

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Fifteenth Congress
Third Regular Session

COMMITTEE REPORT NO. 2656

Submitted by the Committees on Civil Service and Professional Regulation and Appropriations on 30 JAN 2013

Re: House Bill No. 6877

Recommending its approval in substitution of House Bill No. 6320

Sponsor: Representative Andres D. Salvacion, Jr. and Jocelyn S. Limkaichong

Mr. Speaker:

The Committees on Civil Service and Professional Regulation and Appropriations to which was referred House Bill No. 6320 introduced by Rep. Andres D. Salvacion, entitled:

AN ACT
STRENGTHENING THE CAREER EXECUTIVE SERVICE

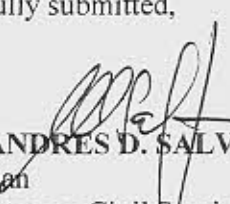
has considered the same and recommends that the attached House Bill No. 6877 entitled:

AN ACT
STRENGTHENING THE CAREER EXECUTIVE SERVICE

be approved in substitution of House Bill No. 6320 with Reps. Andres D. Salvacion, Jr., Jocelyn S. Limkaichong, Mariano U. Piamonte, Jr., Rodolfo B. Albano, Jr., Carlos M. Padilla and Philip A. Pichay as authors thereof.


HON. JOCELYN S. LIMKAICHONG
Chairperson
Committee on Appropriations

Respectfully submitted,


HON. ANDRES D. SALVACION, JR.
Chairman
Committee on Civil Service
and Professional Regulation

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

HON. JOCELYN S. LIMKAICHONG

*Representative, 1st District, Negros Oriental
Chairperson, Committee on Appropriations*

January 22, 2013

HON. ANDRES D. SALVACION, JR

*Chairperson
Committee on Civil Service and Professional Regulation*

Dear Chairperson Salvacion:

Please be informed that the Committee on Appropriations in its meeting held today at Conference Rooms 14 & 15, Ramon V. Mitra Building, approved to report out Substitute Bill to House Bill No. 6320, titled "AN ACT STRENGTHENING THE CAREER EXECUTIVE SERVICE" with the following amendment:

On Section 21, page 6, lines 16 to 20, delete the entire provision and in lieu thereof substitute the following:

SEC. 21. APPROPRIATIONS. THE AMOUNT NECESSARY FOR THE INITIAL IMPLEMENTATION OF THIS ACT SHALL BE CHARGED AGAINST THE CURRENT YEAR'S APPROPRIATIONS OF THE CESB. THEREAFTER, SUCH SUMS AS MAY BE NECESSARY FOR THE CONTINUED IMPLEMENTATION OF THIS ACT SHALL BE INCLUDED IN THE ANNUAL GENERAL APPROPRIATIONS ACT.

Thank you.

Very truly yours,



JOCELYN S. LIMKAICHONG

cc: Rep. Mariano U. Piamonte
Rep. Rodolfo B. Albano
Rep. Carlos M. Padilla
Rep. Philip A. Pichay

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Fifteenth Congress
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HOUSE BILL NO. 6877

Introduced by Reps. Andres D. Salvacion Jr., Jocelyn S. Limkaichong, Mariano U.
Piamonte, Rodolfo B. Albano, Jr., Carlos M. Padilla and Philip A. Pichay

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 2013”.

SEC. 2. *Declaration of Policy.* – It is the policy of the State under Article IX, 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 qualities 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 Career Executive Service which consists of 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.

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

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

4 (b) *Career Executive Service Board (CESB)* refers to the policy –
5 making body responsible for the development, maintenance and
6 administration of the System under the supervision of the Civil Service
7 Commission as provided herein.

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

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

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

17 (f) *Mobility* refers to the movement of a CESO from one position to
18 another without reduction in rank or salary.

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

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

27 ARTICLE II

28 CAREER EXECUTIVE SYSTEM

29 **SEC. 5. *The Career Executive System*** – The System shall cover all executive and
30 managerial positions in the third level of the career service in the Executive Branch, as
31 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 Service Board, hereinafter referred to as the Board, under the supervision of the Civil Service Commission (CSC) is hereby created. It shall be composed of the Chairperson 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; and the 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: a representative of a nationwide association of personnel and/or human resource practitioners in the private sector; a 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 or reverse any policy 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 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 President.

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, shall 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. Recruitment into the System shall be conducted government-wide with provisions to allow qualified or outstanding persons from the non-government or private sector 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 the rank the CESO is holding, the CESO shall receive the difference between the salary grade of the position and the 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.

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

9 **SEC. 16. *Appointment to Positions in the Career Executive System.*** – A CESO and
10 CESE shall be given priority in appointments to vacant positions in the System. In
11 exceptional cases, a non-CESO and non-CESE may be appointed to a position in the System
12 on a temporary status but may be replaced once a CESO or CESE becomes available.
13 Officials who are in Salary Standardization Law (SSL) – exempt agencies shall likewise be
14 required to be CESEs before being appointed in the System. Career undersecretaries, assistant
15 secretaries and other officials of similar rank in the System shall preferably come from the
16 roster of CESOs and CESEs. The appointing authority shall choose from a list of at least
17 three (3) eligibles who are qualified, available and willing to be appointed to the vacant
18 position. The number of career undersecretaries, assistant secretaries and other officials of
19 similar rank appointed to positions in the government shall conform to the number set by law.
20 The Commission shall establish a mechanism to ensure that assignments to positions in the
21 System conform to the standards prescribed under this Act.

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

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

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

1 ARTICLE IV

2 MISCELLANEOUS PROVISIONS

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

11 The evaluation body shall conduct public consultations and indicate its evaluation
12 reports and recommendations which portions have been the result of the said public
13 consultations.

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

16 **SEC. 21. *Appropriations.*** – The amount necessary for the initial implementation of
17 this Act shall be charged against the current year's appropriations of the CESB. Thereafter,
18 such sums as may be necessary for the continued implementation of this Act shall be
19 included in the Annual General Appropriations Act.

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

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

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

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

3 (d) Incumbent officials and employees of the current CESB secretariat
4 shall continue to exercise their respective functions, duties and responsibilities
5 with the corresponding benefits and privileges and shall be deemed absorbed
6 by the OCES.

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

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

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

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

22
23 Approved,

FACT SHEET

House Bill No. 6320

AN ACT STRENGTHENING THE CAREER EXECUTIVE SERVICE

Introduced by: REPRESENTATIVE ANDRES D. SALVACION, JR.

*Committee Referrals: COMMITTEE ON CIVIL SERVICE AND
PROFESSIONAL REGULATION (Primary)*

*Committee Chairperson: REP. ANDRES D. SALVACION, JR.
COMMITTEE ON APPROPRIATIONS (Secondary)*

Committee Chairperson: REP. JOCELYN S. LIMKAICHONG

OBJECTIVES:

- To clarify the policies and standards in the Career Executive System governing the entry into the system, security of tenure, compensation, rank system, and manner of appointment and promotion to rank of civil servants.
- To ensure the development of a strong, competent and accountable corps of public managers in the executive branch of the government.

KEY PROVISIONS:

- Creates a new Career Executive Service Board (CESB), under the supervision of the Civil Service Commission, which shall serve as the policy making body of the Career Executive System.
- Covers the executive or managerial class of the third level of the career service in the Executive Branch.
- Creates the Office of the Career Executive Service (OCES) which serves as the Secretariat of the CESB under the Civil Service Commission.
- Provides for continuing training and career development to Career Executive Officers (CESOs) and Career Service Eligibles (CESEs).
- Provides for security of tenure of CES incumbent based on eligibility who shall not be suspended nor dismissed except for cause and with due process of law.

RELATED LAW:

- Exec. Order 292 or the Administrative Code of 1987
- Exec. Order 891, series of 2010