



## HOUSE OF REPRESENTATIVES

H. No. 4641

---

BY REPRESENTATIVES GOMEZ, ANGARA AND PAEZ, PER COMMITTEE REPORT  
NO. 910

---

AN ACT CONVERTING THE PALOMPON INSTITUTE OF TECHNOLOGY IN THE MUNICIPALITY OF PALOMPON, PROVINCE OF LEYTE INTO A STATE UNIVERSITY TO BE KNOWN AS THE PALOMPON POLYTECHNIC STATE UNIVERSITY, INTEGRATING THEREWITH THE MARCELINO R. VELOSO NATIONAL POLYTECHNIC COLLEGE IN THE MUNICIPALITY OF TABANGO, PROVINCE OF LEYTE AND APPROPRIATING FUNDS THEREFOR

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

- 1           SECTION 1. *Conversion.* – The Palompon Institute of Technology  
2 (PIT) in the Municipality of Palompon, Province of Leyte is hereby converted  
3 into a state university to be known as the Palompon Polytechnic State  
4 University, hereinafter referred to as the University, and integrating therewith  
5 the Marcelino R. Veloso National Polytechnic College (MRVNPC) in the  
6 Municipality of Tabango, Province of Leyte. The main campus of the  
7 University shall be in Palompon, Leyte.

1           SEC. 2. *General Mandate.* – The University shall primarily provide  
2 advanced education, higher technological, professional instruction and training  
3 in maritime education, shipping administration, science and technology,  
4 environmental education, ports management and operations, engineering and  
5 other related fields. It shall also undertake research, extension and production  
6 services in support of the development of the Province of Leyte and provide  
7 progressive leadership in its areas of specialization.

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

12           SEC. 4. *Curricular Offerings.* – The University shall offer  
13 undergraduate and graduate courses in the fields of maritime education,  
14 shipping administration, arts and sciences, philosophy, teacher education,  
15 agriculture and forestry, engineering and architecture, industrial and  
16 technological education, information and communications technology, hotel  
17 and restaurant technology, trades, nontraditional courses and other degrees  
18 within its areas of specialization and according to its capabilities as the Board  
19 of Regents may deem necessary to carry out its objectives, in order to meet the  
20 needs of the Province of Leyte and Region VIII.

21           The University may operate a reasonably-sized laboratory school, if it  
22 has a College of Education.

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

1           SEC. 6. *The Governing Board.* – The governing body of the University  
2 shall be the Board of Regents, hereinafter referred to as the Board, which shall  
3 be composed of the following:

4           (a) The Chairperson of the Commission on Higher Education (CHED),  
5 Chairperson;

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

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

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

11           (e) The Administrator of the Maritime Industry Authority (MARINA),  
12 member;

13           (f) The Regional Director of the National Economic and Development  
14 Authority (NEDA), member;

15           (g) The Regional Director of the Department of Science and  
16 Technology (DOST), member;

17           (h) The President of the United Filipino Seafarers, member;

18           (i) The President of the federation of faculty associations of the  
19 University, member;

20           (j) The President of the federation of student councils of the  
21 University, member;

22           (k) The President of the federation of alumni associations of the  
23 University, member; and

24           (l) Two (2) prominent citizens from the private sector who have  
25 distinguished themselves in their profession or the fields of specialization of  
26 the University, members.

27           The Board shall appoint the two (2) prominent citizens from among a  
28 list of at least five (5) qualified persons in the Province of Leyte, as

1 recommended by the search committee constituted by the University President,  
2 in consultation with the Chairperson of the CHED and the other members of  
3 the Board, based on the normal standards and qualifications for the position.

4 The term of office of the President of the United Filipino Seafarers, the  
5 President of the federation of faculty associations, the President of the  
6 federation of student councils and the President of the federation of alumni  
7 associations shall be coterminous with their respective terms of office, as set  
8 forth in their respective constitutions and bylaws.

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

11 *SEC. 7. Powers and Duties of the Board of Regents.* – The Board  
12 shall have the following specific powers and duties, in addition to its general  
13 powers of administration and the exercise of all the powers granted to the  
14 board of directors of a corporation under existing laws:

15 (a) To promulgate and implement policies in accordance with the  
16 declared State policies and the provisions of the Philippine Constitution on  
17 education, agriculture, science and technology, as well as the policies,  
18 standards and thrusts of the CHED under Republic Act No. 7722, otherwise  
19 known as the “Higher Education Act of 1994”;

20 (b) To promulgate rules and regulations not contrary to law as may be  
21 necessary to carry out the purposes and functions of the University;

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

25 (d) To import economic, technical and cultural books and/or  
26 publications;

27 (e) To receive in trust legacies, gifts and donations of real and personal  
28 properties of all kinds and to administer and dispose of the same when

1 necessary for the benefit of the University, and subject to the limitations,  
2 directions and instructions of the donor, if any;

3 (f) To fix the tuition fees and other necessary school charges such as,  
4 but not limited to, matriculation fees, graduation fees and laboratory fees, as  
5 the Board may deem proper to impose, after due consultations with the  
6 involved sectors.

7 Such fees and charges, including government subsidies and other  
8 income generated by the University, shall constitute special trust funds and  
9 shall be deposited in any authorized government depository bank, and all  
10 interests that shall accrue therefrom shall form part of the same funds for the  
11 use of the University.

12 Any provision of existing laws, rules and regulations to the contrary  
13 notwithstanding, any income generated by the University from tuition fees and  
14 other charges, as well as from the operation of auxiliary services and land  
15 grants, shall be retained by the University, and may be disbursed by the Board  
16 for instruction, research, extension or other programs/projects of the  
17 University: *Provided*, That all fiduciary fees shall be disbursed for the specific  
18 purposes for which these are collected.

19 If, for reasons beyond its control, the University shall not be able to  
20 pursue any project for which the funds have been appropriated and allocated  
21 under its approved program of expenditures, the Board may authorize the use  
22 of said funds for any reasonable purpose which, in its discretion, may be  
23 necessary and urgent for the attainment of the objectives and goals of the  
24 University;

25 (g) To adopt and implement a socialized scheme of tuition and school  
26 fees for greater access to poor but deserving students;

1 (h) To authorize the construction or repair of its buildings, machinery,  
2 equipment and other facilities, and the purchase and acquisition of real  
3 property, including necessary supplies, materials and equipment;

4 (i) To appoint upon recommendation of the President of the  
5 University, vice presidents, deans, directors, heads of campuses, faculty  
6 members, and other officials and employees of the University;

7 (j) To fix and adjust salaries of faculty members and administrative  
8 officials and employees, subject to the provisions of the Revised Compensation  
9 and Position Classification System and other pertinent budget and  
10 compensation laws governing hours of service and such other duties and  
11 conditions as it may deem proper; to grant them, at its discretion, leaves of  
12 absence under such regulations as it may promulgate, any provision of existing  
13 law to the contrary notwithstanding; and to remove them for cause in  
14 accordance with the requirements of due process of law;

15 (k) To approve the curricula, instructional programs and rules of  
16 discipline drawn by the Administrative and the Academic Councils herein  
17 provided;

18 (l) To set policies on admission and graduation of students;

19 (m) To award honorary degrees upon persons in recognition of their  
20 outstanding contribution in the fields of education, public service, arts, science  
21 and technology, agriculture or in any field of specialization within the  
22 academic competence of the University; and to authorize the awarding of  
23 *certificates of completion of nondegree and nontraditional courses*;

24 (n) To establish and absorb nonchartered tertiary institutions within the  
25 Province of Leyte as branches and centers in coordination with the CHED, and  
26 in consultation with the Department of Budget and Management (DBM), and  
27 to offer therein programs or courses, to promote and carry out equal access to  
28 educational opportunities as mandated by the Constitution;

1 (o) To establish research and extension centers of the University where  
2 such will promote the development of the latter;

3 (p) To establish professorial chairs in the University and to provide  
4 fellowships for qualified faculty members and scholarships to deserving  
5 students;

6 (q) To delegate any of its powers and duties provided for hereinabove  
7 to the President and/or other officials of the University as it may deem  
8 appropriate, so as to expedite the administration of the affairs of the  
9 University;

10 (r) To authorize an external management audit of the University, to be  
11 financed by the CHED, subject to the rules and regulations of the Commission  
12 on Audit (COA); and to institute reforms, including academic and structural  
13 changes, on the basis of the audit results and recommendations;

14 (s) To collaborate with other governing boards of the state colleges  
15 and universities within the Province of Leyte or Region VIII, under the  
16 supervision of the CHED and in consultation with the DBM, and work towards  
17 the restructuring of the University to become more efficient, relevant,  
18 productive and competitive;

19 (t) To enter into joint ventures with business and industry for the  
20 profitable development and management of the economic assets of the  
21 University, the proceeds from which shall be used for the development and  
22 strengthening of the University;

23 (u) To develop consortia and other economic forms of linkages with  
24 local government units (LGUs), institutions and agencies, both public and  
25 private, local and foreign, in the furtherance of the purposes and objectives of  
26 the University;

27 (v) To develop academic arrangements for institutional capability  
28 building with appropriate institutions and agencies, public and private, local

1 and foreign, and to appoint experts/specialists as consultants, part-time or  
2 visiting or exchange professors, scholars or researchers, as the case may be;

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

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

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

12 (z) To extend the term of the President of the University beyond the  
13 age of retirement but not beyond the age of seventy (70), whose performance  
14 has been unanimously rated by the Board as outstanding based on the  
15 guidelines, qualifications and/or standards set by the Board, after unanimous  
16 recommendation by the search committee.

17 SEC. 8. *Meetings of the Board.* – The Board shall regularly convene  
18 once every three (3) months. Whenever necessary, the Chairperson of the  
19 Board may call, upon three (3) days' prior written notice, a maximum of two  
20 (2) special meetings within the same period.

21 A quorum of the Board shall consist of majority of all its members  
22 holding office at the time of the meeting: *Provided, however,* That the  
23 Chairperson of the Board or the President of the University is among those  
24 present in the meeting. If the Chairperson of the CHED is unable to attend, a  
25 Commissioner may be designated as representative to the meeting with all the  
26 rights and responsibilities of a regular member: *Provided, however,* That  
27 during this meeting, the President of the University as Vice Chairperson shall  
28 be the Presiding Officer: *Provided, further,* That this *proviso* notwithstanding,



1 the Chairperson of the CHED is hereby authorized to designate a CHED  
2 Commissioner as the regular Chair of the Board, in which case said CHED  
3 Commissioner shall act as the Presiding Officer.

4 In case the Chairpersons of the Congressional Committees on Education  
5 shall not be able to attend the Board meeting, they may duly designate their  
6 respective representatives to attend the said meeting, who shall have the same  
7 rights and responsibilities as a regular member of the Board.

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

13 **SEC. 9. *The University President.*** -- The University shall be headed by  
14 a President, who shall render full-time service and who shall be appointed by  
15 the Board, subject to the guidelines, qualifications and standards set by the  
16 Board, upon recommendation of a duly constituted search committee. The  
17 University President shall have a term of four (4) years and shall be eligible for  
18 reappointment for another term: *Provided*, That in order to effect a smooth  
19 transition to a state university, the incumbent President of the Palompon  
20 Institute of Technology shall serve as the interim President of the University  
21 for one (1) year.

22 Within six (6) months before the expiration of the term of office of the  
23 interim President of the University, the Board shall constitute the Search  
24 Committee for the Presidency (SCP).

25 In case of vacancy in the Office of the President by reason of death,  
26 compulsory retirement, resignation, removal for cause or incapacity of the  
27 President to perform the functions of the office, the Board shall designate an  
28 Officer-in-Charge of the University within six (6) months from the date of

1 vacancy, pending the appointment of a new President. The successor or the  
2 Officer-in-Charge shall serve only the unexpired portion of the term.

3 The powers and duties of the President of the University, in addition to  
4 those specifically provided in this Act, shall be those usually pertaining to the  
5 Office of the President of similar universities, and those delegated by the  
6 Board.

7 The salary of the President of the University shall be in accordance with  
8 the Revised Compensation and Position Classification System and shall be  
9 comparable to that being received by the Presidents of similar educational  
10 institutions.

11 The President of the University shall be assisted by a Vice President for  
12 Academic Affairs, a Vice President for Administration, a Vice President for  
13 Research and Development and a Vice President for External Affairs, all of  
14 whom shall be appointed by the Board upon the recommendation of the  
15 President. The Vice Presidents shall have a term of four (4) years.

16 SEC. 10. *The Secretary of the University.* – The Board shall appoint a  
17 Secretary, who shall serve as such for both the Board and the University and  
18 shall keep all records and proceedings of the Board. The Secretary of the  
19 University shall serve upon each member of the Board the appropriate notice  
20 of the Board meetings and the term of office of the Secretary shall be  
21 coterminous with the President of the University.

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

24 SEC. 12. *The Administrative Council.* – There shall be an  
25 Administrative Council consisting of the President of the University as  
26 Chairperson, vice presidents, deans, directors and other officials of equal rank,  
27 including the Presidents of the faculty union and the association of  
28 administrative nonteaching personnel, as members, whose duty is to review

1 and recommend to the Board the policies governing the administration,  
2 management and development planning of the University.

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

7 The Academic Council shall have the power to review and recommend  
8 the curricular offerings and rules of discipline of the University, subject to the  
9 approval of the Board. It shall fix the requirements for the admission of  
10 students, as well as for their graduation and conferment of degrees, subject to  
11 review and approval by the Board through the President of the University. It  
12 shall have the disciplinary power over students of the University and shall  
13 formulate academic policies and rules and regulations on discipline, subject to  
14 the approval of the Board.

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

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

25 No student shall be denied admission to the University by reason of  
26 gender, religion, ethnicity, nationality, political beliefs, cultural or community  
27 affiliation and physical disability.

1           SEC. 16. *Authority to Loan or Transfer Apparatus/Equipment/Supplies*  
2 *and Detail of Personnel.* – The heads of the bureaus and offices of the  
3 national government are hereby authorized to loan or transfer, upon the request  
4 of the President of the University, such apparatus, equipment or supplies as  
5 may be needed by the University, and to detail employees for duty therein  
6 when, in the judgment of the head of bureau or office, such apparatus,  
7 equipment, supplies or services of such employees can be spared without  
8 serious detriment to public service.

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

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

18           All parcels of land belonging to the government occupied by the PIT  
19 and the MRVNPC are hereby declared to be properties of the University, and  
20 shall be titled under the name of the University: *Provided*, That should the  
21 University cease to exist or be abolished or should such parcels of land  
22 aforementioned be no longer needed by the University, the same shall revert to  
23 the Province of Leyte.

24           SEC. 18. *Tax Exemption on Importation and Donations.* – The  
25 importation of economic, technical and cultural books or publications, which is  
26 for economic, technical, vocational, scientific, philosophical, historical or  
27 cultural purposes made by the University, upon certification by the CHED;

1 shall be exempt from customs duties in accordance with the provisions of the  
2 Tariff and Customs Code of the Philippines, as amended.

3 Donations in any form to the University shall be exempt from the  
4 donor's tax and the same shall be considered as allowable deduction from the  
5 gross income in the computation of the income tax of the donor, in accordance  
6 with the provisions of the National Internal Revenue Code of 1997, as  
7 amended.

8 SEC. 19. *Appropriations.* – The amount necessary to carry out the  
9 provisions of this Act shall be charged against the current year's appropriations  
10 of the PIT and the MRVNPC, except the sums needed to continue the  
11 operations of the existing high school. Thereafter, such sums as may be  
12 necessary for the continued operation and maintenance of the University and  
13 its external campus shall be included in the annual General Appropriations  
14 Act.

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

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

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

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

25 SEC. 21. *Filing of Report.* – On or before the fifteenth (15<sup>th</sup>) day of  
26 the second (2<sup>nd</sup>) month after the opening of the regular classes each year, the  
27 Board shall file with the Office of the President of the Philippines, through the

1 Chairperson of the CHED and with both Houses of Congress, a detailed report  
2 on the progress, conditions and needs of the University.

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

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

11 SEC. 24. *Implementing Rules and Regulations.* – The Board, in  
12 consultation with the CHED, shall formulate the rules and regulations to fully  
13 implement the provisions of this Act.

14 SEC. 25. *Separability Clause.* – If, for any reason, any part or  
15 provision of this Act is declared invalid or unconstitutional, the remaining  
16 parts or provisions not affected thereby shall remain in full force and effect.

17 SEC. 26. *Repealing Clause.* – All laws, presidential decrees, executive  
18 orders, rules and regulations contrary to or inconsistent with the provisions of  
19 this Act are hereby repealed or modified accordingly.

20 SEC. 27. *Effectivity.* – This Act shall take effect fifteen (15) days after  
21 its publication in two (2) newspapers of general circulation.

Approved,

○