

1 CONGRESS OF THE PHILIPPINES)
2 FOURTEENTH CONGRESS)
3 *First Regular Session*)

4
5
6 **HOUSE OF REPRESENTATIVES**

7
8 **H. No. 2845**

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11
12 BY REPRESENTATIVES VILLAR, ANGARA, SUSANO, GULLAS, ZIALCITA,
13 CUA (G.), CASIÑO, CHATTO, ABLAN, ESCUDERO, NOGRALES,
14 TAÑADA, VILLAFUERTE, GARCIA (P.), TEODORO, DEL MAR,
15 SILVERIO, VILLAROSA, UNGAB, BICHARA, ABANTE,
16 MANGUDADATU, CODILLA, LAGMAN, CERILLES, ROMUALDEZ,
17 HOFER, DIASNES, DEFENSOR (M.), MANDANAS, DATUMANONG,
18 ZAMORA (R.), RODRIGUEZ, BINAY, GOLEZ, VILLANUEVA,
19 GUNIGUNDO, GARCIA (P.J.), ANTONINO-CUSTODIO, REMULLA,
20 JAVIER, NICOLAS, CHIPECO, LAGDAMEO, FUENTABELLA, ABAYA,
21 AGGABAO, ALCALA, ALFELOR, ALMARIO, AMANTE, AMATONG,
22 ANGPING, ARROYO (D.), BARZAGA, BELMONTE, BIAZON, CABILAO,
23 CAGAS, CARI, CASTRO, CHAVEZ, CHUNGALAO, CLARETE,
24 CLIMACO, COQUILLA, COSCOLLUELA, CUA (J.), DANGWA, DE
25 GUZMAN, DUMARPA, DURANO, FUA, GARAY, GATLABAYAN, GO,
26 GONZALEZ, HATAMAN, ILAGAN, JOSON, LAGBAS, MATUGAS, NOEL,
27 OLAÑO, ONG, PADILLA, PANCRUDO, PICHAY, REYES (C.), ROBES,
28 ROMAN, ROMARATE, ROMUALDO, ROXAS, SALIMBANGON,
29 SALVACION. SINGSON (R.), SY-ALVARADO, UY (E.), VARGAS,
30 VELARDE, YAP, YU, AGBAYANI, AGYAO, AKBAR, ALBANO, ALVAREZ
31 (G.), ANTONINO, APOSTOL, AQUINO, ARAGO, ARENAS, ARNAIZ,
32 ASILO, BAGATSING, BAUTISTA, BELTRAN, BONDOC, BONOAN-
33 DAVID, BRAVO, BRIONES, BULUT, CAJAYON, CASTELO-DAZA,
34 CELESTE, CHIONGBIAN, CHONG, COJUANGCO, CRISOLOGO, CRUZ-
35 GONZALES, CUENCO, DAYANGHIRANG, DAZA, DE VENECIA,
36 DEFENSOR (A.), DEL ROSARIO, DILANGALEN, DIMAPORO,
37 DOMOGAN, DUAVIT, DUEÑAS, DUMPIT, DY, EMANO, ENVERGA,
38 ERMITA-BUHAIN, ESTRELLA (C.), ESTRELLA (R.), FERNANDEZ,
39 FERRER, GARCIA (A.), GARCIA (V.), GARIN, GONZALES (N.),
40 GUINGONA, HONTIVEROS-BARAQUEL, JAAFAR, JALOSJOS,
41 JALOSJOS-CARREON, KHO, LABADLABAD, LACSON, LAPUS, LIM,
42 SY-LIMKAICHONG, LOCSIN, LOPEZ, MACAPAGAL-ARROYO,
43 MADRONA, MAGSAYSAY, MALAPITAN, MAMBA, MARAÑON,
44 MARCOS, MENDOZA, MIRAFLORES, MITRA, NAVA, ORTEGA, PABLO,
45 PANCHO, PIAMONTE, PINGOY, PIÑOL, PLAZA, PRIETO-TEODORO,
46 PUENTEVELLA, PUNO, RAMIRO, REYES (V.), RODRIGUEZ-
47 ZALDARRIAGA, ROMULO, SAN LUIS, SANDOVAL, SANTIAGO (J.),
48 SEACHON-LANETE, SINGSON (E.), SOLIS SYJUCO, TALIÑO-
49 MENDOZA, TAN, TEVES, TIENG, TUPAS, UMALI (A.), UMALI (C.), UY
50 (R.A.), VALDEZ, VALENCIA, VIOLAGO, ZAMORA (M.), AND ZUBIRI,
51 PER COMMITTEE REPORT NO. 4.

1 AN ACT TO STRENGTHEN THE UNIVERSITY OF THE PHILIPPINES AS THE
2 NATIONAL STATE UNIVERSITY
3

4 *Be it enacted by the Senate and House of Representatives of the Philippines in*
5 *Congress assembled:*
6

7 SECTION 1. *Title.* – This Act shall be known as “The University of the
8 Philippines Charter of 2007.”

9 SEC. 2. *Declaration of Policy.* – The State shall promote, foster, nurture
10 and protect the right of all citizens to accessible quality education. Toward this
11 end, it is the policy of the State to strengthen the University of the Philippines as
12 the national state university.

13 SEC. 3. *Purpose of the University.* – As the national state university, a
14 public and secular institution of higher learning and a community of scholars
15 dedicated to the search for truth and knowledge and training/development of
16 future leaders, the University of the Philippines shall perform its unique and
17 distinctive leadership in higher education and national education development.

18 The University shall:

19 (a) Lead in setting academic standards and initiating innovations in
20 teaching, research and faculty development in philosophy, the arts and
21 humanities, the social sciences, the professions and engineering, natural
22 sciences, mathematics, and technology; and maintain centers of excellence in
23 such disciplines and professions;

24 (b) Serve as a graduate university by providing advanced studies and
25 specialization for scholars, scientists, writers, artists and professionals, especially
26 those who serve on the faculties of State and private colleges and universities;

27 (c) Serve as a research university in its various fields of its expertise
28 and specialization by conducting basic and applied research and development,
29 promoting research in the various colleges and universities, and contributing to
30 the dissemination and application of knowledge;

31 (d) Lead as a public service university by providing forms of
32 community, public, and volunteer service, and scholarly and technical assistance

1 to the government, the private sector, and civil society while maintaining its
2 standards of excellence;

3 (e) Protect and promote the professional and economic rights and
4 welfare of its academic and non-academic personnel;

5 (f) Provide opportunities for training and learning in progressive
6 leadership, responsible citizenship, and the development of democratic values,
7 institutions and practice, and the enhancement of nationalism and national
8 identity;

9 (g) Provide democratic governance in the university based on
10 collegiality, representation, accountability, transparency and active participation
11 of its constituents; and

12 (h) Serve as a regional and global university in cooperation with
13 international and scientific unions with networks of universities and scholarly and
14 professional associations in the Asia-Pacific region and around the world.

15 SEC. 4. *Definition of Terms.* – As used in this Act, the following terms
16 shall mean:

17 (a) “University” refers to the University of the Philippines.

18 (b) “University of the Philippines System (UPS)” refers to the University
19 of the Philippines as composed by its existing constituent universities, as follows:
20 University of the Philippines Diliman; University of the Philippines Manila;
21 University of the Philippines Los Baños; University of the Philippines Visayas;
22 University of the Philippines Mindanao; University of the Philippines Baguio;
23 University of the Philippines Open University; and those that may be created in
24 the future.

25 (c) “University of the Philippines System (UPSA)” refers to an
26 assembly of individuals representing the students, academic personnel (faculty
27 and alumni of the seven (7) constituent universities (UP Diliman, UP Manila, UP
28 Los Baños, UP Visayas, UP Mindanao, UP Baguio, UP Open University) and

1 other constituent universities that may be created in the future. Members of the
2 assembly shall be elected pursuant to Section 17 hereof.

3 (d) "University Assembly (UA)" refers to an assembly of individuals
4 representing the students, academic personnel, and alumni elected by the
5 constituents of a particular constituent university of the University of the
6 Philippines.

7 (e) "Research, Extension and Professional Staff (REPS)" refers to
8 University personnel who perform academic nonteaching duties. These include
9 University researchers, extension personnel, law reform group, law education
10 group, science education, guidance service group, library service group,
11 development management group, and museum research group.

12 (f) "Academic freedom" refers to the right of every constituent of the
13 University to express one's ideas, to write, research and publish, and act in
14 accordance with one's viewpoint inside and outside the classroom in the pursuit
15 of academic ideals and in service to the Filipino people.

16 (g) "Professorial chair awards" refers to awards given to faculty
17 members for meritorious performance in teaching, research, creative writing; one
18 of the highest forms of recognition for achievement in the academe; holders of
19 these awards deliver a lecture or public a paper in a scholarly journal within the
20 period of award and may be named after the donor or after a person that the
21 donor may wish to honor.

22 (h) "Established religious beliefs" refers to mandatory spiritual and
23 theological practices, convictions and faith of the University population to make
24 them God-fearing, productive, patriotic citizens conscious of their values and
25 cultural heritage.

26 SEC. 5. *The University System.* – The University of the Philippines is a
27 university system and shall be composed of constituent universities established
28 solely by its Board upon the recommendation of the president of the University.

1 SEC. 6. *Academic Freedom.* – The University has the right and
2 responsibility to exercise academic freedom.

3 SEC. 7. *Academic Excellence.* – The University has the responsibility to
4 maintain and enhance its high academic standards in the performance of the
5 functions of instruction, research, and extension and public service.

6 SEC. 8. *Social Responsibility.* – The University is committed to serve the
7 Filipino nation and humanity. While it carries out the obligation to pursue
8 universal principles, it must relate its activities to the needs of the Filipino people
9 and their aspirations for social progress and transformation. The University may
10 provide venues for student volunteerism.

11 SEC. 9. *Democratic Access.* – No student shall be denied admission to
12 the University by reason of age, gender, nationality, religious belief, ethnicity,
13 economic status, political opinion or political affiliation or for being differently-
14 abled physically. The University shall take affirmative steps to enhance the
15 access of disadvantaged students to its programs and services while maintaining
16 its standards of excellence: *Provided,* That valedictorians of public high schools
17 duly accredited by the Department of Education shall likewise be afforded
18 affirmative action in their admission.

19 SEC. 10. *The Board of Regents.* – The governance of the University is
20 vested in the Board of Regents, hereinafter referred to as the Board, of the UPS
21 which shall be composed of:

22 (a) The chairperson of the Commission on Higher Education as
23 chairperson;

24 (b) The president of the University as vice chairperson;

25 (c) The chairperson of the Senate Committee on Education, Arts and
26 Culture;

27 (d) The chairperson of the House Committee on Higher and Technical
28 Education;

1 (e) The president of the U.P. Alumni Association, to serve as alumni
2 regent during his/her incumbency in that position;

3 (f) One faculty regent representing all teaching personnel, chosen in
4 accordance with the rules and qualifications set by the constituent university
5 councils, composed of full-time tenured faculty members of the University to
6 serve for a term of two (2) years;

7 (g) One REPS regent representing full-time permanent nonteaching
8 REPS chosen in accordance with the rules and qualifications set by their duly
9 recognized organizations;

10 (h) One student regent, to serve for a term of one (1) year chosen in
11 accordance with the rules and qualifications set by the general assembly of
12 recognized university student councils;

13 (i) One staff regent representing full-time administrative personnel
14 chosen in accordance with the rules and qualifications set by their duly
15 recognized organizations, to serve for a term of two (2) years; and

16 (j) Three other regents representing the private sector, at least one of
17 whom should be an alumnus of the University, who have distinguished
18 themselves in their professions or fields of specialization chosen from a list of five
19 (5) persons for every vacancy as recommended by a search committee
20 constituted by the president of the University based on standards and guidelines
21 approved by the Board, appointed by the Board and shall each serve for a term
22 of two (2) years; *Provided*, That the regents holding office as members of the
23 Board at the time of the effectivity of this Act shall continue to serve until the
24 expiration of their appointments as provided in Executive Order No. 204-A,
25 issued by the President of the Philippines on July 15, 1987.

26 In case of vacancy in the representation of the private sector in the Board
27 such vacancy shall be filled by appointment by the Board as provided in the
28 preceding paragraph, and such appointee shall hold office for the unexpired
29 term. In case of vacancy in the position of sectoral regent, the successor, who

1 shall serve for unexpired term, shall be chosen in the same manner as provided
2 for the predecessor; *Provided*, That in the case of a sectoral regent, membership
3 in the Board ceases upon suspension, separation, or recall from the University.

4 Members of the Board shall serve without compensation other than the
5 actual and necessary expenses incurred in attendance of meetings of the Board
6 or other official business authorized by the Board.

7 SEC. 11. *Powers of the Board of Regents.* – The administration of the
8 University and the exercise of its corporate powers are vested in the Board.

9 The Board shall exercise the following specific powers and duties:

10 (a) To define in general terms the thrusts of the University and adopt
11 broad policy guidelines to ensure their implementation;

12 (b) To preserve the integrity of the UPS;

13 (c) To approve the creation, institution, merger or abolition of academic
14 units and programs and adopt the necessary measures to enable, students to
15 exercise their established religious beliefs consistent with the accepted norms
16 and mores of society. Students shall be given options to fulfill their academic
17 responsibilities such as, but not limited to, make-up classes/examinations on
18 missed school days/examinations which coincided with the exercise of their
19 established religious beliefs, all upon the recommendation of the university
20 council of the constituent university concerned through the president of the
21 University;

22 (d) To approve the graduation of students and grant of honors, as
23 recommended by their respective university councils through the president of the
24 University;

25 (e) To confer honorary degrees upon persons in recognition of
26 learning, statesmanship, or eminence in literature, science, or art, upon the
27 recommendation of a committee created by the president of the University;
28 *Provided*, That such degrees shall not be conferred in consideration of any
29 payment, gift or other valuable consideration;

1 (f) To approve the rules on student discipline recommended by the
2 university councils through the president of the University, with the Board
3 retaining the power to review and pass final judgment on student disciplinary
4 cases;

5 (g) To create, organize, reorganize, merge or abolish constituent
6 universities, colleges, institutes, and other academic and administrative units of
7 the University;

8 (h) To establish professorial chair awards in the colleges and to
9 provide for the maintenance or endowment of such chairs;

10 (i) To provide fellowships, scholarships and grants, and to award the
11 same to faculty, staff and students giving special evidence of merit;

12 (j) To elect the president of the University for a single term of six (6)
13 years without reelection following a process of democratic consultation with the
14 University community based on the guidelines, qualifications and/or standards
15 set by the Board. In the event of a vacancy for whatever reason/s, the Board
16 shall elect a new president who shall serve the unexpired term of the
17 predecessor within six (6) months from the occurrence of the vacancy;

18 (k) To appoint faculty members and other officials and employees to
19 draw up a position classification and compensation plan for its faculty and staff;
20 to fix and adjust salaries and benefits of the faculty members and other
21 employees; to determine their hours of service, and such other terms and
22 conditions as it may deem proper; to grant to them, at its discretion, leave of
23 absence, under such regulations as it may promulgate, and other provisions of
24 law to the contrary notwithstanding; and to remove them for cause as provided
25 by law after due investigation and proper hearing;

26 (l) To extend, with their consent, the tenure of faculty members of the
27 University beyond the compulsory retirement age, any other provision of law to
28 the contrary notwithstanding, on recommendation of the units upon endorsement
29 of the president of the University, whenever their services are especially needed;

1 *Provided, however,* That no extension of tenure shall be made beyond the age of
2 seventy (70);

3 (m) To fix the tuition fees and other necessary school charges, after
4 due consultations and consent of the various student councils of constituent
5 universities as provided for in Section 22 of this Act. Such fees and charges,
6 including government support and other income generated by the University,
7 shall constitute special trust funds and shall be deposited in any authorized
8 government depository bank. Any and all interests that shall accrue therefrom
9 shall form part of the same funds for the use of the University.

10 Any provision of law to the contrary notwithstanding, all incomes
11 generated by the University or by its subsidiaries may, at the discretion of the
12 Board, be disbursed for the professional growth and development, health,
13 welfare, and other benefits of the faculty members and other personnel; for the
14 acquisition, construction, maintenance and repair of urgently needed instructional
15 and auxiliary facilities, equipment, buildings and other infrastructure; and for
16 expenses necessary for the attainment of its purposes under this Act. If the
17 University, for reasons beyond its control, shall not be able to pursue any project
18 for which funds have been appropriated and allocated under its approved
19 program of expenditures, the Board may authorize the use of said funds for any
20 reasonable purpose for which it deems necessary and urgent for the attainment
21 of the objectives of the University: *Provided,* That funds collected from students
22 for a specific purpose shall not be reprogrammed to other expenditures;

23 (n) To receive and appropriate all sums as may be provided by law for
24 the support of the University to the ends specified by law, and other sums in the
25 manner it may, in its discretion, determine to carry out the purposes and
26 functions of the University;

27 (o) To authorize the construction or repair of its buildings, machinery,
28 equipment and other facilities, and the purchase and acquisition of real and
29 personal properties, including necessary supplies, materials and equipment;

1 (p) To receive in trust legacies, gifts and donations of real and personal
2 property of all kinds and to administer and dispose the same when necessary for
3 the benefit of the University and subject to the instructions of the donor, if any;

4 (q) The provisions of law to the contrary notwithstanding, to authorize
5 its faculty and staff to travel abroad in order to study, deliver paper, attend
6 conferences and disseminate research; *Provided*, That the fellowship,
7 scholarship or grant is authorized by the Board;

8 (r) To exercise the general powers set out in the Corporation Code;

9 (s) To delegate any of its powers to the president of the University or
10 any other officials or officers as it may deem necessary;

11 (t) To prescribe the rules for its own governance and the discipline of
12 the faculty and other personnel, and to enact for the governance of the University
13 such general policies, rules and regulations, not contrary to law, as are
14 consistent with the purposes of the University; and

15 (u) To exercise such other powers as may be necessary and proper to
16 carry out the objectives of this Act.

17

18 Sec. 12. *Quorum of the Board of Regents.* – A simple majority of the
19 actual members of the Board holding office at the time the meeting is called shall
20 constitute a quorum.

21

22 Sec. 13. *The University President.* – The University president is the
23 chief academic officer and head of the University faculty and the chief executive
24 officer of the University elected by the Board. Upon the election of the president
25 by the Board, he/she shall immediately be issued appointment papers by the
26 presiding chair of the Board which elected the president. The president shall
27 preside over the meetings of the constituent university councils, if he/she is in
28 attendance. The president shall exercise the powers specifically provided for in
29 this Act, those determined by the Board, those which usually pertain to the office
30 of the president of the University, and those which are related or necessary to its
31 functions. The compensation of the president shall be determined by the Board.

32

33 Sec. 14. *The Secretary of the University and of the Board of Regents.*
34 – There shall be a secretary of the University appointed by the Board who shall
35 also be the secretary of the Board and who shall keep such records of the
36 University as may be designated by the Board.

1

2 Sec. 15. *The University Council.* – There shall be in each constituent
3 university a university council consisting of the chancellor as chairperson and all
4 of the faculty members in the University holding the rank of assistant professor
5 and higher and a representative of nontenured teaching personnel.

6 Sec. 16. *Powers of the University Council.* –The university council
7 shall be the highest academic body of each constituent university and shall
8 exercise the following powers:

9 (a) Fix the requirement for admission to any college or unit, or any
10 academic program or course offering and for graduation and conferment of a
11 degree, and the grant of honors subject to the minimum system-wide
12 requirements;

13 (b) Prescribe the academic programs including their institution,
14 revision, abolition and merger, subject to the approval of the Board;

15 (c) Recommend to the Board the graduation of students and the grant
16 of honors;

17 (d) Exercise disciplinary power over the students and fraternities,
18 through the chancellors or their appropriate committee, subject to review by the
19 president of the University according to the limits prescribed by system-wide
20 rules on student discipline;

21 (e) Undertake a periodic review of academic courses, programs,
22 standards, thrusts and policies;

23 (f) Adopt the necessary measures to enable students to exercise their
24 established religious beliefs consistent with the accepted norms and mores of
25 society. Students shall be given options to fulfill their academic responsibilities
26 such as, but not limited to, make-up classes/examinations on missed school
27 days/examinations, which coincided with the exercise of their established
28 religious beliefs; and

29 (g) Adopt internal rules or procedures consistent with the provisions of
30 this Act.

31

32 Sec. 17. *The University Consultative Assemblies.* –The shall be
33 established for the whole UPS, consultative assemblies, as follows:

34 (a) There shall be a college assembly for every college, other degree
35 granting institute composed of representatives coming from the students,
36 academic personnel (faculty and REPS), and administrative personnel. The
37 dean of the college/director of the institute shall be the presiding officer of the
38 college assembly.

1 (b) There shall be a university assembly in each constituent university
2 composed of elected members from college assemblies, representing the
3 students, academic personnel (faculty and REPS), and administrative personnel.
4 Vice chancellors, deans of colleges and directors of degree-granting institutes
5 who have not been elected as delegates by their respective college assemblies
6 shall be *ex officio* nonvoting members of the university assembly. The
7 recognized unions for academic, administrative personnel, and university student
8 council shall have representation in the university assembly and the chancellor of
9 each constituent university would be the presiding officer.

10 (c) There shall be a University of the Philippines System Assembly
11 (UPSA) for the whole UPS composed of at least twenty-eight (28) members to be
12 elected from the university assemblies of seven (7) existing constituent
13 universities with each constituent university entitled to four (4) members
14 representing the students, academic personnel (faculty and REPS),
15 administrative personnel and alumni.

16 The members of the UPSA shall elect from among themselves the
17 executive committee to be composed of a chairperson, a vice chairperson and an
18 executive board composed of a representative from each constituent sector, the
19 students, faculty and REPS, administrative personnel and alumni.

20 The terms of office of all representatives in the consultative assemblies
21 shall be for one (1) year without prejudice to their reelection.

22
23 Sec. 18. *The Role and Functions of the Consultative Assemblies.-*

24 The consultative assemblies as consultative, consensus-building, democratic and
25 collegial bodies shall have the following functions:

26 (a) To serve as the principal forum where faculty, students, REPS, and
27 administrative personnel shall address nonacademic issues affecting the
28 University, its thrust and directions, and issued relating to long/medium-term
29 development plans for the University;

30 (b) To promote direct interaction among the various unit constituencies
31 of the University (faculty, REPS, administrative personnel and students) in the
32 discussion of issues and grievances which heretofore have been mainly sectoral;

33 (c) To serve as a multi-sectoral forum to recommend policies on
34 administrative and nonacademic matters in consultation with the chancellors for
35 approval by the Board; and

36 (d) To act as a consultative body in the search process for deans,
37 directors and equivalent positions in the units of the University, as may be
38 necessary.

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Sec. 19. *The Chancellor of the Constituent University.* - The administration of each constituent university is vested in the chancellor insofar as authorized by the Board and the President of the University. The chancellor of the constituent university shall be elected by the Board upon nomination of the president of the University, following a process of democratic consultation with the constituents of the constituent university subject to the guidelines, qualifications and/or standards set by the Board. The chancellor shall report to the president of the University, and shall perform the duties and functions elsewhere as stated in this Act, and all the usual, necessary and related functions of the office of the chancellor, subject to the policies and rules prescribed by the Board of Regents. The Board shall determine the term and compensation of the chancellor.

Sec. 20. *The Faculty.* – The teaching staff of each college shall constitute its faculty, which shall be presided over by the dean, elected by the Board on nomination by the University president and upon the recommendation of the chancellor of the constituent university, following a process of democratic consultation with the constituents of the college subject to the guidelines, qualifications and/or standards set by the Board.

SEC. 21. *Appointment Requisites and Practice of Profession.* - Faculty members, as well as REPS of the University, shall be exempt as such from any civil service examination or regulation as a requisite to appointment. The provisions of existing law to the contrary notwithstanding, licensing requirements for professional regulatory boards shall not affect appointments to faculty positions. In the appointment of faculty members, no religious test shall be applied nor shall religious or political opinions or affiliations of the faculty members of the University be made a matter of examination or inquiry.

SEC. 22. *Student Affairs.* – (a) There shall be established in the University the following student councils: for every college and degree granting

1 institute, a college or institute student council; and for every constituent
2 university, a university student council; and for the University system, a general
3 assembly of all student councils.

4 The student council shall be composed of elected students of a definite
5 academic unit of the University. Each member of the student council shall serve
6 for a term of one (1) year, without prejudice to reelection.

7 The student council shall serve as the primary student body that shall
8 advance the interest, welfare and aspirations of the students of the University. It
9 shall have the power to adopt internal rules of procedure consistent with the
10 provisions of this Act.

11 The manner of selecting the student regent shall be based on the rules
12 and qualifications set by the general assembly of the student councils of all
13 constituent universities.

14 (b) There shall be a student publication established in every
15 constituent unit and college. Freedom of expression and autonomy in all matters
16 of editorial and fiscal policy shall be guaranteed especially in the selection of its
17 editors and staff.

18

19 *Sec. 23. Land Grants and Other Real Properties of the University. -*

20 (a) The State shall fully support the UPS through the General
21 Appropriations Act and other financial benefits, and in kind, through land grants,
22 donations and use of other real properties. To carry out the intent of these
23 grants, income derived from the development of all land grants and real
24 properties shall be used to further the University's mission and orientation as the
25 national state university;

26 (b) Such parcels of land ceded by law, decree or presidential issuance
27 to the UPS, are hereby declared to be reserved for the purposes intended, as
28 confirmed by the Board. The absolute ownership of the University over these
29 landholdings including those covered by original and transfer certificates of title in

1 the name of the University of the Philippines and their future derivatives is hereby
2 affirmed. Where the issuance of proper certificates of title is yet pending for
3 these landholdings, the appropriate government office shall expedite the
4 issuance thereof within six (6) months from the date of effectivity of this Act;
5 *Provided*, That all registration requirements necessary for the issuance of the
6 said titles have been submitted and complied with;

7 (c) Any plan to general revenues and other resources from land grants
8 and other real properties entrusted to the University shall be consistent with the
9 University's academic mission and orientation as the national state university as
10 well as protect the University from undue influence and control of commercial
11 interests: *Provided, further*, That such programs, projects or mechanisms shall
12 be approved by the Board subject to a transparent and democratic process of
13 consultation with the University's constituents: *Provided, finally*, That funds
14 generated from such programs, projects or mechanisms shall not be meant to
15 replace, in part or in whole, the annual appropriations provided by the national
16 government to the University.

17 *Sec. 24. Grant of Special Allowances.* – In order to continue to attract
18 and maintain competent and excellent teaching personnel, all faculty members of
19 the University may be granted special allowances upon approval of the Board up
20 to a maximum amount equivalent to two hundred percent (200%) of their basic
21 monthly salary.

22 The grant of special allowances may initially be implemented upon
23 approval of the Board uniformly in such sums or amounts equivalent to twenty-
24 five percent (25%) of the basic salary of the positions concerned. Subsequent
25 implementation shall be in such sums and amounts and up to the extent only that
26 can be supported by internally generated funds of the University.

27 *Sec. 25. Effects of Subsequent Salary Increases.* Upon
28 implementation of any subsequent increase in the salary rates provided for the
29 positions concerned under Republic Act No. 6758, as amended, all special

1 allowances granted under this Act for the faculty members shall be considered as
2 an implementation of the said salary increases as may be provided by law. The
3 special allowances equivalent to the increase of the basic salary, as may be
4 provided by law, shall be converted as part of the basic salary: *Provided, That*
5 any excess in the amount of special allowance not converted as part of the basic
6 salary shall continue to be granted and paid as such.

7 Sec. 26. *Funding Source.* – The amount necessary to initially
8 implement the special allowances granted under this Act shall be sourced from
9 and charged against the internally generated income of the University of the
10 University of the Philippines, and that subsequent implementation shall be at such
11 percentages, sums and amounts which can be supported by internally generated
12 funds of the UPS.

13 The annual funding requirements of the special allowances granted under
14 this Act shall continuously be charged exclusively against the internally
15 generated funds of the University and shall, in no case, be paid chargeable
16 against direct or realigned national government financial assistance or budget
17 subsidy.

18 SEC. 27. *Appropriations.* – The Board of the UPS shall immediately
19 include in its programs, the implementation of this Act, the initial funding of which
20 shall be charged against the current fiscal year's appropriations and other
21 internally generated income of the University. Thereafter, such lump sum as may
22 be necessary as the national government assistance to the University shall be
23 included in the annual General Appropriations Act.

24 The Board of the UPS shall assure that studies shall be made with the end
25 in view of giving more funds to UP Visayas and UP Mindanao.

26 SEC. 28. *Tax Exemptions.* – The provision of any general or special law
27 to the contrary notwithstanding:

1 (a) All revenues and assets of the University of the Philippines used
2 actually, directly and exclusively for educational purposes shall be exempt from
3 all taxes and duties;

4 (b) Gifts and donations of real and personal properties of all kinds shall
5 be exempt from the donor's tax and the same shall be considered as allowable
6 deductions from the gross income of the donor, in accordance with the provisions
7 of the National Internal Revenue Code of 1997, as amended;

8 (c) Importation of economic, technical, vocational, scientific,
9 philosophical, historical and cultural books, supplies, equipment, machinery and
10 other materials, including scientific and educational computer and software
11 equipment, shall be exempt from customs duties and taxes;

12 (d) Educational services rendered by the University shall be exempt
13 from value-added tax; and

14 (e) All honoraria for professorial chair awards shall be exempt from taxes.

15 Sec. 29. *Auditing of Accounts.* - All accounts and expenses of the
16 University shall be audited by the Commission on Audit, and all disbursements
17 shall be made in accordance with the rules and regulations prescribed by the
18 latter.

19 Sec. 30. *Institutional Autonomy as the National State University.* - To
20 provide greater flexibility to the University, it shall be treated in a manner
21 consistent with its institutional requirements as the national state university by the
22 service-wide agencies in the exercise of their respective jurisdiction.

23 The University, taking into account national goals and priorities, shall
24 exclusively determine its teaching, research and extension thrusts, plans,
25 policies, programs and standards and, on the basis of such determination, the
26 University shall recommend its annual budget to the President of the Republic of
27 the Philippines and Congress.

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1 Sec. 31. *Rules of Construction.* – No statutory or other issuance shall
2 diminish the powers, rights, privileges, and benefits accorded to the University
3 under this Act or enjoyed at present by the University under other issuances not
4 otherwise modified or repealed under this Act, unless subsequent legislation
5 expressly provides for their repeal, amendment or modification. Any case of
6 doubt in the interpretation of any of the provisions of this Charter shall be
7 resolved in favor of the academic freedom and fiscal autonomy of the University
8 of the Philippines.

9 Sec. 32. *Implementing Rules and Regulations.* –The Board of the
10 UPS shall issue, within sixty (60) days after the effectivity of this Act, the rules
11 and regulations for the effective implementation of this Act.

12 Sec. 33. *Repealing Clause.* – Act No. 1870 is hereby repealed. All laws,
13 decrees, orders, rules, and regulations or other issuances or parts thereof
14 inconsistent with the provisions of this Act are hereby repealed or modified
15 accordingly.

16 Sec. 34. *Separability Clause.* – Should any provision herein be declared
17 unconstitutional, the same shall not affect the validity of the other provisions of
18 this Act.

19 SEC. 35. *Effectivity.* – This Act shall take effect fifteen (15) days after its
20 publication in the *Official Gazette* or in any newspaper of general circulation in
21 the Philippines.

22 Approved.

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