



**EXCERPT FROM THE APPROVED MINUTES OF THE
82nd VSU Board of Regents Meeting**

5 JULY 2018

CHED Commissioner's Conference Room
CHED Central Office, C.P. Garcia Ave.,
UP Diliman, Diliman, Quezon City

Infrastructure Projects of the University:

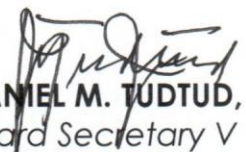
**Ten (10) items issued Notices to Proceed,
Three (3) items issued Notices of Award,
Five (5) items with request for Authority to Bid,
and two (2) items with request for Authority to Awards.**

BOR RESOLUTION NO. 53, s. 2018

A Resolution Ratifying the Acts of the President insofar as approving the Notice to Award/Notice to Proceed of the ten (10) projects listed in G-7 on the condition That the Governing Board will caution or admonish the President that this will not happen again and that he will follow the Resolution of the Board, at least for now, CEB Resolution No. 428-2015 (BOR Resolution No. 16, s. 2018 dated 23 March 2018) insofar as the Thresholds in Procurement is concerned.

BOARD ACTION : **APPROVED**
Date : 5 JULY 2018

Certified True and Correct:


DANIEL M. TUDTUD, JR.
Board Secretary V

Cc: OP
BAC-Chairman (OVPAF)
Finance Office
Legal Office



VISAYAS
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**EXCERPTS *from the* MINUTES of the
82nd VSU BOARD OF REGENTS MEETING**

CHED Chairperson's Conference Room
4/F, CHED Central Office
Carlos P. Garcia Avenue, UP Diliman
Diliman, Quezon City
05 July 2018

Chairperson J. Prospero E. De Vera III presented to the Board the new CHED *En Banc* (CEB) Resolution No. 229-2018 dated 22 May 2018 which is very different from CEB Resolution No. 428-2015 insofar as the Thresholds are concerned. This can be used as a Guide in the subsequent procurement activities.

Essentially, the new CEB Resolution removes the amounts for Infrastructure that can be acted upon by the President but increases the amount that the President can approve for Goods and Services.

Further, there is an important provision that was put towards the end. That is, if you subject the procurement to a Referendum, any member of the Board who raises a reservation shall render the Referendum **VOID**. Some SUCs just circulate a Referendum even without any authority from the Chair. This practice is patently illegal. It should be remembered that ONLY the Chairperson can authorize the circulation of a Referendum. So, with this provision, the Chairperson has added "teeth" to those who always route Referenda, such that any objection will automatically make the Referendum void and mandatorily the item has to be taken up in the next Regular Board meeting.

Regent Gonzales commented that in this CEB Resolution, there is also a provision that says, to wit: "*the Governing Board shall have the prerogative to increase or decrease the SIGNING LIMIT of the SUC President considering the characteristics of the SUC and the varying needs of certain projects or activities.*" In other words, the Board does not have to subscribe to the existing Thresholds recommended in this CEB Resolution, **IFF** the Board thinks the SUC is a big University and there is a need to increase the Threshold amount.

Regent Fiel pointed out to the board that in the Minutes of the 81st BOR Meeting, Page 32, it states, to wit: *“The Hon. Chairperson suggested that Administration should think long and hard what the correct threshold is right for the University and if possible, to present this in the next Board meeting”* which is now. Does the Administration have in mind the correct Threshold so that this can be covered in the new Resolution that the Board will pass.

Chairperson De Vera suggested that the Board will first adopt the new CEB Resolution and pass another Resolution later adjusting the Thresholds as this is clearly within the powers of the Governing Board.

Regent Deogracias E. Pernites moved for the adoption of CEB Resolution No. 229-2018, as is.

President Edgardo E. Tulin seconded the motion.

The Hon. Chairperson inquired whether there were any questions and/or objections to the proposal.

The Board passed

BOR RESOLUTION NO. 54, s. 2018

A Resolution Adopting CHED *En Banc* Resolution No. 229-2018 dated 22 May 2018 until such time that University Administration is able to come up with a proposal on the Threshold amounts, considering the unique capability of the University.

Chairperson De Vera inquired from President Tulin whether the Administration has been able to decide on a new Threshold level.

President Tulin indicated that at this point in time, he is not prepared to specify any particular change(s) in the threshold amounts that the President can act upon and indicated he was amenable to the new Thresholds until such time the Administration will be able to decide on the new Thresholds.

The Hon. Chair informed the Board the CHED thought of having this CEB Resolution adopted by all the SUCs because beginning in 2019, everybody in government will be going into “cash-based budgeting.” It was for this reason that the Threshold amount for the non-capital outlay (*Goods and Services*) was increased to P3.0 million because these are recurring purchases and more difficult to program. Under this “cash-based budgeting,” if there is a low limit on the procurement of goods and services, the SUC will not be able to spend all of its cash

allotment for the year. The higher spending Threshold will hopefully provide the flexibility that will enable the SUCs to spend their annual budgets for Goods and Services.

Capital Outlay (*Infrastructure*) on the other hand, this is for the Governing Board to decide based on the performance of the University on whether they are able to bid-out and award the Capital Outlay projects well enough following the requirements of RA 9184. Capital Outlay projects can be planned in advance and there is no need to subject it to a Referendum. This means that all the preparatory work was done right and the University is in a good position to undertake the project on time (*just short of awarding the project*). It was for this reason that the Threshold for Capital Outlay was removed. Further, this will also take away the discretion that a number of SUC Presidents of “*going around and not getting Board approval for their projects and awarding it.*”

Chairperson De Vera clarified that the question now is whether the President has any Threshold amount in mind especially on Capital Outlay, considering that VSU is a big University and presumably have a lot of infrastructure activities going on. This is important because there is no Threshold amount indicated in the CEB Resolution 229-2018 for Capital Outlay to give the Board flexibility as well as remove the illegal practice of some SUCs of using Thresholds as an “escape clause” to get some project approved.

Regent Fiel inquired how many infrastructure projects are undertaken in the University every year, on average.

President Tulin informed the Board that in the past two or three years that he was in Office, the University has about 20 Capital Outlay projects, including the small ones, ranging in amount from P5.0 million to P38.0 million.

Regent Fiel indicated that having 20 projects can be handled by the Board.

Certified True and Correct:


DANIEL M. TUDTUD, JR.
Board Secretary V