

[REPUBLIC ACT NO. 9718, October 14, 2009]

**AN ACT CONVERTING THE NAVAL INSTITUTE OF TECHNOLOGY
IN THE MUNICIPALITY OF NAVAL, PROVINCE OF BILIRAN INTO
A STATE UNIVERSITY TO BE KNOWN AS THE NAVAL STATE
UNIVERSITY, INTEGRATING THEREWITH THE BILIRAN
NATIONAL AGRICULTURAL COLLEGE IN THE MUNICIPALITY OF
BILIRAN AND APPROPRIATING FUNDS THEREFOR**

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

SECTION 1. *Conversion/Integration.* — The Naval Institute of Technology in the Municipality of Naval, Province of Biliran is hereby converted into a state university to be known as the Naval state University (NSU), hereinafter referred to as the University, integrating therewith the Biliran National Agricultural College in the Municipality of Biliran, both located in the Province of Biliran. The main campus of the University shall be in the Municipality of Naval, Province of Biliran.

SEC. 2. *General Mandate.* — The University shall primarily provide advanced education, higher technological, professional instruction and training in the fields of arts and sciences, education, agriculture, fishery, forestry, maritime education, information and communications technology, engineering, tourism and other related fields of study. It shall also undertake research and extension services, and provide progressive leadership in its areas of specialization.

SEC. 3. *Curricular Offerings.* — The University shall offer undergraduate and graduate courses in the fields of arts and sciences, education, agriculture, fishery, forestry, maritime education, information and communications technology, engineering, tourism and other related courses within its areas of specialization and according to its capabilities, as the Board of Regents may deem necessary to carry out its objectives, particularly to meet the needs of the Province of Biliran and Region VIII: Provided, That no degree program shall be offered without the approval of the Commission on Higher Education before the same shall be approved by its Board.

The existing high school shall be transferred to the jurisdiction and supervision of the Department of Education (DepED): *Provided*, That the high school shall be allowed to remain and operate within the campus of the University until its students, who are currently enrolled, shall have completed their high school education *Provided, further*, That the University may operate a reasonably-sized laboratory school, if it has a College of Education.

SEC. 4. *Administration.* — The University shall have the general powers of a corporation set forth in Batas Pambansa Blg. 68, as amended, otherwise known as

the "Corporation Code of the Philippines". The administration of the University and the exercise of its corporate powers shall be vested exclusively in the Board of Regents and the President of the University in so far as authorized by the Board.

SEC. 5. *The Governing Board.* — The governing board of the University shall be the Board of Regents, hereinafter referred to as the Board, which shall be composed of the following:

- a. The Chairperson of the Commission on Higher Education (CHED), Chairperson;
- b. The President of the University, Vice Chairperson;
- c. The Chairperson of the Committee on Education, Arts and Culture of the Senate, member;
- d. The Chairperson of the Committee on Higher and Technical Education of the House of Representatives, member;
- e. The Regional Director of the National Economic and Development Authority (NEDA), member;
- f. The Regional Director of the Department of Science and Technology (DOST), member;
- g. The President of the federation of faculty associations of the University, member;
- h. The President of the federation of student council of the University, member;
- i. The President of the federation of alumni association of the University, member, and
- j. Two (2) prominent citizens from the private sector who have distinguished themselves in their profession or fields of specialization, as members.

The Board shall appoint the two (2) prominent citizens from among a list of at least five (5) qualified persons in the Province of Biliran, whose nominations were submitted to the Board after publication for at least two (2) consecutive weeks, as recommended by search committee constituted by the University President, in consultation with the Chairperson of the CHED and the other members of the Board, based on the normal standards and qualifications for the position set by the Board: Provided, That no private sector representative shall be appointed to the Board if he/she is related by consanguinity or affinity up to the third civil degree to any incumbent local or national official.

The term of office of the President of the federation of faculty associations, the President of the federarion of student council and the President of the federation of alumni associations shall be coterminous with their respective terms of office, as set forth in their respective constitutions and bylaws.

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

SEC. 6. *Promulgation and Implementation of Policies.* — The Board shall promulgate and implement policies in accordance with the declared State policies on education and other pertinent provisions of the Philippine Constitutions on education, agriculture, science and technology, as well as the policies, standards and thrusts of the CHED under Republic Act No. 7722, otherwise known as the Higher Education Act of 1994".

SEC. 7. *Powers and Duties of the Board of Regents.* — The 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 existing laws:

- a. To promulgate rules and regulations as may be necessary to carry out the purposes 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, in order to carry out the purpose and functions of the University;
- c. To import duty-free economic, technical and cultural books and/or publications, upon certification by the CHED that such imported books and/or publications are for economic, technical, vocational, scientific, philosophical, historical or cultural purposes, in accordance with the provisions of the Tariff and Customs Code of the Philippines, as amended;
- d. To receive in trust legacies, gifts and donations of real and personal properties of all kinds and to administer and dispose of the same when necessary for the benefits of the University, and subject to the limitations, directions and instructions of the donor, if any.

Such donations shall be exempt from the donor's tax and the same shall be considered as allowable deductions from the gross income in the computation of the income tax of the donor, in accordance with the provisions of the National Internal Revenue Code (NIRC) of 1997, as amended: *Provided*, That such donations shall not be disposed of, transferred or sold;

- e. To fix the tuition fees and other necessary school charges such as, but not limited to, matriculation fees, graduation fees and laboratory fees, as the Board 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, shall constitute special trust funds and shall be deposited in any authorized government depository bank, and all interests that shall accrue therefrom shall form part of the same funds for the use of the university.

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

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

- f. To adopt and implement a socialized scheme of tuition and school fees for greater access to poor but deserving students;

- g. To authorize the construction or repair of its buildings, machinery, equipment and other facilities, and the purchase and acquisition of real property, including necessary supplies, materials and equipment;
- h. To appoint upon recommendation of the President of the University, Vice Presidents, deans, directors, heads of campuses, faculty members, and other officials and employees of the University;
- i. To fix and adjust salaries of faculty members and administrative officials and employees, subject to the provisions of the Revised Compensations and Position Classification System and other pertinent budget and compensation laws governing hours of service and such other duties and conditions as it may deem proper; to grant them, at its discretion, leaves of absence under such regulations as it may promulgate, any provisions of existing law to the contrary notwithstanding; and to remove them for cause in accordance with the requirements of due process of law;
- j. To approve the curricula, instructional programs and rules of discipline drawn by the Administrative and Academic Councils herein provided;
- k. To set policies on admission and graduation of students;
- l. To award honorary degrees upon persons in recognition of their outstanding contribution in the fields of education, public service, arts, science and technology, agriculture or in any field of specialization within the academic competence of the University; and to authorize the awarding of certificates of completion of nondegree and nontraditional courses;
- m. To establish and absorb nonchartered tertiary institutions within the Province of Biliran as branches and centers in coordination with the CHED, and in consultation with the Department of Budget and Management (DBM), and to offer therein programs or courses to promote and carry out equal access to educational opportunities as mandated by the Constitution;
- n. To establish research and extension centers of the University where such will promote the development of the latter;
- o. To establish chairs in the University and to provide fellowships for qualifies faculty members and scholarships to deserving students;
- p. To delegate any of its powers and duties provided hereinabove to the President and/or officials of the University as it may deem appropriate, so as to expedite the administration of the affairs of the University;
- q. To authorize an external management audit of the University, to be financed by the CHED subject to the rules and regulations of the Commission on Audit (COA); and to institute reforms, including academic and structural changes, on the basis of the audit results and recommendations;
- r. To collaborate with other governing boards of the state colleges and universities within the Province of Biliran or Region VIII, under the supervision of the CHED and in consultation with the DBM, and work towards the restructuring of the University to become more efficient, relevant, productive and competitive;
- s. To enter into joint ventures with business and industry for the profitable development and management of the economic assets of the University, the proceeds from which shall be used for the development and strengthening of the University;
- t. To develop consortia and other economic forms of linkages with local government units, institutions and agencies, both public and private, local and foreign, in the furtherance of the purposes and objectives of the University;
- u. To develop academic arrangements for institutional capability building with appropriate institutions and agencies, public and private, local and foreign, and