

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

Fifteenth Congress
First Regular Session

HOUSE BILL NO. 3740

Introduced by HON. RENE LOPEZ RELAMPAGOS
1st District, Bohol

EXPLANATORY NOTE

The Career Executive Service (CES) operates on the rank concept. This concept was introduced in the Philippines in 1972. Career Executive Service Officers (CESOs) are appointed to ranks and only assigned to CES positions. As such, they can be reassigned or transferred from one CES position to another and from one office to another but not oftener than once every two (2) years. The CES is like the Armed Forces and the Foreign Service where the officers are also appointed to ranks and assigned to position. The CES was created in accordance with Presidential Decree No. 1 [adopting the Integrated Reorganization Plan (IRP)] dated September 24, 1972. It was established to "form a continuing pool of well-selected and development oriented career administrators who shall provide competent and faithful service." The Commission on Reorganization explained that the creation of the CES is intended to prevent the filling-up of higher administrative positions on considerations other than merit and demonstrated competence, thus, senior administrators/managers/executives shall be carefully selected on the basis of high qualifications and competence, skilled in both techniques and processes of management. These considerations are clearly intended to professionalize the third level executives of the bureaucracy thereby putting a stop to the pernicious practice of the "spoils system" of the past.

Part III, Article IV of the IRP created the Career Executive Service Board (CESB) to serve as the governing body of the CES with the power to promulgate rules, standards and procedures on selection, classification, compensation and career development of members of the CES.

The CES is the third level or the managerial class in the group of career positions in the Philippine Civil Service. The CES is also a public personnel system program but separate from the program for the first and second levels of positions in the Philippine Civil Service.

Book V, Title IA, Chapter 2, Sections 6, 7 and 8 of the Administrative Code of 1987 provides, among others, that the Civil Service, which embraces all branches, subdivisions, instrumentalities, and agencies of the government, including government-owned or controlled corporations with original charters, is classified into career and non-career service. The career service shall be characterized by (1) entrance based on merit and fitness to be determined as far as practicable by competitive examination, or based on highly technical qualifications; (2) opportunity for advancement to higher career positions; and (3) security of tenure.

Book V, Title I A, Chapter 2, Section 3 of this Code also provides that the positions in the Career Executive Service cover the positions of Undersecretary, Assistant Secretary, Bureau Director, Assistant Bureau Director, Regional Director, Assistant Regional Director, Chief of Department Service and other officers of equivalent rank as may be identified by the CESB, all whom are appointed by the President. Under the Office of the President (OP) Memorandum

Circular No. 796 dated January 17, 1975, ranking structure as recommended by the CESB, was approved establishing CESO ranks 1 to V corresponding to the positions just enumerated. Later, under OP Memorandum Order No. 372 dated July 3, 1991, the ranking structure was modified by adding CESO rank VI and prescribing the Salary Grade corresponding to each rank. In other words, positions in the CES are career positions above division chief level that exercise managerial functions.

The CESB issued in the past various policy resolutions and reforms by automatic grant of ranks despite lack of adequate managerial preparations as basis for security of tenure in the CES which at times gave rise to inequities among members of the CES who rose from the CESO ranks.

As explained by the Supreme Court in the recent case of Amores vs. Civil Service Commission, G.R. No. 170093, April 29, 2009, "Security of tenure in the career executive service, which presupposes a permanent appointment, takes place upon passing the Career Executive Service (CES) examinations administered by the CES Board, conferment of the CES eligibility is done by the CES Board through a formal board resolution after an evaluation has been done of the examinee's performance in the four (4) stages of the CES eligibility examinations. Upon conferment of CES eligibility and compliance with other requirements prescribed by the Board, an incumbent of a CES position may qualify for appointment to a CES rank. Appointment to a CES rank is made by the President upon the Board's recommendation. It is this process which completes the official's membership in the CES and confers on him security of tenure in the CES. Clearly, for an examinee or an incumbent to be a member of the CES and be entitled to security of tenure, she/he must pass the CES examinations, be conferred CES eligibility, comply with the other requirements prescribed by the CES Board and be appointed to a CES rank by the President.

This bill seeks to strengthen and rationalize appointments and promotions in CES position. It also seeks to rationalize and streamline the membership in the CESB that is mandated to issue rules, standards and procedures in the recruitment, selection, assignment to positions, classification, compensation, mobility, performance management, tour of duty, career development of the Career Executive Service Officers (CESOs) and Career Executive Officer Eligibles (CEOE) and create the positions of as. Executive Director and Assistant Executive Director and operating divisions headed by CESOs who will assist the CESB in its functions and duties.

In view of forming in the near term a continuing pool of well-selected and development-oriented career public administrators/managers/executives who shall provide our country competent and faithful service, the approval of this bill is earnestly sought.


RENE LOPEZ RELAMPAGOS

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Introduced by **HON. RENE LOPEZ RELAMPAGOS**
1st District, Bohol

AN ACT
TO STRENGTHEN AND RATIONALIZE THE CAREER EXECUTIVE
SERVICE IN THE PHILIPPINES

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

ARTICLE I

GENERAL PROVISIONS

SECTION 1. Title. – This Act shall be known as the “**Career Executive Service Act of 2010.**”

SEC. 2. It is the State policy under the 1987 Constitution to continue the search for the perfect Civil Service System. It is said that general objective of a civil service system is to establish and promote professionalism and efficiency in public service. This is also the object of the Civil Service system under the present Constitution.

Section 2, Art. IXB is the basis for classifying positions in the civil service into the competitive and non-competitive positions. The non-competitive positions are those which by their nature are policy-determining, primarily confidential, or highly technical. (As confirmed by the 1986 Constitutional Commission Id. 570-572). In the comment of Fr. Joaquin G. Bernas, S.J., one of the members of the 1986 Constitutional Commission and noted constitutionalist, “the competitive and non-competitive positions roughly correspond to the classification, in the Civil Service Code, P.D. No. 807 (now embodied in Book V, Chapter 2, of the Revised Administrative Code of 1987) into **Career and Non-Career Service**. Section 5 of the Code says: “The Career Service shall be characterized by: (1) entrance based on merit and fitness to be determined as far as practicable by competitive examinations, or based on highly technical qualifications; (2) opportunity for advancement to higher career positions; and (3) security of tenure.” Section 6 says: “The Non-Career Service shall be characterized by (1) entrances on bases other than those of the usual tests of merit and fitness utilized for the career service; and (2) tenure which is limited to a period specified by law, or which is coterminous with that of the appointing authority or subject to his pleasure, or which is limited to the duration of a particular project for which purpose employment was made.” (Joaquin G. Bernas, S.J., *The 1987 Constitution of the Republic of the Philippines: A Commentary* (2009 ed., p. 1052) Thus, the appointment to the Career Service demands more stringent qualifications than the Non-Career levels. This is due to the fact that the government depends so much on its executives in carrying out successfully its policies, programs and projects for the improvement of quality of life of the Filipino people.

SEC. 3. Coverage. – This Act shall cover the executive/managerial class of third level in the civil service which constitutes the Career Executive Service System in all branches, subdivisions, instrumentalities, and agencies of the government, including chartered institutions, government-owned or controlled corporations with original charters.

SEC. 4. Definition of Terms. As used in this Act, the following terms shall be defined as follows:

(a) **“Third Level Position or the Managerial Class”** refers to the positions of Undersecretary, Assistant Secretary, Bureau Directors, Assistant Bureau Directors, Regional Directors, Assistant Regional Directors, Chief of Department Service and other officers of equivalent rank in the Executive Department as may be identified by the Career Executive Service Board (CESB), other officers of equivalent rank in the legislative and constitutional commissions and offices, local government and autonomous regions, all of whom are appointed by the President of the Philippines **except** judges and justices, as the case may be, of the Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Courts, Regional Trial Courts, Special Courts such as but not limited to Special Criminal Courts, Family Courts, Shari’ah Appellate Courts, Shari’ah District Courts, Shari’ah Circuit Courts, Court of Appeals, Court of Tax Appeals, Sandiganbayan and Supreme Court and elected officials of local governments and autonomous regions and Chairpersons and Commissioners of Constitutional Commissions.

(b) **“Career Executive Service System (CESS)”** refers to the system of professionalization and career development of the managerial class of the third level as defined in Section 4 (a) of this Act in the career service.

(c) **“Career Executive Service Board (CESB)”** refers to an agency attached to the Civil Service Commission that is the governing body of Career Executive Service and is mandated to promulgate and implement rules, standards and procedures on the selection, classification, compensation and career development of members of the career executive service under the Career Executive Service System.

(d) **“Career Executive Service Officer (CESO)”** refers to a person who passed the CES examinations administered by the CESB and who is conferred of CES eligibility and whose name is included in the roster of CES eligibles and qualifies for appointment to a CES rank by the President of the Philippines upon the CESB’s recommendation.

(e) **Career Executive Service Eligibles (CESE)”** refers to a person who passed the CES examinations administered by the CESB but is not yet conferred with CES eligibility and his/her name is not included in the roster of CESO eligibles.

(f) **“Career Executive Service (CES) Rank”** refers to the appointment to a rank by the President of the Philippines upon the recommendation of the CESB after the conferment of CES eligibility and compliance with other requirements prescribed by the CESB.

(g) **“Mobility”** refers to the movement of a CESO from one position to another without reduction in rank and salary.

ARTICLE II

CAREER EXECUTIVE SERVICE SYSTEM

SEC. 5. The Career Executive Service System (CESS). The Career Executive Service System (CESS) shall cover all managerial positions in the third level as defined in Section 4 (a) of this Act in the executive, legislative and judicial departments, including constitutional commissions and offices, local governments and autonomous regions and such other equivalent positions as may be identified by the CESB. Selection and advancement to a position in the

CESB shall be based on merit and fitness which include demonstrated managerial competence, performance, responsibility, leadership qualities, integrity, and other personal qualifications relevant to the position to be held and other requirements as may be prescribed by the CESB.

SEC. 6. Career Executive Service Board. – A Career Executive Service Board (CESB) referred to here as the Board, under the administrative supervision of the Civil Service Commission (CSC), referred to here as the Commission, is created. The CESB shall be composed of the Chairman 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 (DBM) or his/her permanent representative not lower than the rank of an Undersecretary; the President of the Development Academy of the Philippines (DAP) and the Dean of the National College of Public Administration and Governance of the University of the Philippines (UP). The Board shall also include three (3) members to be appointed by the Chairperson for a term of six (6) years without reappointment, namely: a representative of a nationwide association of CESOs duly accredited by the CESB; a representative of a nationwide association of personnel managers in the private sector duly accredited by CESB, in which both representatives shall be nominated by their respective association, and one (1) representative of a nationwide association of retired CESOs duly accredited by the CESB who is thoroughly familiar with the principles and methods of human relations and personnel administration. The Chairperson and all the six (6) members of the Board shall be entitled with per diems for every meeting duly called by the CESB and allowances as may be determined by the Commission.

SEC. 7. Powers and Functions of the CESB. The Board shall be the governing body of the CES. The CESB is mandated to promulgate rules, standards and procedures in the recruitment, selection, assignment to positions, classification, compensation, mobility, performance management, tour of duty, rewards and incentives, and training and career development of CESOs and CES Eligibles.

SEC. 8. Office of the CESB Specialized Division (OCESBSD). The Office of the CESB Specialized Division shall serve as the CESB Secretariat with its own administrative and financial components. It shall be responsible for the implementation of the policies, rules, regulations, decisions, directives and instructions pertaining to the third level of the career executive service promulgated by the CESB and the day-to-day affairs of the CESB. An Executive Director shall head the OCESBSD and shall be assisted by a Deputy Executive Director, both of whom shall be CESOs with a rank of at least CESO II, and both shall be appointed by the CESB.

The OCESBSD shall have at least the following six (6) operating divisions each of which is tasked to handle specific program(s) and shall be headed by CESOs with appropriate CESO ranks, namely:

- 1) Recruitment, Selection, Appointment and Compensation;
- 2) Placement, Training and Career Development
- 3) Performance Evaluation Service;
- 4) Research and External Relations Service;
- 5) Legal Service; and
- 6) Finance and Administrative Service.

The head of these divisions shall be appointed by the CESB and their duties and functions shall be determined and promulgated by the CESB to carry out the provisions of this Act.

ARTICLE III

EXAMINATIONS, APPOINTMENT TO CAREER EXECUTIVE SERVICE RANK, ASSIGNMENT TO A CAREER EXECUTIVE SERVICE POSITION, COMPENSATION AND POLICY STANDARDS

IN THE CAREER EXECUTIVE SERVICE SYSTEM

SEC. 9. Stages of Career Executive Service Examinations. Unless modified or changed unanimously by the Chairperson and all the members of the CESB as a collegial body, the CES examinations shall be administered by the CESB and the eligibility resulting from the examinations shall be called Career Executive Officer (CEO) Eligibility. The CEO examination system shall have four (4) stages, namely:

a) The **Written Examination** – this examination intends to measure the applicant's aptitude and competence and to predict job performance. The test will cover the following competency areas: Verbal Ability, Analytical Ability and Managerial Ability. Only those who meet the cut-off score for the Written Test shall proceed to the next stages of the CEO Examination.

Only those who will pass the Written Examination and have at least two (2) supervisory experience shall proceed to the Assessment Stage. Those who will not meet the supervisory experience requirement will only qualify to proceed to the Assessment Stage once they meet the said requirement. Supervisory functions pertain to directing and approving the work outputs of concerned employees; delegating functions to the staff; monitoring and rating employees' performance based on the duly approved performance targets/plans; and supervising the unit or section/division based on the staffing pattern or organizational structure.

The attainment by the examinee of Master of National Security Administration (MNSA) conferred by the National Defense College of the Philippines under Executive Order No. 696 issued on May 27, 1981, as amended by Executive Order No. 771 issued on December 21, 1988 and/or Master of Public Safety Administration (MPSA) Degree conferred by the Philippine Public Safety College shall merely accredit him/her the equivalent passing of the Written Examination and that graduates of both programs interested to acquire CES eligibility and CES rank may proceed to the second stage of the CES eligibility examination process and the other stages of the examinations in accordance with CESB's policies and regulations. If the examinee as MNSA and/or MPSA degree holder passed the other three (3) stages of the CES examinations and is conferred CES eligibility, he/she could qualify for appointment CES ranks provided that he/she meets and complies with the other requirements of the CESB and the Office of the President to qualify for rank appointment.

b) **Assessment Stage.** This stage shall focus on capacity and character expected of government managers and executives. The assessment shall determine whether the applicant has the capacity to advance to managerial duties and responsibilities and to grow and develop in the bureaucracy.

c) **Interview Stage.** This stage shall be a one-on-one interview by the interviewer with the applicant. The Chairperson and members of the CESB shall conduct personally the interviews.

d) **Performance Validation Stage.** The validation of performance shall be a process where the applicant's capacity to perform managerial functions and the applicant's character (i. e. potential leadership qualities, integrity on the job, loyalty to the government, lifestyle check, etc.) based on the records of accomplishments, and interview of key informants are validated by a qualified evaluator.

SEC. 10. Admission Requirements to the CEO Examinations. Applicants must have completed at least a bachelor's or undergraduate degree in public or private schools, colleges or universities recognized by the Commission of Higher Education of the Philippines offering arts, humanities, natural and social sciences and technology. The CEO Examinations shall be open to the following applicants:

1. From the Government Sector, Career and Non-Career:
 - a) Those occupying second level positions with salary grade of at least twenty four (24);
 - b) Those occupying CES third level and comparable positions but are not CESOs or CES eligibles;
 - c) Those from the uniformed service of the public safety sector with the rank of at least Senior Inspector or its equivalent and from other uniformed services of comparable rank; and
 - d) Those occupying the rank of a Captain or higher in the Armed Forces of the Philippines;
2. Proprietors in the private sector who are performing managerial/supervisory functions for at least two (2) years
3. Citizen of the Philippines;
4. Must be of good moral character;
5. Has not been convicted by final judgment of an offense or crime involving moral turpitude, or infamous, disgraceful, or immoral conduct, dishonesty, examination irregularity, drunkenness or addiction to drugs;
6. Has not been dishonorably discharged from military service or dismissed for cause from any civilian position in the government;
7. Applicants with pending administrative and/or criminal cases may take the examination and will be conferred eligibility if they successfully pass the same. However, this is without prejudice to the outcome of their pending case. If they are found guilty of grave offenses, their eligibility shall be forfeited based on the penalties stated in the decision and the provision of Section 58 (a) of the Uniform Rules on Administrative Cases in the Civil Service and CSC Resolution No. 010659, dated March 22, 2001.

SEC. 11. Career Executive Officer (CEO) Eligibility. The CESB shall confer the CEO Eligibility, which is appropriate for appointment to third level positions in the government, on those who will pass all stages of the CEO eligibility examinations process.

SEC. 12. Appointment to Career Executive Service Officer (CESO) Rank. Upon conferment of CEO eligibility by the CESB through a formal board resolution after an evaluation has been done of the examinee's or incumbent of a CES position performance in the four stages of the CES eligibility examinations in Section 10 of this Act and after compliance with the requirements prescribed by the CESB, one who is a presidential appointee and occupying a CES position, may qualify for appointment to a CESO rank by the President of the Philippines upon the recommendation of the CESB. An examinee or an incumbent of a CES position may qualify for appointment to a CES rank. Appointment to a CES rank is made by the President of the Philippines upon the Board's recommendation. It is the process which completes the official's membership in the CES.

SEC. 13. Career Executive Ranking Structure. The CES operates on the rank concept. There are six (6) CESO ranks in the CES ranking structure, as follows:

The appropriate CESO rank to which a CES eligible may be appointed depends on three (3) major criteria, namely: 1) Broad levels of Responsibility; b) Personal Qualifications; and 3) Demonstrated Competence. The major criteria are determined by the official's performance rating obtained in the annual Career Executive Service Performance Evaluation System (CESPES) conducted by the CESB and on the level of the general duties and responsibilities which an eligible have performed or is performing as follows:

Level of Duties and Responsibilities	Salary Grade	Rank Equivalent
If level of managerial responsibilities are Comparable to that of an Undersecretary	SG 30	I
If comparable to that of an Assistant Secretary	SG 29	II

If comparable to that of a Bureau Director or a Department Regional Director	SG 28	III
If comparable to that of an Assistant Bureau Director or a Department Assistant Regional Director	SG 27	IV
If comparable to that of a Bureau Regional Director	SG 26	V
If comparable to that of a Bureau Assistant Regional Director	SG 25	VI

The six rank levels (CESO I-VI) are given the corresponding salary grades ranging from salary grade 25-30, CESO rank I shall be the highest rank with an equivalent salary grade of 30, while CESO rank VI shall be the lowest rank with an equivalent salary grade of 25. CESO rank levels I, II and III shall be considered Senior CESO rank levels and occupants thereof shall be known as Senior CESOs.

Original appointment to CESO ranks shall be made by the President of the Philippines from a list of CES eligibles recommended by the CESB. CES Eligibles (after compliance with the prescribed requirements) occupying CES positions may be appointed by the President of the Philippines to CESO ranks. The entry rank in the career executive service shall be CESO rank VI regardless of the positions to which they are occupying.

SEC. 14. Promotional Appointments to CESO Ranks. Promotional appointment of CESOs to the next higher CESO ranks shall be made by the President of the Philippines upon the recommendation of the CESB after compliance with the requirements it has prescribed therein. CESOs shall be allowed to grow in CESO rank as they grow professionally and improve in competence, even if, overtime, they remain to occupy the same positions. In the case, however, of CESOs who already have the rank of CESO IV shall be required, in addition to the other requirements prescribed by the CESB, to hurdle the Senior Career Executive Officer Assessment Program (SCAP) as part of the screening process before they can be considered for promotion to CESO rank III (Senior CESOs).

SEC. 15. DEACTIVATION AND REACTIVATION OF CESO RANKS. There shall be two (2) classes of CESOs in the CES, namely: the CESOs in active and CESOs in inactive status. CESOs in active status are those who are occupying CES positions. On the other hand, CESOs in inactive status are those who no longer occupy CES positions as a result of any mode of separation from the government service, provided that such separation is not due to dismissal from the service for cause.

The three (3) modes by which the CESO ranks of CESOs shall be deactivated from the CES are as follows: 1) Acceptance of a position which the appointment is outside the coverage of the CES; 2) Dropping from the rolls of government officials and employees; 3) Other modes of separation from the CES, provided that separation from the CES resulting from dismissal from the service for cause and after due process shall result in the loss of CESO rank and shall not be considered as a mode of deactivation.

However, upon re-entry in the CES, CESOs may submit a written application to the CESB for the reactivation of their CESO ranks after six (6) months counted from the date of their appointment to CES positions.

SEC. 16. CES Compensation. 1) **Salaries of CESOs.** CESOs shall be entitled to the salary attached to their CESO ranks. CESOs who are appointed to CES positions with salaries higher than that of their CESO ranks shall receive the salary attached to their positions. Meanwhile, CESOs who are appointed to CES positions with salaries lower than that of their CESO ranks shall continue to be entitled to the salaries attached to their CESO ranks. Moreover, the salaries of CESOs starts at step 2 of the salary grade of their CESO ranks.

2) **Salaries of non-CESO Incumbents of CES Positions.** Incumbent of CES positions who are not CESOs shall receive the salaries of their CES positions. Their salaries shall start at step 1 of their salary grades.

SEC. 17. SELECTION FOR APPOINTMENT; FIELD OF RECRUITMENT; SECURITY OF TENURE. Selection for appointment to a position in the CES is based on merit and fitness which includes demonstrated managerial competence, leadership qualities, integrity and other personal qualifications relevant to the position.

An appointee to a CES position can come either from within government or from private sector. CESOs are appointed to ranks and only assigned to CES positions.

The appointee may also be recruited from the private sector and for his first job in the government. Appointment to a CES position does not automatically make the appointee a CESO. To become a CESO, the appointee must be one as defined in Section 12 of this Act.

The acquisition of security of tenure under this Act which presupposes a permanent appointment in accordance with Section 27 (1) of the Civil Service Law, takes place upon passing the CES examinations administered by the CESB in accordance with Section 10 of this Act. It is that which entitles the examinee or non-CESO incumbent of CES position to conferment of CES eligibility and the inclusion of his/her name in the roster of CES eligibles. Conferment of the CES eligibility is done by the CESB through a formal board resolution after an evaluation has been done of the performance of the examinee's or non-CESO incumbent of CES position in the CES eligibility examinations. Upon conferment of the CES eligibility and compliance with the other requirements prescribed by the Board, an examinee or non-CESO incumbent of a CES position may qualify for appointment to a CES rank. Appointment to a CES rank is made by the President of the Philippines upon the CESB's recommendation. It is this process which completes the official's membership in the career executive service and confers upon him/her security of tenure in the career executive service.

Appointee or non-CESO incumbent of a CES position who failed to pass the above CES examinations, be conferred CES eligibility, and to comply with the other requirements prescribed by the CESB and be appointed to a CES rank by the President of the Philippines shall not be entitled to security of tenure and his/her appointment or incumbency to the CES position shall be considered temporary in nature which shall be vacated effective immediately and shall be replaced at any time by a CESO with appropriate rank for the vacated CES position.

SEC. 18. Mobility or Reassignment and/or Transfer of CESOs. The CES shall operate on the rank concept and CESOs shall be appointed to ranks and assigned to CES position. As such, the CESOs may be reassigned or transferred from one CES position to another and from one office to another. However, The reassignment and/or transfer by the Head of agency or office of the CESOs who are appointed by the President to CES positions in various department and agencies covered by the CES including those in government and controlled corporations with original charters shall be subject to the following rules:

- a) The reassignment and/or transfer can be made but not oftener than once every two (2) years;
- b) It shall be made in good faith and only in the exigency of public service;
- c) It shall be made to existing, vacant and equivalent or higher CES plantilla positions, which require the same expertise possessed by the CESOs concerned;

d) It shall not result in the reduction of ranks or salaries including such other benefits, allowances and privileges received prior to their reassignment or transfer;

e) Reassignment and/or transfer to a non-CES positions shall be void. However, such reassignment and/or transfer may be allowed, provided, it is made in good faith and in the exigency of the service; and provided, further, that the same shall be made with a clear explanation on the specific assignments or work to be performed by the CESOs concerned; and provided, still further, that the CESO concerned shall be entitled to travelling expenses and daily settling allowance equivalent to the daily per diems and commutable allowance for the entire period of his/her reassignment and/or transfer in accordance with the Commission on Audit (COA) rules and regulations on travelling expenses if the reassignment and/or transfer will involve movement of the CESO concerned away from his permanent station pursuant to the same COA rules and regulations, and provided, finally, that the reassignment and/or transfer shall be limited to a period of one (1) year without extension, after which CESOs concerned shall automatically go back to their respective posts without the necessity of formal office orders signed by authorized official/s.

f) The existence of any of the following circumstances may be considered as prima facie evidence of bad faith and/or grave misconduct of the Head of office or agency or of person(s) who ordered or caused the reassignment and/or transfer of the CESO concerned and shall subject such Head of office/agency or person to administrative disciplinary action which may be brought before the Civil Service Commission or the Office of the Ombudsman without prejudice to the right of the CESO concerned to file the appropriate criminal charges under Rep. Act 3019, as amended, otherwise known as the Anti-Graft and Corrupt Practices Act and/or civil cases for damages against the said Head of office or person:

- 1) Reassignment and/or transfer of CESOs to perform duties and responsibilities of their positions from a position of dignity to a more servile or menial job;
- 2) Reassignment and/or transfer to an office not in the existing organizational structure;
- 3) Reassignment and/or transfer to existing offices but the CESOs are not given any duties and responsibilities;
- 4) Reassignment and/or transfer that is done indiscriminately or whimsically to harass or oppress a subordinate on the pretext of advancing and promoting public interest; and
- 5) Reassignment and/or transfer where CESOs are replaced by non-CESO eligibles.

The reassignment and/or transfer of CESOs shall be in accordance with the following procedures:

a) The reassignment and/or transfer of CESOs shall be effected through office orders issued by duly authorized official/s of the agency/office concerned at least thirty (30) days prior to its effectivity counted from the date of receipt of the said office order by the CESOs concerned. The reassignment and/or transfer orders shall indicate the justification for such reassignment and/or transfer. The CESO concerned may appeal within fifteen (15) days from receipt of his/her reassignment/transfer to the Office of the President or the Civil Service Commission or the proper courts of law if he/she believes that his/her reassignment/transfer is unjust and made under circumstances which are considered in bad faith as provided for in paragraph (e) of this Section. During the pendency of his appeal, the transfer/reassignment of the CESO concerned shall be stayed until such time that his/her appeal is finally judged to be not meritorious. The Civil Service Commission and the Office of the Ombudsman shall be provided with copies of the reassignment and/or transfer orders duly certified by the authorized officials concerned; and

b) The transfer of CESOs shall be effected by the issuance of new appointments by the President of the Philippines. The CESOs, who are to be transferred, shall be notified of their transfer to another office at least thirty (30) days prior to its effectivity.

SEC. 19. CESB Placement Program. The Placement Program of the CESB shall assist qualified CESOs and third level eligibles for possible appointment to vacant CES positions. The Program shall also assist agencies/offices in choosing who may qualify for

appointment to vacant CES positions. There shall be at least three (3) activities under the said placement program, as follows:

a) Preparation of the Shortlist. A shortlist shall be a list of next-in rank CESOs or third level eligibles who may be considered for appointment to vacant CES positions in a particular department/agency;

b) Preparation of Referrals. Referrals shall assist qualified CESOs and third level eligibles who have expressed their interest to be appointed to various vacant CES positions. The CESB shall give support to CESOs who wish to be placed to higher CES position.

c) Preparation of "Bluebooks." The "Bluebook" shall be prepared by the CESB in cooperation of the agency/office concerned which shall provide all the information requested by the CESB within thirty (30) days from such request. The "Bluebook" shall contain important data about the said office/agency's executives, such as, but not limited to, the number and titles of executive positions in the agency/office and their distribution location in the organization; the incumbents of executive/managerial positions with indication whether their positions are CES in the managerial class or third level and whether they are CESOs or third level eligibles; existing vacancies in the department/agency; the pool of third level eligibles who are not occupying executive/managerial positions and the latest Career Executive Service Performance Evaluation System (CESPS) rating of the Department/Agency's CES officials.

The "Bluebooks" shall provide the Secretary/Head of the department/agency updated information on the career executives in the department/agency and shall reiterate policies governing their placements and appointments.

SEC. 20. CESB Training and Career Development Program. The CESB shall provide training programs that are premised on the need for men and women in the CES who are not only good managers but effective leaders as well. The CESB shall line up and provide trainings and other career development interventions intended to provide a range of perspective, experience, attitude, knowledge and skills necessary for their effective performance on the job. The training programs shall envision to raise the level of competency not only of the CESOs but also the third level eligibles, develop in them a deeper sense of commitment to public service, and help them understand the CES as a program of government, as a service, a culture and a way of life. However, in the CES eligibles, only those occupying at least a Division chief position or its equivalent may participate in the training and human resource development of the CESB.

Unless modified or changed by the Chairperson and the majority of all the members of the CESB, the training programs currently provided by CESB shall continue and shall include the following:

1. Executive Leadership Program (ELP) - The ELP follows a three-pronged leadership and management framework of: knowing one's self, relating with others and leading the organization. This framework is translated into three (3) training courses, namely: Salamin ng Paglilingkod or SALAMIN such focuses on "self," Diwa ng Paglilingkod or DIWA which focuses on "others," and Gabay ng Paglilingkod or GABAY, which focuses on the "organization."

1.1) Salamin ng Paglilingkod (SALAMIN). This course gives the participants the opportunities to: (a) reflect on their values given their primary roles as family members, members of the community and government executives; (b) examine their leadership requirements in the bureaucracy and their organizations and how they would fit into these; (c) relearn the life, aspirations and struggles of the common "tao" so they can keep themselves relevant to their clients' needs; and (d) from these learnings and experiences, refine and articulate their values and leadership styles, as well as develop a vision and a renewed commitment to public service.

1.2) Diwa ng Paglilingkod (DIWA). This course seeks to enhance participants' working knowledge on their interpersonal skills and styles and how they can make use of these skills/styles to: (a) elicit productive behavior from their subordinates/teams to achieve public service excellence; and, (b) positively influence their superior's and peers' behavior of

cooperation and support. It is also designed to enhance the working knowledge of participants on interpersonal or people skills to increase individual and organizational productivity. It is also anchored on the importance of participative management and effective teamwork. Only those who have taken the regular SALAMIN are allowed to participate in the DIWA.

1.3) Gabay ng Paglilinkod (GABAY). This course is designed to provide executives with a menu of enhancement modules to choose from. The learning modules of Gabay cover a variety of topics aimed at addressing the executives' needs to remain effective on the job and to appreciate government's policies and programs better. An official must take three (3) modules of the four (4) modules under Gabay in order to complete the course. These are as follows:

a) Public Service Ethics and Accountability. The workshop design is focused on helping the participants involve and motivate their staff, and to work with them to bring desired changes in the work culture of their departments. Its objectives are to promote more ethical and accountable service to the public and their leaders; and to empower participants to work with their staff and the public to make the public service work culture more friendly, participative, efficient and effective.

b) Workshop on Administrative Justice. The three-day workshop aims to provide the participants with the basic knowledge and skills necessary to properly observe and implement existing civil service rules and regulations in both administrative discipline and non-disciplinary matters.

c) Financial Management for Public Managers. This three-day module aims to provide executives with the tools, techniques, practices and policies that will enable them to put in place structures and processes that will strengthen the elements of financial management in their agencies to ensure the achievement of their objectives thereby addressing the needs of the public they serve.

d) Information and Communication Technology. This three-day module aims to develop among government executives sufficient knowledge and appreciation of the fundamental uses and applications of Information and Communication Technology in government operations and in their everyday life.

2. CESB Accredited Training Programs. The CESB in partnership with reputable training institutions such as the SGV-Development Dimensions International and Center for Leadership and Change, Inc., offers several training programs that address specific leadership and managerial competencies, such as:

2.1) Problem Analysis and Decision Making. The workshop provides tools that enable leaders to solve problems proactively and gain others' commitment to solutions and decisions. Leaders will make high quality, effective decisions and learn to recognize how personal bias, tunnel vision and marginal commitment influence decisions.

2.2) Delegating and Monitoring. This workshop develops skills in delegating authority and tasks to others. It focuses on delegating styles that evaluate the structure and the process. The program then builds skills in evaluating, establishing and implementing effective monitoring system.

2.3) The Power Principle Workshop. This workshop teaches a new paradigm of power. It goes beyond traditional ideas of force, fear, clever negotiating and deal making. It aims to help executives tap into their inner source of power, improve influence skills, elicit the highest and best from others and make a difference in the organization.

2.4) The 7 Habits for Managers Workshop. This intensive, hands-on, two-day workshop helps build a strong cadre of leadership capable of leading with character and competence. Managers and leaders will learn to define their contribution, develop greater influence, leverage hidden resources, give constructive feedback, and unleash the full potential of their team against critical priorities.

3. Learning and Nurturing Programs. This is CESB's focal approach to provide more focused, sustained and bite-sized types of developmental interventions. It aims to provide avenues for constant infusion of new ways of thinking, leadership and management principles

that would be useful for the executives as they face their day-to-day challenges specifically at work and life, in general.

Career development program in the CES shall follow a framework that responds to the CES officials' career development needs from the time they enter the CES up to the preparations for retirement from the service. Thus, it shall aim to complete their "total person development" as a CESO. The following career development interventions shall be availed by the CESOs.

1.) CESO Pool Program. This program shall: aim to serve as a safeguard to instability brought about by change in administration, and to provide an alternative mechanism to promote mobility that protect one's security of tenure and at the same time enhance career and professional development of a CESO; restore confidence in the CES, maximize CESO performance and showcase innovations and best practices; provide opportunity to develop, experiment and apply better systems and procedures for performance measurement and assessment; provide support mechanism for CESOs whose careers and tenure are at risk. The CESOs shall be provided a venue for capability building and enhancement and an opportunity to prove their worth. Entry to the CESO pool shall be compulsory.

2.) Pagpupugay at Pasasalamat Program. This is a testimonial held for retiring CESOs and third level eligibles. It embodies the CESB's appreciation and gratitude to these officials who have faced the challenge of serving the government at higher echelon and are about to leave service. The CESB invites the retirees' friends and colleagues in the CES to the affair. Retirees are each given a plaque in recognition of their long and faithful years of service.

3.) Search for Outstanding Career Executive Officers Program. This is an annual program of the CESB which recognizes, rewards and promotes performance excellence in the public service by honoring third level civil servants distinguished for exemplary leadership and outstanding achievements in their work. Awardees are nominated and chosen through a national level competition. The Award aims to inspire CESOs and third level eligibles to live up to the ideals of being accountable and development-oriented public managers who are willing to bring change where it is needed, expertise where it is missing and leadership where it is wanting.

SEC. 21. Performance Management. The performance of CES officials shall be evaluated annually through the CES Performance Evaluation System (CESPES) developed and administered by the CESB, and installed in all departments, offices and agencies as part of their performance management system focusing on third level executives.

The CESPES shall be geared up for its implementation in all departments, offices and agencies in the government. It shall reflect the entire bureaucracy represented by the third level as the determining factor of the quality and type of service that the rest of the bureaucracy offers to the public. It shall also measure the level of accomplishments of CES officials using the Performance Contract (PC) as well as their behavior competence using the Behavioral Competency Scale (BCS). The accomplishments (referred to as milestones) shall be categorized either Leading and Innovating (LI) or Regular/Routine.

Leading and Innovating (LI) milestones are policies, programs projects, processes or procedures that the CES officials conceives for the department/office/agency. They are purposive innovations and reforms which aim to improve the quality of the department/office/agency's structures, systems, operations and resources. They are "value adding" measures which are developed and implemented within a given period of time – with a definite start and end. On the other hand, Regular/Routine (RR) milestones are the output of tasks, functions or activities within the accountability of and performed by the CES officials on an established and regular basis in the work setting. These may include outputs resulting from the performance of technical and administrative functions needed to conduct and sustain day-to-day work operations in an office.

The percentage of the LI vis-à-vis the RR milestones depends on the position level of the CES officials and shall be determined by the department/office/agency. With the higher position levels, the prescribed percentage range for LI also correspondingly increases. The CES officials are encouraged and expected to perform increasingly more innovative and pioneering functions as their respective position level goes higher, which, in a way, describes and justifies why they deserve the status and salary received.

The CESPES shall include a Supplemental Contract and an Adjusted Performance Contract. In instances where performance expectations change at any given point within the rating period, the Supplemental Contract Form shall be accomplished where revisions/modifications in the milestones can be declared. The Adjusted Performance Contract must then be prepared at the end of the rating period, just in time for the performance review. It shall be the final form the Performance Contract which incorporates all changes indicated in the Supplemental Contract Form.

At the rating time, the superior shall rate the CES officials on the basis of their accomplishments using a rating scale of 1-7, with 7 as "Exceptional," 6 as "Commendable," 5 as "Above Average," 4 as "Good Solid Performance," and 3 as "Solid Performance," 2 as "Below Average," and 1 as "Unacceptable."

Superiors and subordinates alike shall rate the CES officials on the basis of their behavioral competence using the Superior and Subordinate Rating Form provided by the CESB. They shall be given by CESB a questionnaire of at least 30 statements indicating qualities and attributes of government executives. They shall rate the CES officials depending on how often these qualities are observed using a scale also of 1-7, with 1 as "Never" and 7 as "Always."

SEC. 22. Information Dissemination. Government executives may avail of CES information materials to keep abreast of the least goings-on in the CES and the bureaucracy.

The CESB shall publish at least a quarterly magazine serving as a forum where CESOs and third level eligibles are encouraged to examine issues that affect their work in government. This quarterly magazine shall report on the policies, programs, and activities of the CESB and also features full-length articles on governance and innovations undertaken by various government departments/offices/agencies and outstanding accomplishments of government executives.

The CESB shall prepare an Annual Report and shall be published yearly to provide the necessary updates on programs, projects or even innovations that the CESB has accomplished for the year in terms of strategic direction and programs.

SEC. 23. External Relations. The CES executives shall be treated to a variety of interventions designed to promote effective networking and better camaraderie that is seen to have a positive effect on government programs.

The CESB shall design a program, not only to involve CESOs and third level eligibles, in meeting its mandate of promulgating rules, standards and procedures in the selection, classification, compensation and career development of the CESOs and the third level in general but also to address common issues involving them. The concept of this program shall involve the selection of a champion within a department/office/agency, preferably a high ranking CESO, to articulate the issues on welfare and rights of third level executives.

Efforts shall also be exerted to disseminate information through media and press releases to be sent regularly to major English language newspapers of national general circulation to inform the general public of the activities of the CES, as well as replies to articles that see print in the major dailies.

ARTICLE IV MISCELLANEOUS PROVISIONS

SEC. 24. Transitory Provisions. - (a) Upon the effectivity of this Act, all CESOs who were conferred/appointed to CESO ranks under Article IV, Part III of the Integrated Reorganization Plan under Presidential Decree No. 1, as amended, shall as a vested right, be accredited as CESOs under this Act.

(b) CES Eligibles (CESEs) who passed the examinations given by the former CESB and Career Service Executive Eligibles (CSEEs) who passed the examinations given by the Civil Service Commission, and who are assigned to positions in the Career Executive System at the time of the effectivity of this Act, shall be appointed to the CESO entry rank level of CESO Rank VI.

(c) Those who possess CES eligibility but are not assigned positions in the CES at the time of the effectivity of this Act shall be accredited as CES eligibles.

(d) CSEEs who have not been assigned to positions in the CES at the time of the effectivity of this Act shall undergo further screening process to qualify as CES Eligibles.

(e) The personnel, assets, funds, grants and records of the former CESB secretariat are transferred to the Office of the CESB Division (OCESBD).

(f) The Chairperson of the Civil Service Commission shall designate an officer-in-charge pending the appointment of the Head of OCESBD.

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

SEC. 25. Implementing Rules and Regulations. The CESB, in coordination with the Civil Service Commission, shall promulgate rules and regulates to carry out effectively the intent and purposes of this Act which shall be published in the Official Gazette or in two (2) national newspapers of general circulation. The required number of certified copies of these rules and regulations shall be filed with the University of the Philippines Law Center in accordance with the Executive Order No. 292 or the Administrative Code of 1987.

SEC. 26. Repealing Clause. Article IV, Part III of the Integrated Reorganization Plan, as approved under Presidential Decree No. 1, as amended, is repealed. All provisions of Executive Order No. 292 or the Administrative Code of 1987 on the Civil Service Commission that are inconsistent with this Act are also repealed. All laws, rules and regulations or parts thereof that are inconsistent with the provisions of this Act are repealed or modified accordingly.

SEC. 27. Separability Clause. If any part, section or provision of this Act is held invalid or unconstitutional, the other parts, sections or provisions not affected or held invalid or unconstitutional are valid.

SEC. 28. Effectivity. This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,