

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 225

INTRODUCED BY HON. AMADO S. BAGATSING

EXPLANATORY NOTE

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 one civil service system.

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.

The executive and managerial component of the civil service has a significant role in the bureaucracy since they have a direct hand both in the formulation and implementation of government policies. It is imperative that a system for their professionalization and career development be provided for by law.

Approval of this bill is urgently recommended.



AMADO S. BAGATSING

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HOUSE BILL NO. 225

Introduced by: Representative **AMADO S. BAGATSING**

AN ACT ESTABLISHING THE CAREER EXECUTIVE SYSTEM

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

ARTICLE I
GENERAL PROVISIONS

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4 **Section 1. Short Title.** - This Act shall be known as the "Career Executive
5 System Act of 2010."

6 **Sec. 2. Declaration of Policy.** - It is the policy of the State under Article IX, B.
7 Section 3 of the 1987 Philippine Constitution to establish a career service and to
8 provide the public sector with a well-selected and development-oriented corps of
9 public managers who possess the necessary expertise and responsive leadership that
10 will serve as a stabilizing force, an instrument for change, a vanguard of
11 professionalism and careerism in the civil service, and a critical link between the
12 government and the people. Towards this end, the State hereby calls for an effective,
13 efficient, and responsible administration of the managerial/executive class within the
14 third level of the career service that will maintain continuity and stability in the
15 bureaucracy.

16 **Sec. 3. Coverage.** - This Act shall cover the executive/managerial class of the
17 third level which constitutes the Career Executive System.

18 **Sec. 4. Definition of Terms.** - As used in this Act, the following terms shall be
19 construed as follows:

- 1 **a. Third Level** - refers to the highest level in the career service of the Civil
2 Service System under the 1987 Philippine Constitution which includes positions
3 in the executive and managerial class, and the positions in the highly technical
4 and specialized class such as the Foreign Service, the scientific, technical,
5 artistic, and academic fields, in all branches, subdivisions, instrumentalities and
6 agencies of the government including government-owned or controlled
7 corporations with original charters. The third level covers all positions higher
8 than chief of division based on the position classification system of the
9 Department of Budget and Management and the Civil Service Commission or
10 based on such other systems as may be applicable across the executive,
11 legislative, and judicial branches, including constitutional offices.
- 12 **b. Career Executive System (CES)** - refers to the system of professionalization
13 and career development of the executive and managerial component of the third
14 level in the career service.
- 15 **c. Career Executive System Board (CESB)** - refers to the policy making body
16 responsible for the development, maintenance, and administration of the Career
17 Executive System.
- 18 **d. Career Executive Officer (CEO)** - refers to a Career Executive Officer-Eligible
19 who is conferred a CES rank and appointed to a position covered by the CES.
- 20 **e. Career Executive Officer-Eligible (CEO-E)** - refers to a person who passed the
21 qualifying examination process set by the Board through the Civil Service
22 Commission but has not yet been appointed to a position in the CES.
- 23 **f. Rank** - refers to the index of classification of Career Executive Officers to which
24 a Career Executive Officer-Eligible may be appointed by the Civil Service
25 Commission in accordance with the requirements prescribed by the Board.
- 26 **g. Mobility** - refers to the movement of a Career Executive Officer from one
27 position to another without reduction in rank or salary.
- 28 **h. Highly Technical/Specialized Class** - refers to the class of positions requiring
29 technical skills or training in the superior degree involving highly specialized
30 duties and requiring extended training and experience as to render impracticable
31 the giving of a competitive examination.

i. **Executive/Managerial Class** - refers to the class of positions above chief of division primarily charged with the implementation of policies and the routine operations of an office.

Article II

CAREER EXECUTIVE SYSTEM

Sec. 5. The Career Executive System (CES). - The Career Executive System shall cover all executive and managerial positions in the third level in the Executive, Legislative and Judicial branches, including Constitutional offices and such other equivalent positions as may be identified by the Board. Entry and advancement in the CES shall be governed by the principles of merit and fitness and other requirements as may be prescribed by the Board through the Civil Service Commission. The Career Executive System shall be essentially characterized by the principles of merit and fitness, security of tenure and mobility.

Sec. 6. Career Executive System Board (CESB). - A Career Executive System Board, hereinafter referred to as the Board, under the administrative supervision of the Civil Service Commission (CSC), hereinafter referred to as the Commission, is hereby created. It shall be composed of the Chairperson of the Commission as the Board's ex-officio Chairperson; and three (3) ex-officio members namely: the Secretary of the Department of Budget and Management or his/her permanent representative not lower than an Undersecretary; the President of the Development Academy of the Philippines; and the Dean of the National College of Public Administration and Governance of the University of the Philippines. The Board shall also include three members to be appointed by the Chairperson for a term of three years namely: a representative of the nationwide association of career executive officers, a representative of the nationwide association of personnel managers in the private sector, both of whom shall be nominated by their respective associations, and one representative from the ranks of retired Career Executive Officers who is familiar with the principles and methods of personnel administration. The members of the Board shall be provided with per diems and allowances as may be determined by the Commission.

Sec. 7. Powers and Functions of the Board.- The Board shall be the policy making body of the Career Executive System. It shall promulgate rules, standards, and procedures in the recruitment, selection, assignment to positions, classification, compensation, mobility, performance management, tour of duty, rewards and incentives.

1 and training and career development of Career Executive Officers and Career Executive
2 Officer-Eligibles.

3 **Sec. 8. Office of the Career Executive and Specialized Systems (OCESS).** - The
4 Office of the Career Executive and Specialized Systems (OCESS), which shall be an
5 Office under the Commission, shall serve as the CESB Secretariat with its own
6 administrative and financial component. It shall be responsible for the implementation of
7 the policies, rules, regulations, decisions, directives, and instructions pertaining to the
8 third level of the career service. An Assistant Commissioner of the Commission shall
9 head the OCESS and shall be assisted by a Director IV, both of whom shall be Career
10 Executive Officers, and shall be appointed by the Chairperson of the Commission upon
11 recommendation by the Board.

12 **Article III**

13 **POLICIES AND STANDARDS IN THE** 14 **CAREER EXECUTIVE SYSTEM**

15 **Sec. 9. Membership in the Career Executive System.** - A CEO-Eligible who is
16 assigned to a position in the Career Executive System shall be given the entry rank as
17 CEO by the Commission upon recommendation by the Board. This process completes
18 his/her membership in the Career Executive System.

19 **Sec. 10. Security of Tenure.** - A Career Executive Officer shall enjoy security of
20 tenure in the Career Executive System and shall not be suspended nor dismissed except
21 for cause and after due process.

22 **Sec. 11. Compensation.** - A CEO shall be compensated according to rank and shall
23 be provided with an attractive salary, fringe benefits, and reasonable allowances. A CEO
24 occupying a position in the Career Executive System shall enjoy an added premium
25 based on his/her rank. In case a CEO occupies a position whose salary grade is higher
26 than that of his/her rank, he/she shall receive the difference between the salary grade of
27 his/her position and his/her rank while assigned to the position. The Board, in
28 coordination with the Commission and the Department of Budget and Management
29 (DBM), shall develop and periodically review a compensation plan for Career Executive
30 Officers. The employing agency shall provide the funds to pay the salary, fringe
31 benefits, and allowances of a CEO.

32 **Sec. 12. Rank System in the Career Executive System.** - A Career Executive
33 Officer (CEO) shall be classified according to rank which shall be established and

1 determined by the Commission upon recommendation by the Board. Rank
2 classification shall be based on proven competence, qualifications such as appropriate
3 academic and professional background, broad levels of responsibility, and other relevant
4 considerations.

5 **Sec. 13. Appointment to Rank.** – Only a CEO-Eligible, assigned to a position in the
6 Career Executive System, shall be appointed to rank by the Commission upon
7 recommendation by the Board. The issuance of rank shall be done by the Chairperson of
8 the Commission.

9 **Sec. 14. Promotion in Rank.**– The Board shall recommend to the Commission the
10 criteria which shall be the basis for promotion in rank. The criteria to be established
11 shall include, but shall not be limited to, performance, qualifications and proven
12 competence.

13 **Sec. 15. Mobility in the Career Executive System.** – A Career Executive Officer
14 may be assigned to any position in the Career Executive System without diminution in
15 rank and salary. There shall be a tour of duty of three (3) years for each CEO during
16 which period he/she shall not be transferred to another office or position without his/her
17 consent. In filling a vacancy, the head of agency shall choose from those who have been
18 granted rank or eligibility. The Commission, through the Board, shall provide
19 information on vacancies, an updated list of available qualified persons who may be
20 assigned, and such other mechanisms to assist the head of agency in the selection.

21 **Sec. 16. Assignment to Positions in the Career Executive System.** - Career
22 Executive Officer- Eligibles shall be given priority in assignments to vacant positions in
23 the Career Executive System. In exceptional cases, a non-CEO-Eligible may be assigned
24 to a position in the Career Executive System on a temporary status: *Provided, That,*
25 he/she shall be replaced once a CEO-Eligible becomes available. Those who are in
26 Salary Standardization Law (SSL)-exempt agencies shall also be required to be CEO-
27 Eligibles prior to their assignments to positions in the Career Executive System. All
28 Career Undersecretaries and Assistant Secretaries and other officials of similar rank shall
29 come from the CEO-Eligibles. The assigning authority shall choose from a list of at
30 least three (3) eligibles who are qualified, available and willing to be assigned to said
31 vacant position. The number of career undersecretaries and assistant secretaries and
32 other officials of similar rank shall conform to the number set by law. The Commission

1 shall establish a mechanism to ensure that assignments to positions in the Career
2 Executive System conform to the standards prescribed under this Act.

3 **Sec. 17. Discipline.-** The Commission shall have the authority to discipline
4 occupants of positions in the Career Executive System: *Provided*, That, such authority to
5 discipline shall be concurrent with the assigning authority.

6 **Sec. 18. Training and Career Development. -** The Board shall establish a
7 continuing program of training and career development for CEO and CEO-Eligibles.

8 **Sec. 19. Performance Management. -** The Board shall develop a system for
9 periodic evaluation of the performance of occupants of positions in the Career Executive
10 System taking into account their accomplishments and managerial capability. This
11 periodic evaluation system shall be the basis for the grant of incentives and awards, as
12 well as for sanctions for poor performance.

13 **Article IV**

14 **MISCELLANEOUS PROVISIONS**

15 **Sec. 20. Transitory Provisions. -**

- 16 a. Upon the effectivity of this Act, all Career Executive Service Officers (CESO)
17 who were conferred CESO ranks under Article IV, Part III of the Integrated
18 Reorganization Plan under Presidential Decree No.1 as amended, shall, as a
19 vested right, be accredited as Career Executive Officers (CEO) under this Act
20 and shall be appointed to Career Executive Officer ranks corresponding to their
21 CESO rank.
- 22 b. Career Executive Service Eligibles (CESE) who passed the examinations given
23 by the former Career Executive Service Board, and Career Service Executive
24 Eligibles (CSEE) who passed the examination given by the Civil Service
25 Commission, and who are assigned to positions in the Career Executive System
26 at the time of the effectivity of this Act, shall be appointed to entry rank as
27 Career Executive Officers.
- 28 c. Those who possess Career Executive Service Eligibility (CESE) but who are not
29 assigned positions in the Career Executive System at the time of the effectivity of
30 this Act shall be accredited as Career Executive Officer-Eligibles.
- 31 d. Career Service Executive Eligibles, (CSEE) who have not been assigned to
32 positions in the Career Executive System at the time of the effectivity of this Act

1 shall be required to undergo further screening process to qualify as Career
2 Executive Officer-Eligibles.

3 e. The personnel, assets, funds, grants, and records of the former Career Executive
4 Service Board (CESB) secretariat are hereby transferred to the Office of the
5 Career Executive and Specialized System (OCESS).

6 f. The Chairperson of the Commission shall designate an Officer-in-Charge
7 pending the appointment of an Assistant Commissioner to head the OCESS.

8 g. Incumbent officials and employees of the current CESB secretariat shall
9 continue to exercise their respective functions, duties and responsibilities with
10 the corresponding benefits and privileges.

11 **Sec. 21. Implementing Rules and Regulations.** – The Board, in coordination with
12 the Commission, shall promulgate implementing rules and regulations as may be
13 necessary to implement the intent and purposes of this Act and which shall be published
14 in the *Official Gazette* and in two (2) newspapers of general circulation.

15 **Sec. 22. Repealing Clause.** – Article IV, Part III of the Integrated Reorganization
16 Plan, as approved under Presidential Decree No. 1 as amended, is hereby repealed. All
17 provisions of Executive Order No. 292, or the Revised Administrative Code of 1987 on
18 the Civil Service Commission, that are inconsistent with this Act are hereby repealed.
19 All laws, rules and regulations or parts thereof that are inconsistent with the provisions of
20 this Act are hereby repealed or modified accordingly.

21 **Sec. 23. Separability Clause.** - If any part, section, or provision of this Act is held
22 invalid or unconstitutional, no other part, section, or provision shall be affected by the
23 invalidity or unconstitutionality thereof.

24 **Sec. 24. Effectivity.** – This Act shall take effect after fifteen (15) days from its
25 publication in the *Official Gazette* or in a newspaper of general circulation.

26 Approved,