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**THE CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**  
**OWNERSHIP AND OPERATIONS MANUAL**

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**WHEREAS**, pursuant to the State declared policy of treating Government-Owned or –Controlled Corporations (GOCCs) as significant tools for economic development, and consistent with the desire of the State to actively exercise its ownership rights in GOCCs and to promote growth by ensuring that their operations are consistent with national development policies and programs, the **Governance Commission for GOCCs (GCG)**, in the exercise of its mandate under Section 5(c) of Republic Act No. 10149, issued GCG Memorandum Circular 2012-06 and approve by the President of the Philippines on 28 November 2012.

**NOW, THEREFORE**, the Civil Aviation Authority of the Philippines adopts and implements the Ownership and Operations Manual with modification to suit the Corporation as follows:

**I**  
**GENERAL INTRODUCTION**

**Article 1. Definition of Terms** – For purposes of this Manual, the following terms shall have the following meanings:

“*Act*” refers to Republic Act No. 10149, and officially named the “*GOCC Governance Act of 2011.*”

“*Affiliate*” refers to a corporation fifty percent (50%) or less of the outstanding capital stock of which is owned or controlled, directly or indirectly, by the GOCC.

“*Alternative Dispute Resolution System*” (*ADR*) means any process or procedure used to resolve a dispute or controversy, other than by adjudication of a presiding judge of a court, in which a neutral third party participates to assist in the resolution of issues, which includes arbitration, mediation, conciliation, early neutral evaluation, mini-trial, or any combination thereof.

“*Appointive Director*” refers to the Director General, the only appointed member of the Board of Directors.

“*Articles of Incorporation*” refers to primary franchise of a Nonchartered GOCC that, once approved and registered with the Securities and Exchange Commission (SEC) by the issuance of the certificate of incorporation under its official seal, commences the existence of the GOCC as a separate juridical person with a right of succession and the powers, attributes and properties expressly authorized by law or incident to its existence.

“*Board of Directors/Trustees*” or “*Board*” or “*Governing Board*” refer to the collegial body that exercises the corporate powers, conducts all business and controls

or holds all properties, of a GOCC, whether it be formally referred to as the "Board of Directors" or "Board of Trustees" or some other term in its Charter, Articles of Incorporation, or By-laws.

*"Breakthrough Results"* refer to the achievement of corporate goals or other performance indicators as determined by the GOCC or its Supervising Agency.

*"By-laws"* refers to the basic instrument adopted by a Nonchartered GOCC and duly registered with the Securities and Exchange Commission (SEC) for its internal government, and to regulate the conduct and prescribe the rights and duties of its members or stockholders towards the GOCC and among themselves in reference to the management of its affairs.

*"Charter"* refers to the formal act of Congress creating a Chartered GOCC and defining its franchise.

*"Charter Statement"* refers to a statement of the GOCC's vision, mission and core values.

*"Chartered GOCC"* refers to a GOCC, including a GGFI, created and vested with functions by a special law.

*"Chief Executive Officer" ("CEO")* refers to the highest ranking corporate executive who heads Management, who could be named as the President or the General Manager, Chairman or the Administrator of a GOCC.

*"COA"* refers to the Commission on Audit.

*"DBM"* refers to the Department of Budget and Management.

*"Department"* refers to an executive department created by law, which shall include any instrumentality having or assigned the rank of a department, regardless of its name or designation.

*"DOF"* refers to the Department of Finance.

*"Ex Officio Board Member" ("Ex Officio Director")* refers to any individual who sits or acts as a member of the Board of Directors/Trustees by virtue of one's title to another office, and without further warrant or appointment.

*"Extraordinary Diligence"* refers to the measure of care and diligence that must be exercised by Directors and Officers in discharging their functions, in conducting the business and dealing with the properties and monies of GOCCs, which is deemed met when Directors and Officers act using the utmost diligence of a very cautious person taking into serious consideration all the prevailing circumstances and Material Facts, giving due regard to the legitimate interests of all affected Stakeholders.

*"Officers"* refer to the executive officers of the GOCC as provided in its Charter or By-laws, such as the CEO, President, Administrator, General Manager,

Vice President, Corporate Secretary, Compliance Officer, Treasurer, Chief Financial Officer, Chief Investment Officer.

*"Fit and Proper Rule"* refers to a set of standards for determining whether a member of the Board of Directors/Trustees or the CEO is qualified to hold a position in a GOCC which shall include, but not be limited to, standards on integrity, experience, education, training and competence, which standards are set forth under GCG Memorandum Circular No. 2012-05.

*"Government Agency"* refers to any of the various units of the Government of the Republic of the Philippines, including a department, bureau, office, instrumentality or GOCC, or a local government or a distinct unit therein.

*"Government Corporate Governance Standards"* refer to a set of principles derived from law and practices, rules and standards prescribed by the GCG that generate long-term and desirable economic value for the State; also refers to a system whereby shareholders, creditors, and other stakeholders of a GOCC ensure that Management enhances the value of the GOCC as it competes in an increasingly global market place.

*"Government Financial Institutions" ("GFI")* refer to financial institutions or corporations in which the government directly or indirectly owns majority of the capital stock and which are either (1) registered with or directly supervised by the *Bangko Sentral ng Pilipinas*; (2) collecting or transacting funds or contributions from the public and places them in financial instruments or assets such as deposits, loans, bonds and equity, including, but not limited to, the Government Service Insurance System and the Social Security System.

*"Government Instrumentalities with Corporate Powers" (GICP)/"Government Corporate Entities" (GCE)* refer to instrumentalities or agencies of the government, which are neither corporations nor agencies integrated within the departmental framework, but vested by law with special functions or jurisdiction, endowed with some if not all corporate powers, administering special funds, and enjoying operational autonomy usually through a Charter.

*"Government-Owned or -Controlled Corporation" ("GOCC")* refers to any agency as a stock or non-stock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Government of the Republic of the Philippines directly or through its instrumentalities either wholly or, where applicable as in the case of stock corporations, to the extent of at least a majority of its outstanding capital stock: Provided, however, that for purposes of the Act, the term "GOCC" shall include GICP/GCE and GFI as defined herein.

*"Holding GOCC"* refers to a GOCC that owns, holds or control, directly or indirectly, through one or more instrumentalities, fifty percent (50%) or less of the outstanding capital stock of an Affiliate.

*"NEDA"* refers to the National Economic Development Authority.

*"Nonchartered GOCC"* refers to a GOCC organized and operating under Batas Pambansa Bilang 68, or "The Corporation Code of the Philippines".

*"Parent GOCC"* refers to a GOCC that owns, holds or control, directly or indirectly, through one or more instrumentalities, at least a majority of the outstanding capital stock of the Subsidiary.

*"Per Diems"* refer to the compensation granted to members of the Board of Directors or Trustees of a GOCC for actual attendance in meetings.

*"Performance Evaluation System"* ("*PES*") refers to the process of appraising the accomplishments of GOCCs in a given fiscal year based on set performance criteria, targets and weights.

*"Performance Scorecard"* refers to a governance and management tool forming part of the performance evaluation system which consists of a set of measures, targets and initiatives that facilitate the achievement of breakthrough results and performance through the effective and efficient monitoring and coordination of the strategic objectives of the GOCC.

*"President"* refers to the President of the Republic of the Philippines.

*"Public Officials"* or *"Public Officers"* refer to elective and appointive officials and employees, whether permanent or temporary, whether in the career or non-career service, whether or not they receive compensation, regardless of amount, who are in the National Government, and all other instrumentalities, agencies or branches of the Republic of the Philippines, including GOCCs, and their Subsidiaries.

*"Public-Private Partnership"* ("*PPP*") or any of the variants of engaging private sector participation in the delivery of public goods and services enunciated in Republic Act No. 7718, as amended, otherwise known as the *"Build-Operate-and-Transfer Law"*.

*"Related Corporation"* refers to a Subsidiary or Affiliate of a GOCC.

*"Secretary"* refers to the person vested with the authority and responsibility for the exercise of the mandate of the Department, for the discharge of its powers and functions, and who has supervision and control of the Department.

*"Service-Wide Agency"* refers to a Government Agency, such as the DBM, COA and the Civil Service Commission, which by the very nature of its functions, including but not limited to, auditing, budget, training, etc., encompass a wide range of services to other Government Agencies, including GOCCs.

*"Stakeholder"* refers to any individual or entity for whose benefit the GOCC has been constituted, or whose life, occupation, business or well-being is directly affected, whether favorably or adversely, by the regular transactions, operations, or pursuit of the business or social enterprise for which the GOCC has been constituted, and which would include a stockholder, member, or other investor in the GOCC,

management, employees, supply creditors, or the community in which the GOCC operates.

“*State*” refers to the republic of the Philippines.

“*Strategy Map*” refers to an integrated set of strategic choices or objectives drawn by the governing body, the successful execution of which results in the achievement of the GOCC’s vision in relation to its mission or purpose for having been created.

“*Subsidiary*” refers to a corporation where at least a majority of the outstanding capital stock is owned or controlled, directly or indirectly, through one or more instrumentalities, by the GOCC.

“*Supervising Agency*” refers to a Government Agency to which a GOCC is attached to for purposes of policy and program coordination and for general supervision.

1.1 Singular Term include the Plural. – Unless otherwise indicated in this Manual, any reference to a singular shall apply as well to the plural, and vice versa.

**Article. 2. Coverage.** – This Manual shall cover all GOCCs, GICPs/GCEs and GFIs, including their Subsidiaries, covered by the Act.

## II

### STATE OWNERSHIP IN THE GOCC SECTOR

**Article. 3. Objective of State Ownership in GOCCs.** – The State, recognizing the potential of the GOCC Sector to become a significant tool for economic development, shall:

3.1 Actively exercise its ownership rights in GOCCs under a clear and consistent Ownership Policy, as such policy is set forth under Article 4 below; and

3.2 Promote growth by ensuring that the governance of GOCCs is carried out in a transparent and accountable manner, with their operations being consistent with national development policies and programs.

**Article. 4. State Ownership Policy.** – Towards achieving such Objective, the State shall ensure that:

4.1 The primary role of the private sector in the economy is recognized and that private enterprises are encouraged to undertake desirable economic activities. In pursuing this policy, and unless there is a greater public interest that may be served, GOCCs shall refrain from engaging in activities adequately services by the private sector or adopt PPP schemes for operating enterprises and/or capital undertakings where such approach qualifies under existing laws, such as the Build-Operate-and-Transfer Law.

4.2 In areas adequately served by the private sector but where GOCCs have been engaged in, the engaging GOCCs shall ensure that there is a clear separation between the regulatory functions and proprietary activities of GOCCs in order to achieve a level playing



field with corporations in the private sector performing similar commercial activities for the public.

4.3 The corporate form of organization through which government carries out activities is utilized judiciously.

4.4 The State as an active owner, acting through the National Government, shall exercise its ownership rights according to the legal structure of each GOCC.

4.5 Corporate governance of GOCCs is enhanced to promote public accountability, transparency, responsibility, professionalism and effectiveness, in the delivery of goods and services to support the national goals.

4.6 The operations of GOCCs are rationalized and monitored centrally, primarily through the GCG, in order that government assets and resources are used efficiently and the Government exposure to all forms of liabilities including subsidies is warranted and incurred through prudent means.

## **B. ROLES AND RELATIONSHIPS ABOUNDING THE GOCC SECTOR**

**Article. 5. *State's Role and Relationship with GOCCs.*** – The State, as the Owner representing the sovereign people, constitutes the controlling interest in, or is the majority stockholder of, GOCCs and Subsidiaries, and thereby exercises all the prerogatives of ownership in every GOCC, including, but not limited to the:

- (a) *Right to register its equity holdings* in the books of the GOCC for all its equity investments therein, together with the *Right to be issued certificates of stock* representing its investments in the GOCC;
- (b) *Right to dividends*, when declared, pertaining to its equity holdings in the GOCC;
- (c) *Right to dispose of its equity investment* in the GOCC, including the right to pursue the reorganization, merger, streamlining, abolition or privatization of a GOCC, under a set of criteria provided for in the Act;
- (d) *Right to representation* in all stockholders' or members' meetings of the GOCC, and the *Right to vote* on its shares in all meetings where the stockholders' or members' vote is obtained or necessary to undertake or to ratify corporate activities, contracts or transactions;
- (e) *Right to representation*, namely to nominate, elect or appoint, and remove and replace, the members of the Governing Board of every GOCC;
- (f) *Right to formulate and enforce governance standards* to realize its Ownership Policy for GOCCs; and
- (g) *Right to receive a proportional share in the net assets* of the GOCC upon its dissolution.

**Article. 6. State's Role and Relationship with GOCCs Holding in Trust the Funds or Contributions of Members.** – The State recognizes the exemplary role of certain GOCCs which are constituted and operated to hold in trust the contributions of their members, such as the Social Security System (SSS) and the Government Service Insurance System (GSIS), where the role of the State is not that of an active owner or investor, but as a guardian to promote the best interests of the members/contributors, whose contributions are to be prudently invested for their benefit, and also as a guarantor for the contingent liabilities that the State may assume in instances when such GOCCs are financially unable to provide the benefits to the members/contributors of such systems.

**Article. 7. State's Role and Relationship with Affiliates.** – The State, as an Investor in every Affiliate, has the same prerogatives and rights as other stockholders thereof. In addition, the State, acting by itself or through the Governing Board of the Holding GOCC, possesses and enjoys all the common law rights pertaining to all stockholders in private corporations, including but not limited to:

- 7.1 *Pre-emptive right* to subscribe to all issues or disposition of shares of any class, in proportion to its shareholdings in the Affiliate, and to the extent allowed by law;
- 7.2 *Right of appraisal*, to be paid the fair value of its shares of stocks in the Affiliate when it has dissented to a corporate action or transaction to which the law grants the right of appraisal; and
- 7.3 *Right to file a derivative suit* on behalf of the Affiliate to enforce the right of, or to recover damages due to, the Affiliate whenever the Board of the Affiliate does not have the legal capacity, or unjustly refuses, to exercise business judgment for the best interests of the Affiliate.

**Article. 8. State Acting Through National Government.** – The National Government is the direct Agent of the State in pursuing the State's role and responsibilities, and enforcing the State's rights and prerogatives as the active owner of GOCCs and Subsidiaries, and as an investor in Affiliates.

8.1 *State Acts Primarily Through the President.* – As an agent of the State in the GOCC Sector, the National Government is represented directly by the President of the Philippines, to exercise the State's ownership rights over the GOCCs.

8.2 *State Acting Through the GCG.* – In the following specific instances under the Act, the National Government is represented by the GCG, to exercise specified State rights of ownership over GOCCs, thus:

- (a) Evaluate the performance and determine the relevance of GOCCs, and pursue the re-organization, merger, streamlining, abolition, or privatization of GOCCs;
- (b) Provide for the classification and sub-classification of GOCCs;

- (c) Adopt an Ownership and Operations Manual and Government Corporate Standards governing GOCCs, in consultation with the relevant Government Agencies and Stakeholders;
- (d) Recommend to the Governing Boards the suspension of any of their members who participated by commission or omission in the approval of an act which constitutes a violation or noncompliance with the ownership Manual or a breach of their fiduciary duties to the GOCC and/or its Stakeholders;
- (e) Promulgate, with the approval of the President of the Philippines, and implement the Fit and Proper Rule that shall identify the necessary skills and qualifications required of Appointive Directors;
- (f) Establish and implement Performance Evaluation Systems, including Performance Scorecards, applicable to all GOCCs in general, and to the various GOCC classifications, in particular;
- (g) Conduct periodic study, examination, evaluation and assessment of the performance of the GOCCs, receive, and in appropriate cases, require reports on the operations and management of the GOCCs including, but not limited to, the management of their assets and finances of the GOCCs;
- (h) Provide technical advice and assistance to the Supervising Agencies in setting performance objectives and targets for their attached GOCCs, and in monitoring such GOCCs' performance vis-à-vis established objectives and targets;
- (i) Conduct compensation studies and, pursuant thereto, develop and recommend to the President a competitive Compensation and Position Classification System (CPCS) which shall apply to all officers and employees of GOCCs whether covered by or exempt from, the Salary Standardization Law;
- (j) Formulate the *per diems*, allowances, incentives and compensation structure for the members of the Governing Boards;
- (k) Coordinate and monitor the operations of GOCCs to ensure their alignment and consistency with the national development policies and programs, and render semi-annual progress report to the President and to Congress, providing for the performance assessment of the GOCCs and recommending clear and specific actions;
- (l) Review the functions of each GOCC and, upon determination that there is a conflict between the regulatory and commercial functions of a GOCC, recommend to the President, in consultation with the Supervising Agency, such plan of action, such as privatization of the GOCC's commercial operations, or the transfer of the regulatory functions to the appropriate Government Agency, to ensure that commercial functions of the GOCC do not conflict with such regulatory functions;



- (m) Request, through the GCG Chairman, a special COA audit of any GOCC for any specific purpose or, when authorized by law, request authority from COA to allow an audit by independent auditors; and
- (n) Review and recommend to the President of the Philippines for approval the plan by any Government Agency:
  - (1) For the establishment and incorporation of a GOCC or a Related Corporation pursuant to the provisions of the Corporation Code of the Philippines; or
  - (2) To purchase a corporation or acquire controlling interest in any corporation.

8.3 *State Acting Through the Supervising Agencies.* – Supervising Agencies shall continue to perform their role and functions over their attached GOCCS, as specified in Article II of Administrative Order No. 59 (s. 1988) insofar as these are not inconsistent with or superseded by provisions of the Act. Supervising Agencies shall extend autonomy at the operational level to its attached GOCCs, and their role in corporate decision-making shall be limited to:

- (a) Ensuring that proposed corporate plans and programs of the Governing Boards are congruent with the Supervising Agencies' sectoral objectives and priorities in support of, *inter alia*, the President's Special Contract Agenda and NEDA's Medium-Term Philippine Development Plan;
- (b) Determining the implications of such proposed plans and programs on those of other GOCCs attached to the Supervising Agency;
- (c) Reviewing the assumptions given and calculations made in justifying the viability of such proposed plans and programs and passing upon the targets proposed to be achieved; and
- (d) Monitoring on a periodic basis the operating results and financial performance of the attached GOCCs to ensure that targets for their sectors are being faithfully pursued.

8.4 *State Acting Through Service-Wide Agencies.* – Service-Wide Agencies dealing with and/or affecting the operations of GOCCs shall continue to exercise their respective functions, observing however the policies and guidelines herein provided to the extent that they are not inconsistent with their duties and responsibilities as provided for in specific laws.

In particular, the DOF shall continue performing fiscal planning and programming in relation to GOCCs, such as but not limited to:

- (a) Management of GOCCs' contingent liabilities;
- (b) Evaluation and approval of borrowing programs;
- (c) Evaluation and approval of investments and financing plans; and

- (d) Evaluation and approval of capital outlays that are elevated to the Investment Coordinating Committee of the NEDA.

The DBM shall continue to:

- (a) Evaluate and recommend the annual budgetary support to GOCCs; and
- (b) Evaluate and approve the annual corporate operating budgets (COBs) of GOCCs.

*8.5 State Acting Through the Governing Boards of GOCCs and Subsidiaries.* – Having been vested directly by law with the legal capacity and authority to exercise all corporate powers, conduct all the business, and to hold all the properties of the GOCC, mandating under the Act that ultimately all Ex Officio Directors and Appointive Directors of the GOCCs are appointed by the President of the Philippines, the State has affirmed the public policy that the Governing Board of GOCCs constitute the State's direct representatives in, and shall be directly accountable to the State for, the governance and operations of GOCCs.

### C. RESPONSIBILITIES OF THE NATIONAL GOVERNMENT IN THE OPERATIONS AND GOVERNANCE OF GOCCs

**Article. 9. *Principle of Board Autonomy Pursued within the State's Policy of Active Ownership.*** – The National Government shall not be involved in the day-to-day management of GOCCs, and the Boards shall be allowed full operational autonomy to achieve the defined objectives of the GOCCs. The role of the National Government, acting through the GCG and/or the Supervising Agency, shall be to ensure that:

9.1 The governance of GOCCs is carried out in a transparent, responsible and accountable manner and with the utmost degree of professionalism and effectiveness.

9.2 The Governing Boards are competent to carry out their functions, fully accountable to the State as its fiduciaries, and always acting in the best interest of the State.

9.3 There are instituted well-structured, transparent, and fully implemented nomination, appointment or election processes for the Appointive Directors in GOCCs, Subsidiaries and Affiliates.

9.4 Subject to the provisions of the Act, there are adopted reasonable, justifiable and appropriate remuneration and incentives schemes for the Directors/Trustees, Officers and employees of GOCCs and their Subsidiaries, to foster the long-term interest of the companies that would attract and motivate qualified professionals, but at the same time prevent or deter the granting of unconscionable and excessive remuneration packages.

9.5 There is instituted a reporting and evaluation system, which will require that the periodic disclosure and examination of the operations and management of the GOCCs, their assets and finances, revenues and expenditures, is enforced.

9.6 The operations of GOCCs are rationalized and monitored centrally in order that government assets and resources are used efficiently and that government exposure to all forms of liabilities, including subsidies, is warranted and incurred through prudent means.

**Article. 10. Provision of Adequate Operational Flexibility.** – GOCCs shall be provided with adequate operational flexibility in order to function properly and efficiently, especially under conditions of market competition. Such flexibility shall nevertheless be consistent with the requirements of public accountability.

10.1. *Differential Treatment* . – To implement the concept of adequate operational flexibility, GOCCs shall, subject to existing laws, be accorded differential treatment by the various Service-Wide Agencies, such as the DBM, the DOF, the COA, the CSC and NEDA, in the exercise of their respective powers and functions. Such agencies shall distinguish corporate organizational and procurement practices of GOCCs from those of bureaus and regular line agencies of the National Government.

10.2. *GCG Classification of GOCCs.* – In the formulation of the differential treatment of GOCCs, GCG shall classify them in the following classification: (1) Developmental/Social Corporations; (2) Proprietary Commercial Corporations; (3) Government Financial, Investment and Trust Institutions; (4) Corporations with Regulatory Functions; and (5) Other Classifications as may be provided for by the GCG, without prejudice to further sub-classification based on parameters as GCG may find relevant or material such as, but not limited to, industry type.

Unless justified by a greater public interest, Government Agencies that have the discretion to grant competitive advantages and benefits to GOCCs, shall avoid the granting of such advantages and benefits, especially to GOCCs that directly or indirectly compete with the private sector. The advantages and benefits mentioned herein include Government guarantees for debts incurred and special privileges such as partial or full exemption from the payment of taxes, duties, imposts, and other charges. This rule shall not apply when the GOCC concerned is organized solely for cultural, educational, civic or scientific purposes.

**Article. 12. Pursuit of National Development.** – In pursuing the exercise of State ownership in the GOCCC Sector, the National Government shall ensure that the promotion of the growth and development of GOCCs shall be consistent with the Social Contract of the President and the Medium-Term Philippine Development Plan issued by the NEDA. The National Government, through the Supervising Agencies to which the GOCCs are respectively attached, shall exercise policy and program coordination, ensuring that the policies and programs of such GOCCs, such as their budgets and operations, as well as their

production, financial and other corporate targets, and disposition of profits, are consistent with sectoral policies and programs.

**Article. 13. Restraint in the Creation and Acquisition of GOCCs.** – Restraint shall be exercised in the creation or acquisition of a corporation by any Government Agency. Any Government Agency seeking to purchase a corporation or acquire controlling interest therein, including a planned conversion into equity of loans previously extended by a GOCC to a privately owned corporation organized under the Corporation Code of the Philippines, which conversion will result in majority ownership or control by such GOCC in the debtor corporation, shall submit its proposal to the GCG for review and approval of the President.

#### **D. ROLE AND RESPONSIBILITIES OF GOCCs**

**Article. 14. GOCCs as Tools for Economic Development.** - GOCCs and Subsidiaries, being wholly- or majority-owned by the State, constitute significant tools of the State to pursue economic development, and a means to promote growth by ensuring that their operations are consistent with national development policies and programs.

**Article. 15. Governing Board Primarily Responsible for Corporate Governance.** – The Governing Board of every GOCC shall be primarily responsible for the management and operation of the GOCC inasmuch as:

15.1 All corporate powers of the GOCC are vested directly by law in its Governing Board.

15.2 The members of the Governing Board of every GOCC have been imposed by law with the fiduciary duties to:

- (a) Always act in the best interest of the GOCC, with utmost good faith in all its dealings with the property and monies of the GOCC.
- (b) Act with due care, extraordinary diligence, skill and good faith in the conduct of the business of the GOCC.
- (c) Apply sound business principles to ensure the financial soundness of the GOCC; and
- (d) Hold a trustee relation with respect to the properties, interests and monies of the GOCC.

**Article. 16. Particular Obligations of the Governing Board.** – Governing Boards, shall ensure that they perform their statutorily-defined role as the State's agents in pursuing economic growth and development within the GOCC Sector, by –