

CREATING THE NATIONAL KIDNEY FOUNDATION OF THE PHILIPPINES.

PRESIDENTIAL DECREE No. 1832, January 16, 1981

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WHEREAS, the Constitution mandates that the States shall establish, maintain and ensure adequate social services in the field of health, among others, to guarantee the well-being of the Filipino people;

WHEREAS, kidney and allied diseases have become prevalent, afflicting an increasingly greater number of people throughout the country;

WHEREAS, the Government recognizes the need to provide specialized medical services for people suffering from kidney and allied diseases;

WHEREAS, Government initiative in medical and scientific research and study on kidney and allied diseases, shall positively contribute to the prevention and treatment of kidney and allied diseases, thereby uplifting the physical and mental fitness of the people;

WHEREAS, there exists a concomitant need to educate and train medical specialists and other medical and technical personnel in the field of kidney and allied diseases;

WHEREAS, the promotion of the general health of the Filipino people shall ultimately enhance socio-economic conditions in the country;

WHEREAS, the noble undertaking of the Government in the study, prevention and treatment of kidney and allied diseases, can best be achieved by creating, supporting, maintaining and operating an integrated medical institution which shall specialize in kidney and allied diseases;

NOW, THEREFORE, I FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree:

SECTION 1. Creation of the National Kidney Foundation of the Philippines. There is hereby created a body corporate and politic to be known as the National Kidney Foundation of the Philippines, hereinafter referred to as the Foundation, which shall implement the intent and spirit of this Decree. The Foundation shall have its principal office in Metro Manila, and may have such branch offices, hospitals, clinics or subsidiaries in other areas in the Philippines as it may deem proper and necessary. The FOUNDATION shall be under the Office of the President of the Philippines.

SECTION 2. Purpose and Objectives. The FOUNDATION shall have the following purposes and objectives:

(a) To construct, establish, equip, maintain, administer and operate such integrated medical institution or institutions as shall specialize in the prevention, diagnosis, treatment, care, rehabilitation and/or relief of kidney and allied diseases, in line with the concern of the Government to provide material and financial support in the establishment, maintenance and operation of a kidney center primarily for the benefit of the Filipino people, and in pursuance of the policy of the State to secure the well-being of the people by providing them with specialized

health and medical services and by minimizing the incidence of kidney and allied diseases in the country;

(b) To promote medical and scientific research relative to the prevention and treatment of kidney and allied diseases, and to encourage planning, invention and development of artificial means of kidney support and transplantation;

(c) To conduct fact-finding investigations on kidney diseases, and related field throughout the country or elsewhere, and to report, publish and disseminate information on kidney and allied diseases;

(d) To finance, sponsor, hold or participate in congresses, conventions, conferences, seminars, work-shops and training programs on kidney diseases and/or related field in the Philippines or abroad;

(e) To encourage and assist in the education and training of physicians, nurses, health officers, social workers and medical and technical personnel in the practical and scientific implementation of services to kidney patients;

(f) To assist universities, hospitals and research institutions in their studies on kidney and allied diseases and other related fields, to encourage and grant scholarships for advanced training and specialization in renal and related fields, and to support educational programs of value to general public health; and

(g) To stimulate the formation of other organizations on the national, provincial, city and/or local levels, and to coordinate the various efforts and activities of such organization for the purpose of achieving a more effective approach to the common problem relative to the purposes and objectives enumerated herein.

SECTION 3. Powers and Functions. For the attainment and/or furtherance of the above-enumerated purposes and objectives, the FOUNDATION as a body corporate acting through its Board of Trustees, shall have the following powers and functions in addition to those provided for in the other sections of this Decree:

(a) To adopt and use a corporate seal;

(b) To sue and be sued in its corporate name;

(c) To adopt its by-laws, rules and regulations as it may deem proper and necessary for implementation of the purposes and objectives of this Decree;

(d) To succeed by its corporate name, and to acquire and possess properties, rights and interests of whatever kind and nature, and mortgage, pledge, alienate, encumber or otherwise dispose of the same;

(e) To award, enter into, make, execute, perform and carry out domestic or foreign contracts of whatever kind and nature, and for this purpose the FOUNDATION is hereby exempted from the requirements of public bidding, any provision of law rule, or regulation to the contrary notwithstanding;

(f) To invest in, and purchase or otherwise acquire, own, hold, use, lease, grant, mortgage, pledge, sell, assign, convey, transfer, exchange or otherwise deal with, real and/or personal properties of every kind and nature, including shares of stock, bonds, debentures, notes, securities and other evidences of indebtedness or obligations of other corporations, whether domestic or foreign, and whether government or private;

(g) To act as general or operating managers, representatives, or agents of commercial and/or industrial concerns of whatever kind and nature and to engage in the promotion, assistance, encouragement, development and expansion of any lawful business in the Philippines or abroad;

(h) To obtain loans, borrow funds and/or arrange financing or credit assistance of whatever kind and nature from all sources, whether domestic or foreign and whether government or private, and to mortgage, pledge or otherwise encumber any of its properties and assets for the purpose of securing or guaranteeing the performance or

fulfillment of any obligation it may undertake for itself or for other entities in which it may be interested;

(i) To levy, assess and collect such fees, charges and assessments as may be necessary or proper to support, finance and maintain its operations; and

(j) To exercise such other powers and functions as may be incidental or necessary to carry out the purposes and objectives of this Decree.

SECTION 4. The Board of Trustees; Composition; Term and Compensation. THE FOUNDATION shall be governed, and its activities and properties shall be directed, controlled and managed, by a Board of Trustees, hereinafter referred to as the Board, which shall be composed of a Chairman and ten (10) members, all of whom shall be appointed by the President of the Philippines. The President of the FOUNDATION, who shall be appointed from among the members of the Board in accordance with Section 7 hereof, shall be the ex-officio Vice-Chairman of the Board.

Except the President of the FOUNDATION, the members of the Board shall serve for a term of three (3) years, with a right to hold-over until their respective successors shall have been duly appointed and qualified. The President of the Philippines may, however, remove any member of the Board for cause. Whenever a vacancy shall occur in the Board, the person appointed to fill the vacancy shall hold office for the unexpired term of the member replaced.

Except the President of the FOUNDATION, each member of the Board shall receive a per diem of at least FIVE HUNDRED PESOS (P500.00) per meeting actually attended: Provided, That no member shall receive a per diem of more than TWO THOUSAND FIVE HUNDRED PESOS (P2,500.00) per month.

SECTION 5. Power and Functions of the Board. The Board shall have the following powers and functions:

(a) To formulate policies, guidelines and programs to effectively implement and carry out the purposes and objectives of this Decree;

(b) To prescribe, review and revise the amount of the fees, charges, and assessments levied and collected for the support and maintenance of the operations of the FOUNDATION;

(c) To control the management, operation and administration of the FOUNDATION;

(d) To promulgate such rules and regulations as may be necessary or proper for the effective exercise of power and functions as well as the discharge of the duties, responsibilities of the FOUNDATION, its officers and employees;

(e) To authorize such expenditures of the FOUNDATION as may be necessary or proper for the effective management, operation and administration of the FOUNDATION;

(f) Upon the recommendation of the President of the FOUNDATION, to determine and organize the FOUNDATION's organizational and administrative structure or pattern, and to establish and fix, review, revise and adjust the appropriate compensation scheme of the officers and employees of the FOUNDATION, with reasonable allowances, bonuses and other incentives as may be recommended by the President of the FOUNDATION;

(g) To adopt the annual and supplemental budget of receipts and expenditures of the FOUNDATION;

(h) To appoint, remove, suspend or otherwise discipline the Executive Vice-President and other officers of the FOUNDATION occupying executive and senior management positions;

(i) To exercise all the general powers necessary or incidental to the attainment of the purposes and objectives of this Decree; and

(j) To do any and all acts as may be necessary or proper for the attainment of the powers and functions of the FOUNDATION.

SECTION 6. Officers of the FOUNDATION. The Board shall determine the officers of the FOUNDATION who, except as provided in this Decree, shall be appointed by the President of the FOUNDATION subject to confirmation by the Board. The FOUNDATION may have an Executive Vice-President and such Vice-Presidents and Assistant Vice-Presidents as may be required for the effective operation of the FOUNDATION.

SECTION 7. The President, His Term and Remuneration. The President of the FOUNDATION shall be appointed by, and shall serve at the pleasure of, the President of the Philippines. The salary of the President of the FOUNDATION shall be fixed by the Board, subject to the approval of the President of the Philippines.

SECTION 8. Powers and Duties of the President. The President of the FOUNDATION shall be the Chief Executive Officer of the FOUNDATION. He shall exercise the following powers and duties:

(a) To execute the policies, guidelines and programs approved by the Board, and to be responsible for the efficient discharge of management and operational functions;

(b) To submit for the consideration and approval of the Board proposed measures, policies, guidelines and programs as he may deem necessary or proper for the effective implementation of the purposes and objectives of this Decree;

(c) To direct and supervise the management, operation and administration of the FOUNDATION, and, for this purpose, he may delegate any or some of his administrative responsibilities and duties to the other officers of the FOUNDATION;

(d) To execute, on behalf of the FOUNDATION, all contracts and agreements which the FOUNDATION may enter into, and to execute, accomplish and deliver any and all documents relative to such contracts and agreements;

(e) To represent the FOUNDATION in all dealing with other offices, agencies and instrumentalities of the Government, and all other persons or entities, whether domestic or foreign and whether government or private;

(f) To appoint, promote, transfer, remove, suspend or otherwise discipline the officers and employees of the FOUNDATION, except those appointed by the Board;

(g) To vote all stocks owned or controlled by the FOUNDATION; and

(h) To exercise such other powers and perform such duties as may be vested or reposed upon him by the Board.

SECTION 9. Authority of the President in Emergencies. In case of emergencies which require immediate action by the Board, and there is no sufficient time to call a meeting thereof, the President of the FOUNDATION, with the concurrence of any three (3) other members of the Board, may decide on any matter or take any action within the authority of the Board itself.

SECTION 10. Assistance from the Government. The FOUNDATION may call upon any Ministry, Bureau, Office, Agency or instrumentality of the Government, including government-owned or controlled corporations, for such assistance as it may need in the pursuit of the purposes and objectives of this Decree.

SECTION 11. Government Contribution. The amount of Ten Million Pesos (P10,000,000.00) is hereby

appropriated from the Casino Trust Fund which I hereby ordered released to defray the initial operational expenses of the FOUNDATION. Thereafter, the necessary amount to support the continued operation and maintenance of the FOUNDATION shall be included in the General Appropriations Act.

SECTION 12. Donations to the Foundation. The FOUNDATION is hereby authorized to solicit and receive donations, grants, contributions, gifts or endowments from all sources whether foreign or domestic, and whether government or private, without the need of securing a permit, approval or registration from any government agency. Notwithstanding any provision of law to the contrary, all donations, grants contributions, gifts or endowments received by the FOUNDATION pursuant hereto, shall be exempt from income, gift and all other kinds of taxes, and shall further be deductible in full for purposes of computing the maximum amount deductible for tax purposes under the National Internal Revenue Code, as amended.

SECTION 13. Exemption from Fees, Duties and Taxes. The FOUNDATION is hereby declared exempt from all income and all other internal revenue taxes, tariff and customs duties and all other kinds of taxes, fees, charges and assessments levied by the Government and its political subdivisions, agencies and instrumentalities.

The President of the Philippines, upon the recommendation of the Minister of Finance, may partially or entirely lift the exemptions herein granted, if he shall find that the FOUNDATION is already self-sustaining and financially capable of paying such taxes, customs duties, fees, charges and other assessments, after providing for the debt service requirements and the projected capital and operating expenditures of the FOUNDATION.

SECTION 14. Appointment, Promotion; Terms and Conditions of Employment. The FOUNDATION and its officers and employees shall not be covered by the Civil Service Law, rules and regulations, and by the Office of the Compensation and Position Classification. The officers and employees of the FOUNDATION shall be appointed or promoted pursuant to such management policies and/or appropriate merit and fitness system as may be adopted by the Board.

SECTION 15. Corporate Auditor. The FOUNDATION shall not be under the audit jurisdiction of the Commission on Audit. The FOUNDATION shall have its own Auditor who shall not be subject to the supervision and control of the Commission on Audit, and who shall be appointed by the Board.

SECTION 16. Legal Counsel. The Office of the Government Corporate Counsel shall be the Legal Counsel of the FOUNDATION. For the services of the staff of the Office of the Government Corporate Counsel, the FOUNDATION shall appropriate and pay such amount as may be assessed by the Government Corporate Counsel to defray the transportation and representation expenses of the Lawyers in the Office of the Government Corporate Counsel who may be assigned to handle the legal matters of the FOUNDATION.

SECTION 17. Annual report. The FOUNDATION shall render to the President of the Philippines an annual report on its operations and accomplishments.

SECTION 18. Applicability of the Corporation Law. The provisions of the general corporation law, insofar as they are not inconsistent with the provisions of this Decree or with the purposes and objectives for which the FOUNDATION is formed, shall apply to the FOUNDATION.

SECTION 19. Effect of Dissolution. If for any reason, the FOUNDATION is dissolved, its properties and assets shall revert to the National Government for disposition in accordance with law.

SECTION 20. Separability Clause. The provisions of this Decree are hereby declared to be separable, and if any provision or section of this Decree or application thereof to any person or circumstance should for any reason be held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions or

sections of this Decree.

SECTION 21. Effectivity. This Decree shall take effect immediately.

Done in the City of Manila, this 16th day of January, in the year of Our Lord nineteen hundred and eighty-one.

(SGD.) FERDINAND E. MARCOS

By the President:

(SGD.) JUAN C. TUVERA

Presidential Assistant

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