CONGRESS OF THE PHILIPPINES
EIGHTEENTH CONGRESS
Second Regular Session

HOUSE OF REPRESENTATIVES

H. No. 9518

BY REPRESENTATIVES SANTOS-RECTO, ERMITA-BUHAIN, ABU, COLLANTES, BOLILIA, MARIÑO, GO (M.), SALCEDA, YAP (E.), SUANSING (E.), TAMBUNTING, BABASA, TUPAS, ELAGO, SUNTAY, DELOSO-MONTALLA, ARENAS, TEJADA, NOGRALES (J.J.), SUANSING (H.), GERON, EBCAS, SAVELLANO, PADIERNOS, GARIN (S.), CRISOLOGO, VIOLAGO, DE VENECIA, NIETO, HARESCO, BROSAS, CULLAMAT AND LEGARDA, PER COMMITTEE REPORT NO. 1013

AN ACT
DECLARING THE BATANGAS STATE UNIVERSITY AS THE NATIONAL ENGINEERING UNIVERSITY AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. ***Title.*** - This Act shall be known as the *"Revised Batangas State University Charter"*.

SEC. 2. ***Declaration of Policy.*** - The State shall promote quality education that is accessible and relevant to the changing needs of the people and society. It shall also strengthen the curricula of the various engineering fields of study consistent with standards set by the world's leading institutions of learning.

To this end, the Batangas State University (BatStateU) is hereby declared as the national engineering university.

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SEC. 3. ***Purpose of the BatStateU.*** - As the national engineering university committed to develop leaders in the global knowledge economy, the BatStateU shall:

(a) Provide world-class academic training to young Filipinos in the field of engineering and other professions, and mold them into becoming responsible citizens who are aware of their role in nation-building, and are motivated to meet the challenges and opportunities as the country pursues its development goals, especially in the areas of infrastructure development, environmental protection, information and telecommunications, manufacturing, transportation, and land and shelter development;

(b) Offer advanced studies and specialization for engineers, scientists, entrepreneurs, industry practitioners, and other professionals, primarily for those who serve as faculty of the state and private colleges and universities;

(c) Strengthen engineering programs through the development and offering of industry-driven and emerging engineering programs; spearhead collaboration between the academe and engineering industries; and lead in the implementation of innovative pedagogies in engineering education through the Center for Innovations in Engineering Education;

(d) Serve as a research university in engineering and related field of specialization by conducting basic and applied research and development, promoting research collaboration with various colleges and universities in the country, and contributing to the dissemination and application of knowledge;

(e) Intensify scientific, innovative, and technological research and development that would lead in the development of high-impact research, startups and spinoffs and technology transfer of products and services in specific areas such as electronic systems, environment, information and computing technology, material science and testing, and advanced manufacturing through the established research centers under the Science, Technology, Engineering and Environment Research (STEER) Hub, recognized by the Regional Development Council as the Center for Science, Technology, Engineering and Environment Research in the Cavite, Laguna, Batangas, Rizal and Quezon (CALABARZON);

(f) Provide progressive leadership in setting academic standards and initiating innovations in advanced instruction, research, and professional training in the fields of engineering education, and maintain centers of excellence in such disciplines and professions;

(g) Offer undergraduate and graduate courses within the areas of specialization and according to its capabilities, including medical and allied health, natural and applied sciences, teacher education, business, technology, management, social sciences, arts and culture, agriculture, and other related fields, as the Board of Regents may deem necessary to carry out its objectives, specifically, in order to provide greater access for deserving students in tertiary education and an adequate response to the particular needs of the government, the society and the industry in these fields;

(h) Lead in the protection, conservation, and strategic management of the Verde Island Passage (VIP) that separates the islands of Luzon and Mindoro, and described as the "center of the center of marine shore fish biodiversity in the world" by developing biodiversity experts, conducting collaborative research, marine exploration, community education and training, and establishment of the Verde Island Passage Center for Oceanographic Research and Aquatic Life Sciences (VIP CORALS) by the Regional Development Council-Region IV-A (Cavite, Laguna, Batangas, Rizal and Quezon Region) as the National Center for Marine Bio-Diversity in VIP;

(i) Lead in the generation of productive knowledge, innovation and technology to develop relevant and technical higher order skills needed to compete in the global knowledge economy;

(j) Provide an avenue for the professional advancement of Disaster Risk Management (DRM) managers and practitioners by offering academic programs in DRM and contribute in ensuring a resilient community through the Adaptive Capacity-building and Technology Innovation for Occupational Health and Natural Disaster (ACTION) Center endorsed by the Regional Development Council-CALABARZON as National Center for Disaster Risk Reduction and Management, and Climate Change Adaptation Education and Research;

(k) Contribute to national economic growth, jobs creation, domestic and foreign investment, and community wellbeing through the university-based Knowledge, Innovation and Science Technology (KIST) Park, designated as a Special Economic Zone by virtue of the Presidential Proclamation No. 947, dated May 22, 2020;

(l) Serve as a public service university by providing various forms of community, public, and volunteer service, as well as scholarly and technical assistance to the government, private sector, and civil society while maintaining its standards of excellence;

(m) Strengthen its Laboratory and Integrated Schools for basic education by focusing and adopting advanced teaching and learning on science, technology, engineering and mathematics to serve as feeder schools for engineering, science and technology programs of the BatStateU: *Provided,* that the operation of the Integrated School shall be self-liquidating, through payment of tuition and other school fees by the students as approved by the governing board;

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

(o) Provide opportunities for training and learning in leadership, responsible citizenship, democratic values, institutions, and practice, through academic and non-academic programs, including sports, towards the promotion of nationalism and a deep and enduring pride in the national identity;

(p) Serve as a regional and global university in cooperation with international and scientific unions, networks of universities, scholarly and professional associations in the Asia Pacific region and around the world; and

(q) Provide democratic governance based on collegiality, representation, accountability, transparency, and active participation of its constituents, and promote the holding of fora for students, faculty, researchers, extension program specialists, staff, and alumni to discuss non-academic issues affecting the BatStateU.

SEC. 4. ***The University.*** -The BatStateU shall be composed of both constituent and extension campuses established by its governing board upon the recommendation of its President.

The constituent campuses of the BatStateU, shall include the following: BatStateU-Pablo Borbon; BatStateU-Alangilan; BatStateU-Apolinario R. Apacible School of Fisheries (ARASOF)-Nasugbu; BatStateU-JPLPC-Malvar; BatStateU-Lipa, and those that may be created in the future.

The extension campuses of the BatStateU shall include the following: Lobo Campus, Mabini Campus, Balayan Campus, Rosario Campus, Lemery Campus, San Juan Campus, and those that may be created in the future.

SEC. 5. ***Academic Freedom.*** - The BatStateU shall enjoy academic freedom as provided for in Republic Act No. 8292, otherwise known as the "Higher Education Modernization Act of 1997", and paragraph 2, Section 5 of Article XIV of the Constitution.

SEC. 6. ***Commitment to National Development.*** - The BatStateU shall harness the expertise of the members of its community and other individuals in relation to the country's quest for national development in the primary areas of engineering, science, and technology, for wealth creation, improvement of the quality of life, real economic growth, and transformation of the society.

The members of the university community with profound scientific and professional knowledge shall contribute to or take a solicited involvement in the public policy process.

As the national engineering university, it shall ensure the following:

(a) At least fifty percent (50%) of its total enrolment must be in engineering and technology related programs;

(b) Discontinue the offering of new programs not allied with engineering and technology and not supportive of the multidisciplinary or interdisciplinary curriculum design and content;

(c) Accelerate the faculty development program in the fields of engineering and technology; and

(d) Lead in the conduct of scientific, innovative, and technological research and development, and in the generation, dissemination, and application of research-based knowledge.

SEC. 7. ***Social Responsibility.*** - The BatStateU shall continue to serve the Filipino nation and humanity. While it carries out the obligation to pursue universal principles, it must relate its activities to the needs of Filipino people and their aspirations for social progress and transformation. The BatStateU may provide venues for volunteerism.

SEC. 8. ***Democratic Access.*** - The BatStateU shall take affirmative steps which may take the form of an alternative and equitable admission process to enhance the access of disadvantaged students, such as indigenous peoples, persons with disabilities, and poor, but deserving students like valedictorians and salutatorians of public high schools and students from depressed areas to its programs and services.

No student shall be denied admission to the BatStateU by reason solely of age, gender, nationality, religious belief, economic status, ethnicity, physical disability, and political opinion or affiliation.

In recognition of the separation of church and State, the BatStateU shall guarantee religious freedom and shall not discriminate on the basis of religion.

SEC. 9. ***Sports, Culture, and the Arts.*** - The BatStateU shall undertake and support comprehensive sports programs that promote physical education, uphold excellence, and encourage competitive participation in sports activities, instill school identity and solidarity, cultivate pride, self-discipline, and teamwork. The BatStateU shall strengthen culture and the arts as a strategic national resource, and promote its importance to our identity, social well-being, and preserve the cultural heritage of the country.

SEC. 10. ***Institutional Autonomy.*** - As the national engineering university, the BatStateU shall be treated with greater flexibility. It shall determine its teaching, research, extension services thrusts, plans, policies, programs, and standards consistent with its purpose, and according to the national goals and priorities, which shall be approved by the Board of Regents,.

SEC. 11. ***Administration.*** - The BatStateU shall have the general powers of a corporation set forth in Republic Act No. 11232, otherwise known as the "Revised Corporation Code of the Philippines". The administration of the BatStateU and the exercise of its corporate powers shall be vested exclusively in the Board of Regents and the President of the BatStateU.

There shall be a central administration headed by the BatStateU President, who shall provide leadership and overall strategic direction in the areas of academic excellence, research, extension services, infrastructure development, linkages and partnerships, and resource management designed to achieve its vision and mission.

The administration of the constituent campuses is vested in the Chancellor, who shall be designated by the Board of Regents, upon the recommendation of the President, subject only to certain limitations and insofar as delegated by the President of the BatStateU and authorized by the Board.

The administration of extension campuses shall be headed by the Campus Directors who shall be designated by the Board of Regents, upon the recommendation of the President, subject

only to certain limitations and insofar as delegated by the President of the BatStateU and authorized by the Board.

SEC. 12. *The Board of Regents.* - The governing body of the BatStateU shall be the Board of Regents, hereinafter referred to as the Board, which shall be chaired and co-chaired by the Chairperson of the Commission on Higher Education (CHED) and the BatStateU President, respectively, and with the following as members:

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

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

(c) Director General of the National Economic and Development Authority (NEDA);

(d) Secretary of the Department of Science and Technology (DOST);

(e) President of the federation of faculty associations of the BatStateU;

(f) President of the federation of student councils of the BatStateU;

(g) President of the federation of alumni associations of the BatStateU; and

(h) Two (2) private sector representatives who have distinguished themselves in their professions or fields of specialization, chosen from among a list of at least three (3) qualified persons as recommended by the search committee constituted by the President of the BatStateU, in consultation with the Chairperson of the CHED and other members of the board, based on the standards and qualifications for the position set by the Board: *Provided,* That one of the private sector representatives must have a distinctive contribution in the field of engineering and technology, reputable practice of the profession, and advancement of engineering education in the country.

The regents holding office as members of the Board at the time of the effectivity of this Act shall continue to serve until the expiration of their appointments.

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

For the purpose of this section, the associations of faculty, alumni and student councils in each Constituent Campus shall organize themselves to form their respective federations, which in turn shall elect their federation officials: *Provided*, That the alumni representative to the Board must not be a faculty or an employee of the BatStateU, regardless of status or rank, at the time of representation.

The two (2) private sector representatives shall serve for a term of two (2) years, and may be reappointed only for another term.

In case of vacancy in the office of the president, the officer-in-charge designated by the Board shall serve for the unexpired term only or until such time that a new President is elected.

SEC. 13. *Compensation.* - Members of the Board shall serve without compensation but shall be entitled to reimbursement of actual and necessary expenses incurred in attendance to

meetings of the Board and other official business authorized by the Board, subject to existing laws, rules, and regulations.

SEC. 14. ***Meetings; Quorum.*** - The Board shall convene regularly. The Chairperson of the Board may call a special meeting whenever necessary: *Provided*, That members are notified in writing at least five (5) working days prior to the meeting: *Provided further*, That the notice shall contain a brief description of the agenda items to be discussed.

A majority of all members of the Board holding office at the time the meeting is called shall constitute a quorum for Board meetings: *Provided*, That the Chairperson of the CHED who is the chairperson of the Board or the President of the BatStateU is among those present in the meeting. In the absence of the Chairperson of the CHED, a CHED Commissioner duly designated by the Chairperson of the CHED as representative to the meeting, shall have all the rights and responsibilities of a regular member: *Provided,* That during the meeting, the President of the BatStateU, as Vice Chairperson, shall be the presiding officer: *Provided, further,* That the provision notwithstanding, the Chairperson of the CHED is hereby authorized to designate a CHED Commissioner as the regular Chairperson to the Board, in which case, the said CHED Commissioner shall act as the presiding officer.

In case the Chairpersons of the Senate Committee on Higher, Technical and Vocational Education and the House Committee on Higher and Technical Education, as well as the Secretary of the DOST, and the Director General of the NEDA shall not be able to attend a Board meeting, they may designate in writing their representatives to the meeting: *Provided,* That the NEDA and the DOST shall be represented by their respective Regional Directors in the CALABARZON. The designees shall be entitled to voice and vote: *Provided further*, That the members of the Board may exercise their right to vote through remote communication and in *absentia*, as provided for in Section 49 of Republic Act No. 11232.

SEC. 15. ***Powers and Duties of the Board.*** - The administration of the BatStateU and the exercise of its corporate powers are vested in the Board, which shall have the following specific powers and duties in addition to its general powers of administration and the exercise of all the powers granted to the Board of Directors of a Corporation under Section 35 of Republic Act No. 11232:

(a) Define in general terms the academic thrusts and institutional goals of the BatStateU and adopt broad policy guidelines to ensure effective implementation;

(b) Preserve the integrity of the BatStateU;

(c) Approve the institution, merger or abolition of academic programs, upon recommendation of the University's Academic Council through the President of the BatStateU;

(d) Create, organize, reorganize, merge or abolish constituent campuses, extension campuses, colleges, institutes, and other academic and administrative units of the BatStateU;

(e) Approve the curricula, institutional programs, and rules on student discipline drawn by the Administrative and Academic Councils as herein provided;

(f) Approve the rules on student discipline recommended by the Academic Council through the President of the BatStateU, with the Board retaining the power to review and pass final judgment on student disciplinary cases;

(g) Approve the graduation of students and grant of honors, as recommended by the Academic Council through the President;

(h) Appoint, upon the recommendation of the President of the BatStateU, faculty members and other officials and employees in accordance with the compensation and position classification system; to draw up a position classification and compensation plan for its faculty and staff, subject to the review and approval of the Department of Budget and Management (DBM); to fix and adjust salaries and benefits of the faculty members and other employees in accordance with the compensation and classification system; to determine the hours of service of faculty and staff, and such other terms and conditions of employment as it may deem proper; to grant leave of absence under such regulations as it may promulgate, any other provisions of law to the contrary notwithstanding; and to remove them for cause as provided by law after due investigation and proper hearing;

(i) Fix the tuition fees and other necessary school charges as the Board may deem proper to impose, after due consultation with the students concerned.

Such fees and charges, including government support and other income generated by the BatStateU, shall constitute its special trust funds, and shall be deposited in an any authorized government depository bank. All interest that shall accrue therefrom shall form part of the same funds for the use of BatStateU.

Any provision of existing law, rule or regulation to the contrary notwithstanding, any income generated and collected by the BatStateU or by its subsidiaries, as well as from operation of auxiliary services and land grants, shall be retained by the BatStateU and may be disbursed by the Board for instruction, research, extension services or other programs or projects of the BatStateU; for the professional growth and development, health, welfare, and other benefits of the students, faculty members and administrative personnel; for the acquisition, construction maintenance and repair of needed instructional and auxiliary facilities, equipment, buildings and other infrastructure; development of economic assets, and for expenses necessary for the attainment of its purposes under its approved program of expenditures.

If the BatStateU, for reasons beyond its control, shall not be able to pursue any project or purpose for which funds have been appropriated and allocated under its approved program of expenditures, the Board may authorize the use of said funds for any reasonable purpose which, in its discretion, may be necessary and urgent for the attainment of the objectives of the BatStateU, including utilization for the professional growth, and other benefits of the students, faculty members and administrative personnel: *Provided*, That trust funds created by law for a specific purpose, other than special trust funds constituted herein shall not be reprogrammed to other expenditures;

(j) Adopt and implement a socialized scheme of tuition and other school fees for greater access of poor but deserving students in accordance with Republic Act No. 10931 or the "Universal Access to Quality Tertiary Education Act";

(k) Receive and appropriate sums as may be provided by law for the support of the BatStateU, and all other sums in the manner it may, in its discretion, determine to carry out the purposes and functions of the BatStateU;

(l) Set policies on admission and graduation of students;

(m) Award honorary degrees upon persons in recognition of learning, statesmanship, or eminence in the field of engineering, science, technology, education, public service or in any field of specialization within the academic competency of the BatStateU, upon recommendation of a committee created by the President of the BatStateU: *Provided*, That such degrees shall not be conferred in consideration of any payment, gift or other valuable consideration;

(n) Establish research and extension centers to promote the development of the BatStateU;

(o) Authorize its faculty and staff to travel abroad to study, deliver papers, attend conferences and disseminate research: *Provided,* That the fellowship, scholarship or grant is authorized by the Board: *Provided,* Further, That research and other activities funded by the BatStateU shall likewise undertake research in fields or topics with promising commercial applications, and that the faculty and staff involved in said research be allowed to participate in its financial or economic benefits, subject to existing rules and regulations;

(p) Provide fellowships, scholarships and grants, including athletic grants and to award the same to faculty, staff and students having special evidence of merit, especially those who are poor and deserving individuals;

(q) Develop academic arrangements for institutional capability building with appropriate institutions and agencies, whether public, private, local or foreign, and appoint experts or specialists as consultants, part-time, visiting or exchange professors, scholars, and researchers, as the case may be;

(r) Develop consortia and other economic forms of linkages with local government units, as well as public, private, local or foreign institution and agencies for the furtherance of the purposes and objectives of the BatStateU;

(s) Enter into joint ventures or public-private partnerships (PPPs) with business and industry for the profitable development and management of the economic assets, the proceeds of which shall be used for the development and strengthening of the BatStateU, and for the professional growth and development, health, welfare, and other benefits of the students, faculty members and administrative personnel;

(t) Receive in trust, legacies, gifts and donations of real and personal properties of all kinds and administer and dispose the same, when necessary, for the benefit of the BatStateU and subject to the limitations, discretions and instructions of the donor, if any;

(u) Extend the term of the President of the BatStateU beyond the age of retirement, but not beyond the age of seventy (70), based on the guidelines, qualifications and standards set by the Board: *Provided*, That the President's performance has been rated by the Board as outstanding and a unanimous recommendation for such extension has been decided upon by the search committee;

(v) Elect the President of the BatStateU following a process of democratic consultation with the university community based on standards and guidelines set by the Board;

(w) Extend, with their consent, the tenure of faculty members of the BatStateU beyond the compulsory retirement age, any other provision of law to the country notwithstanding, on recommendation of the units and upon endorsement of the President of the BatStateU, whenever their services are especially needed: *Provided*, however, that no extension of tenure shall be made beyond the age of seventy (70);

(x) Authorize the construction or repair of its buildings, machinery, equipment and other facilities, and the purchase and acquisition of real property, including the necessary supplies, materials and equipment;

(y) Delegate any of its powers and duties provided to the President or other officials of the BatStateU, as it may deem appropriate, so as to expedite the administration of the affairs of the BatStateU;

(z) Prescribe rules for its own government and discipline of the faculty and other personnel and to enact for the governance of the BatStateU such general policies, rules and regulations, not contrary to law, as are consistent with its purposes;

(aa) Where most advantageous to the BatStateU, privatize the management of nonacademic services such as health, food, building or grounds or property maintenance, and such other similar activities;

(bb) Develop mechanisms for the efficient adoption of PPPs in the areas of research, instruction, extension and in the acquisition of facilities and structures of the BatStateU; and

(cc) Promulgate rules and regulations, as may be necessary, to carry out the purposes and functions of the BatStateU.

SEC. 16. ***The President of the BatStateU.*** - The President of the BatStateU shall be its chief academic officer, head of the university, faculty and chief executive officer. As such, the President shall exercise the powers specifically provided for in this Act, those determined by the Board, those which pertain to the office of the President and those which are related or necessary to its functions.

The President of the BatStateU, who shall be elected by the Board pon recommendation of a duly constituted search committee, shall render full-time service.

The President of the BatStateU shall have a term of four (4) years, and may be reappointed to another term, upon recommendation of a duly constituted search committee.

In case of vacancy in the Office of the President by reason of death, resignation, removal for cause or incapacity of the President to perform the functions of the office, the Board shall designate an Officer-in-Charge of the BatStateU, pending the appointment of a new President. In no case shall the search and appointment of the next President be longer than ninety (90) calendar days from the date when the vacancy occurs. The newly appointed President shall serve a full term. *Provided,* That the designated officer-in-charge shall not be allowed to join as candidate in the search process.

The powers and duties of the President of the BatStateU, in addition to those specifically provided in this Act, shall be those usually pertaining to the office of the president of a similar educational institution, and those delegated by the Board.

The salary of the President of the BatStateU shall be in accordance with Republic Act No. 11466 or the "Salary Standardization Law of 2019", and by such other laws amendatory thereto which may hereinafter be enacted, and on the joint circular for state universities and colleges leveling instrument and guidelines of the CHED and the DBM.

SEC. 17. ***The Secretary of the BatStateU and of the Board.*** - There shall be a Secretary of the BatStateU designated by the Board, who shall also be the Secretary of the Board, and who shall keep such records of the BatStateU.

SEC. 18. ***The Academic Council.*** – There shall be an academic council consisting of the President of the BatStateU as chairperson, the Vice President for Academic Affairs as vice

chairperson, and all faculty members of the BatStateU holding the rank of assistant professor and higher as members.

SEC. 19. ***Powers of the Academic Council.*** - The academic council shall be the highest academic body of the BatStateU and shall exercise the following powers:

(a) Review and propose academic policies and standards, curricular offerings, instructional evaluation and assessment systems;

(b) Recommend to the Board, through the President of the BatStateU, the award of all honorary degrees;

(c) Fix the requirements for admission to any college or unit, graduation, and the grant of honors, subject to the prescribed university policies and guidelines;

(d) Recommend to the Board, through the President of the BatStateU, matters pertaining to the conduct and welfare of the BatStateU, such as the preparation of the academic calendar, student life, standards of conduct and discipline, living conditions, organizations, sports, culture and the arts, and participation in extracurricular activities;

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

(f) Recommend to the Board, through the President of the BatStateU, the graduation of students and the grant of honors; and

(g) Adopt internal rules of procedure, not contrary to law, and consistent with the provisions of this Act.

SEC. 20. ***Administrative Council.*** - There shall be created in the BatStateU a university administrative council consisting of the President of the BatStateU as Chairperson, and the vice presidents, chancellors, vice chancellors, deans, associate deans, directors, assistant directors, and other officials of equal rank, as members. The President of the BatStateU as Chairperson thereof, shall constitute the university administrative council.

SEC. 21. ***Duty of the Administrative Council.*** - The Administrative Council so formed and constituted shall review and recommend, in accordance with the direction of the Board, appropriate policies governing the administration, management and development planning of the BatStateU.

SEC. 22. ***Research Council.*** - There shall be created in the BatStateU a Research Council, which shall be composed of the President, as Chairperson; the Vice President for Research, Development and Extension Services, as Vice Chairperson; and with the Vice President for Academic Affairs, Vice President for Administration and Finance, Vice President for Development and External Affairs, Chancellors, Vice Chancellors for Research, Development and Extension Services, Director for Research, Director for Research Management Services, Director STEER Hub, Director for Finance, Assistant Director for Research, Assistant Director for Research Management Services, and Head of established Research Centers, as members.

SEC. 23. ***Duty of the Research Council.*** – The Research Council so formed and constituted shall act as an advisory body to the President on matters relating to the setting of research directions, planning, fund sourcing and allocation, and the formulation and review of policies and guidelines pertaining to the Research Program of the BatStateU.

SEC. 24. ***Extension Services Council.*** - There shall be created in the BatStateU an Extension Services Council, which shall be composed of the President, as Chairperson; the Vice

President for Research, Development and Extension Services, as Vice Chairperson; and with the Vice President for Academic Affairs, Vice President for Administration and Finance, Vice President for Development and External Affairs, Chancellors, Vice Chancellors for Research, Development and Extension Services, Director for Extension Services, Director for Finance, and Assistant Director for Extension Services, as members.

SEC. 25. ***Duty of the Extension Services Council.*** - The Extension Services Council so formed and constituted shall act as an advisory body to the President on matters of setting extension services direction, planning, fund sourcing and allocation, and in reviewing and recommending policies and guidelines pertaining to the Extension Services Program of the BatStateU.

SEC. 26. ***The Chancellor of the Constituent Campus.*** - The Administration of each constituent campus is vested in the Chancellor insofar as delegated by the President of the BatStateU and authorized by the Board. The Chancellor of the constituent campus shall be designated by the Board upon recommendation of the President of the BatStateU. The Chancellor shall report to the President of the BatStateU, and shall perform the duties and functions elsewhere 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.

SEC. 27. ***The Faculty.*** - The teaching staff of each college shall constitute its faculty. The College Faculty shall be presided over by a Dean, who shall be designated by the Board upon recommendation of the President of the BatStateU.

No political belief, gender preference, cultural or community affiliation or ethnic origin, nor religious opinion or affiliation shall be a matter of inquiry in the appointment of faculty members of the BatStateU: *Provided,* That said appointment shall be subject to the guidelines, qualifications and standards set by the Board: *Provided, further,* That no member of the faculty shall teach for or against any particular church or religious sect.

SEC. 28. ***Student Affairs.*** - There shall be established in the BatStateU the following student councils: for every college, a college student council; and for every constituent campus, a campus student council; and for the BatStateU, a federation of all student councils.

The university student council shall be composed of students from constituent campuses and their extension campuses elected to represent the studentry thereat. The student council shall serve as the primary student body that shall advance the interests, welfare, and aspirations of the students of the BatStateU. It shall have the power to adopt internal rules of procedure consistent with the provisions of this Act.

Subject to due and comprehensive consultation with the students, there shall be a student publication established in every constituent campus to be funded by student fees. Freedom of expression and autonomy in all matters of editorial and fiscal policy shall be guaranteed especially in the selection of its editors and staff.

SEC. 29. ***Land Grants and Other Real Properties of the BatStateU.*** - The State may support the BatStateU as the national engineering university in the form of a lump sum amount in the annual General Appropriations Act and other financial benefits, and in kind, through land grants and donations and use of other real properties. To carry out the intent of these grants, income derived from the development of all land grants and real properties shall be used to further the ends of the university, as may be determined and decided by the Board.

Such parcels of land ceded by law, decree or presidential issuance to the BatStateU are hereby declared to be reversed for the purposes intended. The absolute ownership of the BatStateU over these landholdings, including those covered by original and transfer certificates of title in the name of the BatStateU and their future derivatives, is hereby confirmed. Where the issuance of proper certificates of title for these landholdings is yet pending, the appropriate government office may expedite the issuance thereof within six (6) months from the date of effectivity of this Act:

Provided, That all registration requirements necessary for the issuance of the said titles have been submitted and complied with.

The Board may plan, design, approve and cause the implementation of land leases: *Provided*, That such mechanisms and arrangements shall sustain and protect the environment in accordance with law, and be exclusive of the academic core zone of the campuses of the BatStateU: *Provided further,* That such mechanisms and arrangements shall not conflict with the academic mission of the BatStateU.

The Board may allow the use of the income coming from real properties of the BatStateU as security for transactions to generate additional revenues when needed for educational purposes.

The Board may approve the implementation of joint ventures: *Provided,* That in the event real properties of the BatStateU are involved, only the income derived by the BatStateU from the use of the real properties shall be the subject of its participation or obligation in the joint ventures: *Provided*, further, That no joint venture shall result in the alienation of the real properties of the BatStateU.

Any plan to generate revenues and other sources from land grants and other real properties entrusted to the BatStateU shall be consistent with the academic mission and orientation of the university as well as protect it from undue influence and control of commercial interests: *Provided*, That such programs, projects or mechanisms shall be approved by the Board subject to a transparent and democratic process of consultation with the constituents of the BatStateU: *Provided,* further, That funds generated from such programs, projects or mechanisms shall not be meant to replace, in part or in whole, the annual appropriations provided by the national government to the BatStateU.

SEC. 30. ***Safeguards on Assets Disposition.*** - The preservation of the value of the assets of the BatStateU shall be of primordial consideration.

The sale of any existing real property of the BatStateU shall be prohibited: *Provided*, That the Board may alienate real property donated after the effectivity of this Act if the terms of the donation specifically allow it.

Notwithstanding the provision of this Act or any other law to the contrary, the lease of more than five (5) years of the assets of the BatStateU and any transaction referred to in this Section shall be subject to the following conditions and procedures:

(a) The transactions shall be:

1) Discussed with the members of the Board in any of its formally convened regular or special meeting;

2) Based on a multi-year comprehensive development plan, crafted, and developed by qualified urban planning professionals having at least five (5) years experience, with prior consultations with and concurrence of third-party experts and duly approved by a majority vote of all the members of the Board; and,

3) Subject to competitive and public bidding as provided for under Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act";

(b) In the case of two (2) failed biddings and negotiated transactions, the Board, when considering the approval of any such transaction, shall secure a fairness opinion report from an independent third-party body. The body shall have five (5) members, three (3) of which shall be nominated by the Bankers Association of the Philippines (BAP), Investment Houses Association of the Philippines (IHAP), Trust Officers Association of the Philippines (TOAP), or the Financial

Executive Institute of the Philippines (FINEX). The members shall be entitled to a reasonable per diem as the Board may specify;

(c) The fairness opinion report shall contain a statement expressing the opinion of the body on the terms of the proposed transaction, particularly its financial terms. The report shall include a review and analysis of the proposed transaction, financial statements, industry information, economic conditions assumptions using management projections and the assumptions used therein and a comparison of similar transactions: *Provided*, That if the Board differs with the fairness opinion report they shall justify their decision in writing and make this available to the community of BatStateU. This provision shall not apply to leases granted to faculty and staff as part of their benefit and those for academic purposes; and

(d) If the contract or transaction involves an amount more than Fifty million pesos (P50,000,000.00), it shall be approved by at least three-fourths of all the members of the Board: *Provided,* That the splitting of contracts, which is by breaking up a contract into smaller quantities or amounts or dividing contract implementation into artificial or arbitrary phases or subcontracts for the purpose of circumventing this provision, shall not be allowed.

SEC. 31. ***Management of Funds.*** – There shall be an independent trust committee to be composed of the President of the BatStateU, as Chairperson, and with representatives from the BAP, IHAP, TOAP, and FINEX, as representatives, and who shall be entitled to a reasonable per diem, as the Board may specify.

The independent trust committee shall recommend to the Board five (5) universal banks selected on a prudent basis. Trust departments shall manage the corporate and other funds through trust agreements of the BatStateU in a non-directed basis: *Provided*, That any such agreement shall be for a period of not more than two (2) years;

The independent trust committee shall provide the Board with direction on appropriate investments with the view of preserving the value of funds while allowing the BatStateU to earn a reasonable return thereon.

SEC. 32. ***Tax Exemptions.*** - The provisions of any general or special law to the contrary notwithstanding:

(a) All revenues and assets of the BatStateU used for educational purposes or in support thereof shall be exempt from all taxes;

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

(c) Importation by the BatStateU of economic, technical, vocational, scientific, philosophical, historical and cultural books, supplies and materials duly certified by the Board and the CHED, including scientific and educational computer and software equipment, shall be exempt from customs duties in accordance with the provisions of Republic Act No. 10863, otherwise known as the "Customs Modernization and Tariff Act (CMTA); and

(d) All academic awards shall be exempt from taxes.

SEC. 33. ***Reportorial Requirements and Auditing of Accounts.*** The BatStateU shall submit an annual report to Congress containing the financial statements, statement of assets and liabilities, statement of income from tuition fees and other revenue sources. All accounts and disbursements of the BatStateU shall be audited by the Commission on Audit.

SEC. 34. ***Rules of Construction.*** No statutory or other issuances shall diminish the powers, rights, privileges and benefits accorded to the BatStateU under this Act, or those enjoyed at present by virtue of other issuances not otherwise modified or repealed under this Act, unless subsequent legislation expressly provides for their repeal, amendment or modification. Any case of doubt in the interpretation of any of the provisions of this Charter shall be resolved in favor of the academic freedom and fiscal autonomy of the BatStateU.

SEC. 35. ***Appropriations.*** - The amount needed to carry out the implementation of this Act shall be charged against the current year's appropriations of the BatStateU and its other internal funds. Thereafter, the amount necessary to strengthen its capacity as the national engineering university shall be included in the annual General Appropriations Act.

SEC. 36. ***Development Plan and Organizational Structure.*** - Within one hundred twenty (120) days after the approval of this Act, the BatStateU shall accomplish the following:

(a) Submit a five (5)-year development plan, including its corresponding program budget to the CHED and DBM;

(b) Set up its organization, as well as its academic structure, and designate the key officials and administrative personnel of the BatStateU;

(c) Secure additional plantilla positions, including technical, support to technical, and key administrative positions for the existing constituent campuses and extension campuses, and augmentation of personnel services allocation from the DBM, in order to enhance the efficiency and effectiveness of the administration and management of the BatStateU, towards the attainment of its mandate as the national engineering university.

SEC. 37. ***Transitory Provision.*** - To provide strategic direction and leadership as the BatStateU transitions to its pioneer status as the national engineering university, and to ensure the attainment of its distinctive and purposeful mandate as such, as declared and provided for in this Act, the incumbent President of the BatStateU shall continue to serve as the first President of the BatStateU as the national engineering university for one full term of four (4) years without reappointment.

SEC. 38. ***Separability Clause.*** - Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

SEC. 39. ***Repealing Clause.*** - Republic Act No. 9045 entitled "An Act Creating The Batangas State University (BSU) by Integrating the (1) Pablo Borbon Memorial Institute of Technology, Including its Branches in Barangay Alangilan, Batangas City, in the Municipalities of Balayan, Bauan, Lobo, San Pascual, Rosario, Taysan, Padre Garcia, Lemery, Calaca, Taal, Tanauan, San Juan and Lipa City, (2) Jose P. Laurel Polytechnic College in Malvar, (3) Apolinario R. Apacible School of Fisheries in Nasugbu, and (4) Polytechnic University of the Philippines Campus in Sto. Tomas, Appropriating Funds Therefor, and For Other Purposes, as Amended," and all laws, decrees, orders, rules and regulations or other issuances or parts inconsistent with the provisions of this Act are amended, repealed, or modified accordingly.

SEC. 40. ***Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved.