



HOUSE OF REPRESENTATIVES

H. No. 7007

BY REPRESENTATIVES ALMARIO, HOFER, NOGRALES (K.A.), CUA AND
ALVAREZ (P.), PER COMMITTEE REPORT NO. 577

AN ACT CONVERTING THE DAVAO ORIENTAL STATE COLLEGE OF SCIENCE AND TECHNOLOGY IN THE CITY OF MATI AND ALL ITS SATELLITE CAMPUSES LOCATED IN THE PROVINCE OF DAVAO ORIENTAL INTO A STATE UNIVERSITY TO BE KNOWN AS THE DAVAO ORIENTAL STATE UNIVERSITY, AND APPROPRIATING FUNDS THEREFOR

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

1 SECTION 1. *Conversion.* — The Davao Oriental State College
2 of Science and Technology in the City of Mati, including all of its
3 existing satellite campuses, namely: Banaybanay Campus in the
4 Municipality of Banaybanay, Cateel Campus in the Municipality
5 of Cateel, and San Isidro Campus in the Municipality of San Isidro,
6 all located in the Province of Davao Oriental, is hereby converted
7 into a state university to be known as the Davao Oriental State
8 University. The main campus of the Davao Oriental State
9 University, hereinafter referred to as the University, shall be in
10 Mati City.

1 SEC. 2. *General Mandate.* – The University shall primarily
2 provide advance education, higher technological, professional
3 instruction and training in the fields of education, agricultural
4 technology, agribusiness management, business administration,
5 industrial technology, arts and sciences, health sciences,
6 information technology, engineering and other relevant fields of
7 study. It shall also undertake research, extension services, and
8 provide progressive leadership in its areas of specialization.

9 SEC. 3. *Academic Freedom and Institutional Autonomy.* –
10 The University shall enjoy academic freedom and institutional
11 autonomy, pursuant to paragraph 2, Section 5 of Article XIV of the
12 Philippine Constitution.

13 SEC. 4. *Curricular Offerings.* – The University shall offer
14 undergraduate, graduate and postgraduate programs and
15 short-term courses in the fields of agriculture and environment
16 studies, pure and applied sciences, behavioral and social sciences,
17 law, culture and arts, tourism and business-related programs,
18 nautical and maritime programs, industrial technology and
19 engineering, education and teacher training, communication and
20 information technology, health-related programs, developmental
21 management and leadership programs, agricultural technology,
22 agribusiness management, business administration, health sciences
23 and other degree courses within its areas of specialization and
24 according to its capabilities, as the Board of Regents may deem
25 necessary to carry out its objectives, particularly in meeting the
26 needs of the Province of Davao Oriental and Region XI.

1 The University may operate a reasonably-sized laboratory
2 school under its College of Education.

3 SEC. 5. *Administration.* – The University shall have the
4 general powers of a corporation set forth in Batas Pambansa Blg.
5 68, as amended, otherwise known as the “Corporation Code of the
6 Philippines”. The administration of the University and the exercise
7 of its corporate powers shall be vested exclusively in the Board of
8 Regents and the President of the University.

9 SEC. 6. *The Governing Board.* – The governing body of the
10 University shall be the Board of Regents, hereinafter referred to as
11 the Board, and shall be composed of the following:

12 (a) The Chairperson of the Commission on Higher Education
13 (CHED), Chairperson;

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

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

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

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

21 (f) The Regional Director of the Department of Science and
22 Technology in Region XI, member;

23 (g) The President of the federation of faculty associations of
24 the University, member;

25 (h) The President of the federation of student councils of the
26 University, member;

1 (i) The President of the federation of alumni associations of
2 the University, member; and

3 (j) Two (2) prominent citizens from the private sector who
4 have distinguished themselves in their profession or fields of
5 specialization, members.

6 The Board shall appoint the two (2) prominent citizens from
7 among a list of at least five (5) qualified persons in the Province of
8 Davao Oriental where the University and its campuses are located,
9 as recommended by a search committee constituted by the
10 President of the University, in consultation with the Chairperson of
11 the CHED and other members of the Board, based on the standards
12 and qualifications for the position.

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

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

20 *SEC. 7. Powers and Duties of the Board of Regents.* – In
21 addition to its general powers of administration and the powers
22 granted to the Board of Directors of a corporation under existing
23 laws, the Board shall have the following specific powers and duties:

24 (a) To promulgate and implement policies in accordance with
25 the declared State policies and the provisions of the Philippine
26 Constitution on education, agriculture, science and technology, as
27 well as the policies, standards and thrusts of the CHED under

1 Republic Act No. 7722, otherwise known as the "Higher Education
2 Act of 1994";

3 (b) To promulgate rules and regulations not contrary to law
4 as may be necessary to carry out the purposes and objectives of the
5 University;

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

10 (d) To import economic, technical and cultural books and
11 publications;

12 (e) To receive, in trust, legacies, gifts and donations of real
13 and personal properties of all kinds and to administer and dispose
14 of the same when necessary for the benefit of the University, and
15 subject to the limitations, directions and instructions of the donor, if
16 any;

17 (f) To fix the tuition fees and other necessary school charges
18 including matriculation fees, graduation fees and laboratory fees, as
19 the Board may deem proper to impose, after due consultations with
20 the involved sectors. Such fees and charges, including government
21 subsidies and other income generated by the University, shall
22 constitute a special trust fund and shall be deposited in any
23 authorized government depository bank: *Provided, That*, all
24 interests that shall accrue therefrom shall form part of the same
25 funds for the use of the University.

26 Any provision of existing law, rule or regulation to the
27 contrary notwithstanding, any income generated by the University

1 from tuition fees and other charges, as well as from the operation of
2 auxiliary services and land grants, shall be retained by the
3 University, and may be disbursed by the Board for instruction,
4 research, extension or other programs or projects of the University:
5 *Provided*, That all fiduciary fees shall be disbursed for the specific
6 purposes for which these are collected.

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

14 (g) To authorize the construction or repair of its buildings,
15 machinery, equipment and other facilities, and the purchase and
16 acquisition of real property, including necessary supplies, materials
17 and equipment;

18 (h) To appoint, upon the recommendation of the President of
19 the University, the vice presidents, deans, directors, heads of
20 campuses, faculty members and other officials and employees of the
21 University;

22 (i) To fix and adjust the salaries of faculty members and
23 administrative officials and employees, subject to the provisions of
24 the Revised Compensation and Position Classification System and
25 other pertinent budget and compensation laws governing the hours
26 of service, and such other duties and conditions as it may deem
27 proper; to grant them, at its discretion, leaves of absence under

1 such regulations as it may promulgate, any provision of existing law
2 to the contrary notwithstanding; and to remove them for cause in
3 accordance with the requirements of due process of law;

4 (j) To approve the curricula, instructional programs, and
5 rules of discipline drawn by the Administrative Council and the
6 Academic Council herein provided;

7 (k) To set the policies on admission and graduation of
8 students;

9 (l) To award honorary degrees upon persons in recognition of
10 their outstanding contribution in the fields of education, public
11 service, arts, science and technology, agriculture or in any field of
12 specialization within the academic competence of the University,
13 and to authorize the awarding of certificates of completion of
14 nondegree and nontraditional courses;

15 (m) To establish and absorb non-chartered tertiary
16 institutions within the Province of Davao Oriental as branches and
17 centers, in coordination with the CHED and in consultation with
18 the Department of Budget and Management (DBM), and to offer
19 therein programs or courses to promote and carry out equal access
20 to educational opportunities, as mandated by the Constitution;

21 (n) To establish research and extension centers of the
22 University where such will promote the development of the
23 University;

24 (o) To establish professorial chairs in the University and to
25 provide fellowships for qualified faculty members, and scholarships
26 to deserving students;

1 (p) To delegate any of its powers and duties provided for
2 hereinabove to the President or other officials of the University, as
3 it may deem appropriate, so as to expedite the administration of the
4 affairs of the University;

5 (q) To authorize an external management audit of the
6 University, to be financed by the CHED, subject to the rules and
7 regulations of the Commission on Audit (COA), and to institute
8 reforms, including academic and structural changes, on the basis of
9 the audit results and recommendations;

10 (r) To collaborate with other governing boards of state
11 colleges and universities within the Province of Davao Oriental or
12 Region XI, under the supervision of the CHED and in consultation
13 with the DBM, and work towards the restructuring of the
14 University to become more efficient, relevant, productive and
15 competitive;

16 (s) To enter into joint ventures with business and industry
17 for the profitable development and management of the economic
18 assets of the University, the proceeds from which shall be used for
19 the development and strengthening of the University;

20 (t) To develop consortia and other economic forms of linkages
21 with local government units (LGUs), institutions and agencies, both
22 public and private, local and foreign, in the furtherance of the
23 purposes and objectives of the University;

24 (u) To develop academic arrangements for institutional
25 capacity building with appropriate institutions and agencies, public
26 and private, local and foreign, and to appoint experts or specialists

1 as consultants, part-time, visiting or exchange professors, scholars
2 or researchers, as the case may be;

3 (v) To adopt modern and innovative modes of transmitting
4 knowledge such as the use of information technology, the dual
5 training system, open distance learning, and community laboratory
6 for the promotion of greater access to education;

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

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

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

20 SEC. 8. *Meetings of the Board.* - The Board shall regularly
21 convene once every three (3) months. Whenever necessary, the
22 Chairperson of the Board may call, upon three (3) days' prior
23 written notice to the members, a maximum of two (2) special
24 meetings within the same period.

25 A quorum of the Board shall consist of majority of all its
26 members holding office at the time of the meeting: *Provided*,

1 *however*, That the Chairperson of the Board or the President of the
2 University is among those present in the meeting.

3 In case the CHED Chairperson cannot attend a meeting of the
4 Board, a CHED Commissioner duly designated by the CHED
5 Chairperson as representative to the meeting, shall have all the
6 rights and responsibilities of a regular member: *Provided, however*,
7 That in the said meeting, the President of the University, as Vice
8 Chairperson, shall be the presiding officer: *Provided, further*, That
9 this proviso, notwithstanding, the Chairperson of the CHED is
10 hereby authorized to designate a CHED Commissioner as the
11 regular Chairperson of the Board, in which case, the said CHED
12 Commissioner, as the regular Chairperson of the Board, shall act as
13 the presiding officer.

14 In case the Chairpersons of the Senate Committee on
15 Education, Arts and Culture and House Committee on Higher and
16 Technical Education shall not be able to attend the Board meeting,
17 they may duly designate their respective representatives to attend
18 the meeting, who shall have the same rights and responsibilities as
19 a regular member of the Board.

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

25 SEC. 9. *The University President.* – The University shall be
26 headed by a President, who shall render full-time service and who
27 shall be appointed by the Board, subject to the guidelines,

1 qualifications and standards set by the Board, upon
2 recommendation of a duly constituted search committee. The
3 University President shall have a term of four (4) years and shall be
4 eligible for reappointment for another term: *Provided*, That in order
5 to effect the smooth transition to a state university, the incumbent
6 president of the Davao Oriental State College of Science and
7 Technology, if qualified, shall serve as the first president of the
8 University.

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

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

19 The powers and duties of the President of the University, in
20 addition to those specifically provided in this Act, shall be those
21 usually pertaining to the Office of the President of similar
22 universities, and those delegated by the Board.

23 The salary of the President of the University shall be in
24 accordance with the Revised Compensation and Position
25 Classification System and shall be comparable to that being
26 received by the presidents of similar educational institutions.

1 The President of the University shall be assisted by a
2 Vice President for Academic Affairs and a Vice President for
3 Administration, who shall be appointed by the Board upon
4 recommendation of the President of the University.

5 SEC. 10. *The Secretary of the University.* – The Board shall
6 appoint a Secretary, who shall serve as such for both the Board and
7 the University and who shall keep all records and proceedings of
8 the Board. The Secretary of the University shall serve upon each
9 member of the Board the appropriate notice of the Board meetings.

10 SEC. 11. *The Treasurer of the University.* – The Treasurer of
11 the Philippines shall be the *ex officio* Treasurer of the University.

12 SEC. 12. *The Administrative Council.* – There shall be an
13 Administrative Council consisting of the President of the University
14 as Chairperson, and the vice presidents, deans, directors and other
15 officials of equal rank as members, whose duties are to review and
16 recommend to the Board the policies governing the administration,
17 management and development planning of the University.

18 SEC. 13. *The Academic Council.* – There shall be an
19 Academic Council to be composed of the President of the University,
20 who shall act as Chairperson, and all academic staff with the rank
21 of at least an assistant professor, as members.

22 The Academic Council shall have the power to review and
23 recommend the curricular offerings and rules of discipline of the
24 University, subject to the approval of the Board. It shall fix the
25 requirements for the admission of students, as well as for their
26 graduation and conferment of degrees, subject to review and
27 approval by the Board through the President of the University.

1 It shall have the disciplinary power over students of the University
2 and shall formulate academic policies and rules and regulations on
3 discipline, subject to the approval of the Board.

4 SEC. 14. *The Faculty.* – No political belief, gender
5 preference, cultural or community affiliation or ethnic origin, and
6 religious opinion or affiliation shall be a matter of inquiry in the
7 appointment of faculty members of the University: *Provided*, That
8 said appointment shall be subject to the guidelines, qualifications
9 and standards set by the Board: *Provided, further*, That no member
10 of the faculty shall teach for or against any particular church or
11 religious sect.

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

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

19 SEC. 16. *Authority to Loan or Transfer Apparatus,*
20 *Equipment, Supplies and Detail of Personnel.* – The heads of the
21 bureaus and offices of the national government are hereby
22 authorized to loan or transfer, upon the request of the President of
23 the University, such apparatus, equipment or supplies as may be
24 needed by the University, and to detail employees for duty therein
25 when, in the judgment of the head of bureau or office, such
26 apparatus, equipment, supplies or services of such employees can be
27 spared without serious detriment to public service.

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

4 SEC. 17. *Assets, Liabilities and Personnel.* – All assets, real
5 and personal, personnel and records of the Davao Oriental State
6 College of Science and Technology, including those of the extension
7 campuses in the municipalities of Banaybanay, Cateel and San
8 Isidro, as well as liabilities or obligations, are hereby transferred to
9 the University. The positions, rights and security of tenure of
10 faculty members and personnel therein employed under existing
11 laws prior to the conversion into a University shall be respected.

12 All parcels of land belonging to the government occupied by
13 the Davao Oriental State College of Science and Technology and its
14 campuses in the municipalities of Banaybanay, Cateel and San
15 Isidro are hereby declared to be the property of the University, and
16 shall be titled under that name: *Provided*, That should the
17 University cease to exist or be abolished or should such
18 aforementioned parcels of land be no longer needed by the
19 University, the same shall revert to the LGUs concerned.

20 SEC. 18. *Tax Exemption on Importation and Donations.* –
21 The importation of economic, technical and cultural books or
22 publications, which are for economic, technical, vocational,
23 scientific, philosophical, historical or cultural purposes made by the
24 University upon certification by the CHED shall be exempt from
25 customs duties in accordance with the provisions of Republic Act
26 No. 10863, otherwise known as the “Customs Modernization and
27 Tariff Act (CMTA)”.

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

8 SEC. 19. *Appropriations.* – The amount necessary to carry
9 out the provisions of this Act shall be charged against the current
10 year's appropriations of the Davao Oriental State College of Science
11 and Technology. Thereafter, such sums as may be necessary for the
12 continued operation and maintenance of the University shall be
13 included in the annual General Appropriations Act.

14 SEC. 20. *Development Plan, Management Audit, and*
15 *Academic Structure.* – Within the period of one hundred twenty
16 (120) days after the approval of this Act, the University shall
17 accomplish the following:

18 (a) Submit a five (5)-year development plan, including its
19 corresponding program budget to the CHED, for corresponding
20 recommendation to the DBM;

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

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

26 SEC. 21. *Filing of Report.* – On or before the fifteenth (15th)
27 day of the second month after the opening of the regular classes

1 each year, the Board shall file with the Office of the President of the
2 Philippines, through the Chairperson of the CHED, and with both
3 Houses of Congress, a detailed report on the progress, conditions
4 and needs of the University.

5 SEC. 22. *Suppletory Application.* – The provisions of
6 Republic Act No. 8292, otherwise known as the “Higher Education
7 Modernization Act of 1997”, shall be an integral part of this Act and
8 shall serve as part of the Governing Charter of the University.

9 SEC. 23. *Compliance with CHED Requirements.* – The
10 provisions of this Act notwithstanding, the conversion of the
11 institution into a state university shall become effective only upon
12 the determination and declaration by the CHED, based on the
13 recommendation of a panel of experts it shall constitute for the
14 purpose, that the institution has complied with the requirements
15 for a university status based on CHED Memorandum Order No. 46,
16 series of 2012 (Policy Standards to Enhance Quality Assurance (QA)
17 in Philippine Higher Education, through the Outcomes-Based and
18 Typology-Based QA): *Provided*, That the panel may issue such a
19 recommendation when the institution has substantially complied
20 with the requirements for the grant of university status.

21 The following operational requirements for a university, as
22 established by the CHED, shall be complied with:

23 (a) Faculty members who possess relevant degrees in their
24 areas of specialization, as required by the CHED, and shall have
25 participated in research and development activities in their
26 respective disciplines, as evidenced by refereed publications and
27 other scholarly outputs;

1 (b) A comprehensive range of degree programs in all levels,
2 from basic postsecondary to doctoral programs;

3 (c) Viable research programs in specific (disciplinal and
4 multidisciplinary) areas of study that produce new knowledge, as
5 evidenced by refereed publications, citations, inventions, and
6 patents, among others;

7 (d) Comprehensive learning resources and support
8 structures, to include libraries, practicum laboratories, relevant
9 educational resources, and linkages with the relevant disciplinal
10 and professional sectors, to allow students to explore basic, advance,
11 and even cutting edge knowledge in a wide range of disciplines or
12 professions;

13 (e) Active and ongoing linkages and affiliation with other
14 research institutions in various parts of the world that would
15 ensure that the research activities of the university are functioning
16 at current global standards; and

17 (f) Outreach activities that allow the students, faculty, and
18 research staff to apply the new knowledge they generate to
19 address specific social development problems broadly defined.

20 The institution shall retain its status prior to the effectivity of
21 this Act until it is able to comply with the requirements provided
22 herein.

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

1 SEC. 25. *Implementing Rules and Regulations.* – Within
2 sixty (60) days from the effectivity of this Act, the Board, in
3 consultation with the CHED, shall formulate the rules and
4 regulations to fully implement the provisions of this Act.

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

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

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

Approved,

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