



HOUSE OF REPRESENTATIVES

H. No. 5996

BY REPRESENTATIVES CODILLA, VILLAR, ABAYON, SALCEDA AND TEVES, PER
COMMITTEE REPORT NO. 2124

AN ACT CONVERTING THE ORMOC CITY SCHOOL OF ARTS AND
TRADES IN THE CITY OF ORMOC, PROVINCE OF LEYTE INTO
A STATE COLLEGE TO BE KNOWN AS THE ORMOC CITY
STATE COLLEGE 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 Ormoc City School of Arts and Trades
2 (OCSAT) in the City of Ormoc, Province of Leyte is hereby converted into a
3 state college to be known as the Ormoc City State College, hereinafter referred
4 to as the College.

5 SEC. 2. *General Mandate.* – The College shall primarily provide
6 advanced instruction and professional training in the fields of science and
7 technology, liberal arts, education, commerce, engineering and other relevant
8 fields of study. It shall also undertake research and extension services, and
9 provide progressive leadership in its areas of specialization.

10 SEC. 3. *Curricular Offerings.* – The College shall offer undergraduate
11 and graduate studies in the fields of science and technology, liberal arts,

1 education, commerce, engineering and other degrees/courses within its areas of
2 specialization and according to its capabilities as the Board of Trustees may
3 deem necessary to carry out its objectives, particularly to meet the needs of the
4 Province of Leyte and Region VIII.

5 The existing high school shall be transferred to the jurisdiction and
6 supervision of the Department of Education (DepEd): *Provided*, That the high
7 school shall be allowed to remain and operate within the campus of the College
8 until the existing students shall have completed their high school education:
9 *Provided, further*, That the College may operate a reasonably-sized laboratory
10 school, if it has a College of Education.

11 SEC. 4. *Administration.* – The College shall have the general powers
12 of a corporation set forth in Batas Pambansa Blg. 68, as amended, otherwise
13 known as “The Corporation Code of the Philippines”. The administration of
14 the College and the exercise of its corporate powers shall be vested exclusively
15 in the Board of Trustees and the president of the College.

16 SEC. 5. *The Governing Board.* – The governing board of the College
17 shall be the Board of Trustees, hereinafter referred to as the Board, which shall
18 be composed of the following:

19 (a) The chairperson of the Commission on Higher Education (CHED),
20 chairperson;

21 (b) The president of the College, vice chairperson;

22 (c) The chairperson of the Committee on Education, Arts and Culture
23 of the Senate, member;

24 (d) The chairperson of the Committee on Higher and Technical
25 Education of the House of Representatives, member;

26 (e) The regional director of the National Economic and Development
27 Authority (NEDA), member;

28 (f) The regional director of the Department of Science and Technology
29 (DOST), member;

1 (g) The president of the faculty association of the College, member;

2 (h) The president of the student council of the College, member;

3 (i) The president of the alumni association of the College, member; and

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

7 The Board shall appoint the two prominent citizens from among a list of
8 at least five qualified persons in the Province of Leyte, as recommended by the
9 search committee constituted by the College president, in consultation with the
10 chairperson of the CHED and the other members of the Board, based on the
11 normal standards and qualifications for the position set by the Board.

12 The term of office of the president of the faculty association, the
13 president of the student council and the president of the alumni association
14 shall be coterminous with their respective terms of office, as set forth in their
15 respective constitutions and bylaws.

16 The two prominent citizens shall serve for a term of two years from the
17 date of appointment.

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

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

28 (a) To promulgate rules and regulations as may be necessary to carry
29 out the purposes and functions of the College;

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

4 (c) To import duty-free economic, technical and cultural books
5 and/or publications, upon certification by the CHED that such imported books
6 and/or publications are for economic, technical, vocational, scientific,
7 philosophical, historical or cultural purposes, in accordance with the provisions
8 of the Tariff and Customs Code, as amended;

9 (d) To receive in trust legacies, gifts and donations of real properties of
10 all kinds and to administer and dispose of the same when necessary for the
11 benefit of the College, and subject to the limitations, directions and instructions
12 of the donor, if any.

13 Such donations shall be exempt from the donor's tax and the same shall
14 be considered as allowable deductions from the gross income in the
15 computation of the income tax of the donor, in accordance with the provisions
16 of the National Internal Revenue Code (NIRC) of 1997, as amended:
17 *Provided*, That such donations shall not be disposed of, transferred or sold;

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

22 Such fees and charges, including government subsidies and other
23 income generated by the College, shall constitute special trust funds and shall
24 be deposited in any authorized government depository bank, and all interests
25 that shall accrue therefrom shall form part of the same funds for the use of the
26 College.

27 Any provision of existing laws, rules and regulations to the contrary
28 notwithstanding, any income generated by the College from tuition fees and
29 other charges, as well as from the operation of auxiliary services and land

1 grants, shall be retained by the College, and may be disbursed by the Board for
2 instruction, research, extension or other programs/projects of the College:
3 *Provided*, That all fiduciary fees shall be disbursed for the specific purposes
4 for which they are collected.

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

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

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

15 (h) To appoint upon recommendation of the president of the College,
16 vice presidents, deans, directors, heads of campuses, faculty members, and
17 other officials and employees of the College;

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

26 (j) To approve the curricula, instructional programs and rules of
27 discipline drawn by the administrative and academic councils herein provided;

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

1 (l) To award honorary degrees upon persons in recognition of their
2 outstanding contribution in the fields of education, public service, arts, science
3 and technology, agriculture or in any field of specialization within the
4 academic competence of the College; and to authorize the awarding of
5 certificates of completion of nondegree and nontraditional courses;

6 (m) To establish and absorb nonchartered tertiary institutions within the
7 Province of Leyte as branches and centers in coordination with the CHED, and
8 in consultation with the Department of Budget and Management (DBM), and
9 to offer therein programs or courses, to promote and carry out equal access to
10 educational opportunities as mandated by the Constitution;

11 (n) To establish research and extension centers of the College where
12 such will promote the development of the latter;

13 (o) To establish professorial chairs in the College and to provide
14 fellowships for qualified faculty members and scholarships to deserving
15 students;

16 (p) To delegate any of its powers and duties provided for hereinabove
17 to the president and/or other officials of the College as it may deem
18 appropriate, so as to expedite the administration of the affairs of the College;

19 (q) To authorize an external management audit of the College, to be
20 financed by the CHED, subject to the Commission on Audit rules and
21 regulations; and to institute reforms, including academic and structural
22 changes, on the basis of the audit results and recommendations;

23 (r) To collaborate with other governing boards of the state colleges and
24 universities within the Province of Leyte or Region VIII, under the supervision
25 of the CHED and in consultation with the DBM, and work towards the
26 restructuring of the College to become more efficient, relevant, productive and
27 competitive;

28 (s) To enter into joint ventures with business and industry for the
29 profitable development and management of the economic assets of the College,

1 the proceeds from which shall be used for the development and strengthening
2 of the College;

3 (t) To develop consortia and other economic forms of linkages with
4 local government units (LGUs), institutions and agencies, both public and
5 private, local and foreign, in the furtherance of the purposes and objectives of
6 the College;

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

11 (v) To set up the adoption of modern and innovative modes of
12 transmitting knowledge such as the use of information technology, the dual
13 learning system, open learning or distance education and community
14 laboratory for the promotion of greater access to education and graduate
15 studies, as the case may be;

16 (w) To establish policy guidelines and procedures for participative
17 decision-making and transparency within the College;

18 (x) To privatize, where most advantageous to the College, the
19 management of nonacademic services such as health, food, building or grounds
20 or property maintenance and such other similar activities; and

21 (y) To extend the term of the president of the College beyond the age
22 of retirement but not beyond the age of seventy (70), whose performance has
23 been unanimously rated by the Board as outstanding based on the guidelines,
24 qualifications and/or standards set by the Board, after unanimous
25 recommendation by the search committee.

26 SEC. 8. *Meetings of the Board.* – The Board shall regularly convene at
27 least once every quarter. However, the chairperson of the Board may, upon
28 three days' prior written notice, call a maximum of two special meetings
29 whenever necessary.

1 A quorum of the Board shall consist of majority of all its members
2 holding office at the time of the meeting: *Provided, however,* That the
3 chairperson of the Board or the president of the College is among those present
4 in the meeting.

5 In the absence of the chairperson of the CHED, a commissioner of the
6 CHED, duly designated by him/her, shall represent him/her in the meeting with
7 all the rights and responsibilities of a regular member: *Provided, however,*
8 That during this meeting, the president of the College as vice chairperson shall
9 be the presiding officer: *Provided, further,* That this *proviso* notwithstanding,
10 the chairperson of the CHED is hereby authorized to designate a CHED
11 commissioner as the regular chair of the Board, in which case said CHED
12 commissioner shall act as the presiding officer.

13 In case the chairpersons of the Congressional Committees on Education
14 shall not be able to attend the Board meeting, they may duly designate their
15 respective representatives to attend the said meeting, who shall have the same
16 *rights and responsibilities as a regular member of the Board.*

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

22 SEC. 9. *The College President.* – The College shall be headed by a
23 president, who shall render full-time service. He/she shall be appointed by the
24 Board, subject to the guidelines, qualifications and/or standards set by the
25 Board, upon recommendation of a duly constituted search committee. He/she
26 shall have a term of four years and shall be eligible for reappointment for
27 another term: *Provided,* That in order to effect a smooth transition to a state
28 college, the incumbent head of the OCSAT, if qualified, shall serve as the first
29 president of the College.

1 *Within six months before the expiration of the term of office of the*
2 *incumbent president of the College, the Board shall constitute the Search*
3 *Committee for the Presidency (SCP).*

4 In case of vacancy in the office of the president by reason of death,
5 compulsory retirement, resignation, removal for cause or incapacity of the
6 president to perform the functions of his/her office, the Board shall designate
7 an officer-in-charge of the College within six months from date of vacancy,
8 pending the appointment of a new president.

9 In case of vacancy in the office of the president as mentioned in the
10 immediately preceding paragraph, his/her successor or the officer-in-charge
11 shall serve only the unexpired portion of the term.

12 The powers and duties of the president of the College, in addition to
13 those specifically provided in this Act, shall be those usually pertaining to the
14 office of the president of similar colleges, and those delegated by the Board.

15 The salary of the president of the College shall be in accordance with
16 the Revised Compensation and Position Classification System and shall be
17 comparable to that being received by the presidents of similar educational
18 institutions.

19 The president of the College shall be assisted by a vice president for
20 academic affairs who shall be appointed by the Board upon the
21 recommendation of the president.

22 *SEC. 10. The Administrative Council.* – There shall be an
23 administrative council consisting of the president of the College as
24 chairperson, vice presidents, deans, directors and other officials of equal rank
25 as members, whose duty is to review and recommend to the Board the policies
26 governing the administration, management and development planning of the
27 College.

1 SEC. 11. *The Academic Council.* – There shall be an academic council
2 with the president of the College as chairperson and all members of the
3 academic staff with the rank of at least an assistant professor, as members.

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

12 SEC. 12. *The Secretary of the College.* – The Board shall appoint a
13 secretary, who shall serve as such for both the Board and the College and shall
14 keep all records and proceedings of the Board. He/she shall serve upon each
15 member of the Board the appropriate notice of the Board's meetings.

16 SEC. 13. *The Treasurer of the College.* – The Treasurer of the
17 Philippines shall be the *ex officio* treasurer of the College.

18 SEC. 14. *Faculty.* – No political beliefs, gender preference, cultural or
19 community affiliation or ethnic origin, and religious opinion or affiliation shall
20 be a matter of inquiry in the appointment of *faculty members of the College:*
21 *Provided, however,* That said appointment shall be subject to the guidelines,
22 qualifications and/or standards set by the Board: *Provided, further,* That no
23 member of the faculty shall teach for or against any particular church or
24 religious sect.

25 SEC. 15. *Scholarship Program/Admission.* – The College shall provide
26 a scholarship program and other affirmative action programs to assist poor but
27 deserving students who qualify for admission to the College.

28 No student shall be denied admission to the College by reason of sex,
29 religion, cultural or community affiliation or ethnic origin.

1 SEC. 16. *Academic Freedom and Institutional Autonomy.* – The
2 College shall enjoy academic freedom and institutional autonomy, pursuant to
3 paragraph 2, Section 5 of Article XIV of the Constitution of the Republic of
4 the Philippines.

5 SEC. 17. *Authority to Loan or Transfer Apparatus/Equipment/Supplies*
6 *and Detail of Personnel.* – The heads of the bureaus and offices of the national
7 government are hereby authorized to loan or transfer, upon the request of the
8 president of the College, such apparatus, equipment or supplies as may be
9 needed by the College, and to detail employees for duty therein when, in the
10 judgment of the head of bureau or office, such apparatus, equipment, supplies
11 or services of such employees can be spared without serious detriment to the
12 public service. The employees so detailed shall perform such duties as
13 required of them by the president of the College, and the time so employed
14 shall be counted as part of their regular services.

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

20 All parcels of land belonging to the government and occupied by the
21 OCSAT are hereby declared to be property of the College and shall be titled
22 under that name: *Provided,* That should the College cease to exist or be
23 abolished or should such parcels of land aforementioned be no longer needed
24 by the College, the same shall revert to the LGU concerned.

25 SEC. 19. *Appropriations.* – The amount necessary to carry out the
26 provisions of this Act shall be charged against the current year's appropriations
27 of the Ormoc City School of Arts and Trade, except the sums needed to
28 continue the operations of the existing high school. Thereafter, such sums as

1 may be necessary for the continued operation and maintenance of the Ormoc
2 City State College shall be included in the annual General Appropriations Act.

3 SEC. 20. *Development Plan, Management Audit, Organizational/
4 Administrative/Academic Structure.* – Within the period of one hundred twenty
5 (120) days after the approval of this Act, the College shall accomplish the
6 following:

7 (a) Submit a five-year development plan, including its corresponding
8 program budget to the CHED for corresponding recommendation to the DBM;

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

10 (c) Accordingly set up its organizational, administrative as well as
11 academic structure, including the appointment of the College key officials.

12 SEC. 21. *Filing of Report.* – On or before the fifteenth (15th) day of the
13 second month after the opening of the regular classes each year, the Board
14 shall file with the Office of the President of the Philippines through the
15 chairperson of the CHED, and with both Houses of Congress a detailed report
16 on the progress, conditions and needs of the College.

17 SEC. 22. *Suppletory Application.* – The provisions of Republic Act No.
18 8292, otherwise known as the “Higher Education Modernization Act of 1997”,
19 shall be an integral part of this Act and shall serve as part of the governing
20 charter of the College.

21 SEC. 23. *Parity Clause.* – All other powers, functions and privileges,
22 responsibilities and limitations to state colleges and/or their officials under
23 existing laws shall be deemed granted to or imposed upon the College and/or
24 its officials whenever appropriate.

25 SEC. 24. *Implementing Rules and Regulations.* – The Board, in
26 consultation with the CHED, shall formulate the guidelines to fully implement
27 the provisions of this Act.

1 *SEC. 25. Separability Clause.* -- If, for any reason, any part or provision
2 of this Act is declared invalid or unconstitutional, the remaining parts or
3 provisions not affected shall remain in full force and effect.

4 *SEC. 26. Repealing Clause.* -- All laws, presidential decrees, executive
5 orders, rules and regulations contrary to or inconsistent with the provisions of
6 this Act are hereby repealed or modified accordingly.

7 *SEC. 27. Effectivity.* -- This Act shall take effect fifteen (15) days after
8 its publication in two newspapers of general circulation.

Approved,

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