, arts and sciences, education, business administration and management, health sciences, and other relevant fields of study. It shall also undertake research, extension services, and production activities in support of the socioeconomic development of the Province of Misamis Occidental, and provide progressive leadership in its areas of specialization.

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

SEC. 4. Curricular Offerings. — The University shall offer undergraduate, graduate and short-term courses within its areas of specialization and according to its capabilities, as the Board of Regents may deem necessary to carry out its objectives, particularly in order to meet the needs of the Province of Misamis Occidental and Region X.

The existing high school shall be transferred to the jurisdiction and supervision of the Department of Education (DepED): *Provided*, That the high school shall be allowed to remain and operate within the campus of the University until the existing students shall have completed their high school education: *Provided*, *further*, That the University may operate a reasonably-sized laboratory school under its College of Education in the main campus.

1	SEC. 5. Administration The University shall have the general
2	powers of a corporation set forth in Batas Pambansa Big. 68, as amended,
3	otherwise known as the "Corporation Code of the Philippines". The
4	administration of the University and the exercise of its corporate powers shall
5	be vested exclusively in the Board of Regents and the President of the
6	University.
7	SEC. 6. The Governing Board The governing body of the
8	University shall be the Board of Regents, hereinafter referred to as the Board,
9	which shall be composed of the following:
10	(a) The Chairperson of the Commission on Higher Education
11	(CHED), Chairperson;
12	(b) The President of the University, Vice Chairperson;
13	(c) The Chairperson of the Committee on Education, Arts and Culture
14	of the Senate, member;
15	(d) The Chairperson of the Committee on Higher and Technical
16	Education of the House of Representatives, member;
17	(e) The Regional Director of the National Economic and Development
18	Authority (NEDA), member;
19	(f) The Regional Director of the Department of Agriculture, member;
20	(g) The President of the federation of faculty associations of the
21	University, member;
22	(h) The President of the federation of student councils of the
23	University, member;
24	(i) The President of the federation of alumni associations of the
25	University, member;
26	(j) Two (2) prominent citizens from the private sector who have

distinguished themselves in their profession or fields of specialization and

who can primarily contribute to the deployment of on-the-job trainees, interns and graduates of the University, members; and

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(k) The Regional Director of the Department of Science and Technology (DOST), member.

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

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

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

- SEC. 7. Powers and Duties of the Board. The Board shall have the following specific powers and duties in addition to its general powers of administration and the exercise of all the powers granted to the Board of Directors of a corporation under existing laws:
- (a) To promulgate and implement policies in accordance with the declared State policies and the provisions of the Philippine Constitution on education, agriculture, science and technology, as well as the policies, standards and thrusts of the CHED under Republic Act No. 7722, otherwise known as the "Higher Education Act of 1994";
- (b) To promulgate rules and regulations not contrary to law as may be necessary to carry out the purposes and functions of the University;

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

- (d) To import economic, technical and cultural books and publications;
- (e) To 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, upon the recommendation of the University President.

Such fees and charges, including government subsidies and other income generated by the University, shall constitute special trust funds and shall be deposited in any authorized government depository bank, and in the absence of any government depository bank in the main campus and satellite campuses, to any bank available in the locality, and all interests that shall accrue therefrom shall form part of the same funds for the use of the University.

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

- (f) To enter into contracts, but not limited:
- (1) To borrow money from government banks to finance infrastructure projects, laboratory equipment and facilities and other income generating projects; and
- (2) To enter into a lease purchase agreement or other module of procurement authorized by law.

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

- (g) To adopt and implement a socialized scheme of tuition and school fees for greater access of poor but deserving students;
- (h) To approve the curricula, instructional programs, and rules of discipline drawn by the Administrative and the Academic Councils herein provided;
  - (i) To set policies on admission and graduation of students;
- (j) To authorize the construction or repair of its buildings, machinery, equipment and other facilities, and the purchase and acquisition of real and personal property;
- (k) To award honorary degrees upon persons in recognition of their outstanding contribution in the fields of education, public service, arts, science and technology, agriculture or in any field of specialization within the academic competence of the University, and to authorize the awarding of certificates of completion of nondegree and nontraditional courses;
- (1) To establish and absorb non-chartered tertiary institutions within the Province of Misamis Occidental as branches and centers in coordination with the CHED, and in consultation with the Department of Budget and Management (DBM), and to offer therein programs or courses to promote and carry out equal access to educational opportunities, as mandated by the Constitution;

(m) To establish research and extension centers to promote the development of the University and to commercialize research, invention and innovations upon the recommendation of the President;

- (n) To appoint vice presidents, deans, directors, heads of departments, subject to the confirmation of the Board, except that of faculty members and other officials;
- (o) To delegate any of its powers and duties provided for hereinabove to the President or other officials of the University as it may deem appropriate, so as to expedite the administration of the affairs of the University:
- (p) To authorize an external management audit of the University, to be financed by the CHED, subject to the rules and regulations of the Commission on Audit (COA), and to institute reforms, including academic and structural changes, on the basis of the audit results and recommendations;
- (q) To collaborate with other governing boards of state universities and colleges within the Province of Misamis Occidental or Region X, under the supervision of the CHED and in consultation with the DBM, and work towards the restructuring of the University to become more efficient, relevant, productive and competitive;
- (r) To enter into joint ventures with business and industry for the profitable development and management of the economic assets of the University, the proceeds from which shall be used for the development and strengthening of the University;
- (s) To develop consortia and other economic forms of linkages with local government units (LGUs), institutions and agencies, both public and private, local and foreign, in the furtherance of the purposes and objectives of the University;

(t) To establish professorial chairs in the University and to provide fellowships for qualified faculty members, and scholarships to deserving students:

- (u) To develop academic arrangements for institutional capability building with appropriate institutions and agencies, public and private, local and foreign, and to appoint experts/specialists as consultants, part-time or visiting or exchange professors, scholars or researchers, as the case may be:
- (v) To fix and adjust the salaries of faculty members and administrative officials and employees, subject to the Revised Compensation and Position Classification System and other pertinent budget and compensation laws governing hours of service, and such other duties and conditions as it may deem proper; to grant them, at its discretion, leaves of absences under existing laws; and to remove them for cause in accordance with the requirements of due process of law;
- (w) To set up the adoption of modern and innovative modes of transmitting knowledge such as the use of information technology, the dual training system, open distance learning and community laboratory for the promotion of greater access to education;
- (x) To establish policy guidelines and procedures for participative decision-making and transparency within the University;
- (y) To privatize, where most advantageous to the University, management of nonacademic services such as health, food, building or grounds or property maintenance and such other similar activities;
- (z) To appropriate in trust, legacies, gifts and donations of real and personal property of all kinds and to administer and dispose of the same, when necessary, for the benefit of the University and subject to the instructions of the donor, if any; and

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

SEC. 8. Meetings of the Board, — The Board shall regularly convene once every three (3) months. Whenever necessary, the Chairperson of the Board may call, upon three (3) days' prior written notice, a maximum of two (2) special meetings within the same period.

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

The Chairperson of the CHED may designate a Commissioner of the CHED as the Chairperson's representative in the meeting, with all the rights and responsibilities of a regular member: *Provided, however*, That in the said meeting, the President of the University, as Vice Chairperson, shall be the presiding officer: *Provided, further*, That this proviso notwithstanding, the Chairperson of the CHED is hereby authorized to designate a CHED Commissioner as the regular Chairperson of the Board, in which case said CHED Commissioner as the regular Chairperson of the Board shall act as the presiding officer.

In case the Chairpersons of the Senate and House Committees on Education shall not be able to attend the Board meeting, they may duly designate their respective representatives to attend the meeting, who shall have the same rights and responsibilities as a regular member 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

in their attendance to meetings of the Board or in connection with other official business authorized by resolution of the Board, subject to existing laws and regulations.

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SEC. 9. The University President. — The University shall be headed by a President, who shall render full-time service and who shall be appointed by the Board, subject to the guidelines, qualifications and standards set by the Board, upon recommendation of a duly constituted search committee. The University President shall have a term of four (4) years and shall be eligible for reappointment for another term: Provided, That in order to effect a smooth transition to a state university, the incumbent President of the NMSCST, if qualified, shall serve as the first President of the University.

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

In case of vacancy in the Office of the President by reason of death, compulsory retirement, resignation, removal for cause or incapacity of the President to perform the functions of the office, the Board shall designate an Officer-in-Charge of the University within six (6) months from the date of vacancy, pending the appointment of a new President. The successor or the Officer-in-Charge shall serve only for the unexpired portion of the term.

- SEC. 10. Powers and Duties of the University President. The administration of the University shall be vested in the President of the University, who shall exercise the following powers and functions:
- (a) Carrying out of the general policies laid down by the Board, and acting within the lines of said general policies;
- (b) General supervision over the University, including businesses and financial operations, all offices, members of the teaching staff, and employees of the University;

(c) Acceptance of resignation of faculty member/s and employee/s, which shall be reported to the Board in its meeting immediately following the resignation:

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- (d) General supervision over extracurricular activities of students and authority to issue adequate rules for the organization and operation of student organizations:
- (e) Authority to renew appointments for not more than one (1) year if the budget permits and the services are necessary;
- (f) Authority to transfer faculty and employees from one (1) department or unit of the University to another with the written consent of the faculty member or employee concerned: *Provided*, That: (1) there is no demotion in rank and salary; (2) it is with the consent of the head of the unit; and (3) it is for the interest of the service;
- (g) Official center of communication between the faculty, employees and students of the University, on the one hand, and the Board, on the other hand:
- (h) Preparation of an annual report to the Board on the work and accomplishments for the previous year and the needs for the current year:
- (i) Presentation to the Board of the annual budget of the University, with the estimates of income and expenditures:
- (j) Execution and signing, in behalf of the University, of all contracts, deeds and other instruments necessary for the proper conduct of the business of the University, unless otherwise therein provided;
- (k) Authority to enforce discipline and to maintain satisfactory academic standards in all of its units;
- (I) Right to modify or disapprove any action or resolution of any college, faculty or administrative body, if in his judgment the larger interest of the University so requires. Should the President exercise such power, the

decision shall be communicated in writing to the body immediately affected, stating the reason for the action. Thereafter, the President shall accordingly inform the Board, which may take any action it may deem appropriate in connection therewith;

- (m) Such other powers as elsewhere provided in this Act, or as authorized by the Board, such as those usually pertaining to the Office of the President of the University. The President may delegate in writing any of these specific functions to the chancellors, campus directors or to any office in the University;
- (n) Recommendation of suitable person to the Board, upon consultation with the Vice President for Academic Affairs and University deans and heads of nonacademic units, as the case may be, to fill vacancies and new positions, and to make such other arrangements as to meet emergencies accruing between the meetings of the Board so that the work of the University will not be hampered;
- (o) Authority to grant or deny permission for members of the faculty to accept training grants, fellowships, scholarships, assistantships, or invitations to conferences sponsored by other agencies or organizations;
- (p) Authority to change the leave status of the faculty from that of teacher's leave to that of cumulative leave or *vice versa* on the recommendation of the Vice President for Academic Affairs and respective college deans concerned;
- (q) Authority to hold officers, teachers, and employees responsible for the full discharge of their duties. If in the judgment of the President that such necessity arises, after consultation with the Vice President for Academic Affairs, University deans and administrative officers, the President, in proper cases, shall initiate the necessary proceedings for the separation from the service of any of them for cause and shall report to the Board the case of the

supposed erring employee or faculty member for the Board to appoint a committee to hear the case;

- (r) Authority to invite, from time to time, scholars of eminence and other persons who have achieved distinction in some learned professions or careers to deliver a lecture or a series thereof; and
- (s) Authority to exercise such other powers as are elsewhere provided in this Act, or by the Charter of the University, or as may be specially authorized by the Board, such as those usually pertaining to the Office of the President of similar universities. The President may delegate in writing any of these specific functions to any office or to the University.
- SEC. 11. The Offices Under the Office of the President. The following offices shall be under the Office of the President:
  - (a) The line offices directly under the Office of the President:
- (1) Office of the Vice President for Academic Affairs, Research and Extension;
  - (2) Center for Information and Communications Technology;
  - (3) Office of Finance and Management Services; and
  - (4) Office of the Administrative Services.
- (b) The staff offices under the Office of the President shall include the University and the Board Secretary, the Executive Assistants, and Planning and Development Assistants.

The salary of the President of the University shall be in accordance with the Revised Compensation and Position Classification System, as modified by Joint Resolution No. 4 dated June 17, 2009, and other pertinent budget and compensation laws, and shall be comparable to that being received by the Presidents of similar educational institutions.

The President of the University shall be assisted by the Vice President/s, who shall be appointed by the Board upon recommendation of the President.

- SEC. 12. The Secretary of the University. The Board shall appoint a Secretary, who shall serve as such for both the Board and the University and shall keep all records and proceedings of the Board. The Secretary shall serve upon each member of the Board the appropriate notice of the Board meetings.
- SEC. 13. The Treasurer of the University. The Treasurer of the Philippines shall be the ex officio Treasurer of the University.
  - SEC. 14. The Administrative Council. There shall be an Administrative Council consisting of the President of the University as Chairperson, vice presidents, deans, directors and other officials of equal rank as members, whose duties are to review and recommend to the Board policies governing the administration, management and development plans of the University.
- SEC. 15. The Academic Council. There shall be an Academic Council to be composed of the President of the University, who shall act as Chairperson, and all academic staff with the rank of at least an assistant professor, as members.

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

SEC. 16. The Faculty. - No political belief, gender preference, cultural or community affiliation or ethnic origin, and religious opinion or affiliation shall be a matter of inquiry in the appointment of faculty members of the University: 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 church or religious sect.

SEC. 17. Scholarship Program/Admission. — The University shall provide a scholarship program and other affirmative action programs to assist poor but deserving students who qualify for admission to the University.

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

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

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

Municipalities, cities and the Province of Misamis Occidental or other nearby LGUs in the province may appropriate funds to support infrastructure, scholarship programs, facilities and laboratories and research activities of the University.

SEC. 19. Assets, Liabilities and Personnel. — All assets, real and personal, personnel and records of the NMSCST, of the satellite campuses of the MUST in the City of Oroquieta and in the Municipality of Panaon, as well as liabilities or obligations, are hereby transferred to the University. The positions, rights and security of tenure of faculty members and personnel therein employed under existing laws prior to the conversion into a University shall be respected.

All parcels of land belonging to the government occupied by the NMSCST, including its campuses, are hereby transferred to the University, and shall be titled under that name: *Provided*, That should the University cease to exist or be abolished or should such parcels of land aforementioned be no longer needed by the University, the same shall revert to the LGUs concerned.

SEC. 20. Tax Exemption. — The importation of economic, technical and cultural books or publications, which are for economic, technical, vocational, scientific, philosophical, historical or cultural purposes made by the University, upon certification by the CHED, shall be exempt from customs duties in accordance with the provisions of the Tariff and Customs Code of the Philippines, as amended.

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

SEC. 21. Appropriations. – The amount necessary to carry out the provisions of this Act shall be charged against the current year's appropriations of the NMSCST, the satellite campuses of the MUST in the

City of Oroquieta and in the Municipality of Panaon, except the sums needed to continue the operations of the existing high schools. Thereafter, such sums as may be necessary for the continued operation and maintenance of the UNM shall be included in the annual General Appropriations Act.

and

- SEC. 22. Development Plan, Management Audit, Organizational/Administrative/Academic Structure. Within the period of one hundred twenty (120) days after the approval of this Act, the University shall accomplish the following:
- (a) Submit a five (5)-year development plan, including its corresponding program budget to the CHED, for corresponding recommendation to the DBM;
  - (b) Undergo a management audit in cooperation with the CHED;
- (c) Set up its organizational, administrative, as well as academic structure, including the appointment of key officials of the University.
- SEC. 23. Annual Report. On or before the fifteenth (15<sup>th</sup>) day of the second month after the opening of the regular classes each year, the Board shall file with the Office of the President of the Philippines, through the Chairperson of the CHED, and with both Houses of Congress, a detailed report on the progress, conditions and needs of the University.
- SEC. 24. Suppletory Application. The provisions of Republic Act No. 8292, otherwise known as the "Higher Education Modernization Act of 1997", shall be an integral part of this Act and shall serve as part of the Governing Charter of the University.
- SEC. 25. Parity Clause. All other powers, functions and privileges, responsibilities and limitations to state universities and their officials under existing laws shall be deemed granted to or imposed upon the University and its officials, whenever appropriate.

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1	SEC. 26. Compliance with CHED Requirements The provisions of
2	this Act notwithstanding, the establishment or conversion of the institution
3	into a state university shall become effective only upon the determination and
4	declaration by the CHED, based on the recommendation of a panel of experts,
5	that the institution has complied with the requirements for a university status.
6	The CHED, through its regional office, shall regularly provide technical
7	assistance to the institution and monitor compliance with the requirements of
8	the Commission.
9	The CHED shall designate a panel of experts who shall prepare a
10	recommendation to the Chairperson of the CHED on whether the institution
11	has substantially complied with the requirements for the grant of university
12	status.

The following operational requirements for a university shall be complied with:

- (a) Level III accreditation or its equivalent under CHED policies for at least four (4) of its undergraduate programs, one (1) in the sciences, and two (2) of its graduate programs;
- (b) Ratio of qualified full-time faculty with requisite degrees to number of students;
  - (c) Adequate library and laboratories;

- (d) Research and development output of practical and commercial application to the community;
- (e) Relevant linkages and outreach programs that are of service to the community; and
  - (f) Relevant academic policies, systems and processes.

The institution shall retain its status prior to the effectivity of this Act, unless in the meantime it is able to comply with the requirements provided herein, within a period not later than January 1, 2019.

1	SEC. 27. Implementing Rules and Regulations The Board, in
2	consultation with the CHED, shall formulate the rules and regulations to fully
3	implement the provisions of this Act.
4	SEC. 28. Separability Clause If, for any reason, any part or
5	provision of this Act is declared invalid or unconstitutional, the remaining
6	parts or provisions not affected thereby shall remain in full force and effect.
7	SEC. 29. Repealing Clause All laws, presidential decrees,
8	executive orders, rules and regulations contrary to or inconsistent with the
9	provisions of this Act are hereby repealed or modified accordingly.
10	SEC. 30. Effectivity This Act shall take effect fifteen (15) days
11	after its publication in the Official Gazette or in a newspaper of general
12	circulation.

Approved,