

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 10610



Introduced by **Representative Wilbert “Manoy” T. Lee**

AN ACT
PROVIDING FOR A MAGNA CARTA OF GOVERNMENT ACCOUNTANTS

EXPLANATORY NOTE

Government accountants in the Philippines are essential for maintaining financial integrity and transparency in public operations. They ensure fiscal discipline by monitoring government spending and preventing misuse of funds. By implementing strong accounting controls, we also strengthen our actions toward preventing fraud and corruption. Their accurate and timely financial reports are crucial for informed decision-making by officials and policymakers. Additionally, they engage in strategic financial planning to align resources with government priorities.

Article XI, Section 1 of the 1987 Constitution emphasizes that the State is committed to enhancing transparency and accountability within the public sector. It articulates that "public office is a public trust," and asserts that public officials and employees must consistently be accountable to the people, perform their duties with utmost responsibility, integrity, loyalty, and efficiency, exhibit patriotism and justice, and lead modest lives.

In alignment with this constitutional principle, the Magna Carta of Government Accountants seeks to delineate and safeguard the rights of government accountants. These professionals play a critical role in ensuring the financial integrity of governmental operations. The bill aims to empower them to execute their responsibilities with diligence, independence, and the highest ethical standards by clearly defining their rights and duties.

Government accountants are instrumental in maintaining fiscal discipline, preventing fraud and corruption, and ensuring that public funds are utilized for the benefit of the citizenry. Their responsibilities extend beyond traditional financial reporting to encompass strategic financial management, risk assessment, and the promotion of efficient resource allocation.

Furthermore, the proposed legislation seeks to provide government accountants with additional compensation and incentives, including subsistence allowances, longevity pay, and compensation for injuries.

In light of these points, the approval of this bill is earnestly sought.



HON. WILBERT "MANOY" T. LEE
Representative
AGRI PARTYLIST

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

1 **SECTION 1. Short Title.** – This Act shall be known as the "**Magna Carta of**
2 **Government Accountants**".

3
4 **SEC. 2. Declaration of Policy.** –It is hereby declared to the policy of the State, in
5 accordance with the Constitution, that the improvement, and promotion of economic status,
6 living and working conditions, and terms of employment of Government Accountants are
7 essential in promoting the protection of financial and material resources of the Government.
8 The State shall maintain honesty and integrity in the public service and take positive and
9 effective measures to develop and install a sound and effective government accounting
10 system consistent with the requirements of public accountability and transparency.

11
12 **SEC. 3. Definition of Terms.** – For the purposes of this Act:

13
14 (a) Government Accounting – refers to the whole system of recording, classifying and
15 summarizing financial transactions, the establishment of adequate accounting and
16 financial information system, the establishment of sound and integrated system of

1 internal financial and administrative controls, and such other related functions aimed
2 towards improving fiscal controls and management:

3
4 (b) Government Accountant - refers to any government employee holding position
5 belonging to any level of the career service and performing function and/or works
6 pertaining to government accounting:

7
8 (c) Government Accounting Staff - refers to a group of government accountants assigned
9 in a particular organizational unit which includes, but not limited to, an office,
10 division, section or equivalent, performing government accounting functions:

11
12 (d) Certified Public Accountant (CPA) - refers to one who has passed the licensure,
13 examination given by the Board of Accountancy of the Professional Regulation
14 Commission, has taken his oath and possesses no disqualification to practice his
15 profession:

16
17 (e) Head of Agency - refers to the chief operating officer of a department, office, agency,
18 bureau, state university and/or college, local government unit, government-owned
19 and controlled corporation and such other governmental instrumentalities:

20
21 (f) CSC - refers to the Civil Service Commission:

22
23 (g) COA - refers to the Commission on Audit;

24
25 (h) DBM - refers to the Department of Budget and Management;

26
27 (i) AGAP - refers to the Association of Government Accountants of the Philippines, Inc.:

28
29 (j) Geographical Reassignment - refers to the movement of official station from one
30 geographical location to another:

31
32 (k) Compulsory Retirement - refers to the cessation and/or termination of service by the
33 Government Accountants with the Government in accordance with law or as may be
34 provided under this Act:

1 (l) Overloading - refers to a condition when a Government Accountant is assigned
2 tasks/works above normal workload level;

3
4 (m) Understaffing - refers to a condition when a number of authorized positions in an
5 organizational unit performing government accounting function is less than the
6 required number of positions.

7
8 **SEC. 4. Coverage.** – This Act shall cover all officials and employees holding permanent
9 positions in the Government, its subdivisions, agencies, and instrumentalities, including
10 government-owned and controlled corporations performing accounting, budgeting, internal
11 audit and other related government accounting functions.

12
13 **SEC. 5. Recruitment and Qualification.** - The selection and appointment of
14 Government Accountants shall be strictly in accordance with the merit and fitness principle
15 and the minimum qualification requirements as may now or thereafter be prescribed by the
16 CSC: *Provided*, That the CSC may develop and administer specialized examination for
17 purposes of providing appropriate eligibilities to positions not requiring a certified public
18 accountant eligibility.

19
20 **SEC. 6. Performance Evaluation and Merit Promotion.** - Heads of agencies shall
21 prepare a uniform Career and Personnel Development Plan applicable to all Government
22 Accountants in their respective agencies. Such Career and Personnel Development Plan shall
23 include provisions on merit promotion, performance evaluation, in service training, grants
24 and incentive award system.

25 The Performance Evaluation Plan shall consider foremost the improvement of individual
26 employee's efficiency and organization effectiveness: *Provided*, That each employee shall be
27 informed regularly of his performance evaluation. The merit promotion plan shall be in
28 consonance with the rules of the CSC.

29
30 **SEC. 7. Transfer or Geographical Reassignment Government Accountants.** -
31 Government Accountants shall not be transferred or reassigned except, when made in the
32 interest of public service, in which case, the employee concerned shall be informed of the
33 reasons therefor in writing. If the Government Accountant believes that there is no valid
34 ground for the transfers or reassignment, he may appeal the order to the CSC; and pending

1 appeal, such transfer or reassignment shall be held in abeyance: Provided, That no transfer or
2 reassignment whatsoever shall be made three (3) months before any local or national
3 elections: Provided, further. That Government shall pay for the necessary expenses of the
4 transfer or reassignment of the Government Accountant and his immediate family
5

6 **SEC. 8. Security of Tenure.** - Government accountants holding permanent positions
7 shall not be terminated except for cause as may be provided by law and after due process:
8 Provided, That any government accountant found by the CSC to be unjustly dismissed from
9 work shall be entitled to reinstatement without loss of seniority rights and to back wages with
10 twelve (12%) percent interest computed from the time the compensation was withheld up to
11 the time of reinstatement.
12

13 **SEC. 9. Discrimination Prohibited.** - A Government Accountant shall not be
14 discriminated against with regard to gender, civil status, creed, religious or political beliefs,
15 and ethnic groupings in the exercise of his profession.
16

17 **SEC. 10. No Understaffing/Overloading of Government Accounting Staff.** - There
18 shall be no understaffing or overloading of Government Accountants. A Standard Staffing
19 Pattern for government accounting staff shall be established: taking into consideration the
20 total appropriation, number of funds, number of agencies units with individual sets of books
21 of accounts, organization's manpower force, and such other factors as may be determined by
22 the DBM, CSC and COA. In line with the above policy, substitute officers or employees shall
23 be 15 provided in place of officers or employees who are on leave for over three (3) months.
24

25 **SEC. 11. Safeguards and Disciplinary Procedures.** In every disciplinary proceeding, a
26 Government Accountant shall be accorded the following rights:

- 27 a) The right to be informed in writing of the charges against him;
28 b) The right to full access to evidence;
29 c) The right to defend by himself or by counsel of his own choice and/or his organization:
30 d) The right to confront witnesses presented against him and summon witnesses in his
31 behalf;
32 e) The right to appeal to designated authorities: and

f) Such other rights as will ensure fairness and impartiality during proceedings. In case the Government Accountant is exonerated or the charge against him is dismissed, he shall be entitled to reimbursement of reasonable expenses incurred in his defense.

SEC. 12. Overtime Work. - Where the exigencies of the service so require, any Government Accountant maybe required to render service beyond the normal eight (8) hours a day, including Saturdays, Sundays, or non-working holidays. In such case, the Government Accountant shall be paid an additional compensation in accordance with existing laws.

SEC. 13. Night Shift Differential. - Any Government Accountant who is required to work on a shift with working hours going beyond ten (10) o'clock in the evening up to six (6) o'clock in the morning shall be entitled to a night shift differential pay of ten percent (10%) of the regular wage for each hour performed during the night shift.

SEC. 14. Salaries. - The salary of the highest government accountant position shall be equal to the salary of the third ranking official of any government agency: Provided, that the salary grade intervals down the rank shall not be more than two (2) salary grades and shall progress whenever there is a salary increase or across the board adjustment granted by the National Government.

SEC. 15. Additional Compensation and Incentives. - Notwithstanding Section 12 of Republic Act No. 6758, otherwise known as the "Compensation and Position Classification Act of 1989," Government Accountants shall receive the following allowances:

a) Subsistence allowance which may be computed in accordance with prevailing circumstances as may be determined by and in consultation with AGAP;

b) Longevity pay which shall be equivalent to five percent (5%) of the monthly basic pay for every five (5) years of continuous, efficient and meritorious services rendered as certified by the Head of Agency commencing with the service after the approval of this Act;

c) Laundry Allowance shall be granted to those who are required to wear uniform regularly at the rate of Three Hundred Pesos (P300.00) per month: Provided, That this rate shall be reviewed periodically and increased accordingly by the Secretary of Budget and Management in consultation with the appropriate government agencies concerned;

d) Remote Assignment Allowance shall be extended to those who accept assignment in remote areas or isolated stations, which for reasons of far distance or hard accessibility, such

positions had not been filled for the last two (2) years prior to the approval of this Act, equivalent to fifty percent (50%) of their basic pay inclusive of the reimbursable cost of reasonable transportation to and from such remote post or station, upon assuming or leaving such position and during official trips: Provided, That tour of duties in remote areas shall not exceed two (2) years for their transfer, or they prefer to stay in such post in excess of two (2) years:

e) Medical Examination - shall be provided compulsorily free of charge upon entry in the government service and every year thereafter during his tenure of employment: Provided, That where medical examination shows that medical treatment and/or hospitalization is necessary, medicines shall also be provided free by the Agency, regardless of whether the Government Accountant is confined in government or private hospital: Provided, further, That the cost of such medical examination and treatment shall be included as automatic appropriation in the Agency's annual budget:

f) Compensation for Injuries - Government Accountants shall be protected against the consequences of employment injuries in accordance with existing laws. Injuries incurred while doing overtime work shall be presumed work connected: and

g) As withholding and collecting agent of BIR, GSIS, HMDC, a Government Accountant shall be allowed honorarium as remitting officer.

SEC. 16. Right to Self-organization. - Government Accountants shall have the right to freely form their own organization, to affiliate with or assist other organizations or government workers for purposes not contrary to law, in order to defend and protect their mutual interests and to obtain redress of their grievances through peaceful concerted activities: Provided, That under no circumstances shall they be allowed to declare, stage or join any strike or cessation of services.

SEC. 17. The Right to Attend Periodic Workshops, Dialogues, Conferences, Seminars and Conventions. - Government Accountants being instrument of management of the various government agencies in graphing or directing the proper course of action towards the attainment of their respective plans and projects have the right to be properly updated of the continuing plans and strategies in maximizing the resources of government to obtain the best results at minimum costs. Heads of Agencies shall allow Government Accountants to attend training workshops, dialogues-conferences or seminars and conventions on official

1 business. They shall also have the right to be informed periodically of the Agency's plans,
2 programs, and strategies.

3
4 **SEC. 18. Freedom from Interference or Coercion.** - Government Accountants shall be
5 guaranteed from interference and coercion from authorities outside his agency.

6
7 **SEC. 19. Human Resource Development Management Study.** - The CSC in
8 coordination with the Association of Government Accountants of the Philippines shall
9 conduct periodic human resource development/management study along the following areas:

10 a) Adequacy of modern and updated facilities and supplies to render quality, timely and
11 reliable financial reports:

12 b) Opportunity for government accountant staff to grow and develop their potentials and
13 to attain a sense of worth and dignity of their work;

14 c) Staffing patterns and standards of accounting offices or units attuned to contemporary
15 requirements and trends:

16 d) Ways and means of enabling the government accountants to avail themselves of
17 educational opportunities for personal growth and development; and

18 e) Upgrading of working conditions, reclassification of position and salaries to correct
19 disparity vis-a-vis other professions.

20
21 **SEC. 20. Prohibition Against Elimination and/or Diminution of Benefits.** - Nothing in
22 this Act shall be construed to eliminate or in any way diminish benefits being enjoyed by
23 Government Accountants of the time of the effectivity of this Act.

24
25 **SEC. 21. Prohibition Against Double Recovery of Benefits.** - Whenever other laws
26 provide for the same benefits covered by this Act, the Government Accountant shall have the
27 option to choose which benefits will be paid to him except when such benefit is considered
28 part of an incentive package extended for the extra effort and/or time devoted by the
29 Government Accountant.

30
31 **SEC. 22. Appropriations.** - The amount necessary to implement the provision of this
32 Act is hereby authorized to be appropriated out of any funds not otherwise appropriated.
33 Thereafter, such sums shall be included in the General Appropriation of the government
34 agencies or instrumentalities concerned.

1 **SEC. 23. Rules and Regulations.** - The Civil Service Commission (CSC), in
2 consultation with the Association of Government Accountants of the Philippines (AGAP),
3 Inc. and such other professional organizations of government accountants, shall promulgate
4 necessary rules and regulations to implement the provisions of this Act.
5

6 **SEC. 24. Separability Clause.** - If any provision of this Act is declared unconstitutional
7 or invalid, the remainder thereof not affected thereby shall continue to be in full force and
8 effect.
9

10 **SEC. 25. Repealing Clause.** - All laws, decrees, orders, rules and regulations or other
11 issuance or parts thereof inconsistent with the provision of this Act are hereby repealed,
12 amended or modified accordingly.
13

14 **SEC. 26. Effectivity.** - This Act shall take effect fifteen (15) days after its publication in
15 at least two (2) newspapers of general circulation.

Approved,