

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. **5415**



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

EXPLANATORY NOTE

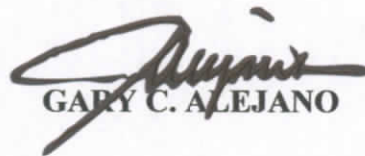
Presidential Decree 807 or the Civil Service Decree of the Philippines created three levels in our civil service system. These are: the first level, which includes the clerical, trades, crafts and custodial service positions for non-professional or sub-professional work requiring less than four years 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, and 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.


GARY C. ALEJANO

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AN ACT
STRENGTHENING THE CAREER EXECUTIVE SERVICE

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

ARTICLE 1
GENERAL PROVISIONS

1 **SECTION 1. Short Title.** - This Act shall be known as the "Career Executive Service
2 Act of 2017."

3
4 **SEC. 2. Declaration of Policy.** – It is the policy of the State, under Article IX, B, Section
5 3 of the 1987 Philippine Constitution, to establish a career service and to provide the public
6 sector with a well-selected and development-oriented corps of public managers who possess the
7 necessary expertise and responsive leadership qualities that will serve as a stabilizing force, an
8 instrument for change, a vanguard of professionalism and careerism the civil service, and a
9 critical link between the government and the people. Towards this end, the State hereby calls for
10 an effective, efficient and responsible administration of the executive/managerial class within the
11 third level of the career service that will maintain continuity and stability in the bureaucracy.

12
13 **SEC. 3. Coverage.** - This Act shall cover the Career Executive Service which consists of
14 the executive/managerial class of the third level of the career service in the Executive Branch of
15 the government all of whom shall be appointed by the President and those occupying positions
16 above division chief level but are not appointed by the President.

17
18 **SEC. 4. Definitions of Terms.** - As used in this Act, the following terms shall be
19 construed as follows:

- 20
21 a) "Career Executive Service (CES)" refers to the corps of well-selected and development-
22 oriented career executive who provide competent and faithful service.
23
24 b) "Career Executive Service Board (CESB)" refers to the policymaking body responsible
25 for the development, maintenance and administration of the System under the supervision
26 of the Civil Service Commission as provided herein.
27
28 c) "Career Executive Service Eligible (CESE)" refers to a person who passed the qualifying
29 examination process set by the CESB but has not yet been appointed to a position in the
30 CES.
31
32 d) "Career Executive Service Officer (CESO)" refers to a Career Executive Service Eligible
33 who is conferred a CES rank and appointed to a position covered by the CES.
34

- 1 e) "Career Executive System (System)" refers to the system designed to professionalize and
2 promote career development among the executive and managerial personnel of the third
3 level in the career service.
4
5 f) "Mobility" refers to the movement of a CESO from one position to another without
6 reduction in rank or salary.
7
8 g) "Rank" refers to the index of classification of CESO to which a CESE may be appointed
9 by the President in accordance with the requirements prescribed by the Board.
10
11 h) "Third level" refers to the highest level in the career service of the Civil Service System
12 includes positions in the executive and managerial class covering all positions higher than
13 Chief of Division based on the position classification system of the Department of
14 Budget and Management and the Civil Service Commission.
15

16 ARTICLE II 17 CAREER EXECUTIVE SYSTEM 18

19 **SEC. 5. *The Career Executive System.*** – The System shall cover all executive and
20 managerial positions in the third level of the career service in the Executive Branch, as defined in
21 Section 4 hereof. Entry and advancement in the System shall be governed by the principles of
22 merit and fitness, security of tenure and mobility.
23

24 **SEC. 6. *Career Executive Service Board (CESB).*** - A Career Executive Service Board,
25 hereinafter referred to as the Board, under the supervision of the Civil Service Commission is
26 hereby created. It shall be composed of the Chairperson of the Commission who shall serve as
27 the Board's ex-officio Chairperson and four (4) ex-officio members, namely: the Secretary of the
28 Department of Budget and Management (DBM) or his/her permanent representative holding a
29 position not lower than an Undersecretary; the President of the Development Academy of the
30 Philippines (DAP); the Dean of the National College of Public Administration and Governance
31 (NCPAG) of the University of the Philippines; and the representative of a duly accredited
32 national federation or union of CESOs. The board shall also include three (3) members to be
33 appointed by the President for a term of three (3) years, namely: a representative of a nationwide
34 association of personnel and/or human resource practitioners in the private sector; a
35 representative of the Philippine Association of Professional Regulatory Board Members
36 (PAPRBM) and a representative of the Office of the President.
37

38 **SEC. 7. *Powers and Functions of the Board.*** - The Board shall be the policy-making
39 body for the System. It shall promulgate rules, standards and procedures in the recruitment,
40 selection, assignment to positions, attestation of appointment to CES positions, conferment of
41 ranks, classification, compensation, mobility, performance management, tour of duty, rewards
42 and incentives and training, and career development of CESOs and CESEs: *Provided, That in the*
43 *exercise of its power of supervision, the Commission may motu proprio review, revise or reverse*
44 *any policy of the Board within a period of thirty (30) days from receipt of written notice thereof:*
45 *Provided, further, That if the Commission does not act within the said period, the subject policy*
46 *of the Board shall be deemed as presumptively approved by the Commission.*
47

48 **SEC. 8. *Office of the Career Executive Service (OCES).*** - The Office of the Career
49 Executive Service (OCES) shall serve as the Board's secretariat with its own administrative and
50 financial components. It shall be responsible for the implementation of the policies, rules,
51 regulations, decisions, directives and instructions pertaining to the System. It shall be headed by
52 an Executive Director, who shall be appointed by the President, assisted by two (2) Deputy
53 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 nongovernment 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. *Composition.* - 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. *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. 14. *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 this period, the CESO shall not be transferred to another office or position without 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 process of selection.

SEC. 15. *Appointment to Positions in the Career Executive System.* - A CESO and CESE 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 but may be replaced once a CESO or CESE becomes available. Career undersecretaries, assistant secretaries and other officials of similar rank in the System shall preferably come from the roster of CESOs and CESEs. The appointing authority shall choose from a list of at least three (3) eligible who are qualified, available and willing to be appointed to the vacant position. The number of career undersecretaries, assistant secretaries and other officials of similar rank appointed to positions in the government 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.

1 **SEC. 16. Discipline.** - Investigation and adjudication of administrative complaints
2 against occupants of positions in the CES appointed by the President shall be vested with the
3 President. In the case of non-presidential appointees, the same shall be vested concurrently with
4 the head of the agency and the Civil Service Commission.

5
6 **SEC. 17. Training and Career Development.** - The Board shall establish a continuing
7 program of training and career development of CESOs and CESEs.

8
9 **SEC. 18. Performance Management.** - The Board shall develop a system for periodic
10 evaluation of the performance of occupants of positions in the CES, taking into account their
11 accomplishments and managerial capability. This periodic evaluation system shall be the basis
12 for the grant of incentives and awards, as well as for sanctions for poor performance.

13
14 **ARTICLE IV**
15 **MISCELLANEOUS PROVISIONS**
16

17 **SEC. 19. Review and Evaluation of the CESB System.** - After the first three (3) years of
18 implementation of this Act and every three (3) years thereafter, the Civil Service Commission
19 shall convene an evaluation body that will conduct the evaluation of the Board and the OCES in
20 order to assess the effectiveness of the CESB in managing the System. The body shall be
21 composed of no less than three (3) heads of public and private institutions whose work is related
22 to executive development within the framework of developing countries like the Philippines. At
23 least two (2) of them should come from nongovernment organizations (NGOs)

24
25 The evaluation body shall conduct public consultations and indicate its evaluation reports
26 and recommendations which portions have been the result of the said public consultations.

27
28 The evaluation body shall submit its report and recommendations to the Board, OCES,
29 CSC and the appropriate committees in Congress.

30
31 **SEC. 20. Appropriations.** - The amount necessary for the initial implementation of this
32 Act shall be charged against the current year's appropriations of the CESB. Thereafter, such
33 sums as may be necessary for the continued implementation of this Act shall be included in the
34 annual General Appropriations Act.

35
36 **SEC. 21. Transitory Provisions.** - The incumbent Chairman of the Board of the current
37 Career Executive Service Board, as well as the other incumbent Board members, shall continue
38 to exercise their duties and functions until the new Board shall have been created pursuant to this
39 Act. The Career Executive System Board (New Board) created under this Act shall then succeed
40 and take over the functions of the Career Executive Service Board (Old Board) and the
41 composition and members of the New Board, as enumerated under Section 6 of this Act, shall
42 assume their respective posts: *Provided, That:*

- 43
44 a) All rights pertaining to the CESOs and CESEs which shall have accrued prior to the
45 effectivity of this Act shall be respected;
46
47 b) The personnel, assets, funds, grants and records of the current CESB secretariat are
48 hereby transferred to the OCES; and
49
50 c) Incumbent officials and employees of the current CESB secretariat shall continue to
51 exercise their respective functions, duties and responsibilities with the corresponding
52 benefits and privileges and shall be deemed absorbed by the OCES.

53
54 **SEC. 22. Implementing Rules and Regulations.** - The Board and the Commission shall
55 promulgate jointly the implementing rules and regulations (IRR) as may be necessary to
56 implement the intent and purposes of this Act. Said IRR shall be published in the Official
57 Gazette or in two (2) newspapers of general circulation.

1
2 **SEC. 23. *Repealing Clause.*** - Article IV, Part III of the Integrated Reorganization Plan
3 as approved under Presidential Decree No.1, as amended, is hereby repealed. All provisions of
4 Executive Order No. 292, or the Revised Administrative Code of 1987 and Executive Order No.
5 891, series of 2010 that are inconsistent with this Act are hereby repealed. All other laws, rules
6 and regulations or parts thereof that are inconsistent with the provisions of this Act are hereby
7 repealed or modified accordingly.
8

9 **SEC. 24. *Separability Clause.*** - If any part, section or provision of this Act is held
10 invalid or unconstitutional, no other part, section or provision shall be affected by the invalidity
11 or unconstitutionality thereof.
12

13 **SEC. 25. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its
14 publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,