

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
Second Regular Session

House Bill No. 6320



Introduced by **Hon. ANDRES D. SALVACION, JR.**

EXPLANATORY NOTE

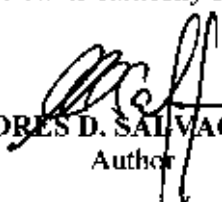
Presidential Decree 807 or the Civil Service Decree of the Philippines created three levels in our civil service system. These are: the first level, which includes the clerical, trades, crafts and custodial service positions for non-professional or sub-professional work requiring less than four years of collegiate studies; the second level, which includes the professional, technical and scientific positions requiring at least four years of college work up to Division Chief level; and the third level, which mainly covers positions in the career executive service, the entry to which is currently prescribed by the Career Executive Service Board or CESB.

Those who belong in the third level of the civil service system occupy positions in the executive and managerial services. They enjoy security of tenure, mobility, and classification based on ranks. These positions have significant roles in the bureaucracy as they have a direct hand both in the formulation and implementation of government policies. Thus, it is important that we enact a system that would set up career development and professionalize the career executive service.

This bill seeks to systematize appointments and promotions in the government by providing for a systematized career rank progression in the bureaucracy. It also seeks to create a Career Executive Service Board (CESB) that will issue rules, standards and procedures in the recruitment, selection, assignment to positions, classification, compensation, mobility, performance management, tour of duty, rewards and incentives and training of the Career Executive Service Officers (CESOs).

This bill seeks to promote the concept of merit and fitness over that of trust and confidence. It is hoped that thru the passage of this bill, the practice of appointing people to career executive positions in the government even if that person is not eligible will be averted.

In view of the foregoing, immediate passage of this bill is earnestly sought.


ANDRES D. SALVACION, JR.
Author

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Fifteenth Congress
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HOUSE BILL NO. 6320

Introduced by Rep. Andres D. Salvacion Jr.

AN ACT STRENGTHENING THE CAREER EXECUTIVE SERVICE

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

ARTICLE I

GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the “*Career Executive Service Act of 2012*”.

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

SEC. 3. *Coverage.* – This Act shall cover the executive/managerial class of the third level of the career service in the Executive Branch of the government, all of whom shall be appointed by the President, and those occupying positions above division chief level but are not appointed by the President, which constitutes the Career Executive Service.

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

(a) *Third Level* refers to the highest level in the career service of the Civil Service System which includes positions in the executive and managerial class covering all positions higher than chief of division based on the position classification system of the Department of Budget and Management and the Civil Service Commission.

(b) *Career Executive Service (CES)* refers to the corps of well-selected and development-oriented career executives who provide competent and faithful service.

(c) *Career Executive System (System)* refers to the system designed to professionalize and promote career development among the executive and managerial personnel of the third level in the career service.

(d) *Career Executive Service Board (CESB)* refers to the policy-making body responsible for the development, maintenance and administration of the System under the supervision of the Civil Service Commission as provided herein.

(e) *Career Executive Service Officer (CESO)* refers to Career Executive Service Eligible who is conferred a CES rank and appointed to a position covered by the CES.

(f) *Career Executive Service Eligible (CESE)* refers to a person who passed the qualifying examination process set by the CESB but has not yet been appointed to a position in the CES.

(g) *Rank* refers to the index of classification of CESOs to which a CESE may be appointed by the President in accordance with the requirements prescribed by the Board.

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

ARTICLE II

CAREER EXECUTIVE SYSTEM

SEC. 5. *The Career Executive System (System)* – The System shall cover all executive and managerial positions in the third level of the career service in the Executive Branch, as defined in Section 4 hereof. Entry and advancement in the System shall be

governed by the principles of merit and fitness and such other requirements, as may be prescribed by the CESB. The System shall be essentially characterized by the principles of merit and fitness, security of tenure and mobility.

SEC. 6. *Career Executive Service Board (CESB)* – A Career Executive board, hereinafter referred to as the Board, under the supervision of the Civil Service Commission is hereby created. It shall be composed of the most senior commissioner of the Commission who shall serve as the Board's *ex officio* Chairperson and four (4) *ex officio* members, namely: the Secretary of the Department of Budget and Management (DBM) or his/her permanent representative holding a position not lower than an undersecretary; the President of the Development Academy of the Philippines (DAP); the Dean of the National College of Public Administration and Governance (NCPAG) of the University of the Philippines; the president or representative of a duly accredited national federation or union of CESOs. The Board shall also include three (3) members to be appointed by the President for a term of three (3) years, namely: the president or representative of a nationwide association of personnel and/or human resource practitioners in the private section; the president or representative of the Philippine Association of Professional Regulatory Board Members (PAPRBM) and a representative of the Office of the President.

SEC. 7. *Powers and Functions of the Board.* –The Board shall be the policy-making body for the System. It shall promulgate rules, standards and procedures in the recruitment, selection, assignment to positions, attestation of appointment to CES positions, conferment of ranks, classification, compensation, mobility, performance management, tour of duty, rewards and incentives and training and career development of CESOs and CESEs: *Provided*, That in the exercise of its power of supervision, the Commission may *motu proprio* review, revise, reverse or modify any policy, ruling and/or action of the Board within a period of thirty (30) days from receipt of written notice thereof: *Provided, further*, That if the Commission does not act within the said period, the subject policy, ruling and/or action of the Board shall be deemed as presumptively approved by the Commission.

SEC. 8. *Office of the Career Executive Service (OCES).* – The Office of the Career Executive Service (OCES) shall serve as the Board's 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 System. It shall be headed by an Executive Director, who shall be appointed by the President, assisted by two (2)

Deputy Executive Directors, both of whom shall be appointed by the Chairperson of the Commission, upon recommendation by the Board.

ARTICLE III
POLICIES AND STANDARDS IN THE CAREER
EXECUTIVE SYSTEM

SEC. 9. *Membership in the Career Executive System.* – A person who meets the academic, leadership, experience and other requirements and passes the required examination prescribed by the Board shall be included in the register of CESEs and upon appointment to an appropriate rank in the CES, become an active member of the CES. A CESE who is appointed to a position in the CES shall be recommended for original appointment to CESO rank by the Board. This process completes his/her membership in the CES. The area of recruitment shall be government-wide with provisions to allow qualified or outstanding persons from outside the government to enter the CES.

SEC. 10. *Security of Tenure.* – A CES incumbent shall enjoy security of tenure in the CES based on eligibility, and shall not be suspended nor dismissed except for cause and with due process of law.

SEC. 11. *Compensation.* – A CESO shall be compensated according to rank and performance. In case a CESO occupies a position whose salary grade is higher than that of his/her rank, he/she shall receive the difference between the salary grade of his/her position and his/her rank. The Board, in coordination with the Commission and the DBM, shall develop and periodically review a compensation plan for CESOs. The employing agency shall provide the funds to pay the salary, fringe benefits and allowances of a CESO.

SEC. 12. *Rank System in the Career Executive System.* – A CESO shall be appointed in accordance with a rank system, which shall be established and determined by the Board. Rank classification shall be based on proven competence and qualifications such as appropriate academic and professional background, broad levels of responsibility and other relevant considerations as may be prescribed by the Board.

SEC. 13. *Appointment to Rank.* – Only a CESE appointed to a position in the CES, shall be appointed to rank by the President upon recommendation by the Board.

SEC. 14. *Promotion in Rank.* – The Board shall provide for the criteria which shall be the basis for promotion in rank. The criteria to be established shall include, but shall not be limited to, performance, qualifications, and proven competence. The Board shall recommend

to the President qualified CESOs who meet the criteria prescribed by the Board for promotion in rank.

SEC. 15. *Mobility in the Career Executive System.* – A CESO may be assigned to any position in the System without diminution in rank and salary. The tour of duty of each CESO shall be for a period of three (3) years during which period he/she shall not be transferred to another office or position without his/her consent. In filling a vacancy, the head of agency shall give preference and priority to those who have been appointed to rank or conferred CES eligibility. The Board shall provide information on vacancies, an updated list of available qualified persons who may be assigned, and such other mechanisms to assist the head of agency in the selection.

SEC. 16. *Appointment to Positions in the Career Executive System.* – CESOs and CESEs shall be given priority in appointments to vacant positions in the System. In exceptional cases, a non-CESO and non-CESE may be appointed to a position in the System on a temporary status: *Provided*, That he/she may be replaced once a CESO or CESE becomes available. Career undersecretaries and assistant secretaries and other officials of similar rank in the System shall preferably come from CESOs and CESEs. The appointing authority shall choose from a list of at least three (3) eligibles who are qualified, available and willing to be appointed to said vacant position. The number of career undersecretaries and assistant secretaries and other officials of similar rank shall conform to the number set by law. The Commission shall establish a mechanism to ensure that assignments to positions in the System conform to the standards prescribed under this Act.

SEC. 17. *Discipline.* – Investigation and adjudication of administrative complaints against occupants of positions in the CES appointed by the President, shall be vested with the Office of the President (O.P). In the case of non-presidential appointees, the same shall be vested concurrently in the head of the agency and the Civil Service Commission.

SEC.18. *Training and Career Development.* – The Board shall establish a continuing program of training and career development of CESOs and CESEs.

SEC. 19. *Performance Management.* – The Board shall develop a system for periodic evaluation of the performance of occupants of positions in the CES taking into account their accomplishments and managerial capabilities. This periodic evaluation system shall be the basis for the grant of incentive and awards, as well as for sanctions for poor performance.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SEC. 20. *Creation of a CESB and OCES Evaluation Body.* –After the first three (3) years of implementation of this Act and every three (3) years thereafter, the Civil Service Commission shall convene an evaluation body that will conduct an evaluation of the Board and OCES in order to assess the effectiveness of the CESB in managing the System. The Body shall be composed of no less than three (3) heads of public and private institutions whose work is related to executive development within the framework of developing countries like the Philippines. At least two (2) of them should come from non-government institutions (NGOs).

In making their evaluation report and recommendations, the evaluation body shall conduct public consultations and indicate in the said reports and recommendations which portions have been the result of the said public consultations.

The evaluation body shall submit its report and recommendations to the Board, OCES, CSC and appropriate committees in Congress.

SEC. 21. *Appropriations.* – To carry out the provisions of this Act, such amount as may be necessary is hereby authorized to be appropriated from the National Treasury. Thereafter, such amount necessary to carry out the provisions of this Act shall be included in the annual appropriations as a separate item under the Civil Service Commission.

SEC. 22. *Transitory Provisions.* – The incumbent Chairman of the Board of the Career Executive Service Board (Old Board), as well as the other incumbent Board members, shall continue to exercise their duties and functions until the new Board shall have been created, pursuant to this law. The Career Executive System Board (New Board) created under this law shall then succeed and take over the functions of the Career Executive Service Board (Old Board) and the composition and members of the New Board, as enumerated under Section 6 of this Act, shall assume their respective posts: *Provided, That:*

(a) All rights pertaining to the CESOs and CESEs which shall have accrued prior to the effectivity of this Act shall be respected.

(b) Career Service Executive Eligibles (CSEEs) in the CES at the time of the effectivity of this Act shall be allowed to undergo further screening process to qualify as CESEs.

(c) The personnel, assets, funds, grants and records of the current CESB secretariat are hereby transferred to the OCES.

(d) 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 and shall be deemed absorbed by the OCES.

SEC. 23. *Implementing Rules and Regulations.*-The Board and the Commission shall promulgate jointly the implementing rules and regulations (IRR) as may be necessary to implement the intent and purposes of this Act. Said IRR shall be published in the *Official Gazette* and in two (2) newspapers of general circulation.

SEC. 24. *Repealing Clause.* – Article IV, Part III of the Integrated Reorganization Plan, as approved under Presidential Decree No. 1, as amended, is hereby repealed. All provisions of Executive Order No. 292, or the Revised Administrative Code of 1987 and Executive Order No. 891, series of 2010 that are inconsistent with this Act are hereby repealed. All laws, rules and regulations or parts thereof that are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 25. *Separability Clause.* – If any part, section or provision of this Act is held invalid or unconstitutional, no other part, section or provision shall be affected by the invalidity or unconstitutionality thereof.

SEC. 26. *Effectivity.* – This act shall take effect after fifteen (15) days from its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved.