

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 6434



Introduced by Representatives Peter John D. Calderon, Raul del Mar, Rodrigo A. Abellanosa, Eduardo R. Gullas, Wilfredo S. Caminero, Pablo John Garcia, Janice Z. Salimbangon, Vincent Franco D. Frasco, Emmarie M. Ouano-Dizon, Paz C. Radaza and Sonny L. Lagon

EXPLANATORY NOTE

This bill seeks to create the Cebu Technological University System.

Cebu Technological University is the largest technological university in the country with a population of approximately 45,000 students, majority of whom are from the Visayas and Mindanao.

It is the only technological university in the country with a CHED Level IV accreditation and has consistently topped the accreditation of the *Accrediting Agency of Chartered Colleges and Universities in the Philippines* for four consecutive years from 2015 to 2018 and presently an official candidate for the QS (Quacquarelli Symonds) Global Ranking of Universities. It is strategically located in the middle of the country with 26 campuses all over the island of Cebu.

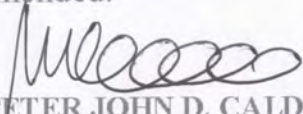
Strengthening the Cebu Technological University as university system is in line with our state policy to give priority to education to foster patriotism, accelerate social progress, and promote human development.

The Philippine Development Plan (PDP) for 2017-2022 mandates the development of the country's human capital. The PDP envisions the Philippines accelerated economic development through the advancement of the skills and competencies of Filipinos.

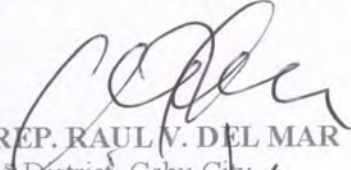
The PDP, likewise calls on the institutions of higher learning to adapt to the positive technological changes to ensure academic development and improvement of their instructions and the academe to be at par with the global standards.

Thus, fortifying Cebu Technological University into a university system will enable the University to renew its functions and responsibilities as a center for technological and academic excellence and retain its status as the major source not only of citizens with great minds, talent and skills but also of people with dedication and heart for service.

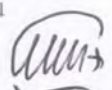
In view of the foregoing, the approval of this bill is highly and earnestly recommended.



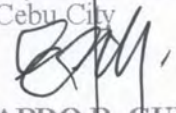
REP. PETER JOHN D. CALDERON
7th District of Cebu



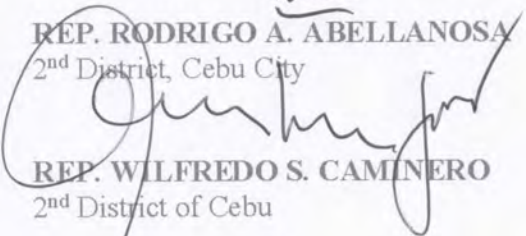
REP. RAUL V. DEL MAR
1st District, Cebu City



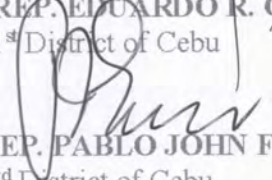
REP. RODRIGO A. ABELLANOSA
2nd District, Cebu City



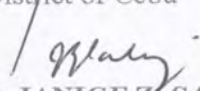
REP. EDUARDO R. GULLAS
1st District of Cebu



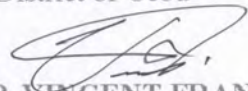
REP. WILFREDO S. CAMINERO
2nd District of Cebu



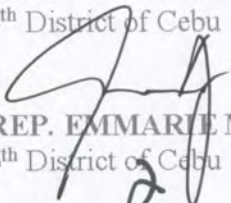
REP. PABLO JOHN F. GARCIA
3rd District of Cebu



REP. JANICE Z. SALIMBANGON
4th District of Cebu



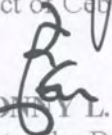
REP. VINCENT FRANCO D. FRASCO
5th District of Cebu



REP. EMMARIE M. OUANO-DIZON
6th District of Cebu



REP. PAUL C. RADAZA
Lone District of Lapu-Lapu City



REP. SONNY L. LAGON
Party List- Ako Bisaya

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M. Ouano-Dizon, Paz C. Radaza and Sonny L. Lagon**

**AN ACT CONVERTING THE CEBU TECHNOLOGICAL UNIVERSITY
INTO A SYSTEM AND APPROPRIATING FUNDS THEREFOR**

*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 “*Cebu Techno-
logical University (CTU) System Charter.*”

SEC. 2. *Declaration of Policy.* – It is the policy of the State to give priority
to education, foster patriotism and nationalism, accelerate development of human
capital and protect the rights of its citizens to accessible quality education. To-
wards this end, the State shall strengthen higher educational institutions, espe-
cially the state colleges and universities not only in the National Capital Region
but also in the countryside.

SEC. 3. *University System.* – The Cebu Technological University (CTU)
System is hereby established composed of three (3) existing constituent univer-
sity units, namely: Cebu Technological University-Metro Cebu, Cebu Techno-
logical University- North Cebu, and Cebu Technological University- South Cebu.

1 SEC 4. *Institutional Autonomy*. – As a university system, CTU shall enjoy
2 institutional autonomy. It shall be treated in a manner consistent with its institu-
3 tional requirements. It shall exclusively determine its instructions, research and
4 extension thrusts, plans, policies, programs and standards, and resource genera-
5 tion, in accordance with the national goals and priorities. On the basis of such
6 determination, the CTU System shall recommend its annual budget to the Presi-
7 dent of the Republic of the Philippines and to the Congress.

8 SEC 5. *General Mandate*. – The CTU System shall primarily offer higher
9 and advanced professional and technical instruction and training in technology,
10 engineering, mathematics, education, industrial programs, agriculture, fisheries,
11 forestry, veterinary medicine, medical and natural sciences, aeronautics and space
12 programs, land-based programs, information technology, digital programs, arts,
13 humanities, and sciences, public administration, business, management and al-
14 lied fields, education, online programs, non-traditional courses, applied arts and
15 sciences and other relevant fields of study. As a university system, it shall pro-
16 mote advanced instruction, research, extension, production and resource genera-
17 tion in line with the latest science, technology and industrial revolution, and shall
18 provide progressive leadership in its areas of specialization.

19 SEC. 6. *Board of Regents*. – The governing body of the CTU System shall
20 be the Board of Regents, hereinafter referred to as the “Board,” composed of the
21 following:

- 22 a) Chairperson of the Commission on Higher Education, as chairper-
23 son;
- 24 b) President of the Cebu Technological University System, as vice-
25 chairperson;
- 26 c) Chairperson of the Senate Committee on Education, Arts, and Cul-
27 ture;

1 d) Chairperson of the House Committee on Higher and Technical Ed-
2 ucation;

3 e) Regional Director of the National Economic and Development Au-
4 thority for Central Visayas Region;

5 f) Regional Director of the Department of Science and Technology of
6 the Central Visayas Region;

7 g) President of the Federated Alumni Association, to serve as alumni
8 regent, elected in accordance with the rules and qualifications set by the said con-
9 stituency, who shall serve for a period of two (2) years;

10 h) President of the Federated Faculty Association, representing all
11 teaching personnel, elected in accordance with the rules and qualifications set by
12 the said constituency, who shall serve for a period of two (2) years;

13 i) President of the Federated Non-Teaching Personnel Association,
14 representing all non-teaching personnel, elected in accordance with the rules and
15 regulations set out by the said constituency, who shall serve for a period of two
16 (2) years;

17 j) President of the Federated Student Government, representing all stu-
18 dents, elected by the students in accordance with the rules and qualifications set
19 out by the said constituency, who shall serve for a period of one (1) year, and;

20 k) Two (2) private regents, who have distinguished themselves in their
21 professions or fields of specialization in the private sector, who shall serve for a
22 period of two (2) years and who shall be appointed by the Board, as recommended
23 by the search committee organized for the purpose;

24 Board members appointed under paragraphs (g), (h), (i), (j) and (k) of this
25 section shall only be eligible for one re-appointment, subject to the majority vote

1 of the Board members present. During such voting, the concerned regents repre-
2 senting their respective constituency shall inhibit themselves in the discussion
3 and shall not participate therein.

4 In case of vacancy in the Board, except for the president of the university,
5 such vacancy shall be filled in the same manner as provided for the predecessor,
6 and such appointee shall hold office only for the unexpired portion of the term.
7 In the case of regents representing a particular sector, their membership shall
8 cease upon suspension, separation, or recall from said sector. No person who has
9 succeeded and continuously served for more than three (3) years, inclusive of the
10 unexpired portion of the term, shall be eligible for appointment as regent.

11 **SEC. 7. *Power and Duties of the Board of Regents.*** – In addition to its
12 general powers of administration and the exercise of all the powers granted to the
13 Board by existing laws, the Board shall have the following specific powers and
14 duties:

15 a) Define in general terms the thrust of the university system and prom-
16 ulgate and implement the policies, standards and thrusts of the Commission on
17 Higher Education to ensure the promotion, development and preservation of the
18 quality, excellence and integrity of the CTU System;

19 b) Approve the curricula, institutional programs and rules of discipline
20 drawn by the university council;

21 c) Appoint, upon the recommendation of the president of the CTU Sys-
22 tem, the vice presidents, chancellors, campus directors, college deans, heads of
23 departments, faculty members and other officials and employees of the CTU Sys-
24 tem.

25 d) Fix and adjust salaries of faculty members and administrative offi-
26 cials and employees subject to the provisions of the revised compensation and

1 classification system and other pertinent budget and compensation laws govern-
2 ing hours of service, and such other duties and conditions as it may deem proper;

3 e) Hear and decide administrative cases or matters brought before it on
4 appeal from the Office of the President, involving University officials and em-
5 ployees, in accordance with the Civil Service Commission Rules on Administra-
6 tive Cases;

7 f) Fix the tuition fees and other necessary school charges, such as ma-
8 triculation fees, graduation fees and laboratory fees, as their respective boards
9 may deem proper to impose after due consultations with the involved sectors,
10 notwithstanding any provision of the law to the contrary, retain any income gen-
11 erated by the CTU System from tuition fees and other charges, as well as from
12 the operation of auxiliary services and land grants, and disburse for instructions,
13 research, extension program, professional growth and development, health, wel-
14 fare, and other benefits of the students, faculty, officials and other personnel, or
15 for acquisition, construction, maintenance and repair of urgently needed instruc-
16 tional and auxiliary facilities, equipment, buildings and others infrastructure, or
17 for expenses or any other programs and projects for the attainment of the pur-
18 pose under its approved program of expenditures;

19 If the CTU System, for reasons beyond its control, is not able to implement
20 any project for which funds have been appropriated and allocated under its ap-
21 proved program of expenditures, the Board may authorize the use of said funds
22 for any reasonable purpose necessary and urgent for the attainment of the objec-
23 tives of the University: *Provided, however*, that funds collected from students for
24 a specific purpose are not reprogrammed to other expenditures;

25 g) Adopt and implement a scheme of tuition and other school fees in
26 accordance with Republic Act No. 10931, or the "*Universal Access to Quality*
27 *Tertiary Education Act*;"

- 1 h) Receive and appropriate all sums as may be provided by law for the
2 support of the university in the manner it may determine, in its discretion, in order
3 to effectively carry out the purposes and functions of the university;
- 4 i) Establish professorial chair awards and provide fellowships for qual-
5 ified faculty members and scholarships for deserving faculty and students;
- 6 j) Set up policies on admission, grant of honors and approve the grad-
7 uation of students as recommended by the president of the university.
- 8 k) Confer honorary degrees upon persons in recognition of outstanding
9 contribution in the field of education, public service, arts, science and technology,
10 innovation or in any field of specialization within the academic competence of
11 the university, and authorize the award of certificates of completion of non-de-
12 gree and non-traditional courses: *Provided*, That such degree shall not be con-
13 ferred in consideration of any payment, gift or other valuable consideration;
- 14 l) Develop academic arrangements for institutional capability building
15 with other institutions and agencies, public or private, local or foreign, appoint
16 experts or specialists as consultants, visiting or exchange professors, scholars, or
17 researchers;
- 18 m) Set up the adoption of modern and innovative modes of transmitting
19 knowledge such as the use of information technology, online programs, open
20 learning, the dual system, and community laboratory, for the promotion of greater
21 access to higher education with internationally recognized curricula;
- 22 n) Absorb non-chartered tertiary institutions or local colleges within
23 the Cebu province in coordination with the Commission on Higher Education and
24 in consultation with the Department Budget and Management, and offer herein
25 needed programs or courses to promote and carry out equal access to educational
26 opportunities as mandated by the Constitution;

- 1 o) Create, organize, reorganize, merge or abolish satellite and exten-
- 2 sion campuses, colleges, institutes, and other academic and administrative units
- 3 of the university;
- 4 p) Authorize an external management audit of the university and insti-
- 5 tute reforms, including academic and structural changes, on the basis of the audit
- 6 results and recommendations;
- 7 q) Develop consortia and other forms of linkages with local, national
- 8 government, private and international institutions and agencies, in furtherance of
- 9 the purposes and objectives of the institution;
- 10 r) Enter into joint ventures with business and industry for the profitable
- 11 development and management of the economic assets of the university, the pro-
- 12 ceeds from which shall be used for the development and strengthening of the
- 13 university;
- 14 s) Import economic, technical and cultural books and publications;
- 15 t) Receive in trust legacies, gifts and donations of real and personal
- 16 properties of all kinds, to administer and dispose of the same when necessary for
- 17 the benefit of the university, subject to limitations, directions and instructions of
- 18 the donors, if any;
- 19 u) Delegate any of its powers and duties to the president and other of-
- 20 ficials of the University as it may deem appropriate so as to expedite the admin-
- 21 istration of the affairs of the CTU System;
- 22 v) Establish policies on demonstration and income-generating projects
- 23 to ensure appropriate sharing of the proceeds, incentives, income, awards and
- 24 recognitions to the officials managing the projects;
- 25 w) Authorize the construction or repair of its buildings, machinery,
- 26 equipment and other facilities and the purchase and acquisition of real and per-
- 27 sonal properties including necessary supplies, materials and equipment;

1 x) Privatize, where most advantageous to the institution, the manage-
2 ment of non-academic services such as health, food, building or grounds, or prop-
3 erty maintenance and other similar services; and

4 y) Prescribe rules and regulations not contrary to law as may be neces-
5 sary to carry out the purposes and functions of the CTU System and exercise such
6 powers as may be proper and necessary to carry out the objectives of this Act.

7 SEC. 8. *Quorum and Service of Processes.* – A quorum of the Board con-
8 sists of a majority of all members. All processes against the Board shall be served
9 on the president or secretary of the Board.

10 SEC. 9. *Meetings.* – Regular meetings of the Board shall be held once every
11 quarter. Special meetings of the Board may be called by the chairperson or upon
12 the request by at least four members of the Board. In both cases, all notices of
13 such meetings shall be issued one week prior to the meeting.

14 A majority of all members holding office shall constitute a quorum for board
15 meetings: *Provided*, that the chairperson of CHED who is the chairperson of the
16 Board or the president of the CTU System is among those present in the meeting.
17 In the absence of the chairperson of the CHED, a duly designated commissioner
18 of CHED shall represent the chairperson in the meeting with all the rights and
19 responsibilities of a regular member: *Provided, however*, that in the said meeting,
20 the president of the CTU System as vice chairperson shall be the presiding officer:
21 *Provided, further*, that this provision notwithstanding, the chairperson of the
22 CHED is hereby authorized to designate a CHED commissioner as the regular
23 chair to the Board of the CTU System, in which case the said CHED commis-
24 sioner shall act as the presiding officer.

25 The chairpersons of the Senate Committee on Education, Arts and Culture
26 and the House Committee on Higher and Technical Education, in case of their
27 absence or inability to attend the board meeting, may designate their respective

1 representatives to attend the meeting. These duly authorized representatives shall
2 have the same rights and responsibilities as the regular members of the Board.

3 The members of the Board shall serve without compensation, but may reim-
4 burse any actual and necessary expense incurred in relation to their attendance in
5 Board meetings or any official business authorized by a resolution of the Board.

6 SEC. 10. *University Administration.* – The administration of the CTU Sys-
7 tem shall be vested in the president of the university, who shall render full-time
8 service. The president shall be appointed by the Board, upon the recommendation
9 of a duly constituted search committee. The president shall serve for a term of
10 four (4) years with possible reappointment: *Provided*, that in case where no ap-
11 pointment has been made, the incumbent President shall serve in a hold-over ca-
12 pacity, for a period of not more than ninety (90) days.

13 The president shall be assisted by an Executive Vice-President, Vice-Presi-
14 dents for Academic Affairs; Administration, Planning and Finance; Research,
15 Development and Extension; Linkages, Production and Resource Generation;
16 and Quality Assurance, who shall be appointed by the Board upon recommenda-
17 tion by the president from the list submitted by the search committee. Realign-
18 ment of vice-president functions and title may be allowed upon approval of the
19 Board.

20 In case of a vacancy by reason of death, resignation, removal for cause or
21 incapacity of the president to perform the functions of the office, the Board shall
22 designate an officer-in-charge pending the appointment of a new president. The
23 successor thereto shall serve the unexpired portion of the term of the predecessor.
24 The unexpired term served by the successor is not considered as the first term of
25 the successor and is therefore qualified to apply for a fresh first term of presi-
26 dency.

1 SEC. 11. *Powers and Duties of the President.* – The president of the CTU
2 System is the chief executive of the university, chief academic officer and head
3 of the university faculty. The president shall exercise the powers specifically pro-
4 vided for in this Act, those granted by the Board, those which pertain to the office
5 of the president of a university, and those which are related or necessary to its
6 functions.

7 a) As the chief executive officer of the CTU System, to provide pro-
8 gressive and dynamic, ethical, and intellectual and administrative leadership in
9 the university;

10 b) To have general supervision over all academic, administrative, busi-
11 ness and financial operations of the university;

12 c) The power to determine and prepare the agenda of all meetings of
13 the Board of Regents, provided, however, that any member of the Board shall be
14 entitled to have any matter included in the agenda.

15 d) To recommend to the Board the creation of administrative offices
16 that enhance the operations of the university;

17 e) To recommend to the Board changes in the organizational structure
18 that enhance the functions of the university;

19 f) To enforce general policies affecting any unit of the university and
20 take such actions, which in one's judgment are necessary for the protection of
21 property and general interest of the university, its students and personnel, and the
22 operation of the university as a whole, and to inform the Board on all matters
23 relating to the operation and welfare of the university;

24 g) To make *ad-interim* appointments, to fill in new positions and cru-
25 cial vacancies subject to the subsequent approval of the Board and to make such
26 arrangements to meet emergencies occurring between meetings of the Board so
27 that the efficient operations of the university may not suffer;

1 h) Hear and decide administrative cases or matters instituted by or
2 brought before it directly, involving University officials and employees, in ac-
3 cordance with the Civil Service Commission Rules on Administrative Cases and
4 subject to appeal to the Board;

5 i) To grant or withhold permission to reveal confidential matters af-
6 fecting the university or any unit thereof, on any action taken by the Board;

7 j) To grant permission for the use of the building and the premises of
8 the university for academic, professional and scientific convention, student and
9 other related activities;

10 k) To represent the university in the execution of contracts, deeds and
11 instruments for the proper conduct of the business of the university;

12 l) To prepare an annual report on the programs, projects, and accom-
13 plishments of the CTU System for the previous year as well as the needs for the
14 current year, including a budget covering the estimates of income and expendi-
15 tures; and

16 m) To exercise such other powers as may be specifically authorized by
17 the Board.

18 SEC. 12. *University Officials.* – The university president shall be assisted
19 by the executive vice-president, vice-presidents, chancellors,

20 the secretary of the university, and such other academic and administrative
21 officials, whose position and functions are deemed necessary to assist in the ef-
22 fective and efficient administration of the university, as maybe determined by the
23 Board. The president, executive vice-president, vice-presidents, chancellors,
24 campus directors, college deans and university directors, shall be given appropri-
25 ate representation and transportation allowances (RATA). Other university offi-
26 cials may also be provided with RATA upon proper justification and approval of
27 the Board and consistent with DBM Guidelines and policies.

1 SEC. 13. *Search Committee.* – Within six (6) months before the expiration
2 of the term of office of the incumbent president of the CTU System, executive
3 vice-president, and vice-presidents, the Board shall constitute a search commit-
4 tee. The composition of which shall be determined by the Board, taking into
5 consideration representatives from the academic community, a (1) private sector
6 representative, who should not be in any way connected to or associated with the
7 CTU System, (2) a representative from the Philippine Association of State Uni-
8 versity and Colleges (PASUC), and (1) a representative from the Commission on
9 Higher Education (CHED).

10 SEC. 14. *Minimum Qualifications for Presidency.* – The applicant for the
11 presidency of the CTU System must possess the qualifications and standards set
12 by the Board and Republic Act No. 8292, otherwise known as the “*Higher Edu-*
13 *cation Modernization Act of 1997.*”

14 SEC. 15. *Appointment Papers of the University President.* – After the
15 Board shall have selected and appointed the new president, the appointment pa-
16 pers shall be signed by the CHED chairperson or the CHED commissioner, who
17 had been duly designated as regular chairperson of the Board.

18 SEC. 16. *Heads of the Constituent University.* – Each Constituent University
19 shall have a chancellor to be appointed by the Board of Regents, upon recom-
20 mendation of the President from a shortlist of candidates prepared by a Search
21 Committee created for such purpose, subject to the guidelines, qualifications and
22 standards set by the Board. The chancellor shall serve for a term of four (4) years
23 until a successor shall have been appointed and qualified.

24 SEC. 17. The Chancellor shall be the Chief Executive Officer of the Con-
25 stituent University and shall exercise general supervisor over all business and fi-
26 nancial operations of the constituent units.

1 SEC. 18. Heads of Campuses. Campus Directors shall head the satellite cam-
2 puses and they shall render full-time service. They shall be appointed by the
3 Board upon recommendation of the University President, subject to the guide-
4 lines, qualifications and standards set by the Board. The Campus Directors shall
5 serve for a term of two (2) years and until a successor shall have been appointed
6 and qualified.

7 SEC. 19. The University Council. – There shall be a University Council con-
8 sisting of the President of the University as Chairperson, the Executive Vice Pres-
9 ident, all Vice Presidents, all Chancellors, all Campus Directors, Deans, and other
10 officials of equal rank as members, whose duty is to review and recommend to
11 the Board policies governing the administration, management, development and
12 planning of the University.

13 Programs of the different colleges shall be headed by a dean who shall be
14 appointed by the Board upon the recommendation by the president, subject to the
15 guidelines, qualifications and standards set by the Board. The College Deans shall
16 serve for a term of two (2) years and until a successor shall have been appointed
17 and qualified.

18 In case of vacancy on the position of chancellors, campus directors and col-
19 lege deans, the president shall appoint or designate temporary appointments pref-
20 erably from the incumbent heads of the campuses. The said chancellors, campus
21 directors and deans shall be granted appropriate representation and transportation
22 allowance subject to existing laws and regulations.

23 SEC. 20. *Faculty*. – The teaching personnel of each college constitute its
24 faculty. The college faculty is headed by a dean who is appointed by the Board
25 upon the recommendation of the president from a shortlist of at least three (3)
26 nominees submitted by the Chancellor. If a dean fails to complete the term of
27 office, the chancellor shall appoint an acting dean and commence the search and

1 appointment process. In no case shall the search and appointment of the next
2 dean be longer than sixty (60) calendar days from the date of vacancy.

3 Each constituent university unit must have the following minimum number
4 of university professor positions: two (2) for CTU- Metro Cebu, one (1) for CTU-
5 North Cebu, one (1) for CTU-South Cebu. Additional university professor posi-
6 tions may be created subject to existing guidelines. The president shall be given
7 a university professor position without prejudice on the allocated number of uni-
8 versity professors per constituent university unit: *Provided*, That the president is
9 able to comply with the requirements as a university professor according to Phil-
10 ippine Association of State Universities and Colleges guidelines.

11 SEC. 21. *Academic Freedom and Excellence*. – The CTU System has the
12 right and responsibility to exercise academic freedom. It has the responsibility to
13 maintain and enhance its high academic standards in the performance of its func-
14 tions in instructions, research, extension and community service.

15 SEC. 22. *Commitment to National Development and Sustainable Devel-*
16 *opment Goals*. – The CTU System shall harness the expertise of the members of
17 its community and other individuals to regularly study the state of the nation in
18 relation to its quest for national development in the primary areas of research,
19 innovation, sustainable education and economics, among others; identify key
20 concerns, formulate responsive policies regarding these concerns, and give advice
21 and recommendations to Congress and the President of the Philippines. It shall
22 also formulate policies that promote the sustainable development goals of the
23 United Nations.

24 SEC. 23. *Social Responsibility*. – The CTU System is committed to serve
25 the Filipino nation and humanity. While it carries out the obligation to pursue
26 universal principles, it must relate its activities to the needs of the Filipino people

1 for technological advancement and their aspirations for social progress and trans-
2 formation.

3 SEC. 24. *Internationalization.* – The CTU System is a technological uni-
4 versity with an international character. It adopts internationally recognized cur-
5 ricula and collaborates with international universities to co-host courses or pro-
6 grams. In line with the direction of Commission on Higher Education (CHED)
7 to have the country's higher education institutions (HEIs) to be recognized glob-
8 ally, the CTU System shall exert best efforts to be recognized by known world
9 university ranking bodies, including the Quacquarelli Symonds (QS) and Times
10 Higher Education (THE). It shall likewise subject its offered programs to known
11 international accrediting and certifying bodies.

12 SECTION 25. *Research, Development and Extension (RDE) Centers.* –
13 Each campus must have at least one RDE center with an annual appropriated
14 budget of at least Five million pesos (P5,000,000.00). For the campus in Metro
15 Cebu, each college shall have at least one (1) RDE center with an annual appro-
16 priated budget of at least Five million pesos (P5,000,000.00). Currently recog-
17 nized RDE centers are carried over as established RDE centers. Establishment
18 of new RDE center thereafter must be at the level of the Board. The office of the
19 vice-president for research, development and extension shall, as endorsed by the
20 president, recommend to the Board for the creation of new RDE center. RDE
21 centers is headed by a director, who shall be appointed by the Board and recom-
22 mended by the president of the university and the vice-president for research,
23 development and extension, and the respective chancellor where the RDE center
24 is hosted. The term of the RDE directors is two (2) years subject to re-appoint-
25 ment. RDE directors must have proper alignment to the field of the RDE center.
26 The office of the vice-president for research, development and extension shall

1 monitor and evaluate the operations and performance of the RDE centers in co-
2 operation with the respective chancellors. Budget management of the RDE cen-
3 ters is prepared by the respective RDE directors, recommended by the respective
4 chancellors and approved by the office of the vice-president for research, devel-
5 opment and extension, and the university president.

6 SEC. 26. *Recognition and Financial Rewards to Achievements in Instruc-*
7 *tions, Research and Extension.* – The CTU System shall recognize outstanding
8 achievements of the teaching and non-teaching personnel and students in instruc-
9 tions, research, extension, and administration, and shall provide financial re-
10 wards. These include topping licensure board examinations, scientific publica-
11 tions in reputable peer-reviewed journals, and patents, utility models and the like,
12 and performance of highly outstanding employee. The mechanics and amount to
13 be given shall be recommended by the appropriate university councils and ap-
14 proved by the Board.

15 SEC. 27. *Income Generating Projects and Viable Demonstration Projects.*
16 – The CTU System shall implement feasible income generating projects (IGPs)
17 and viable demonstration projects (VDPs). These projects serve as vital links to
18 the functions of the university in instruction, research, production, extension and
19 resource generation. Towards this end, an IGP manual of operation is formulated
20 for the operation of the CTU System's IGP providing therefore the share of the
21 university and the incentives of employees involved in the implementation of the
22 projects based on existing circulars of the Department of Budget and Manage-
23 ment, Commission on Audit, Civil Service Commission and other pertinent laws,
24 rules and regulations.

25 SEC. 28. *Non-teaching Personnel.* – Regular employees not performing
26 regular teaching functions compose the non-teaching personnel. Creation and

1 opening of new non-teaching personnel plantilla positions is vested on the Board,
2 subject to civil service rules and regulations and budget availability.

3 **SEC. 29. *Assets, Liabilities and Personnel.*** — All assets, real and personal,
4 records, and personnel of the Cebu Technology University as well as liabilities
5 and obligations, are hereby transferred to the Cebu Technological University Sys-
6 tem. The positions, rights and security of tenure of faculty members and person-
7 nel therein employed under existing laws prior to the conversion into a University
8 System shall be respected.

9 All parcels of land belonging to the government occupied by the Cebu Tech-
10 nological University and its satellite campuses are hereby declared to be property
11 of the Cebu Technological University System, and shall be titled under that name:
12 Provided, That should the Cebu Technological System cease to exist or be abol-
13 ished or should such parcels of land aforementioned be no longer needed by the
14 CTU System, the same shall revert to the LGUs concerned.

15 **SEC. 30. *Land Grants and Other Real Properties.*** – a) The State supports
16 the CTU System in the form of lump-sum amount, through the annual General
17 Appropriations Act (GAA) and other financial benefits, and in kind, through land
18 grants and donations and use of other real properties. To carry out the intent of
19 these grants, income derived from the development of all land grants and real
20 properties shall be used to further the end of the national technological university,
21 as may be decided by the Board.

22 b) Such parcels of land ceded by law, decree or presidential issuance to
23 the Cebu Technological University System are reserved for the purposes in-
24 tended. The absolute ownership of the national technological university over
25 these landholdings, including those covered by original and transfer certificates
26 of title in the name of Cebu Technological University System and their future
27 derivatives, is hereby confirmed. Where the issuance of proper certificates of

1 title is yet pending for these landholdings, the appropriate government office shall
2 expedite the issuance thereof within six (6) months from the date of effectivity of
3 this Act: *Provided*, that all registration requirements necessary for the issuance
4 of the these titles are submitted and complied with.

5 c) The Board may plan, design, approve and cause the implementation
6 of land leases: *Provided*, That such mechanisms and arrangements must sustain
7 and protect the environment in accordance with law, and must be exclusive of the
8 academic core zone of the campuses of the university: *Provided, further*, That
9 such mechanisms and arrangements are not in conflict with the academic mission
10 of the CTU System;

11 d) The Board may allow the use of the income coming from real prop-
12 erties of the CTU System as security for transactions to generate additional reve-
13 nues when needed for educational purposes;

14 e) The Board may approve the implementation of joint ventures: *Pro-*
15 *vided*, That in the event real properties of the university are involved, only its
16 income derived from the use of the real properties are the subject of its participa-
17 tion or obligation in the joint ventures: *Provided, further*, that no joint venture
18 must result in the alienation of the real properties of the CTUS; and

19 f) Any plan to generate revenues and other sources from land grants
20 and other real properties entrusted to the CTU System must be consistent with its
21 academic mission and devoid of any undue influence and control from commer-
22 cial interests. The programs, projects or mechanisms shall be approved by the
23 Board subject to a transparent and democratic process of consultation with the
24 constituents of the CTU System: *Provided*, That funds generated from such pro-
25 grams, projects or mechanisms are not meant to replace, in part or in whole, the
26 annual appropriations it is receiving as provided by the national government.

1 SEC. 31. *Safeguards on Assets Disposition.* – The preservation of the value
2 of the assets of the CTU System must be of primordial consideration.

3 The sale of any existing real property of the CTU System is prohibited: *Pro-*
4 *vided*, That the Board may alienate real property donated after the effectivity of
5 this Act if the terms of the donations specifically allow it.

6 Notwithstanding the provision of this Act or any other law to the contrary,
7 the lease of more than five (5) years of the assets of the university and any trans-
8 action referred to under this Act are subject to the following conditions and pro-
9 cedures:

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

13 b) The transactions are based on a multi-year comprehensive develop-
14 ment plan, crafted and developed by qualified urban planning professionals hav-
15 ing at least five (5) years experience, with prior consultation with and concurrence
16 of third-party experts and duly approved by a majority vote of all the members of
17 the Board;

18 c) The transactions are subject to competitive and public bidding, as
19 provided under RA 9184, otherwise known as the “*Government Procurement Re-*
20 *form Act*,” and

21 d) If the contract or transaction involves an amount more than Fifty
22 million pesos (P50,000,000.00), it is approved by three-fourths of all the mem-
23 bers of the Board. The splitting of contracts or breaking up of a contract into
24 smaller quantities or amounts or dividing contract implementation into artificial
25 or arbitrary phases or subcontracts for the purpose of circumventing this provi-
26 sion, shall not be allowed.

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

3 a) All revenues and assets of the CTU System used for educational pur-
4 poses, or in support thereof, are exempt from all taxes and duties;

5 b) Gifts and donations of real and personal properties of all kinds are
6 exempt from the donor's tax and these are considered as allowable deductions
7 from the gross income of the donor, in accordance with the provisions of the Na-
8 tional Internal Revenue Code of 1997, as amended;

9 c) Importation of economic, technical, vocational, scientific, philo-
10 sophical, historical, legal and cultural books, supplies and materials duly certified
11 by the Board, including scientific and educational computer and software equip-
12 ment, are exempt from customs duties; and

13 d) All academic awards are exempt from income taxes.

14 SEC. 33. *Transitory Provision.* – For purposes of transition into its univer-
15 sity system status, the incumbent president shall serve a new first term as the
16 president of the CTU System. The president shall designate, preferably among
17 the incumbent campus directors, as officers-in-charge for the positions of chan-
18 cellors of the constituent units until such time the appointed chancellors have as-
19 sumed the position in accordance with Section 16 of this Act.

20 SEC. 34. *Development Plan and Organizational Structure.* – Within a pe-
21 riod of one hundred twenty (120) days after the approval of this Act, the CTUS
22 must accomplish the following:

23 a) Submit a five-year development plan, including its corresponding
24 program budget to the CHED, for corresponding recommendation to the DBM;

25 b) Submit the revised Land Use Development and Infrastructure Plan
26 (LUDIP) based on Republic Act No. 11396, otherwise known as the "*SUCs Land*
27 *Use Development and Infrastructure Plan (LUDIP) Act*;"

1 c) Undergo a management audit in cooperation with the CHED; and

2 d) Set up its new organizational, administrative as well as academic
3 structure, including the appointment of the new key officials of the university.

4 SEC. 35. *Filing of Report Period.* – On or before the fifteenth day of the
5 second month after the opening of the regular classes each year, the Board shall
6 file with the Office of the President of the Philippines, through the chairperson of
7 the CHED and based upon the recommendation of a panel of experts, a report
8 that the institution has complied with the requirements for university system sta-
9 tus. The CHED shall regularly provide technical assistance to the institution and
10 monitor compliance with all the requirements.

11 The CHED shall designate a panel of experts who shall prepare, provide,
12 and define the specific indicators and levels of accomplishments based on the
13 acceptable international practices to be used as benchmarks in declaring the CTU
14 as a university system. These benchmarks prepared by the panel of experts shall
15 be recommended to the CHED *en Banc*.

16 The institution retains its status prior to the effectivity of this Act, unless it
17 complies with the requirements provided herein.

18 SEC. 36. *Rules of Construction.* – Unless subsequent legislation expressly
19 provides for their repeal, amendment or modification, no other issuances shall
20 diminish the powers, rights, privileges and benefits accorded to the CTU System
21 under this Act or under the issuances not otherwise modified or repealed by this
22 Act.

23 SEC. 37. *Appropriations.* – The amount necessary to carry out the initial
24 implementation of this Act shall be charged against the current year's appropria-
25 tions of the university. Thereafter, such sums as may be necessary for the con-
26 tinued implementation of this Act shall be included in the annual General Appro-
27 priations Act.

1 SEC. 38. *Suppletory Application.* – For purposes of this Act, RA 8292,
2 otherwise known as the “*Higher Education Modernization Act of 1997*,” and
3 other applicable laws, shall have suppletory application.

4 SEC. 39. *Implementing Rules and Regulations.* – Within sixty (60) days
5 from the effectivity of this Act, the Board shall, in consultation with the Commis-
6 sion on Higher Education, formulate the rules and regulations to fully implement
7 the provisions of this Act.

8 SEC. 40. *Separability Clause.* – Should any provision herein be declared
9 unconstitutional, the same shall not affect the validity of the other provisions of
10 this Act.

11 SEC. 41. *Repealing Clause.* – Republic Act No. 9744, entitled “*An Act*
12 *Converting the Cebu State College of Science and Technology System in the City*
13 *of Cebu and All of Its Satellite Campuses Located in the Province of Cebu into*
14 *a State University to be known as the Cebu Technological University (CTU) and*
15 *Appropriation thereof*,” is hereby amended. All other laws, decrees, orders, rules,
16 and regulations, and other issuances or parts thereof that are inconsistent with the
17 provisions of this Act are hereby modified accordingly.

18 SEC. 42. *Effectivity.* – This Act shall take effect fifteen (15) days after its
19 publication in the *Official Gazette* or in a newspaper of general circulation.

20

21 Approved,
