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Republic Of The Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Thirteenth Congress
First Regular Session

House Bill No. 3687



Introduced by Rep. Henedina Razon Abad

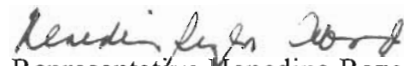
EXPLANATORY NOTE

The civil service system is composed of three levels, namely the first, second and third levels. The third level embraces positions in the executive, scientific, artistic, foreign service, technical and academic services. Positions in the executive and managerial services constitute the biggest component of the third level. The executive and managerial component has the following features: security of tenure, mobility and classification based on ranks.

New technology, global competition, changing and contending citizen expectations drive governments to pursue reforms to improve performance in a significant and sustained manner. Much-needed reforms in administrative governance include strengthening institutions and systems to ensure policy coherence and deliberate coordinated direction and implementation. The executive and managerial component of the civil service has a significant role in addressing this governance challenge since they have a direct hand both in the formulation and implementation of government policies. It is imperative that the law provides for a system for their professionalization and career development.

This bill establishing the Career Executive System seeks to improve on the current concept of the career executive service provided for under the integrated reorganization plan of 1972, as approved in Presidential Decree No.1 as amended. The passage of this bill has become imperative by virtue of the adoption of the 1987 constitution, which provided for the creation of the civil service system.

Early approval of this bill is therefore earnestly requested.


Representative Henedina Razon-Abad

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CAREER EXECUTIVE SYSTEM ACT OF 2005

Section 1. Short Title. This Act shall be known as the “Career Executive System Act of 2005.”

Section 2. Declaration of Policy. The third level covers positions in the executive and managerial class, the foreign service, the scientific, technical, artistic and academic fields, in all branches, subdivisions, instrumentalities and agencies of the government including government-owned or controlled corporations with original charters.

The executive and managerial class constitutes the largest and the most crucial component of the third level. As such, the State shall endeavor to ensure an effective, efficient and responsible administration of the managerial and executive class within the third level through the establishment of a Career executive System that will maintain continuity and or stability in the bureaucracy.

Recognizing the vital role of the career executive system in public sector governance, the state shall infuse the system with well-selected and development-oriented managers, who shall provide a strong, competent, and accountable corps of public managers who possess the necessary expertise and responsive leadership that wills serve as a stabilizing force, an instrument for change, a vanguard of professionalism and careerism in the civil service, and a critical link between government and the people.

Section 3. Definition of Terms. As used in this Act, the following terms shall be construed as follows:

- a. **Third Level** – The third level is an integral part of the civil service system being managed by the civil service commission.

The third level shall include all positions higher than division chief based on the position classification system of the Department of Budget and Management or such other systems, as may be applicable, across the executive, legislative and judicial branches, including constitutional offices.

- 1 b. **Career Executive System** – system for the professionalization and career
2 development of the executive and managerial component of the third level
3 c. **Career Executive System Board** (hereinafter referred to as the Board) – is the
4 policy making body responsible for the development, maintenance, and
5 administration of the career executive system
6
7 d. **Career Executive Officer-Eligible** – refers to a person who passed the
8 examination process set by the Board through the Civil Service Commission to
9 qualify for, but has not yet been assigned to a position in the career executive
10 System
11
12 e. **Career Executive Officer** – refers to a career executive officer-eligible
13 occupying a position in the career executive system, who is appointed to a rank by
14 the civil service commission, upon the recommendation of the Board.
15
16 f. **Rank** – is the index of classification of Career executive Officers to which a
17 Career Executive Officer-Eligible may be appointed by the Civil Service
18 Commission in accordance with the requirements prescribed by the Board.
19
20 g. **Administrative Supervision** – refers to the authority of the department or its
21 equivalent to generally oversee the operations and to ensure that they are managed
22 effectively, efficiently, and economically; or to take such action as may be
23 necessary for the proper performance of official functions, including rectification
24 of violations, abuses and other forms of misadministration.
25
26 h. **Mobility** – refers to the movement of a career executive Officer from one position
27 to another without reduction in rank or salary.
28

29 CHAPTER II

30 CAREER EXECUTIVE SYSTEM

31
32
33 **Section 1. The Career Executive System.** The Career Executive System shall cover all
34 executive and managerial positions in the Executive, Legislative and judicial branches,
35 including Constitutional offices and such other equivalent positions as may be identified
36 by the Board.
37

38 Entry and advancement in the Career Executive System shall be governed by the
39 principles of merit and fitness, and other requirements as may be prescribed by the Board
40 through the Civil Service Commission. The Career executive System shall be essentially
41 characterized by the principles of security of tenure and mobility.
42

43 **Section 2. Career Executive System Board.** The Board shall consist of the Chairperson
44 of the Civil Service Commission, as the Board's ex-officio Chairperson; the Secretary of
45 the Department of Budget and management or his/her permanent representative not lower
46 than an Undersecretary; the President of the Development Academy of the Philippines;

1 and the Dean of the National College of Public Administration and Governance of the
2 University of the Philippines as ex-officio members.

3 The Board shall also include a representative of the nationwide association of career
4 executive officers, a representative of the nationwide association of personnel managers
5 in the private sector, both of whom shall be nominated by their respective associations,
6 and one from the ranks of retired Career executive Officers, all of whom shall be
7 appointed by the Chairperson for a term of three (3) years.

8
9 Members of the Board shall be provided with per diems and allowances as maybe
10 determined by the Commission.

11
12 The Civil Service Commission shall exercise administrative supervision over the Board.

13
14 **Section 3. Powers and Functions of the Board.** The Board is the policy making body of
15 the Career Executive System. It shall promulgate rules, standards and procedures in the
16 recruitment, selection, assignment to positions, classification, compensation, mobility,
17 performance management, tour of duty, rewards and incentives, and training and career
18 development of Career Executive officers and Career Executive Officer-Eligibles.

19
20 **Section 4. Office of the Career Executive System.** The Office of the Career executive
21 System, which shall be an office under the Civil Service Commission with its own
22 administrative and financial support system, shall serve as the CESB Secretariat. In
23 addition, it shall be responsible for the implementation of the policies, rules, regulations,
24 decisions, directives, and instructions pertaining to the third level.

25
26 The Office of the Career Executive System shall be headed by an Assistant
27 Commissioner, shall be assisted by a Director IV, both of whom shall be Career
28 Executive Officers and appointed by the Chairperson of the Civil Service Commission
29 upon recommendation by the Board.

30 31 CHAPTER III

32 33 POLICIES AND STANDARDS IN THE CAREER EXECUTIVE SYSTEM

34
35 **Section 1. Membership in the Career Executive System.** A Career Executive Officer-
36 Eligible who is assigned to a position in the Career Executive System shall automatically
37 be given the entry rank as Career Executive Officer by the Civil Service Commission
38 upon recommendation by the Board. This process completes his/her members in the
39 Career Executive System.

40
41 **Section 2. Security of Tenure.** A Career Executive Officer shall enjoy security of tenure
42 in the Career Executive System and shall not be suspended or dismissed, except for cause
43 and after due process.

44
45 **Section 3. Compensation.** A Career Executive Officer shall be compensated according
46 to rank and shall be provided with an attractive salary, fringe benefits and reasonable

1 allowances. A Career executive Officer occupying a position in the Career Executive
2 System shall enjoy an added premium based on his/her rank. In case a Career Executive
3 Officer occupies a position whose salary grade is higher than that of his/her rank, he/she
4 shall receive the difference between the salary grade of his/her position and his/her rank
5 while assigned to the position.

6
7 The Board, in coordination with the Civil Service Commission, and in consultation with
8 the Department of Budget and Management, shall develop and periodically review a
9 compensation plan for career Executive officers.

10
11 The employing agency shall provide the funds to pay the salary, fringe benefits and
12 allowances of a Career Executive officer.

13
14 **Section 4. Rank System in the Career Executive System.** Career Executive officers
15 shall be classified according to ranks, which shall be established and determined by the
16 Civil Service Commission upon recommendation by the Board. The classification of
17 ranks shall be based on proven leadership, managerial and technical competencies,
18 integrity, character, concern for public interest, appropriate education and professional
19 qualifications, and other relevant considerations.

20
21 **Section 5. Appointment to Rank.** Only a Career Executive officer-Eligible assigned to a
22 position in the Career Executive System within the coverage of the Salary
23 Standardization Law, shall be appointed to a rank by the Civil Service Commission upon
24 recommendation by the Board. The Chairperson of the Civil Service Commission shall
25 do the issuance of rank.

26
27 **Section 6. Promotion in Rank.** The Board shall recommend to the Civil Service
28 Commission the criteria, which shall be the basis for promotion in rank. The criteria to be
29 established shall include but not limited to dimensions such as performance, character,
30 tested leadership, managerial and technical competencies, high standards of integrity and
31 conduct concern for public interest, appropriate educational and professional
32 qualifications.

33
34 **Section 7. Mobility in the Career Executive System.** Notwithstanding any provision of
35 law to the contrary, Career Executive Officers may be assigned to any position in the
36 Career Executive System without diminution in rank and salary.

37
38 There shall be a tour of duty of three (3) years for each Career Executive Officer, during
39 which period he/she shall not be transferred to another office or position without his/her
40 consent.

41
42 **Section 8. Career Executive System Resource Pool.** The Civil Service Commission
43 shall establish a Career Executive System Resource Pool drawn from Career Executive
44 Officers who may be tapped by other agencies of the government for cross-posting to
45 undertake special works and unique assignments within a specific period, depending on

1 the needs of the requesting agency. Participation of Career Executive Officers in the Pool
2 may either be voluntary or involuntary.

3
4 For this purpose, the Civil Service Commission upon recommendation of the Board shall
5 establish the systems and procedures in the assignment of Career Executive Officers to
6 the Career Executive System Resource Pool.

7
8 The Civil Service Commission shall administer the Pool and pay for the salaries, benefits,
9 and other expenses of career Executive officers assigned to the Pool.

10
11 **Section 9. Assignment to Positions in the Career Executive System.** Career Executive
12 Officer-Eligibles shall be given priority in assignments to vacant positions in the Career
13 Executive System. In exceptional cases, a non-Career Executive Officer-Eligible may be
14 assigned to a position in the Career Executive System on a temporary status. He/she shall,
15 however, be replaced once a Career Executive Officer-Eligible becomes available.

16
17 Those who are in Salary Standard Law (SSL)-exempt agencies shall also be required to
18 be Career Executive Officer-Eligibles prior to their assignments in the Career Executive
19 System.

20
21 As far as practicable, all Undersecretaries and Assistant Secretaries shall come from the
22 Career Executive Officers and Eligibles. In no case shall the number of non-career
23 Undersecretaries and Assistant Secretaries exceed more than fifty percent (50%) of the
24 number of career Undersecretaries and Assistant Secretaries.

25
26 The Civil Service Commission shall establish a mechanism to ensure that assignments to
27 positions in the Career Executive System conform to the standards prescribed under this
28 Act.

29
30 **Section 10. Discipline.** The Civil Service Commission shall have the authority to
31 discipline occupants of positions in the Career Executive System.

32
33 **Section 11. Training and Career Development.** The Board shall establish a continuing
34 program of training and career development for Career Executive Officers and Career
35 Executive-Eligibles.

36
37 **Section 12. Performance Management.** The Board shall develop a system for periodic
38 evaluation of performance of occupants of positions in the Career Executive System,
39 taking into account their accomplishments and managerial capability. This periodic
40 evaluation system shall be the basis for the grant of incentives and awards as well as for
41 sanctions for poor performance.

CHAPTER IV
MISCELLANEOUS PROVISIONS

Section 1. Transitory Provisions. Upon the effectivity of this Act, all Career Executive Service Officers shall be accredited as Career Executive Officers. They shall be appointed to Career Executive Officer ranks corresponding to their Career Executive Service Officer ranks.

Career executive Service Eligibles and Career Service Executive Eligibles assigned to positions in the Career Executive System shall likewise be appointed to entry rank as Career Executive Officer.

Those who possess Career Executive Service Eligibility shall be accredited as Career Executive Officer-Eligibles. Career Service Executive Eligibles who have not been assigned to positions in the Career Executive System at the time of the effectivity of this Act shall be required to undergo further screening process.

Section 2. Implementing Rules and Regulations. The Board, in coordination with the Civil Service Commission shall promulgate implementing rules and regulations as may be necessary to implement the intent and purposes of this Act. The said implementing rules and regulations shall be published in two (2) newspapers of general circulation.

Section 3. Repealing Clause. Article IV. Part III of the Integrated Reorganization Plan, as approved by Presidential Decree No.1 as amended, all laws, rules and regulations, or parts thereof that are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 4. Separability Clause. If, for any cause, any part of this Act is declared unconstitutional, the rest of the provisions shall remain in force and effect.

Section 5. Effectivity. This Act shall take effect after fifteen (15) days from its publication in the Official Gazette and in a newspaper of general circulation.