

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

TWENTIETH CONGRESS
1st Regular Session

House Bill No. **6713**



Introduced by Representative HON. ADRIAN JAY C. ADVINCULA

**AN ACT PROVIDING FOR A MAGNA CARTA OF GOVERNMENT
ACCOUNTANTS**

EXPLANATORY NOTE

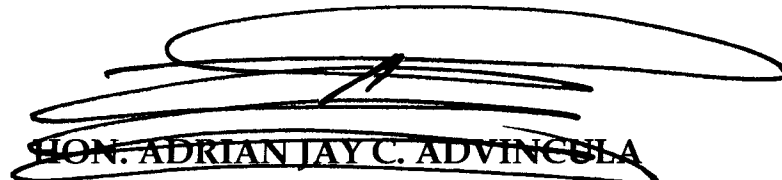
Article XI, Section 1 of the 1987 Constitution underscores the State's policy of promoting transparency and accountability in the public sector. It states that "Public office is a public trust. Public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency, act with patriotism and justice, and lead modest lives."

The Magna Carta of Government Accountants aims to align with this constitutional mandate by defining and safeguarding the rights of government accountants, who play a pivotal role in ensuring the financial integrity of government operations. By establishing a clear set of rights and responsibilities, the bill aims to empower government accountants to carry out their duties with diligence, independence, and adherence to the highest ethical standards.

The importance of government accountants cannot be overstated, as they are crucial in maintaining fiscal discipline, preventing fraud and corruption, and ensuring that public funds are utilized for the benefit of the citizenry. Their role extends beyond traditional financial reporting to encompass strategic financial management, risk assessment, and the promotion of efficient resource allocation.

Further, the proposed measure seeks to provide government accountants additional compensation and incentives such as a subsistence allowance, longevity pay, and compensation for injuries.

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



HON. ADRIAN JAY C. ADVINCULA
3rd District - Cavite

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

Section 1. *Title* - This Act shall be known as the "Magna Carta of Government Accountants".

Sec. 2. *Declaration of Policy*. - The State shall maintain honesty and integrity in the public service and take positive and effective measures to develop and install a sound and effective government accounting system consistent with the requirements of public accountability and transparency. The State hereby declares that the Government Accountants are a protector and vanguard of the financial and material resources of the Government. To this end, the State shall endeavor to improve and promote its social and economic status, living and working conditions, terms of employment, professional growth, and career advancement.

Sec. 3. *Definition Terms*. - As used in this Act, the following terms shall be construed to mean as follows:

- a. Government Accounting - refers to the whole system of recording, classifying and summarizing financial transactions, the establishment of adequate accounting and financial information systems, the establishment of a sound and integrated system of internal financial and administrative controls, and such other related functions aimed towards improving fiscal controls and management;
- b. Government Accountant - refers to any government employee holding a position belonging to any level of the career service and performing functions and/or works pertaining to government accounting;

- c. Government Accounting Staff - refers to a group of government accountants assigned to a particular organizational unit, which includes, but not limited to, an office, division, section, or equivalent, performing government accounting functions;
- d. Certified Public Accountant (CPA) - refers to one who has passed the licensure examination given by the Board of Accountancy of the Professional Regulation Commission, has taken his oath, and possesses no disqualification to practice his profession;
- e. Head of Agency - refers to the chief operating officer of a department, office, agency, bureau, state university and/or college, local government unit, government-owned and controlled corporation, and such other governmental instrumentalities;
- f. CSC - refers to the Civil Service Commission;
- g. COA - refers to the Commission on Audit;
- h. DBM - refers to the Department of Budget and Management;
- i. AGAP - refers to the Association of Government Accountants of the Philippines, Inc.;
- j. Geographical Reassignment - refers to the movement of an official station from one geographical location to another;
- k. Compulsory Retirement - refers to the cessation and/or termination of service by the Government Accountants with the Government in accordance with the law or as may be provided under this Act;
- l. Overloading - refers to a condition when a Government Accountant is assigned tasks/work above the normal workload level; and
- m. Understaffing - refers to a condition when the number of authorized positions in an organizational unit performing a government accounting function is less than the required number of positions.

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

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

1 Sec. 6. *Performance Evaluation and Merit Promotion.* - Heads of agencies
2 shall prepare a uniform Career and Personnel Development Plan applicable to
3 all Government Accountants in their respective agencies. Such a Career and
4 Personnel Development Plan shall include provisions on merit promotion,
5 performance evaluation, in-service training, grants, and an incentive award
6 system.

7 The Performance Evaluation Plan shall consider foremost the
8 improvement of individual employees' efficiency and organizational
9 effectiveness; Provided that each employee shall be informed regularly of their
10 performance evaluation.

11 The merit promotion plan shall be in consonance with the rules of the
12 CSC.

13 Sec. 7. *Transfer or Geographical Reassignment of Government Accountants.* -
14 Government Accountants shall not be transferred or reassigned except when
15 made in the interest of public service, in which case, the employee concerned
16 shall be informed of the reasons therefor in writing. If the Government
17 Accountant believes that there is no valid ground for the transfers or
18 reassignment, he may appeal the order to the CSC; and pending appeal, such
19 transfer or reassignment shall be held in abeyance: Provided, That no transfer
20 or reassignment whatsoever shall be made three (3) months before any local or
21 national elections: Provided, further, that Government shall pay for the
22 necessary expenses of the transfer or reassignment of the Government
23 Accountant and his immediate family.

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

31 Sec. 9. *Discrimination Prohibited.* - A Government Accountant shall not be
32 discriminated against with regard to gender, civil status, creed, religious or
33 political beliefs, and ethnic groupings in the exercise of his profession.

34 Sec. 10. *No Understaffing/Overloading of Government Accounting Staff.* -
35 There shall be no understaffing or overloading of Government Accountants. A
36 Standard Staffing Pattern for government accounting staff shall be established,
37 taking into consideration the total appropriation, number of funds, number of
38 agency units with individual sets of books of accounts, the organization's

1 manpower force, and such other factors as may be determined by the DBM,
2 CSC, and COA.

3 In line with the above policy, substitute officers or employees shall be
4 provided in place of officers or employees who are on leave for over three (3)
5 months.

6 Sec. 11. *Safeguards and Disciplinary Procedures.* In every disciplinary
7 proceeding, a Government Accountant shall be accorded the following rights;

- 8 a. The right to be informed in writing of the charges against him;
- 9 b. The right to full access to evidence;
- 10 c. The right to defend himself or by counsel of his own choice and/or
11 his organization;
- 12 d. The right to confront witnesses presented against him and summon
13 witnesses on his behalf;
- 14 e. The right to appeal to designated authorities; and
- 15 f. Such other rights as will ensure fairness and impartiality during
16 proceedings.

17 In case the Government Accountant is exonerated, or the charge against
18 him is dismissed, he shall be entitled to reimbursement of reasonable expenses
19 incurred in his defense.

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

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

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

36 SEC. 15. *Additional Compensation and Incentives.* - Notwithstanding
37 Section 12 of Republic Act No. 6758, otherwise known as the "Compensation

1 and Position Classification Act of 1989," Government Accountants shall receive
2 the following allowances:

- 3 a. Subsistence allowance, which may be computed in accordance with
4 prevailing circumstances as may be determined by and in
5 consultation with AGAP;
- 6 b. Longevity pay, which shall be equivalent to five percent (5%) of the
7 monthly basic pay for every five (5) years of continuous, efficient,
8 and meritorious services rendered as certified by the Head of
9 Agency, commencing with the service after the approval of this Act;
- 10 c. Laundry Allowance shall be granted to those who are required to
11 wear a uniform regularly at the rate of Three Hundred Pesos
12 (P300.00) per month; Provided, That this rate shall be reviewed
13 periodically and increased accordingly by the Secretary of Budget
14 and Management in consultation with the appropriate government
15 agencies concerned;
- 16 d. Remote Assignment Allowance shall be extended to those who
17 accept assignment in remote areas or isolated stations, which for
18 reasons of far distance or hard accessibility, such positions had not
19 been filled for the last two (2) years prior to the approval of this Act,
20 equivalent to fifty percent (50%) of their basic pay inclusive of the
21 reimbursable cost of reasonable transportation to and from such
22 remote post or station, upon assuming or leaving such position and
23 during official trips: Provided, That tour of duties in remote areas
24 shall not exceed two (2) years for their transfer, or they prefer to stay
25 in such post in excess of two (2) years;
- 26 e. Medical Examination - shall be provided compulsorily free of
27 charge upon entry in the government service and every year
28 thereafter during his tenure of employment: Provided, That where
29 medical examination shows that medical treatment and/or
30 hospitalization is necessary, medicines shall also be provided free
31 by the Agency, regardless of whether the Government Accountant
32 is confined in government or private hospital: Provided, further,
33 That the cost of such medical examination and treatment shall be
34 included as automatic appropriation in the Agency's annual budget;
- 35 f. Compensation for Injuries - Government Accountants shall be
36 protected against the consequences of employment injuries in
37 accordance with existing laws. Injuries incurred while doing
38 overtime work shall be presumed work-connected; and

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

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

11 Sec. 17. *The Right to Attend Periodic Workshops, Dialogues, Conferences,*
12 *Seminars, and Conventions.* - Government Accountants, being an instrument of
13 management of the various government agencies in guiding or directing the
14 proper course of action towards the attainment of their respective plans and
15 projects, have the right to be properly updated on the continuing plans and
16 strategies in maximizing the resources of the government to obtain the best
17 results at minimum costs. Heads of Agencies shall allow Government
18 Accountants to attend training workshops, dialogues-conferences or seminars
19 and conventions on official business. They shall also have the right to be
20 informed periodically of the Agency's plans, programs, and strategies.

21 Sec. 18. *Freedom from Interference or Coercion.* - Government Accountants
22 shall be guaranteed from interference and coercion from authorities outside
23 their agency.

24 Sec. 19. *Human Resource Development Management Study.* - The CSC, in
25 coordination with the Association of Government Accountants of the
26 Philippines, shall conduct periodic human resource
27 development/management study along the following areas:

- 28 a. Adequacy of modern and updated facilities and supplies to render
29 quality, timely, and reliable financial reports;
- 30 b. Opportunity for government accountant staff to grow and develop
31 their potential and to attain a sense of worth and dignity in their work;
- 32 c. Staffing patterns and standards of accounting offices or units attuned
33 to contemporary requirements and trends;
- 34 d. Ways and means of enabling the government accountants to avail
35 themselves of educational opportunities for personal growth and
36 development; and
- 37 e. Upgrading of working conditions, reclassification of positions, and
38 salaries to correct disparity vis-à-vis other professions.

1 Sec. 20. *Prohibition Against Elimination and/or Diminution of Benefits.* -
2 Nothing in this Act shall be construed to eliminate or in any way diminish
3 benefits being enjoyed by Government Accountants at the time of the effectivity
4 of this Act.

5 Sec. 21. *Prohibition Against Double Recovery of Benefits.* - Whenever other
6 laws provide for the same benefits covered by this Act, the Government
7 Accountant shall have the option to choose which benefits will be paid to him,
8 except when such a benefit is considered part of an incentive package extended
9 for the extra effort and/or time devoted by the Government Accountant.

10 Sec. 22. *Appropriations.* - The amount necessary to implement the
11 provision of this Act is hereby authorized to be appropriated out of any funds
12 not otherwise appropriated. Thereafter, such sums shall be included in the
13 General Appropriation of the government agencies or instrumentalities
14 concerned.

15 Sec. 23. *Rules and Regulations.* - The Civil Service Commission (CSC), in
16 consultation with the Association of Government Accountants of the
17 Philippines (AGAP), Inc., and such other professional organizations of
18 government accountants, shall promulgate necessary rules and regulations to
19 implement the provisions of this Act.

20 Sec. 24. *Separability Clause.* - If any provision of this Act is declared
21 unconstitutional or invalid, the remainder thereof not affected thereby shall
22 continue to be in full force and effect

23 Sec. 25. *Repealing Clause.* - All laws, decrees, orders, rules and regulations,
24 or other issuances or parts thereof inconsistent with the provisions of this Act
25 are hereby repealed, amended, or modified accordingly.

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

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31 Approved,