

FIFTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

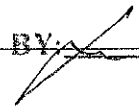
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Senate
Office of the Secretary

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SENATE

RECEIVED BY: 

COMMITTEE REPORT NO. 16

Submitted by the Committee on Civil Service and Government Reorganization FEB - 2 2011

RE: Senate Bill No. 2671

Recommending its approval in substitution of Senate Bill Nos. 15 and 1995.

Sponsor: Senator Trillanes IV

MR. PRESIDENT:

The Committee on Civil Service and Government Reorganization, to which was referred S.B. No. 15 introduced by Senator Antonio "Sonny" F. Trillanes IV, *entitled:*

**AN ACT
ESTABLISHING THE CAREER EXECUTIVE SYSTEM**

taking into consideration Senate Bill No. 1995, introduced by Senator Ramon A. Revilla Jr., *entitled:*

**AN ACT
ESTABLISHING THE CAREER EXECUTIVE SYSTEM**

has considered the same and has the honor to report them back to the Senate with the recommendation that the attached Senate Bill No. 2671 prepared by the Committee, *entitled:*

**AN ACT
STRENGTHENING THE CAREER EXECUTIVE SYSTEM**

be approved in substitution of Senate Bill Nos. 15 and 1995 with Senators Trillanes IV and Revilla as authors thereof.

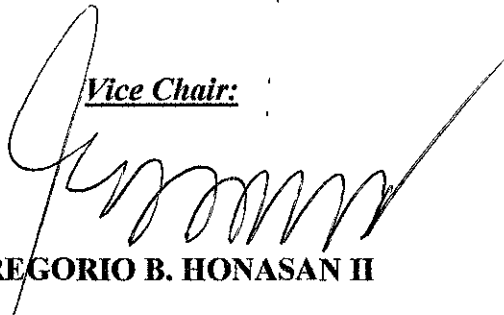
Respectfully submitted:

Chair:



ANTONIO "SONNY" F. TRILLANES IV

Vice Chair:

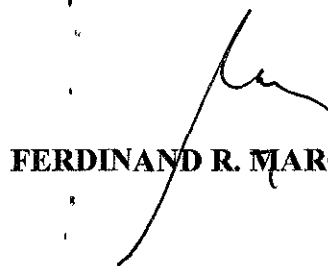


GREGORIO B. HONASAN II

Members



MANUEL "LITO" M. LAPID



FERDINAND R. MARCOS, JR.

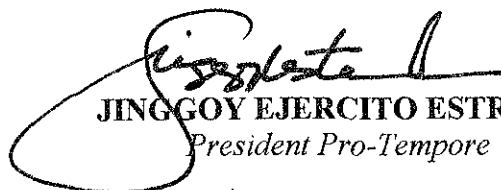


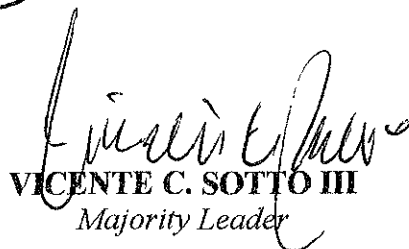
LOREN B. LEGARDA

FRANCIS N. PANGILINAN

"COMPANERA" PIA S. CAYETANO

Ex-Officio Members


JINGGOY EJERCITO ESTRADA
President Pro-Tempore


VICENTE C. SOTTO III
Majority Leader

ALAN PETER "COMPAÑERO" S. CAYETANO
Minority Leader

HON. JUAN PONCE ENRILE
President
Senate of the Philippines

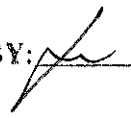


FIFTEENTH CONGRESS OF THE)
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SENATE

S. NO. 2671

RECEIVED BY: 

Prepared by the Committee on Civil Service and Government Reorganization with
Senators Trillanes IV and Revilla as authors thereof

AN ACT
STRENGTHENING THE CAREER EXECUTIVE SYSTEM

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

ARTICLE I
GENERAL PROVISIONS

1
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3
4 **SECTION 1. *Short Title.*** – This Act shall be known as the “*Career Executive System*
5 *Act of 2011*”.

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

15
16 **SEC. 3. *Coverage.*** - This Act shall cover the executive/managerial class of the third
17 level of the career service, which constitutes the Career Executive System.

18
19 **SEC. 4. *Definition of Terms.*** – As used in this Act, the following terms shall be
20 construed as follows:

- 1 (a) "Third Level" refers to the highest level in the career service of the Civil Service
2 System under the 1987 Philippine Constitution which includes positions in the
3 executive and managerial class covering all positions higher than chief of division
4 based on the position classification system of the Department of Budget and
5 Management and the Civil Service Commission across the executive class department,
6 including government-owned and controlled corporations (GOCCs).
7
- 8 (b) "Career Executive System (CES)" refers to the system designed to professionalize
9 and promote career development among the executive and managerial personnel of the
10 third level in the career service.
11
- 12 (c) "Career Executive System Board (CESB)" refers to the policy making body
13 responsible for the development, maintenance and administration of the Career
14 Executive System.
15
- 16 (d) "Career Executive Officer (CEO)" refers to a Career Executive Officer-Eligible who
17 is conferred a CES rank and appointed to a position covered by the CES.
18
- 19 (e) "Career Executive Officer-Eligible (CEO-E)" refers to a person who passed the
20 qualifying examination process set by the Career Executive System Board through the
21 Civil Service Commission but has not yet been appointed to a position in the CES.
22
- 23 (f) "Rank" refers to the index of classification of Career Executive Officers to which a
24 Career Executive Officer-Eligible may be appointed by the Civil Service Commission
25 in accordance with the requirements prescribed by the Board.
26
- 27 (g) "Mobility" refers to the movement of a Career Executive Officer from one position to
28 another without reduction in rank or salary.

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ARTICLE II

CAREER EXECUTIVE SYSTEM

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SEC. 5. *The Career Executive System (CES).* – The Career Executive System shall cover all executive and managerial positions in the third level of the career service, as defined in Section 4 hereof, specifically those in the Executive Branch including Government Owned and Controlled Corporations (GOCCs). Entry and advancement in the CES shall be governed by the principles of merit and fitness and such other requirements, as may be prescribed by the Career Executive System Board, through the Civil Service Commission. The CES shall be essentially characterized by the principles of merit and fitness, security of tenure and mobility.

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SEC. 6. *Career Executive System Board (CESB).* – A Career Executive System Board, hereinafter referred to as the Board, under the administrative supervision of the Civil Service Commission for purposes of policy and program coordination, 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; the President or representative of a duly accredited national federation or union of Career Executive Officers. 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 sector; 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 Career Executive 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 CEOs and CEO-Es.

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

1 financial components. It shall be responsible for the implementation of the policies, rules,
2 regulations, decisions, directives and instructions pertaining to the third level of the career
3 service. It shall be headed by an Executive Director, with the rank of Undersecretary, who shall
4 be assisted by a Director V with the rank of Assistant Secretary, both of whom shall be Career
5 Executive Officers, and shall be appointed by the Chairperson of the Commission upon
6 recommendation by the Board.

8 **ARTICLE III**

9 **POLICIES AND STANDARDS IN THE CAREER EXECUTIVE SYSTEM**

10
11 **SEC. 9. *Membership in the Career Executive System.*** – A person who meets the
12 academic, leadership, experience and other requirements and passes the required examination
13 prescribed by the Board shall be included in the register of career executive officer eligibles and
14 upon appointment to an appropriate rank in the Career Executive System, become an active
15 member of the Career Executive System. A CEO-Eligible who is assigned to a position in the
16 Career Executive System shall be given the entry rank as CEO by the by the Board. This process
17 completes his/her membership in the Career Executive System. The area of recruitment shall be
18 government-wide with provisions to allow qualified or outstanding persons from outside the
19 government to enter the Career Executive System.

20
21 **SEC. 10. *Security of Tenure.*** – A CEO shall enjoy security of tenure in the Career
22 Executive System based on eligibility, and shall not be suspended nor dismissed except for cause
23 and with due process of law. The concurrence of the following requisites is mandatory in order
24 for an official in the Career Executive System to attain security of tenure: (a) CES Eligibility;
25 and (b) appointment to the appropriate CES rank made by the President, upon the
26 recommendation of the Board.

27
28 **SEC. 11. *Compensation.*** – A CEO shall be compensated according to rank and
29 performance. In case a CEO occupies a position whose salary grade is higher than that of his/her
30 rank, he/she shall receive the difference between the salary grade of his/her position and his/her
31 rank while assigned to the position. The Board, in coordination with the Commission and the
32 DBM, shall develop and periodically review a compensation plan for CEOs. The employing
33 agency shall provide the funds to pay the salary, fringe benefits and allowances of a CEO.

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

6
7 **SEC. 13. Appointment to Rank.** -- Only a CEO-Eligible, assigned to a position in the
8 Career Executive System, shall be appointed to rank by the President upon recommendation by
9 the Board.

10
11 **SEC. 14. Promotion in Rank.** -- The Board shall provide for the criteria which shall be
12 the basis for promotion in rank. The criteria to be established shall include, but shall not be
13 limited to, performance, qualifications and proven competence. The Board shall recommend to
14 the President qualified CEO-Eligibles who meet the criteria prescribed by the Board from
15 promotion in rank.

16
17 **SEC. 15. Mobility in the Career Executive System.** -- A CEO may be assigned to any
18 position in the Career Executive System without diminution in rank and salary. The tour of duty
19 of each CEO shall be for a period of three (3) years during which period he/she shall not be
20 transferred to another office or position without his/her consent. In filling a vacancy, the head of
21 agency shall choose from those who have been appointed to rank or conferred CES eligibility.
22 The Board shall provide information on vacancies, an updated list of available qualified persons
23 who may be assigned, and such other mechanisms to assist the head of agency in the selection.

24
25 **SEC. 16. Assignment to Positions in the Career Executive System.** -- Career Executive
26 Officers (CEOs) and Career Executive Officer-Eligibles (CEO-Es) shall be given priority in
27 assignments to vacant positions in the Career Executive System. In exceptional cases, a non-
28 CEO and non-CEO-E may be assigned to a position in the Career Executive System on a
29 temporary status: *Provided*, That he/she shall be replaced once a CEO or CEO-E becomes
30 available. Officials who are in Salary Standardization Law (SSL)-exempt agencies shall likewise
31 be required to be CES Eligibles before being given assignments in the Career Executive System.
32 All career undersecretaries and assistant secretaries and other officials of similar rank in the
33 Career Executive System shall likewise come from CEOs and CEO-Eligibles. The appointing
34 authority shall choose from a list of at least three (3) eligibles who are qualified, available and

1 willing to be assigned to said vacant position. The number of career undersecretaries and
2 assistant secretaries and other officials of similar rank shall conform to the number set by law.
3 The Commission shall establish a mechanism to ensure that assignments to positions in the
4 Career Executive System conform to the standards prescribed under this Act.

5
6 **SEC. 17. *Discipline.*** – Investigation and adjudication of administrative complaints
7 against occupants of positions in the CES shall be primarily vested in the assigning agency;
8 *Provided*, that, the decisions in such cases shall be appealable to the Board; *Provided, further*
9 that the decisions of the Board, in the exercise of its primary and/or appellate jurisdiction shall be
10 appealable to the Commission without prejudice to the principle of exhaustion of administrative
11 remedies.

12
13 **SEC. 18. *Training and Career Development.*** – The Commission, upon the
14 recommendation of the Board, shall establish a continuing program of training and career
15 development for CEO and CEO-Es.

16
17 **SEC. 19. *Performance Management.*** – The Board shall develop a system for periodic
18 evaluation of the performance of occupants of positions in the CES taking into account their
19 accomplishments and managerial capabilities. This periodic evaluation system shall be the basis
20 for the grant of incentives and awards, as well as for sanctions for poor performance.

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23 **ARTICLE IV**

24 **MISCELLANEOUS PROVISIONS**

25
26 **SEC. 20. *Transitory Provisions.*** – The incumbent Chairman of the Board of the Career
27 Executive Service Board (*“Old Board”*), as well as the other incumbent Board members, shall
28 continue to exercise their duties and functions until 31 March of 2012, when the term of the
29 incumbent Chairman of the Old Board expires. After the said date, the Career Executive System
30 Board (*“New Board”*) created under this law shall succeed and take over the functions of the
31 Career Executive Service Board (*Old Board*) and the composition and members of the New
32 Board, as enumerated under Section 6 of this Act, shall assume their respective posts; *Provided*,
33 That:

1 (a) Upon the effectivity of this Act, all Career Executive Service Officers (CESOs) who
2 were conferred CESO ranks under Article IV, Part III of the Integrated Reorganization Plan
3 under Presidential Decree No. 1, as amended, shall, as a vested right, be accredited as Career
4 Executive Officers (CEOs) under this Act and shall be appointed to Career Executive Officer
5 ranks corresponding to their CESO rank.

6
7 (b) Career Executive Service Eligibles (CESEs) who passed the examinations given by
8 the former Career Executive Service Board, and Career Service Executive Eligibles (CSEEs)
9 who passed the examination given by the Civil Service Commission, and who are assigned to
10 positions in the Career Executive System at the time of the effectivity of this Act, shall be
11 appointed to entry rank as Career Executive Officers.

12
13 (c) Those who possess Career Executive Service Eligibility (CESE) but who are not
14 assigned positions in the Career Executive System at the time of the effectivity of this Act shall
15 be accredited as Career Executive Officer-Eligibles (CEO-Es).

16
17 (d) Career Service Executive Eligibles (CSEEs) who have not been assigned to positions
18 in the Career Executive System at the time of the effectivity of this Act shall be required to
19 undergo further screening process to qualify as Career Executive Officer-Eligibles.

20
21 (e) The personnel, assets, funds, grants and records of the current Career Executive
22 Service Board (CESB) secretariat are hereby transferred to the Office of the Career Executive
23 System (OCES).

24
25 (f) Incumbent officials and employees of the current CESB secretariat shall continue to
26 exercise their respective functions, duties and responsibilities with the corresponding benefits
27 and privileges and shall be deemed absorbed by the OCES.

28
29 **SEC. 21. *Implementing Rules and Regulations.*** – The Board, in consultation with the
30 Commission, shall promulgate implementing rules and regulations (IRR) as may be necessary to
31 implement the intent and purposes of this Act. Said IRR shall be published in the *Official*
32 *Gazette* and in two (2) newspapers of general circulation.

33
34 **SEC. 22. *Repealing Clause.*** – Article IV, Part III of the Integrated Reorganization Plan,
35 as approved under Presidential Decree No. 1, as amended, is hereby repealed. All provisions of
36 Executive Order No. 292, or the Revised Administrative Code of 1987 on the Civil Service

1 Commission that are inconsistent with this Act are hereby repealed. All laws, rules and
2 regulations or parts thereof that are inconsistent with the provisions of this Act are hereby
3 repealed or modified accordingly.

4

5 **SEC. 23. *Separability Clause.*** – If any part, section or provision of this Act is held
6 invalid or unconstitutional, no other part, section or provision shall be affected by the invalidity
7 or unconstitutionality thereof.

8

9 **SEC. 24. *Effectivity.*** – This Act shall take effect after fifteen (15) days from its
10 publication in the *Official Gazette* and in two (2) newspapers of general circulation.

Approved,