

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



23 SEP 21 P7:06

SENATE

RECEIVED BY: _____

Senate Bill No. 2448

Introduced by Senator Juan Miguel F. Zubiri

**AN ACT
AMENDING PRESIDENTIAL DECREE NUMBERED 1341, OTHERWISE KNOWN
AS THE CHARTER OF THE POLYTECHNIC UNIVERSITY OF THE PHILIPPINES**

EXPLANATORY NOTE

The Polytechnic University of the Philippines (PUP) is one of the country's most distinguished Polytechnic Universities, having served thousands of students since its foundation in 1904. Today, it is the largest State University in the country in terms of population, with around 70,000 students. It has been one of the top-performing schools in various academic fields, such as engineering, education, psychology, and accountancy.

The University has consistently produced competent graduates who now compose our country's league of workers and professionals. PUP is named the top school preferred by employers according to a 2023 survey by Jobstreet, one of the biggest employment platforms in the country. According to this survey, PUP graduates are preferred by 23.39 percent of employers because they are "effective team players in the workplace". The university has held the top spot on this survey for several years.

PUP has remained to have one of the lowest tuition fees across the country while providing access to quality and responsive education to students who wish to fulfill their dreams and improve their lives through education.

This bill seeks to strengthen and empower the Polytechnic University of the Philippines through an amendment to its charter. This will allow the university to continue fulfilling its mission to ensure inclusive and equitable education and promote lifelong learning opportunities.

In view of the foregoing, the passage of this bill is respectfully sought.

JUAN MIGUEL F. ZUBIRI

23 SEP 21 P7:07

SENATE

Senate Bill No. 2448

RECEIVED BY: 

Introduced by Senator Juan Miguel F. Zubiri

AN ACT
AMENDING PRESIDENTIAL DECREE NUMBERED 1341, OTHERWISE KNOWN
AS THE CHARTER OF THE POLYTECHNIC UNIVERSITY OF THE PHILIPPINES

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

1 **SECTION 1.** Section 1 of PD 1341 is hereby amended to read as follows:
2

3 **"Section 1. Declaration of Policy.** The Polytechnic University
4 of the Philippines is hereby strengthened into the Country's National
5 Polytechnic University. In order to execute its mandate, it is hereby
6 declared as the country's *First National Polytechnic University*. Along
7 with its elevated status as the country's first national polytechnic
8 university, the University will aid support to other polytechnic state
9 universities and colleges to raise the bar by having the former serve as
10 the latter's guide in the development and delivery of professional and
11 technical programs.

12 The University shall enjoy institutional autonomy and fiscal autonomy.
13 It shall be treated in a manner consistent with its institutional
14 requirements by the service-wide agencies in the exercise of their
15 respective jurisdiction. Taking into account national goals and priorities,
16 it shall exclusively determine its teaching, research and extensions
17 thrust, plans, policies, programs and standards, consistent with the
18 policies standards and guidelines promulgated by the Commission on
19 Higher Education. On the basis of such determination, the National
20 Polytechnic University shall recommend its annual budget to the
21 President of the Republic of the Philippines and Congress. Appropriations
22 for the University shall not be reduced by the legislature below the
23 amount appropriated for the previous year and after approval shall be
24 automatically and regularly released."
25

26 **SEC. 2.** Section 2, of PD 1341 is hereby amended to read as follows:
27

28 **"Section 2. Primary Purpose.** The University shall offer primarily
29 higher occupational, technical and professional instruction and training in
30 the fields of engineering and architecture, applied sciences, accountancy,
31 law, education, business and management, and shall be strengthened as

1 the country's National Polytechnic University. It shall also promote applied
2 research, advance studies, and progressive leadership in the stated fields.
3 As a national polytechnic university, PUP is committed in implementing
4 programs designed to address the pressing social and economic needs by
5 rendering services to individuals and communities and empowering citizenry
6 for sustainable development.”
7

8 **SEC 3.** Section 3 of PD 1341 is hereby amended to read as follows:
9

10 **“Section 3. Secondary Purpose.** The University shall offer
11 undergraduate and graduate programs in the field of accountancy,
12 engineering and architecture, applied sciences, law, education, business and
13 management. In addition, the University shall offer other programs in the
14 polytechnic areas in light of its purpose as a national polytechnic university.”
15

16 **SEC 4.** Section 4 of PD 1341 hereby amended to read as follows:
17

18 **“Section 4. The University Administration.** The Administration
19 of the university shall be vested in the President of the university who shall
20 render full-time service. He shall be appointed by the Board of Regents,
21 upon the recommendation of a duly constituted search committee. He shall
22 have a term of six (6) years without an eligibility for reappointment for
23 another term: Provided that this provision shall not adversely affect the
24 terms of the incumbents, that the incumbent President shall become the
25 first president of the university upon effectivity of this act; Provided further,
26 that in case where no appointment was made thereafter, the incumbent
27 President shall continue to hold the office in a hold-over capacity, such
28 period shall in no case be more than 90 days.

29 The president shall be assisted by an executive vice president, vice
30 presidents for academic affairs, administration, research, planning and
31 development, finance , student affairs, external affairs, who shall be
32 appointed by the Board upon the president's recommendation without
33 prejudice to the appointment of additional vice presidents when so
34 warranted, in case of vacancy by reason of death resignation, removal for
35 cause or incapacity of the president to perform the functions of his office,
36 the Board of Regent shall have the authority to designate an officer-in-
37 charge pending the appointment of a new president. In case of vacancy in
38 the office of the president as mentioned in the immediately preceding
39 paragraph, his successors shall hold office for the unexpired term.”
40

41 **Section 5.** Section 5 of PD 1341 is hereby amended to read as follows:
42

43 **“SEC 5. Powers and Duties of the President.** Specifically, the
44 President of the University shall have the following powers and duties in
45 addition to those normally appertaining to the Office of the President of the
46 University:

- 47 a. He shall be the Chief Executive Officer of the University as such,
48 progressive and dynamic, ethical, and intellectual administrative leadership
49 in the University is expected of him and vested in him;
50 b. He shall be the head of the University Faculties and of any branch
51 thereof;
52 c. He shall have general supervision over all academic as well as
53 business and financial operations of the University;

- 1 d. He shall promulgate and enforce general policies affecting any unit
2 of the University and take such actions which in his judgment are necessary
3 for the protection of property and general interest of the University, students
4 and personnel and for the operation of the University as a whole and shall
5 inform the Board on all matters relating to the operation and welfare of the
6 University;
- 7 e. He shall appoint qualified persons to fill all vacancies and new
8 positions subject to the approval of the Board and make such other
9 arrangements to meet emergencies occurring between meetings of the
10 Board so that the work of the University shall not suffer;
- 11 f. He shall institute disciplinary action against any member of the
12 University personnel, faculty or non-faculty as well as any student of the
13 University whose actions adversely affect the general interest of the
14 University.
- 15 g. He shall decide appeals in controversies between ranking officials of
16 the University, his decisions being final and conclusive;
- 17 h. He shall grant or deny sabbatical leaves and leaves of absence
18 without pay and/or extension of such leaves as well as extension of
19 fellowships or any form of scholarship for a period not exceeding one
20 academic year if the budget permits and for reasons he may deem
21 satisfactory;
- 22 i. He shall make ad-interim appointments;
- 23 j. He shall grant or withhold permission to reveal confidential matters
24 affecting the University or any unit thereof, as well as any action taken by
25 the Board of Regents;
- 26 k. He shall grant permission for the use of buildings and premises of the
27 University for academic, professional and scientific conventions, for students
28 and related activities and to fix the fee thereof;
- 29 l. He is authorized to join the execution of all contracts, deeds, and
30 instruments for the proper conduct of the business of the University and to
31 assign the same in behalf of the University;
- 32 m. He shall prepare an annual report on the work of the past year and
33 needs of the current year including a budget with estimates of income and
34 expenditures; and
- 35 n. He shall have such other powers as may be specifically authorized by
36 the Board of Regents. He may delegate in writing any of his specific
37 functions to any office.”

38
39 **SEC 6.** Section 6 of PD 1341 is hereby amended to read as follows:
40

41 **“Section 6. The Board of Regents.** The governing body of the
42 University shall be the Board of Regents of the Polytechnic University of the
43 Philippines (hereinafter referred to as the Board).

- 44 1. **Composition.** The Board shall be composed of:
45 a. The Chairperson of the Commission on Higher
46 Education as Chairperson;
47 b. The President of the University as Co-Chairperson;
48 c. The Chairperson of the Senate Committee on Higher,
49 Technical and Vocational Education;
50 d. The Chairperson of the House Committee on Higher
51 and Technical Education;
52 e. The Director-General of the National Economic
53 Development Authority;

- f. The Secretary of the Department of Science and Technology;
- g. The President of the Alumni Association who will serve for a period of two (2) years;
- h. One Faculty Regent representing all teaching personnel, elected by the said personnel in accordance with the rules and qualifications set out by the same constituency who shall serve for a period of two (2) years.
- i. One Student Regent, elected by the students in accordance with the rules and qualifications set out by said constituency, who shall serve for a period of one (1) year.
- j. One Staff Regent representing all non-teaching personnel, elected in accordance with the rules and regulations set out by said constituency, who shall serve for a period of two (2) years; and
- k. Three other Regents who have distinguished themselves in their professions or fields of specialization. All these Regents shall be appointed by the Board as recommended by the search committee organized for the purpose and shall each serve for a term of two (2) years.

The faculty and the student council shall be represented by their respective federations. The private sector representatives shall be appointed by the Board of Regents upon recommendation of a duly constituted search committee.

2. **Compensation.** The members shall serve without compensation, but they shall be reimbursed for necessary expense incurred in their attendance of meetings of the Board or in connection with their official business authorities by resolution of the Board.

3. **Vacancy.** In case of vacancy in the Board, except for the President of the University, such vacancy shall be filled in the same manner as provided for the predecessor and such appointee shall hold the office only for the unexpired portion of the term. In case of Regents representing a particular sector, their membership shall cease upon suspension separation or recall. No person, however, who has succeeded and served for more than 3 years of the unexpired portion shall be eligible for appointment as president.

SEC 7. Section 7 of PD 1341 is hereby amended to read as follows:

Section 7. Powers and Duties of the Governing Board. The governing board 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 36 of Batas Pambansa Blg. 68 otherwise known as the Corporation Code of the Philippines;

- a. to enact rules and regulations not contrary to law as may be necessary to carry out the purpose and functions of the university;
- b. to receive and appropriate all sums as may be provided for the support of the university in the manner it may determine, in its discretion, to carry out the purpose and functions of the university;
- c. to receive in trust legacies, gifts and donations of real and personal properties of all kinds, to administer and dispose the same

1 when necessary for the benefit of the university, subject to
2 limitations, directions and instructions of the donors, if any, such
3 donations shall be exempt from all taxes and shall be considered as
4 deductible items from the income tax of the donor;

5 d. to fix the tuition fees and other necessary school charges such
6 as but not limited to matriculation fees, graduation fees and
7 laboratory fees, as the board may deem proper to impose after due
8 consultations with the involved sectors. Such fees and charges,
9 including government subsidies and other income generated by the
10 university shall constitute special trust funds and shall be deposited
11 in any authorized government depository bank and all interest that
12 shall accrue therefrom shall form part of the same fund for the use
13 of the university. Any provision of existing laws, rules and regulations
14 to the contrary notwithstanding, any income generated by the
15 university from tuition fees and other charges, as well as from the
16 operation of auxiliary services and land grants, shall be retained by
17 the university and may be disbursed by the Board of Regents for
18 instruction, research, extension, or other programs/projects of the
19 university; Provided that all fiduciary fees shall be disbursed for the
20 specific purposes for which they are collected . If for reason of
21 control, the university shall not be able to pursue any project for
22 which funds have been appropriated and allocated under its approved
23 program of expenditures, the Board of Regents may authorize the
24 use of said funds for any reasonable purpose, which in its discretion,
25 may be necessary and urgent for the attainment of the objectives and
26 goals of the university. Provided further, that a portion of any amount
27 of fees increased, however, shall inure to the benefit of the College
28 or Institute for the purpose of faculty, physical facilities and
29 equipment development.

30 e. to authorize the construction or repair of its buildings,
31 machineries, equipment and other facilities and the purchase and
32 acquisition of real and personal properties including necessary
33 supplies, materials and equipment. Purchases and other transactions
34 entered into by the university through the Board of Regents shall be
35 exempt from all taxes and duties.

36 f. to appoint upon the recommendation of the president, vice
37 presidents, deans, directors, heads of departments, faculty members
38 and other officials and employees of the University;

39 g. to fix and adjust salaries of faculty members and
40 administrative officials and employees subject to the provisions of the
41 revised compensation and classification system and other pertinent
42 budget and compensation laws governing hours of service and such
43 other duties and conditions as it may deem proper to grant them, at
44 its discretion, leaves of absence under such regulation as it may
45 promulgate, any provision of existing law to the contrary
46 notwithstanding, and to remove them for cause in accordance with
47 the requirements of due process of law;

48 h. to approve the curricula, institutional programs, and rules of
49 discipline drawn by the administrative and academic councils as
50 herein provided;

51 i. to set policies on admission and graduation of students;

52 j. to award honorary degrees upon persons in recognition of
53 outstanding contribution in the field of education, public service, arts,
54 science and technology or in any field of specialization within the

1 academic competence of the university and to authorize the award of
2 certificates of completion of non- degree and non-traditional courses;
3 k. to absorb non-chartered tertiary institutions within their
4 respective provinces in coordination with the CHED and in
5 consultation with the Department of Budget and Management and to
6 offer therein needed programs or courses to promote and carry out
7 equal access to educational opportunity mandated by the
8 Constitution;
9 l. to establish research and extension centers of the SUC where
10 such will promote the development of the latter;
11 m. to establish professorial chairs in the university and to provide
12 fellowships to qualified faculty members and scholarship to deserving
13 students;
14 n. to delegate any of its powers and duties provided for
15 hereabove to the president and/or other officials of the university as
16 it may deem appropriate so as to expedite the administration of the
17 affairs of the university;
18 o. to authorize an external management audit of the institution
19 and to institute reforms, including academic and structural changes,
20 on the basis of the audit results and recommendations:
21 p. to collaborate with other governing boards of SUCs within the
22 province or the region, in coordination with the CHED and the
23 Department of Budget and Management, the restructuring of said
24 colleges and universities to become more efficient, relevant,
25 productive, and competitive;
26 q. to enter into joint ventures with business and industry for the
27 profitable development and management of the economic assets of
28 the college or institution, the proceeds from which to be used for the
29 development and strengthening of the university;
30 r. to develop consortia and other forms of linkages with local
31 government units, institutions and agencies, both public and private,
32 local and foreign, in furtherance of the purposes and objectives of the
33 institution.
34 s. to develop academic arrangements for institution capability
35 building with appropriate institutions and agencies, public or private,
36 local or foreign, and to appoint experts/specialists as consultants, or
37 visiting or exchange professors, scholars, researchers, as the case
38 may be;
39 t. to set up the adoption of modern and innovative modes of
40 transmitting knowledge such as the use of information technology,
41 the dual system, open learning, community laboratory etc., for the
42 promotion of greater access to higher education;
43 u. to establish policy guidelines and procedures for participative
44 decision-making and transparency within the institution;
45 v. To create, organize, reorganize, merge or abolish colleges,
46 institutes, and other academic and administrative units of the
47 University; and
48 w. to privatize, where most advantageous to the institution,
49 management of non-academic services such as health, food, building
50 or grounds or property maintenance and similar such other
51 objectives.
52
53

1 **SEC 8.** Section 8 of PD 1341 is hereby amended insofar as a section title was
2 inserted, and to read as follows:

3
4 **Section 8. Quorum and Services of Processes.** - A quorum of
5 the Board of Regents shall consist of a majority of all members. All processes
6 against the Board of Regents shall be served on the President or Secretary
7 thereof.

8
9 **SEC. 9.** Section 9 of PD 1341 is hereby amended insofar as a section title was
10 inserted, and to read as follows:

11
12 **Section 9. Meetings.** - Regular meetings of the Board of Regents
13 shall be held at least once every quarter. The Chairman of the Board of
14 Regents may call a special meeting whenever necessary. In both cases,
15 notice of such meetings shall be issued at least three (3) days prior to the
16 meeting.

17
18 **SEC 10. Section 10** of PD 1341 is hereby amended and to read as follows;

19
20 **Section 10. University Officials.** The administration of the
21 university shall be vested in the president. The president shall be assisted
22 by the Executive Vice President, the Vice-President for Administration, the
23 Vice-President for Academic Affairs, the Vice-President for Student Affairs,
24 the Vice-President for Research and Extension, the Vice-President for
25 Planning and Development, the Vice-President for Finance, the Vice-
26 President for External Affairs, the Secretary of the University and such other
27 academic and administrative officials, whose positions and functions are
28 deemed necessary to assist in the effective and efficient administration of
29 the University as may be determined by the Board of Regents.

30
31 **Sec. 11.** A new Section 11 is hereby inserted and to read as follows:

32
33 **Section 11. The Faculty.** The teaching staff of each college shall
34 constitute its faculty. The College Faculty shall be presided over by a Dean.
35 The Dean shall be appointed by the Board of Regents, upon
36 recommendation of the President, selected from a shortlist of three
37 nominees submitted by a special selection committee established for the
38 purpose. If a dean fails to complete his/her term, the President shall appoint
39 an Acting Dean while a search process is in progress. In no case shall the
40 search and election of the next Dean be longer than sixty (60) calendar days
41 from the date when the vacancy occurs.

42
43 **SEC 12.** A new Section 12-A is hereby inserted amending PD 1341 to read as
44 follows:

45 **Section 12-A. Land Grants and Other Real Properties of the**
46 **University. —**

47 (a) The State shall support the Polytechnic University of the
48 Philippines as the national polytechnic university in the form of lump
49 sum amount, through general appropriations and other financial
50 benefits, and in kind, through land grants and donations and use of
51 other real properties. To carry out the intent of these grants, income
52 derived from the development of all land grants and real properties
53 shall be used to further the ends of the national polytechnic
54 university, as may be decided by the board;

1
2 (b) Such parcels of land ceded by law, decree or presidential issuance
3 to the Polytechnic University of the Philippines are hereby declared to
4 be reserved for the purposes intended. The absolute ownership of
5 the national polytechnic university over these landholdings, including
6 those covered by original and transfer certificates of title in the name
7 of the Polytechnic University of the Philippines and their future
8 derivatives, is hereby confirmed. Where the issuance of proper
9 certificates of title is yet pending for these landholdings, the
10 appropriate government office shall expedite the issuance thereof
11 within six months from the date of effectivity of this Act: Provided,
12 That all registration requirements necessary for the issuance of the
13 said titles have been submitted and complied with;
14

15 (c) The Board may plan, design, approve and/or cause the
16 implementation of land leases: Provided, That such mechanisms and
17 arrangements shall sustain and protect the environment in
18 accordance with law, and be exclusive of the academic core zone of
19 the campuses of the Polytechnic University of the Philippines:
20 Provided, further, That such mechanisms and arrangements shall not
21 conflict with the academic mission of the national polytechnic
22 university;
23

24 (d) The Board may allow the use of the income coming from real
25 properties of the national polytechnic university as security for
26 transactions to generate additional revenues when needed for
27 educational purposes;
28

29 (e) The Board may approve the implementation of joint ventures:
30 Provided, That in the event real properties of the national polytechnic
31 university are involved, only the income derived by the University
32 from the use of the real properties shall be the subject of its
33 participation or obligation in the joint ventures: Provided, further,
34 That no joint venture shall result in the alienation of the real
35 properties of the national polytechnic university; and
36

37 (f) Any plan to generate revenues and other sources from land grants
38 and other real properties entrusted to the national polytechnic
39 university shall be consistent with the academic mission and
40 orientation of the national polytechnic university as well as protect it
41 from undue influence and control of commercial interests: Provided,
42 That such programs, projects or mechanisms shall be approved by
43 the Board subject to a transparent and democratic process of
44 consultation with the constituents of the national polytechnic
45 university: Provided, further, That funds generated from such
46 programs, projects or mechanisms shall not be meant to replace, in
47 part or in whole, the annual appropriations provided by the national
48 government to the national university.
49

50 **SEC 13.** A new Section 12-B is hereby inserted amending PD 1341 to read as
51 follows:

52 **Section 12-B Safeguards on Assets Disposition.** The
53 preservation of the value of the assets of the national polytechnic university
54 shall be of primordial consideration the sale of any existing real property of

1 the national polytechnic university shall be prohibited: Provided, That the
2 Board may alienate real property donated after the effectivity of this Act if
3 the terms of the donation specifically allow it. Notwithstanding the provision
4 of this Act or any other law to the contrary, the lease of more than five (5)
5 years of the assets of the national polytechnic university and any
6 transactions referred to in Section 22 shall be subject to the following
7 conditions and procedures:

8 a. The transactions shall be discussed with the members of the
9 Board in any of its formally convened regular or special meeting, at
10 least one (1) month before a decision is to be made;

11 b. The transactions shall be based on a multi-year
12 comprehensive development plan, crafted and developed by qualified
13 urban planning professionals having at least five (5) years'
14 experience, with prior consultations with and concurrence of third-
15 party experts and duly approved by a majority vote of all the
16 members of the Board;

17 c. The transactions shall be subject to competitive and public
18 bidding as provided under Republic Act No 9184, otherwise known as
19 the "Government Procurement Reform Act"; and

20 d. If the contract or transaction involves an amount more than
21 fifty million pesos (P50,000,000.00). It shall be approved by three
22 fourths (3/4) of all the members of the Board: Provided, That the
23 splitting of contracts, which is by breaking up a contract into smaller
24 quantities or amounts or dividing contract implementation into
25 artificial or arbitrary phases or subcontracts for the purposes of
26 circumventing this provision, shall not be allowed.
27

28 **SEC 14.** A new Section 12-C is hereby inserted amending PD 1341 to read as
29 follows:
30

31 **"Section 12-C Tax Exemptions.** The provisions of any general or
32 special law to the contrary notwithstanding:

33 a) All revenues and assets of the Polytechnic University of the
34 Philippines used for educational purposes or in support thereof shall
35 be exempt from all taxes and duties;

36 b) Gifts and donations of real and personal properties of all kinds shall
37 be exempt from the donor's tax and the same shall be considered as
38 allowable deductions from the gross income of the donor in
39 accordance with the provisions of the National Internal Revenue Code
40 of 1997, as amended; Provided that the allowable deductions shall be
41 equivalent to one hundred fifty percent (150%) of the value of such
42 donation. Valuation of assistance other than money shall be based
43 on the acquisition cost of the property, such valuation shall take into
44 consideration the depreciated value of property in case said property
45 has been used.

46 c) Importation of economic, technical, vocational, scientific,
47 philosophical, historical, legal and cultural books, supplies and
48 materials duly certified by the Board, including scientific and
49 educational computer and software equipment shall be exempt from
50 customs duties.

51 d) The University shall only pay 0% value-added tax for all
52 transactions subject to this tax; and

53 e) All academic awards shall be exempt from taxes.
54

1 **SEC 15.** Sections 11, 12 and 13 PD 1341 are hereby repealed

2
3 **SEC 16.** Section 14 of PD 1341 is hereby amended to read as follows:

4
5 **"Section 14. Appropriations.** In addition, to the amount already
6 appropriated for the Polytechnic University of the Philippines for the current
7 fiscal year, there is hereby appropriated an initial sum of Eight Billion pesos
8 (P8,000,000,000.00) from any amount available in the Treasury of the
9 Philippines for the purposes of carrying out the implementation of this Act.
10 Further, an additional sum of One Hundred Million pesos (P100,000,000.00)
11 shall be appropriated separate and above the said initial funding for each
12 fiscal year for the first three years of the implementation of this Act."
13

14 **SEC 17. Separability Clause.** If any part or provision of this Act is held invalid
15 or unconstitutional, other provisions not affected thereby shall remain in force and effect.
16

17 **SEC 18. Repealing Clause** [Republic Act No 8292, as amended, and [a] All laws,
18 decrees, orders, rules, and regulations or other issuances or parts inconsistent with the
19 provisions of this Act are hereby repealed or modified accordingly
20

21 **SEC. 19. Suppletory Application of Republic Act No 8292.** The provisions of
22 Republic Act No. 8292 in so far as they are applicable shall be suppletory to this Act.
23

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

Approved,