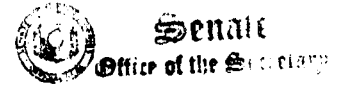


NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



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SENATE
S. B. NO. 2442

RECEIVED BY:

(In Substitution of Senate Bill Nos. 1351, 1628, 2090 and 2229, taking into consideration House Bill No. 6473)

Prepared and submitted jointly by the Committees on Higher, Technical and Vocational Education; Trade, Commerce and Entrepreneurship; Ways and Means; and Finance with Senators Lapid, Revilla, Jr., Villar (M.), Villar (C.), Escudero, and Angara as authors thereof

**AN ACT
ESTABLISHING THE PHILIPPINE ENTREPRENEURS' ACADEMY,
APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES**

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

1 Section 1. *Short Title.* – This Act shall be known as the "Philippine
2 Entrepreneurs Academy Act."

3 Sec. 2. *Philippine Entrepreneurs Academy.* - There is hereby established a
4 learning institution, under the supervision of the Commission on Higher Education
5 (CHED), to be known as the "Philippine Entrepreneurs Academy", hereinafter
6 referred to as the Academy.

7 Sec. 3. *General Mandate.* – The Academy shall provide undergraduate and
8 graduate degree programs, short-term technical-vocational non-degree courses, and
9 modular training programs within its area of competency and specialization,
10 pursuant to the mandates of the Academy. The Academy shall also perform the
11 following:

12 (a) Enhance the core competencies of individuals on entrepreneurship;

13 (b) Cater to the needs of technical-vocational, undergraduate and graduate
14 students;

1 (c) Promote the relevance of entrepreneurship to job generation and
2 sustainable economic growth of the country;

3 (d) Formalize and integrate, under a school system, the nonformal
4 entrepreneurship programs and short-term technical-vocational courses of the
5 Technical Education and Skills Development Authority (TESDA), Department of
6 Trade and Industry (DTI), Department of Science and Technology (DOST), and
7 other government agencies concerned;

8 (e) Provide education, consultancy and extension services;

9 (f) Supervise publication on entrepreneurship;

10 (g) Conduct scientific and policy-oriented research and training; and

11 (h) Perform other interventions as may be formulated by its Board of
12 Trustees.

13 *Sec. 4. Curricular Offerings.* – The Academy shall offer undergraduate and
14 graduate degree programs and short-term diploma or certificate courses on
15 entrepreneurship, including entrepreneurship development in the fields of
16 agriculture, trade, technology, and manufacturing: *Provided,* That the design for the
17 curriculum and modules to be used in programs and courses offered by the
18 Academy shall adopt a competency-based curriculum model and shall be in
19 accordance with the mandate and objectives of this Act.

20 *Sec. 5. School Sites.* – The Academy shall have two (2) campuses, with the
21 main campus to be established in the Clark Freeport and Special Economic Zone
22 located in the Provinces of Pampanga and Tarlac, to be known as the “Philippine
23 Entrepreneurs’ Academy Main Campus-Clark”. The other campus shall be located in
24 the City of Baguio, to be known as the “Philippine Entrepreneurs’ Academy-Baguio
25 City Campus”. Other campuses may be established by the Academy upon approval
26 of its governing board.

27 *Sec. 6. Governing Board.* – The governing board of the Academy shall be the
28 Board of Trustees, hereinafter referred to as the Board, which shall be chaired and
29 co-chaired by the Chairperson of the CHED, and the President of the Academy,
30 respectively, with the following as members:

31 (a) Chairperson of the Committee on Higher, Technical and Vocational
32 Education of the Senate;

1 (b) Chairperson of the Committee on Higher and Technical Education of the
2 House of Representatives;

3 (c) Secretary of Agriculture;

4 (d) Secretary of Socioeconomic Planning;

5 (e) Secretary of Science and Technology;

6 (f) Secretary of Trade and Industry;

7 (g) Director General of the TESDA;

8 (h) President of the Federation of Faculty Associations of the Academy;

9 (i) President of the Federation of Student Councils of the Academy;

10 (j) President of the Federation of Alumni Associations of the Academy; and

11 (k) Three (3) prominent citizens from the private sector who have
12 distinguished themselves in their professions or fields of specialization to be
13 appointed by the President of the Philippines upon the recommendation of the
14 Board: *Provided*, That they shall serve a term of two (2) years.

15 The members of the Board shall not receive any compensation or
16 remuneration for their services as such, but may be reimbursed for actual and
17 necessary expenses incurred in discharging the business of the Academy.

18 *Sec. 7. Powers and Duties of the Board.* — The Board shall be the highest
19 policymaking body of the Academy. In addition to its general powers of
20 administration and the exercise of all the powers granted to the Board of a
21 corporation under existing laws, the Board shall have the following specific powers
22 and duties:

23 (a) Promulgate and implement policies in accordance with the declared State
24 policies and pertinent provisions of the Constitution, the provisions of this Act, and
25 the policies, standards, guidelines and thrusts of the CHED;

26 (b) Adopt rules and regulations as may be necessary to carry out the
27 purposes and functions of the Academy and to effectively discharge its
28 responsibilities;

29 (c) Receive assistance from any legitimate source to augment the internal
30 sources of funds and to support the Academy in carrying out the purposes and
31 functions of the Academy in accordance with relevant laws, rules and regulations;

32 (d) Constitute the Board, as herein defined;

1 (e) Appoint the President, and as many Vice Presidents as may be necessary
2 to assist the President in the administration of the affairs of the Academy;

3 (f) Conduct periodic review of the administrative procedures and programs
4 of the Academy;

5 (g) Receive, in kind and in trust, legacies, gifts and donations of real and
6 personal properties of all kinds, and to administer and dispose the same when
7 necessary for the benefit of the Academy, subject to limitations, discretions and
8 instructions of the donors, if any, and in accordance with relevant laws, rules and
9 regulations;

10 (h) Fix the tuition fees and other school charges such as matriculation fees,
11 graduation fees, laboratory fees, and other miscellaneous fees as the Board may
12 deem proper to impose after due consultations with the involved sectors: *Provided*,
13 That these fees shall not be prohibitive or unreasonable as to deviate from the
14 purpose for which the Academy was created.

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

21 If the Academy, for reasons beyond its control, would not be able to pursue
22 any project for which funds have been appropriated and allocated under its
23 approved program of expenditures, the Board may authorize the use of said fund for
24 any reasonable purpose for which it deems necessary and urgent for the attainment
25 of the objectives of the Academy: *Provided*, That funds collected from students for
26 specific purposes shall not be realigned or reprogrammed to other expenditures;

27 (i) Adopt and implement a socialized tuition scheme for greater access of
28 poor, but deserving students in accordance with Republic Act No. 10931 or the
29 "Universal Access to Quality Tertiary Education Act";

30 (j) Authorize the construction or repair of its buildings, machineries,
31 equipment, and other facilities, as well as the purchase and acquisition of real and
32 personal properties, including the necessary supplies, materials, and equipment;

1 (k) Appoint, upon the recommendation of the President of the Academy, the
2 deans, executive directors, heads of departments, faculty members, and other
3 officials and employees;

4 (l) Prescribe the salaries of faculty members and administrative officials and
5 employees, subject to the provisions of Republic Act No. 11466, otherwise known as
6 the "Salary Standardization Law of 2019" and by such other laws amendatory
7 thereto which may hereinafter be enacted, civil service rules and regulations
8 governing hours of service and other related concerns, and other pertinent laws,
9 rules and regulations;

10 (m) Formulate and implement the curricula and institutional programs of the
11 Academy;

12 (n) Formulate and promulgate the rules of discipline for the students of the
13 Academy to ensure orderly and effective governance thereof;

14 (o) Set policies on admission and graduation of students;

15 (p) Award honorary degrees upon persons in recognition of outstanding
16 contribution in the field of entrepreneurship, education, public service, arts, science
17 and technology, or any field of specialization within the academic competence of the
18 Academy and to authorize the issuance of certificates of completion of non-
19 baccalaureate programs and nontraditional or innovative courses: *Provided*, That the
20 award of honorary degree and the issuance of certificates of completion shall
21 conform with the applicable policies, standards and guidelines of the CHED and
22 TESDA;

23 (q) Establish research and extension centers of the Academy where such will
24 promote the development of the latter;

25 (r) Establish professorial chairs in the Academy and provide fellowships for
26 qualified faculty members and scholarships to deserving students;

27 (s) Enter into any agreements or joint ventures with business and industry
28 for the profitable management of the economic and manpower assets of the
29 Academy: *Provided*, That the proceeds from such agreements or joint venture shall
30 be used for the upgrading and development of the facilities of the Academy;

31 (t) Authorize an external management audit of the Academy, to be financed
32 by the CHED, subject to the rules and regulations of the Commission on Audit, and

1 institute reforms, including academic and structural changes, on the basis of the
2 audit results and recommendations;

3 (u) Import economic, technical, and cultural books and publications;

4 (v) Develop consortia, academe-industry linkages and other forms of
5 networks with other institutions and agencies, both public and private, local and
6 foreign: *Provided*, That these institutional linkages shall comply with the applicable
7 policies, standards and guidelines of the CHED;

8 (w) Appoint experts and specialists as consultants, or visiting or exchange
9 professors, scholars, researchers, as the case may be: *Provided*, That such
10 appointments shall conform with the policies, standards and guidelines of CHED;

11 (x) Set up the adoption of modern and innovative modes of transmitting
12 knowledge for the promotion of greater access to education, including, but not
13 limited to, the use of information technology, the dual training system, open
14 distance learning, and community laboratory;

15 (y) Outsource, where most advantageous to the institution, the management
16 of non-academic services such as health, food, building or grounds or property
17 maintenance and similar services and undertaking;

18 (z) Delegate any of its powers and duties to the President or the other
19 officials of the Academy, as it may deem appropriate, so as to expedite the
20 administration of the affairs of the Academy;

21 (aa) Extend the term of the President of the Academy beyond the age of
22 retirement, when deemed meritorious due to outstanding performance, but not
23 beyond the age of seventy (70) years; and

24 (bb) Promulgate rules and regulations, as may be necessary, to carry out the
25 purposes and functions of the Academy.

26 *Sec. 8. President of the Academy.* – The President of the Academy shall be
27 the chief academic officer, head of the faculty and the chief executive officer of the
28 Academy. The President shall render full-time service and shall be appointed by the
29 Board, subject to the guidelines, qualifications and standards set by the Board, and
30 upon the recommendation of a duly constituted Search Committee, for a term of
31 four (4) years, eligible for reappointment for another term.

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

4 The President shall receive such compensation and remuneration in
5 accordance with Republic Act No. 11466 or the "Salary Standardization Law of
6 2019", and by such other laws amendatory thereto, which may hereinafter be
7 enacted, and shall be comparable to that being received by the Presidents of similar
8 educational institutions.

9 The President shall exercise the following powers and duties:

10 (a) Submit, for the consideration of the Board and the Executive Committee,
11 the policies and measures which are necessary to carry out the purposes of the
12 Academy;

13 (b) Recommend, coordinate, and administer the programs and projects of
14 the Academy;

15 (c) Direct and supervise the operations and internal administration of the
16 Academy, and delegate administrative responsibilities in accordance with the rules
17 and regulations of the Academy;

18 (d) Submit an annual report to the Board setting forth the accomplishments
19 of the Academy during the year, its financial operations and status, and a program
20 and budget for the ensuing year; and

21 (e) Exercise other powers and discharge other functions, as may be vested
22 by the Board and the Executive Committee.

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

28 The powers and duties of the President of the Academy, in addition to those
29 provided in this Act, shall be those usually pertaining to the Office of the President
30 of similar educational institutions, and those delegated by the Board.

31 Sec. 9. *Executive Committee.* — There shall be an Executive Committee
32 consisting of the President of the Academy and four (4) other members to be

1 elected by the Board from its members. Each Member of the Executive Committee,
2 other than the President of the Academy, shall hold office for a term of two (2)
3 years, and shall be eligible for re-election, unless at the time of election, a shorter
4 term is specified. The Board shall elect the Chairperson of the Executive Committee
5 from the membership of the Board.

6 Sec. 10. *Functions of the Executive Committee.* — The Executive Committee
7 shall administer the affairs of the Academy in accordance with such functions,
8 powers and responsibilities as may be delegated by the Board.

9 Sec. 11. *Government Support and Coordination.* — The CHED Chairperson is
10 hereby authorized to call upon any department, bureau, agency or instrumentality of
11 the government for such assistance as may be necessary for the effective
12 implementation of this Act.

13 Sec. 12. *Compliance with the Requirements of CHED and TESDA.* — The
14 Academy, prior to its establishment and the offering of new and revised courses and
15 programs related thereto, shall ensure compliance with the applicable policies,
16 standards and guidelines of CHED and TESDA.

17 Sec. 13. *Suppletory Application.* — The provisions of Republic Act No. 8292,
18 otherwise known as the "Higher Education Modernization Act of 1997", shall form
19 part of this Act.

20 Sec. 14. *Exemptions from Taxes and Duties.* — The importation of economic,
21 technical and cultural books and publications, which are for the economic, technical,
22 vocational, scientific, philosophical, historical or cultural purposes of the Academy
23 shall, upon the issuance of certification by the CHED, be exempt from customs
24 duties in accordance with the provisions of Republic Act No. 10863, otherwise
25 known as the "Customs Modernization and Tariff Act".

26 All grants, bequests, endowments, donations and contributions made to the
27 Academy, to be used actually, directly and exclusively for its programs, projects, and
28 activities, shall be exempt from donor's tax and the same shall be considered as
29 allowable deductions from the gross income in the computation of the income tax of
30 the donor, in accordance with the provisions of the National Internal Revenue Code
31 of 1997, as amended.

1 Sec. 15. *Appropriations.* – The amount necessary for the effective
2 implementation of this Act shall be included in the annual general appropriations or
3 local appropriation ordinances, as the case may be.

4 Sec. 16. *Implementing Rules and Regulations.* – Within sixty (60) days from
5 the effectivity of this Act, CHED shall, in consultation with TESDA, DTI, Department
6 of Budget and Management and University of the Philippines – Institute for Small
7 Scale Industries, promulgate the rules and regulations to effectively implement the
8 provisions of this Act.

9 Sec. 17. *Separability Clause.* – If any provision or part hereof is declared
10 unconstitutional, the remainder of this Act or any provision not affected thereby
11 shall remain in full force and effect.

12 Sec. 18. *Repealing Clause.* – All laws, acts, decrees, executive orders,
13 issuances, and rules and regulations or parts thereof which are contrary to and
14 inconsistent with this Act are hereby repealed, amended or modified accordingly.

15 Sec. 19. *Effectivity.* – This Act shall take effect immediately following its
16 publication in the *Official Gazette* or in at least two (2) newspapers of general
17 circulation.

 Approved,