

[REPUBLIC ACT NO. 8292, June 06, 1997]

AN ACT PROVIDING FOR THE UNIFORM COMPOSITION AND POWERS OF THE GOVERNING BOARDS, THE MANNER OF APPOINTMENT AND TERM OF OFFICE OF THE PRESIDENT OF CHARTERED STATE UNIVERSITIES AND COLLEGES, AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the "Higher Education Modernization Act of 1997."

SEC. 2. *Declaration of Policy.* – It is the declared policy of the State to establish, maintain, and support a complete, adequate and integrated system of education relevant to the needs of the people and society. Towards this end, the composition of the governing boards of chartered state universities and colleges is hereby modified in order to: a) achieve a more coordinated and integrated system of higher education; b) render them more effective in the formulation and implementation of policies on higher education; c) provide for more relevant direction in their governance; and d) ensure the enjoyment of academic freedom as guaranteed by the Constitution.

SEC. 3. *The Governing Boards; Manner of Appointment.* –

a. *Composition.* - The governing body of state universities and colleges is hereby vested in the Board of Regents for universities and in the Board of Trustees for colleges which shall be composed of the following:

- i. Chairman of the Commission on Higher Education (CHED), Chairman;
- ii. President of the university or college, Vice Chairman;
- iii. Chairmen of the Congressional Committees on Education and Culture;
- iv. Regional Director of the National Economic and Development Authority (NEDA) where the main campus of the university or college is located;
- v. Regional Director of the Department of Science and Technology (DOST) in case of science and technological colleges; or the Regional Director of the Department of Agriculture (DA) in case of agricultural colleges; or the Secretary of Education for an Autonomous Region. In lieu of such representation, the commanding generals of the Philippine Air Force and the Philippine Navy shall sit as members of the Board of the Philippine

State College of Aeronautics and the Philippine Merchant Marine Academy, respectively;

- vi. President of the faculty association;
- vii. President of the supreme student council or the student representative elected by the student council: Provided, That in the absence of a student council president or student representative elected by the student council, the university or college shall schedule one (1) week for the campaign and election of a student representative;
- viii. President of the alumni association of the institution concerned; and
- ix. Two (2) prominent citizens who have distinguished themselves in their professions or fields of specialization chosen from among a list of at least five (5) persons qualified in the city or the province where the school is located, as recommended by the search committee constituted by the President in consultation with the Chairman of the CHED based on the normal standards and qualifications for the position.

The faculty and the student council shall be represented by the president of their respective federations in multi-campus universities and colleges.

The private sector representatives shall be appointed by the Board of Regents/Trustees upon recommendation of a duly constituted search committee.

- b. *Term of Office.* - The presidents of the faculty and alumni associations and the student regents or trustees shall sit in the Board until the expiration of their term of office in such capacities.

The prominent citizens shall serve for a term of two (2) years.

- c. *Meetings; Quorum.* - The Board of Regents/Trustees shall regularly convene at least once every quarter. The Chairman of the Board of Regents/Trustees may call a special meeting whenever necessary: *Provided*, That members are notified in writing at least three (3) days prior to said meeting.

A majority of all members holding office shall constitute a quorum for board meetings: *Provided*, That the Chairman of the CHED who is the chairman of the Board or the president of the university or college is among those present in the meeting. In the absence of the Chairman of the CHED, a commissioner of the CHED, duly designated by him, shall represent him in the meeting with all the rights and responsibilities of a regular member: *Provided, however*, That in the said meeting, the president of the university or college as vice chairman shall be the presiding officer: *Provided, further*, That this proviso notwithstanding, the Chairman of the CHED is hereby authorized to designate a CHED Commissioner the regular Chair to the Board of a particular university or college, in which case said CHED Commissioner shall act as the presiding officer.

The members shall serve without compensation, but they shall be reimbursed for necessary expenses incurred in their attendance of meetings of the Board or in

connection with their official business authorized by resolution of the Board.

SEC. 4. *Powers and Duties of Governing Boards.* – 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 purposes and functions of the university or college;
- b. to receive and appropriate all sums as may be provided, for the support of the university or college in the manner it may determine, in its discretion, to carry out the purposes and functions of the university or college;
- c. to receive in trust legacies, gifts and donations of real and personal properties of all kinds, to administer and dispose the same when necessary for the benefit of the university or college, subject to limitations, directions and instructions of the donors, if any. Such donations shall be exempt from all taxes and shall be considered as deductible items from the income tax of the donor: *Provided, however,* That the rights, privileges and exemptions extended by this Act shall likewise be extended to non-stock, nonprofit private universities and colleges: *Provided, finally,* That the same privileges shall also be extended to city colleges and universities with the approval of the local government unit concerned and in coordination with the CHED;
- d. to fix the tuition fees and other necessary school charges, such as but not limited to matriculation fees, graduation fees and laboratory fees, as their respective boards may deem proper to impose after due consultations with the involved sectors.

Such fees and charges, including government subsidies and other income generated by the university or college, shall constitute special trust funds and shall be deposited in any authorized government depository bank, and all interests that shall accrue there from shall form part of the same fund for the use of the university or college: *Provided,* That income derived from university hospitals shall be exclusively earmarked for the operating expenses of the hospitals.

Any provision of existing laws, rules and regulations to the contrary notwithstanding, any income generated by the university or college from tuition fees and other charges, as well as from the operation of auxiliary services and land grants, shall be retained by the university or college, and may be disbursed by the Board of Regents/Trustees for instruction, research, extension, or other programs/projects of the university or college: *Provided,* That all fiduciary fees shall be disbursed for the specific purposes for which they are collected.

If, for reasons beyond its control, the university or college, shall not be able to pursue any project for which funds have been appropriated and, allocated under its approved program of expenditures, the Board of Regents/Trustees may authorize the use of said funds for any reasonable purpose which, in its