

[PRESIDENTIAL DECREE NO. 1437, June 10, 1978]

DEFINING THE COMPOSITION AND POWERS OF THE GOVERNING BOARDS, THE APPOINTMENT AND TERM OF OFFICE OF THE PRESIDENT OF CHARTERED STATE UNIVERSITIES AND COLLEGES, AND FOR OTHER PURPOSES.

WHEREAS, the Constitution of the Philippines directs the State to establish and maintain a complete, adequate, and integrated system of education relevant to the goals of national development and prescribes that all educational institutions shall aim to develop scientific, technological and vocational efficiency;

WHEREAS, under Presidential Decree No. 6-A otherwise known as the Educational Development Decree of 1972, promulgated on September 29, 1972, it has been declared a policy of the government to reorient the educational system toward an accelerated national economic growth and meaningful social development;

WHEREAS, there is a need to define the composition and powers of the governing boards of chartered state universities and colleges in order to achieve a more coordinated and integrated system of higher education, to render them more effective in the formulation and implementation of policies on higher education, and to provide for more relevant direction in their governance;

WHEREAS, the enabling laws of certain chartered state colleges and universities indicate a fixed term of office of the presidents thereof while the others are silent on the matter, and there is accordingly a felt need to provide a standards on the tenure of college or university presidents in accordance with the generally accepted management practices.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby order and decree to be part of the laws of the land:

SECTION 1. Any provision of law to the contrary notwithstanding, the composition of the governing boards of chartered state universities and colleges is hereby modified and reconstituted as follows:

Secretary of Education and Culture—Chairman
President of the University or College—*Vice Chairman*

Representative of the National Economic and Development Authority (NEDA), *Member*

Two (2) prominent citizens who have distinguished themselves in the professions or fields of specialization of the institutions concerned, one representing the alumni of the institution concerned, the other chosen from prominent citizens in the city or province where the school is located, to be appointed by the President of the Philippines upon recommendation of the Secretary of Education and Culture, *Member*

The first group of appointive regents or trustees shall serve for two (2) years and four (4) years, respectively. Thereafter, the appointees shall hold office for a term of

four (4) years. In case of permanent vacancy, the appointee shall hold office for the unexpired term only.

In the absence of the Secretary of Education and Culture, the Secretary shall authorize a representative, preferably the undersecretary concerned and at the least a director, to sit in the meetings of the board: *Provided, however,* that during these meetings the president shall preside as Vice Chairman of the Board.

SEC. 2. The governing boards shall exercise policy-making functions in accordance with the general policies, plans, and programs on education as may be formulated by the National Board of Education and the Secretary of Education and Culture and the general policies, plans, and programs on national and regional development as may be issued by the National Economic and Development Authority (NEDA). The Secretary of Education and Culture as Chairman of the governing boards shall see to it that the general educational policies, plans and programs as formulated and promulgated are adopted and observed in all state colleges and universities.

SEC. 3. Subject to the provisions of Section 2 hereof, the governing boards shall have the following specific powers and duties in addition to the general powers as provided in Section Thirteen of Act Numbered Fourteen Hundred Fifty-Nine, as amended, otherwise known as the Corporation Law:

- a. To enact for the government of the university or college such rules and regulations not contrary to law, as may be necessary to carry out the purpose and functions of the university or college.
- b. To receive and appropriate to the ends specified by law such sums as may be provided for the support of the university or college.
- c. To import duty-free essential commodities and materials for advanced educational or technological programs as an exception to existing laws, provided such commodities or materials are not available locally; and to receive in trust legacies, gifts, and donations of real and personal property of all kinds, to administer the same for the benefit of the university or college or for aid to any student in accordance with the directions and instructions of the donor, and in default thereof, in such manner as the governing boards may in their discretion determine. Such donations shall be exempt from all taxes and shall be considered as deductible items from the income tax of the donors.
- d. To approve the curricula and rules of discipline drawn by the Administrative and Academic Councils as hereinafter provided.
- e. To confer degrees upon successful candidates for graduation, to award honorary degrees upon persons in recognition of learning, public service, statemanship or eminence in any field of specialization of the university or college, and to authorize the presidents of the university or college to award certificate for completion of non-degree programs;
- f. To confirm appointments of vice presidents, deans, directors, registrars, heads of departments, professors, and other officials and employees of the university or college made by the president, to fix their compensation, hours of service, and such other duties and conditions as the governing boards may promulgate, in accordance with the provisions of existing laws; to remove them for cause after investigation and hearing.
- g. To establish chairs in the university or college and to provide fellowships for qualified faculty members and scholarships to deserving students.
- h. To fix tuition fees and such other necessary school charges as the governing boards may deem proper to impose. Such fees and charges, including other