

**2006 RULES AND REGULATIONS
OF THE
CULTURAL CENTER OF THE PHILIPPINES**

SECTION 1. PRINCIPAL OFFICE

- 1.1 The principal office of the Cultural Center of the Philippines (CCP) shall be at the Tanghalang Pambansa, Cultural Center of the Philippines Complex, Roxas Boulevard, Pasay City, Philippines.

SECTION 2. BOARD OF TRUSTEES

- 2.1 **Powers** - The governing powers of the CCP shall be vested in and exercised by the Board of Trustees composed of eleven (11) members, who shall serve without compensation. Without prejudice to such powers as may be granted by applicable laws and issuances, the Board of Trustees shall also have the following powers:
- 2.1.1 To make and change rules and regulations not inconsistent with these by-laws for the management of the CCP's business and affairs, as needed;
 - 2.1.2 To enter into such contract or contract as it may deem necessary to carry out or accomplish the purposes and objectives of the CCP;
 - 2.1.3 To purchase, receive, take or otherwise acquire for and in the name of the CCP, any and all properties, rights, privileges, including securities and bonds of other corporations, for such consideration and upon such terms and conditions as the Board may deem proper or convenient;
 - 2.1.4 To solicit donations and funds in the form of contributions, whether in cash or in property, from both the public and private sectors;
 - 2.1.5 To invest the funds or other assets of the CCP in such undertakings as it may deem wise or necessary to carry out its purposes and objectives;
 - 2.1.6 To open such accounts in and with banks and other financial institutions and disburse such funds or invest the same as it may deem to accomplish or advance the purposes of the Center;

- 2.1.7 To incur such indebtedness as the Board may deem necessary and issue evidence of indebtedness, including notes, deeds of trust, bonds, debentures, or securities, subject to limitations imposed by law;
- 2.1.8 To approve the annual budget and any supplemental budget or budgets that may be submitted to it by the President of the CCP, including but not limited to the pension, retirement, bonus, or other types of incentives or compensation plans for the employees, including officers and members of the Board of Trustees, in accordance with law;
- 2.1.9 To prosecute, maintain, defend, compromise or abandon any lawsuit in which the CCP or its officers are either plaintiffs or defendants in connection with the business of the CCP;
- 2.1.10 To delegate, from time to time, any of the powers of the Board which may lawfully be delegated in the course of the CCP's current business to any standing or special committee or to any officer or agent and to appoint any person to be agent of the CCP with such powers and upon such terms as may be deemed fit;
- 2.1.11 To implement these by-laws and to act on any matter not covered by these by-laws, in accordance with law.

2.2 Responsibilities – Each member of the Board of Trustees shall devote time and attention necessary to properly discharge his duties and responsibility; act judiciously; exercise independent judgment; observe confidentiality; and have a working knowledge of the CCP and its operations, as well as all statutory and regulatory requirements affecting the CCP, including its charter and these rules.

Without prejudice to such other responsibilities it may itself undertake or those in accordance with law and other issuances, the Board shall have the following responsibilities:

- 2.2.1 Foster the long-term viability of the CCP and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it should exercise in the best interest of the CCP.
- 2.2.2 Install a process of selection to ensure that a mix of competent trustees shall comprise the Board, each of whom can add value and contribute independent judgment to the formulation of sound policies and strategies for the CCP.

- 2.2.3 Select and appoint the CCP President, who must have motivation, integrity, competence and professionalism at a very high level, in accordance with law.
- 2.2.4 Ensure a continued professional development program for employees and officers, and adopt a succession planning for senior management.
- 2.2.5 Ensure the CCP's organizational health by providing sound written policies and strategic guidelines that will help decide major policy decisions and capital expenditures; identifying key risk areas and key performance indicators and monitoring these with due diligence; and periodically evaluating and monitoring implementation of the CCP's strategies and policies, business plans and operating budgets as well as management's overall performance to ensure optimum results.
- 2.2.6 Ensure that the CCP and its senior officers comply with all relevant laws and pertinent regulations.
- 2.2.7 Identify the CCP's major stakeholders and formulate a clear policy on communicating and/or relating with them accurately, effectively, and sufficiently.
- 2.2.8 Provide for a system of internal checks and balances, which may be applied in the first instance to the Board.
- 2.2.9 Properly discharge Board functions by meeting regularly, with all such meetings duly minuted.
- 2.2.10 Conduct and maintain the affairs of the CCP within the scope of its authority as prescribed in the CCP charter and in existing laws, rules and regulations.

2.3 Election and Vacancies - Vacancies in the Board of Trustees due to termination of term, resignation, incapacity, death or other cause as provided in these by-laws, shall be filled by election by a vote of the majority of Trustees to be held at the next regular meeting following occurrence of such vacancy. Elected trustees shall hold office for a term of four years unless sooner terminated by reason of resignation, incapacity, death, or other cause. Should only one trustee survive, the surviving trustee in consultation with the Management Committee of the CCP shall fill the vacancies. Should the Board, for any reason, be left entirely vacant, the vacancies shall be filled by the President of the Philippines acting in consultation with the Management Committee of the CCP.

- 2.4 Qualifications of Trustees** - No person may serve as a trustee who is not a resident of the Philippines, of good moral standing in the community and at least 25 years of age; provided, that there shall always be a majority of the trustees who are citizens of the Philippines.
- 2.5 Disqualification of Trustees** – The following shall be grounds for the disqualification of a trustee:
- 2.5.1 Having conflicting interests with the business of the CCP;
 - 2.5.2 Having used his position as a Member of the Board to make profit or acquire benefit or advantage for himself and/or his related interests.
 - 2.5.3 Having violated the provisions of the CCP Charter or these rules and regulations;
 - 2.5.4 Having been absent for four (4) consecutive regular meetings of the Board or Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Trustees for any twelve (12) month period during his term;
 - 2.5.5 Having been finally convicted by a competent judicial or administrative body of any crime involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false oath, perjury, or other fraudulent acts or transgressions, gross negligence, or gross misconduct; or conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years; or
 - 2.5.6 Having been disqualified pursuant to disqualifications prescribed by law.
- 2.6 Meetings** - The meetings of the Board of Trustees shall be held at the principal office of the CCP at the Tanghalang Pambansa, CCP Complex, Roxas Boulevard, Pasay City, unless otherwise designated by the Board, and shall be presided over by the Chairman, or in his absence, by the President.
- 2.6.1 Regular Meetings of the Board shall be held upon call by the Chairman and after due notice and at such times as it may from time to time by vote determine, and when such meeting or meetings shall be so determined, no further notice thereof shall be required.

- 2.6.2 Special meetings of the Board of Trustees may also be called at any time upon request of any two (2) trustees.
- 2.6.3 Except as otherwise provided, notice of any meeting of the Board of Trustees shall be given to each trustee by the Corporate Secretary or by the persons calling the meeting, in writing or by electronic means, advising him by word of mouth, addressed to him at his residence or usual place of business as it appears in the records of the CCP.
- 2.6.4 Non-receipt of any such notice shall not invalidate any business done at any meeting in which a quorum is present.
- 2.6.5 Any and all action taken at a meeting where all of the trustees at the Philippines at the time are present or shall before or after the meeting waive notice of such meeting, shall be legal and validly taken.
- 2.7 **Quorum** - A majority of trustees holding office and in the country shall constitute a quorum for the transaction of business of the CCP, and any decision by the majority of those present shall constitute a valid and binding act of the CCP.
- 2.8 **Proxies - Trustees** cannot attend or vote by proxy at Board meetings.
- 2.9 **Chairman of the Board** - The Board of Trustees shall elect a Chairman who must be one of its members, and who shall be presiding officer of the Board of Trustees until such time as the Board of Trustees, by a majority vote, shall elect another Chairman. The Chairman shall have the following powers and responsibilities, among others:
- 2.9.1 To schedule meetings to enable the Board to perform its duties responsibly while not interfering with the flow of the CCP's operations;
- 2.9.2 To prepare agenda for Board meetings in consultation with the President of the CCP;
- 2.9.3 To preside over all meetings of the Board;
- 2.9.4 To exercise control over quality, quantity and timeliness of the flow of information between the CCP Management and the Board; and
- 2.9.5 To do other acts such other acts and exercise such other powers as may be determined by the Board.

2.10 Corporate Secretary - The Corporate Secretary shall be selected by Board of Trustees in accordance with law and shall have the following specific powers and duties:

2.10.1 To attend all meetings of the Board and, unless another officer is so designated by the Board, of the Executive Committee or other Special Committees created by the Board and to record the minutes and proceedings of such meetings;

2.10.2 To keep the corporate seal and affix it to all papers and documents requiring a seal, and to attest by his signature all corporate documents requiring the same;

2.10.3 To keep safely the fundamental and important documents of the CCP;

2.10.4 To attend to the giving and serving of all notices of the CCP as required by law or these by-laws;

2.10.5 To certify to such acts, countersign documents or certificates, and make reports or statements as may be required of him by law or these by-laws; and

2.10.6 To perform such duties as are incidental to his office or as may be assigned to him by the Board.

2.11 Executive Committee and Special Committees - The Board of Trustees may create an Executive Committee and Special Committees of such number as it may determine and adopt rules and regulations not inconsistent herewith prescribing the powers of the committees and special committees and the manner in which they shall be exercised.

2.11.1 The Executive Committee composed of Trustees designated by the Board shall act for the Board in-between Board meetings and perform such other acts and exercise such other powers as may be lawfully delegated by the Board, and which shall not include the following:

a) approval of the corporate operating budget and supplemental budgets;

b) the filling of vacancies in the board;

c) the amendment or repeal of by-laws or the adoption of new by-laws; and

- d) the amendment or repeal of any resolution of the board that by its express terms is not so amendable or repealable.

2.11.2 The special committees and sub-committees of the Board, created and appointed by the Board from time to time, shall have such powers and duties not inconsistent herewith as the Board of Trustees may from time to time determine.

2.11.3 The members of the committees and sub-committees of the Board of Trustees may be removed at any time by the Board of Trustees, and any vacancies in such committees shall be filled by the Board of Trustees.

2.11.4 All committees and sub-committees of the Board of Trustees shall act by vote of a majority of the members thereof and keep minutes of each of their meetings, which shall be presented at the next succeeding meeting of the Board of Trustees.

SECTION 3. OFFICERS

3.1 In addition to the Chairman of the Board of Trustees and the Corporate Secretary, the CCP shall also have the following officers:

3.1.1 President – The President shall be the Chief Executive Officer of the CCP and shall exercise the following functions:

- a) To initiate, formulate and develop the policies, programs, plans, and projects of the CCP for the approval of the Board of Trustees;
- b) To supervise and manage the business affairs of the CCP;
- c) To implement the administrative and operational policies of the CCP under his supervision and control.
- d) ~~To appoint, remove, suspend, or discipline employees of the CCP and prescribe their duties and responsibilities, in accordance with law;~~
- e) To oversee the preparation of the budgets and statements of accounts of the CCP;
- f) To represent the CCP at all official functions;

- g) To execute on behalf of the CCP all contracts, agreements, and other instruments affecting the CCP, subject to the approval of the Board of Trustees;
- h) To make reports to the Board and the applicable government agencies;
- i) To perform such other duties as are incidental to his office or entrusted to him by the Board.

3.1.2 Vice-President/s – The Vice-President/s shall assist the President in the management of the affairs of the CCP, exercising such powers and functions as may be assigned by the President or the Board, and if qualified and so designated, act as President in the absence or incapacity of the latter.

3.1.3 Artistic Director – The Artistic Director shall take charge of the planning, direction, and coordination of all artistic activities of the CCP and shall exercise such other functions that may be assigned by the President or the Board.

3.1.4 Treasurer – The Treasurer shall have the following duties:

- a) To keep full and accurate accounts of receipts and disbursements in the books of the CCP;
- b) To have custody of, and be responsible for, all the funds, securities and bonds of the CCP;
- c) To deposit in the name and to the credit of the CCP, in such bank as may be designated from time to time by the Board, all the moneys, funds, securities, bonds, and similar valuable effects belonging to the CCP which may come under his control;
- d) To render annual statement showing the financial condition of the CCP and such other financial reports as the Board, or the President, may require from time to time
- e) To prepare such financial reports, statements, certifications, and other documents which may, from time to time, be required by government rules and regulations and to submit the same to the proper government agencies;

f) To exercise such powers and perform such duties and functions as may be assigned to him by the Board of the President.

3.1.5 Comptroller – The comptroller shall act as the accounting officer of the CCP and shall perform such other duties and the Board or the President may assign functions as to him.

3.1.6 Concurrent Positions - Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as Chairman and President, or President and Secretary, or as President and Treasurer at the same time, subject to applicable laws and regulations.

3.1.7 Other officers – The President shall appoint such other officers as may be necessary to achieve the CCP's purposes and objectives, subject to the approval of the Board and in accordance with law.

SECTION 4. EXECUTION OF INSTRUMENTS

4.1 The President shall execute contracts for and in behalf of the CCP. However, may delegate signing authority to any other officer, including approval or requisitions, vouchers, payrolls, and other documents, as approved by the Board and in accordance with law.

4.2 All checks and other orders for the payment of money, drafts, notes, bonds, acceptances and all other instruments, shall be signed by the President, Vice President or Treasurer, Comptroller or any senior officer designated by the President, except as may otherwise be provided by, or pursuant to the resolution by the Board.

SECTION 5. AMENDMENTS

5.1 These Rules and Regulations of the CCP maybe altered, amended, added to or repealed at any meeting of the Board of Trustees by a majority vote, and no notice of such proposed change in these Rules and Regulations shall be necessary prior to such meeting, and any such changes shall become operative immediately upon the same being made.

IN WITNESS WHEREOF, we, the undersigned members of the Board of Trustees have adopted the foregoing by-laws and hereunto affixed our signatures this 18th day of January, 2006.