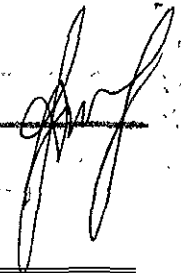


FOURTEENTH CONGRESS OF THE REPUBLIC }
OF THE PHILIPPINES }
First Regular Session }

7 JUN 30 12:54

SENATE
Senate Bill No. 45

RECEIVED BY: _____



Introduced by **SENATOR LACSON**

EXPLANATORY NOTE

The biggest employment agency in the country today is the government or the so-called Philippine bureaucracy. It is tasked with managing the bureaucracy and the delivery of basic services to the people. The bureaucracy has been in existence for over a hundred years, but there is no integrated and comprehensive set of laws to govern its personnel administration.

The laws and regulations that govern the operation of the civil service are practically scattered in various laws, decrees, letters of instructions, executive orders and other administrative issuances. Yet inspite of the proliferation of legal issuances, there are still apparent gasps in the law.

In the light of the foregoing situation, there is therefore an urgent need to update civil service related laws with present legislation and with current needs and realities; repeal, modify or amend provisions of law which have become obsolete or inapplicable to present conditions; add new provisions to address the needs of the bureaucracy and enable it to perform its mandated functions and codify laws and other issuances into one comprehensive legislation to serve as reference on personnel matters.

The codification, therefore, of aforesaid policies and legislation is timely and proper. This proposed Philippine Civil Service Code of 2007 seeks to address the deeply-rooted problems confronting the public service, i.e., graft and corruption; bureaucratic red tape; violations of the rights of the employees, specifically the right to security of tenure and the right to due process of law; violations of the merit and fitness principle; partisan political activities; inadequate benefits and privileges of employees; organization ineffectiveness and the unnecessary delays in frontline services delivery.

Among the salient points of the proposed Code are the following:

- Shortening the adjudication process in administrative cases
- Decentralizing the functions of the Civil Service Commission to departments/agencies of government
- Making the career executive service a regular concern of the Civil Service Commission to fulfill the latter's constitutional mandate
- Reducing substantively management discretion in personnel actions by requiring government agencies to hire or promote the best qualified applicants
- Enhancing employees' rights particularly the right to job security and protection from partisan influences
- Updating of employee privileges to conform to current norms and standards, including expanded leave privileges

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


PANFILO M. LACSON
Senator

FOURTEENTH CONGRESS OF THE REPUBLIC }
OF THE PHILIPPINES }
First Regular Session }

SENATE
OFFICE OF THE SECRETARY

7 JUN 30 12:54

SENATE
Senate Bill No. 45

RECEIVED BY: 

Introduced by **SENATOR LACSON**

**AN ACT
ESTABLISHING THE CIVIL SERVICE CODE OF THE PHILIPPINES
AND FOR OTHER PURPOSES**

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

BOOK I. GENERAL PRINCIPLES

Title I – Policies on Civil Service System

Chapter 1. Declaration of Policy

SECTION 1. Short Title. - This Act shall be known as the "*Philippine Civil Service Code of 2007*".

SECTION 2. Declaration of Policy. The state recognizes the primary and important role of the civil service system in providing stability, continuity and expertise in government operations, ensuring delivery of public services and achieving the national development goals of peace, human security and sustainable human development. The state shall provide the enabling environment that will promote its integrity, independence, productivity, and excellence. It is the policy of the state to promote the Constitutional mandate that appointments in the civil service system shall be made only on the principle of merit and fitness to be determined as far as practicable through competitive examinations; that public office being a public trust, public officers and employees must be accountable to the people and live the principles of utmost responsibility, integrity, loyalty, efficiency, patriotism, justice and modesty in serving the people; that employment opportunities in the civil service system shall be equally available and accessible to all qualified citizens; that no public officer or employee shall be disciplined, suspended or dismissed except for cause and after observing due process of law or except if terminated for non-disciplinary causes; that the Civil Service Commission, being the central personnel agency, shall administer the civil service system and be responsible in providing policies and guidelines on the selection, utilization, training and discipline of public officers and employees; the State shall infuse the third level with well-selected and development-oriented executives and highly technical officials, who shall

provide a strong, competent, and accountable corps of public officers who possess the necessary expertise and responsive leadership 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 government and people; that the right of public officers and employees to self organization, collective negotiation and peaceful concerted activities shall be guaranteed and respected; that equal pay for equal work shall be guaranteed; and actions on personnel matters shall be decentralized, with the different departments and other offices or agencies of the government delegating to their regional offices or other similar units, powers and functions; and that the autonomy of Local Government units shall be respected.

Chapter 2. Definition of Terms

SEC. 3. Terms Defined. - With reference to the civil service system and as used in this Code, the following terms shall be construed to mean as follows:

- a) *Administrative Supervision* refers to the authority of the department or its equivalent to generally oversee the operations and to ensure that they are managed effectively, efficiently, and economically; or to take such action as may be necessary for the proper performance of official functions, including rectification of violations, abuses and other forms of maladministration.
- b) *Agency* refers to any department, bureau, office, commission, administration, board, committee, institute, government-owned or controlled corporation with original charter, local government units, state universities and colleges, or any other unit of the National Government, as well as provincial, city, municipal government, except as hereinafter otherwise provided.
- c) *Appointing authority* refers to the person or body authorized by law to make appointments in the civil service system.
- d) *Appointment* refers to the document issued by the appointing authority allowing the appointee to occupy the position stated therein and to perform its functions and receive the corresponding compensation. It could also refer to the selection by the appointing authority of an individual who is to exercise the functions of the position.
- e) *Career Executive System* refers to the system for the professionalization and career development of the executive and managerial component of the third level.
- f) *Career Executive System Board (hereinafter referred to as the Board)* is the policy making body responsible for the development, maintenance, and administration of the Career Executive System.

- g) *Career Executive Officer* refers to a Career Executive Officer-Eligible occupying a position in the Career Executive System, who is appointed to a rank by the Civil Service Commission, upon the recommendation of the Board.
- h) *Career Executive Officer-Eligible* refers to a person who passed the examination process set by the Board through the Civil Service Commission to qualify for, but has not yet been assigned to, a position in the Career Executive System.
- i) *Class* refers to all positions in the civil service system that are sufficiently similar as to duties and responsibilities and require similar qualifications that can be given the same title and salary and, for all administrative and compensation purposes, be treated alike.
- j) *Commission* refers to the Civil Service Commission.
- k) *Commissioner* refers to either of the two (2) other members of the Commission.
- l) *Consultant* refers to the person engaged under a consultancy contract by reason of expertise, to perform highly specialized functions not readily available from career personnel, having no employer-employee relation with the agency.
- m) *Department* refers to any of the departments in the Executive branch, Congress, the Judiciary and any of the constitutional commissions.
- n) *Disciplining authority* refers to the person or body authorized to suspend, dismiss or discipline public officers and employees in the civil service system.
- o) *Eligibility* refers to the qualification, acquired by an individual after passing a civil service examination or granted by law, for entrance into and promotion in the career service.
- p) *Employee* refers to any person employed in the civil service system of whatever category or class up to division chief level.
- q) *Employee organization* refers to a duly registered employee organization, union, association, federation, confederation, society or alliance in accordance with the provisions of this Code.
- r) *Examination* refers to the test conducted by the Commission or any agency authorized by law for the purpose of determining merit and fitness for appointment in the civil service system.
- s) *Grievance* refers to an employee's complaint regarding working conditions, working relationships or employment status.
- t) *Grievance procedure* refers to the process of resolving employee grievances.
- u) *Highly technical position* refers to a position which requires the occupant to possess skill or training in a supreme or superior degree, like that of a scientist.

- v) *Job order* refers to a contract of service of individuals or groups paid under a lump sum appropriation for a short duration having no employer-employee relation with the government.
- w) *Merit system* refers to an organized mechanism by which the selection, utilization, compensation, training, retention and discipline of employees in the service are governed by comparative merit and achievement.
- x) *Mobility* – refers to the movement of a Career Executive Officer from one position to another without reduction in rank or salary.
- y) *Party adversely affected* refers to the respondent or, agencies/entities against whom a decision in a case has been rendered.
- z) *Personnel action* refers to any movement of personnel in the civil service system.
- aa) *Policy determining position* refers to a position which vests in the occupant the power to formulate policies for the government or any of its agencies, subdivisions, or instrumentalities, like that of a member of the Cabinet.
- bb) *Position* refers to a job title with a defined set of duties and responsibilities to be performed by an individual either on full-time or part-time basis.
- cc) *Primarily confidential position* refers to a position where the occupant enjoys more than the ordinary confidence of the appointing power and bears such close intimacy which relieves the latter from misgivings of betrayal of personal trust on confidential matters, like that of a private secretary.
- dd) *Public officers* as distinguished from employees, refers to those whose functions are managerial/executive or highly technical in nature, and above the division chief level.
- ee) *Qualification standards* refer to the minimum requirements for a class of position expressed in terms of education, training, experience, civil service eligibility, physical fitness and other qualities required by the job.
- ff) *Rank* is the index of classification of Career Executive Officers to which a Career Executive Officer-Eligible may be appointed by the Civil Service Commission in accordance with the requirements prescribed by the Board.
- gg) *Rank-and-file* shall refer to employees occupying positions in the first and second levels.
- hh) *Reorganization* refers to the process of restructuring an agency's organizational and functional set-up with the view of making it more economical, effective, efficient and responsive to the needs of the public.
- ii) *Solo parent* refers to any individual who falls under Republic Act No. 8972.

**Chapter 3. Rights and Obligations of Public Officers and Employees in the
Civil Service System**

SEC. 4. *Rights.* - Public officers and employees in the civil service system shall have the right to:

- (a) Security of tenure;
- (b) Exercise the authority attendant to their positions;
- (c) Enjoy leave, welfare, retirement and other benefits and services;
- (d) Self-organization or to form and join unions, associations, federations, confederations, societies or alliances for purposes not contrary to law;
- (e) For rank-and-file employees of accredited organizations to collectively negotiate for terms and conditions of employment in accordance with existing laws; and
- (f) Enjoy such other rights provided by law.

SEC. 5. *Obligations.* - Public officers and employees in the civil service system shall:

- (a) Uphold and defend the Constitution and laws of the Republic of the Philippines;
- (b) Take and subscribe to an oath before assumption of office;
- (c) Be accountable at all times to the people, and serve them with utmost responsibility, integrity, loyalty and efficiency, act with patriotism and justice and lead modest lives;
- (d) Discharge their duties faithfully and maintain the required level of productivity of their positions for the benefit of the public;
- (e) Submit upon assumption to duty and as often as may be prescribed by law, a sworn statement of assets, liabilities and net worth and disclosure of business interests and financial transactions;
- (f) Identify and disclose, to the best of their knowledge, their relatives in government, in the manner and frequency as may be prescribed by law, rules and regulations;
- (g) Undertake programs of self-development to improve their performance and levels of service; and
- (h) Perform such other obligations as may be provided by law.

Title II - Scope of the Civil Service System
Chapter 1. Positions in the Civil Service System

SEC. 6. Coverage. - The civil service system embraces all branches, subdivisions, instrumentalities, and agencies of the Government, including local government units, state universities and colleges, and government-owned or -controlled corporations with original charters.

SEC. 7. Administration of the Civil Service System. - As the central personnel agency of the government, the Commission shall establish a career service, administer the civil service system, adopt measures to promote morale, efficiency, competency, integrity, honesty, responsiveness, progressiveness, courtesy and gender sensitivity in the civil service system, strengthen the merit and rewards system, integrate all human resource development programs for all levels and ranks therein and institutionalize a management climate conducive to public accountability.

SEC. 8. Categories of Positions. - Positions in the civil service system shall be categorized as career and non-career.

SEC. 9. The Career Service. - The career service shall be characterized by (a) entrance based on merit and fitness to be determined, as far as practicable, by competitive examinations or on highly technical qualifications; (b) opportunity for advancement to higher career position; and (c) security of tenure which is based on performance, mechanics of which shall be formulated by the Commission.

SEC. 10. Positions Included in the Career Service. - Positions in the career service include the following:

- (a) Open career positions - appointment to any level in the career service which requires qualification in an appropriate examination or other modes in accordance with law;
- (b) Closed career positions – positions that are executive or highly technical in nature which shall establish and maintain their own merit systems, such as the following:
 - (1) Faculty and academic staff of state universities and colleges;
 - (2) Highly technical positions as determined by the Commission;
 - (3) Career Executive Positions;
 - (4) Career Officers, other than those enumerated above, who are appointed by the President, such as the Foreign Service Officers in the

Department of Foreign Affairs, the judges and justices in the Judiciary and the prosecutors in the prosecution services;

- (5) Uniformed and commissioned personnel of the Philippine National Police;
- (c) Permanent laborer, whether skilled, semi-skilled, or unskilled.

SEC. 11. *Classes of Positions in the Career Service.* - Positions in the career service shall be grouped as follows:

- (a) ***First Level*** - includes clerical, trades, crafts and custodial positions whether in a non-supervisory or supervisory capacity;
- (b) ***Second Level*** – includes professional, technical, scientific or other specialized positions in a supervisory or non-supervisory capacity requiring at least a baccalaureate degree or its equivalent as determined by the Commission; and
- (c) ***Third Level*** – includes all executive and managerial positions in the executive, legislative, and judicial branches, including constitutional offices.

It shall also cover the corresponding positions in the foreign service; the scientific; artistic; academic fields and other highly technical positions; in all branches, subdivisions, instrumentalities and agencies of the government including government-owned and controlled corporations with original charters.

SEC. 12. *The Non-Career Service.* - The non-career service shall be characterized by merit and fitness to be determined by (a) modes other than those of the usual tests utilized for the career service; (b) tenure which is limited to a period specified by law; (c) tenure which is co-terminus with that of the appointing authority or subject to his/her pleasure or which is limited to the duration of a specific project for which purpose employment was made; and (d) the primarily confidential nature of the position.

SEC. 13. *Positions Included in the Non-Career Service.* - The non-career service shall include the following:

- (a) Elective officers and their personal and primarily confidential staff;
- (b) Department heads and other public officers of Cabinet rank who occupy their positions at the pleasure of the President and their personal and primarily confidential staff;
- (c) Chairpersons and members of constitutional commissions and other commissions, boards and other bodies with fixed terms of office and their personal and primarily confidential staff;

- (d) Non-career undersecretaries and non-career assistant secretaries and their personal and primarily confidential staff;
- (e) Contractual personnel or those whose employment is in accordance with a special contract for a maximum period of one year to undertake a specific work or job which requires special or technical skills not available in the employing agency;
- (f) Those whose positions may be declared as personal and primarily confidential by the Commission; and
- (g) Emergency, casual and seasonal personnel.

Title III - The Civil Service Commission

Chapter 1. Composition, Duties and Functions

SEC. 14. *Composition.* - The Commission shall be composed of a Chairperson and two (2) Commissioners.

As far as practicable, the composition of the Commission must be gender balanced.

SEC. 15. *Qualifications of the Chairperson and Commissioners.* - The Chairperson and Commissioners shall be natural-born citizens of the Philippines, and at the time of their appointment are at least thirty-five (35) years of age with proven capacity for public administration and must not have been candidates for any elective position in the elections immediately preceding their appointment. At least one (1) of them must be a lawyer.

SEC. 16. *Terms of Office.* - The Chairperson and Commissioners shall be appointed by the President subject to confirmation of the Commission on Appointments for a term of seven (7) years without reappointment. In no case shall any Member be appointed or designated in a temporary or acting capacity. Appointment to any vacancy shall be only for the unexpired term of the predecessor.

SEC. 17. *Compensation.* - The salaries of the Chairperson and the Commissioners shall be fixed by law and shall not be decreased during their tenure.

SEC. 18. *Powers and Functions of the Commission.* - The Commission shall have the following powers and functions:

- (a) Administer and enforce the constitutional and statutory provisions on the merit system for all levels and ranks in the civil service system;

- (b) Prescribe, enforce and amend rules and regulations for carrying into effect the provisions of this Code and other pertinent laws which shall become effective thirty (30) days from the date of publication in the Official Gazette or in a national newspaper of general circulation;
- (c) Promulgate its own rules concerning pleadings and practice before it or any of its offices. Such rules shall not diminish, increase or modify substantive rights;
- (d) Promulgate policies, standards and guidelines for the civil service system and adopt plans and programs to promote economical, efficient and effective personnel administration and an effective system and mechanism to ensure feedback from the public;
- (e) Formulate policies and regulations for the administration, maintenance and implementation of position classification and compensation and set standards for the establishment, allocation and reallocation of pay scale classes and positions;
- (f) Render decisions, orders, opinions or rulings on civil service matters which shall be binding on heads of departments and agencies and immediately executory;
- (g) Appoint to ranks Career Executive Officer-Eligibles upon recommendation by the Career Executive System Board;
- (h) Discipline CES members for cause after due process;
- (i) Manage the administration of the civil service examinations. Any entity or officer or employee of the government may be called upon by the Commission to assist in the preparation and conduct of the said examinations. Such assistance includes, but is not limited to, the provision of personnel and security, the use of buildings and facilities, as well as the transportation of examination materials;
- (j) Grant civil service eligibility to qualified applicants based on Civil Service examination results, performance, training, education, qualifications and other similar standards, subject to the guidelines it may prescribe;
- (k) Prescribe all forms for civil service examinations, appointments, reports and such other forms as may be required by law and the rules and regulations of the Commission;
- (l) Have exclusive jurisdiction over cases involving examination irregularities committed by government employees or private individuals;
- (m) Request any government agency for assistance and information necessary in the effective discharge of its responsibilities ;
- (n) Take the primary role in continuously reviewing examinations systems and procedures to ensure that the integrity of such examinations are not compromised.
- (o) Declare, when appropriate, positions in the civil service system as primarily confidential, highly technical or policy-determining;

- (p) Formulate, administer and evaluate programs relative to the selection and recruitment, development and retention of qualified and competent work force in the public service, including administration, development and evaluation of training, scholarship and retirement programs;
- (q) Hear and decide administrative cases and other Civil Service matters brought before it directly or on appeal, including disciplinary matters, contested appointments or personnel actions;
- (r) Issue subpoena *ad testificandum* (process directing a person to testify) and/or subpoena *duces tecum* (process directing a person to produce with him/her any book, document or other things under his/her control pertinent to the issue of a pending controversy).
- (s) Issue a writ of preliminary injunction or temporary restraining order when, on the basis of the allegations in the petition, it is established that the acts complained of, involving or arising from any personnel actions, if not restrained or performed immediately, may cause grave or irreparable injury to any party or render ineffectual any decision of the Commission in favor of such party.
- (t) Deputize officers and employees of the Commission and of other departments and agencies to investigate and hear cases and to submit their findings and recommendations to the Commission. For this purpose, deputized officers and employees may issue subpoena *ad testificandum* (process directing a person to testify) and/or subpoena *duces tecum* (process directing a person to produce with him/her any book, document or other things under his/her control pertinent to the issue of a pending controversy);
- (u) Delegate any power or function of the Commission to its regional or field offices;
- (v) Review decisions and actions of its offices;
- (w) *Enforce and execute its decisions, orders and rulings, and for this purpose, deputize any national or local law-enforcement agency or instrumentality of the government which shall act under the direct and immediate supervision of the Commission;*
- (x) Punish for contempt, direct and indirect, officers, employees and other persons for refusal or failure to comply with the decisions, orders, rulings or processes and proceedings of the Commission. The Commission may impose a penalty of fine of not less than P1,000.00 per day until compliance, or suspension from office without pay for a period of not more than thirty (30) days; or both as the circumstances may warrant;
- (y) Advise the President on all matters involving personnel management in the civil service system and submit to the President an annual report on personnel programs;
- (z) Act on all appointments and other personnel matters in the civil service system;

- (aa) Inspect and audit the personnel actions and programs of the departments, agencies, bureaus, offices, and other instrumentalities of the government, including government-owned and -controlled corporations with original charters, local government units, state universities and colleges; conduct periodic review of the decisions and actions of offices or officers to which authority has been delegated by the Commission and apply appropriate sanctions whenever necessary;
- (bb) Prescribe rules and policies on employee organizations and regulate employee-management relations including the settlement of disputes;
- (cc) Prescribe and enforce rules and regulations to promote and ensure safe, healthy and proper working conditions for employees;
- (dd) Keep and maintain personnel records, extend and accredit government service of public officers and employees;
- (ee) Delegate authority for the performance of any of its functions to other departments and agencies where such functions can be effectively performed;
- (ff) Appoint and discipline its officers and employees in accordance with law and exercise control and supervision over the activities of the Commission;
- (gg) Administer programs that will foster an honest, graft-free public service, including but not limited to the encouragement and protection of persons who report to proper government authorities anomalies and irregularities in government operations; and
- (hh) Exercise all powers and perform the functions properly belonging to a central personnel agency.

SEC. 19. *Duties and Responsibilities of the Chairperson and the Commissioners.* –(a) The Chairperson and the two Commissioners shall be responsible for the effective exercise of the rule-making, policy-formulation and adjudicative functions of the Commission. They shall decide by a majority vote on any case or matter brought before the Commission within sixty (60) days from the date of its submission for decision or resolution.

(b) The Chairperson shall be the chief executive officer and shall perform the following functions:

- (1) Execute and administer the internal policies, decisions, orders, and resolutions approved by the Commission;
- (2) Direct and supervise the operations and internal administration of the Commission;
- (3) Sign appointments of subordinate officers and employees made by the Commission and enforce decisions on administrative discipline involving them;
- (4) Submit the annual budget of the Commission to Congress for its approval;

- (5) Transmit to the President, rules and regulations adopted by the Commission which require presidential attention including annual and other periodic reports;
 - (6) Delegate authority, in whole or in part, to other officers of the Commission, in accordance with the Rules and Regulations of the Commission; and
 - (7) Perform such other functions as may be provided by law.
- (c) The Chairperson shall be an ex-officio member of the board of directors and governing body of government entities whose functions affect the career development, employment status, rights, privileges and welfare of public officers and employees, such as the Government Service Insurance System (GSIS), Foreign Service Institute (FSI), Board of Foreign Service Examinations (BFSE), Foreign Trade Service Board (FTSB), Board for Professional Teachers (BPT), Scientific Career Council (SCC), Development Academy of the Philippines (DAP), Home Development Mutual Fund (HDMF), Philippine Health Insurance Corporation (PhilHealth) and other similar boards as may be created by law. The Chairperson may delegate any of these responsibilities to any of the Commissioners and other ranking officers of the Commission.
- (d) The Commissioners may perform such functions as may be delegated by the Commission. In the absence of the Chairperson owing to illness or incapacity, the senior Commissioner shall act as, and perform the functions of the Chairperson.

SEC. 20. Commission Proceedings. - The proceedings of the Commission shall be in accordance with such rules as it may adopt.

Chapter 2. Organization and Structure

SEC. 21. Offices in the Commission. - The Commission shall have the following offices:

- (a) Office of the Assistant Commissioners;
- (b) Office for the Career Executive and Technical Systems;
- (c) Office for Legal Affairs;
- (d) Examination, Recruitment, and Placement Office;
- (e) Personnel Policies and Standards Office;
- (f) Human Resource Development Office;
- (g) The Civil Service Institute;

- (h) Public Sector Labor Relations Office;
- (i) Public Assistance and Information Office;
- (j) Integrated Records Management Office;
- (k) Office for Planning and Administration;
- (l) Office for Financial and Assets Management;
- (m) Office for Personnel Management and Development;
- (n) Staff Support Offices;
 - (1) Internal Audit Service
 - (2) Commission Secretariat and Liaison Office
- (o) Regional Offices/Field Offices.

SEC. 22. *Office of the Assistant Commissioners.* - The Office of the Assistant Commissioners (OACs) shall render executive staff functions to the Commission in the areas of research, policy review and program development. This office shall also handle special projects and maintain external linkages as may be deemed necessary by the Commission. There shall be no more than four (4) Assistant Commissioners at any given time.

SEC. 23. *Office of the Career Executive System.* - The functions of the Office for the Career Executive and Technical Systems (OCETS) are defined in Chapter 3 on the Third Level Systems.

SEC. 24. *Office for Legal Affairs.* - This office shall provide the Commission with legal advice and assistance in the exercise of its rule-making, policy-formulation, prosecution, quasi-judicial and other functions. The Solicitor General shall represent the Commission in connection with cases involving its functions before any court or tribunal. The Solicitor General may deputize attorneys of the Commission to appear before such courts or tribunals but shall be under the supervision and control of the Solicitor General with respect to such cases.

SEC. 25. *Examination, Placement and Recruitment Office.* - The Examination, Placement and Recruitment Office (ERPO) shall take charge of developing, enhancing, controlling, supervising and coordinating pertinent schemes in the granting of civil service eligibility such as but not limited to administration of Civil Service examinations. It shall also take charge of formulating programs, policies, standards and guidelines in the certification and placement of civil service eligibles.

SEC. 26. *Personnel Policies and Standards Office.* - The Personnel Policies and Standards Office (PPSO) shall take charge of the formulation and periodic review of

qualification-, performance- and promotion-standards within the context of the merit and rewards policies of the various closed and open career systems. The office shall, in coordination with appropriate offices in the Department of Budget and Management (DBM), develop policies and regulations with respect to the administration, maintenance and implementation of position classification & compensation as well as standards for the establishment, allocation and reallocation of pay scales, classes and positions.

OPPS shall also develop policies, programs and regulations relative to performance management, as well as the inspection and audit of personnel mechanisms in the government agencies.

SEC. 27. *Human Resource Development Office.* - The Human Resource Development Office (HRDO) shall formulate, administer, monitor and evaluate HRD programs and policies relative to the development and retention of a qualified and competent work force in the public service. It shall also be responsible for the innovation and modeling of development interventions to enhance capacities and reinforce service values of public servants.

SEC. 28. *Civil Service Institute.* - This office shall be responsible for the design and administration of the Commission's training programs.

SEC. 29. *Public Sector Labor Relations Office.* - The Public Sector Labor Relations Office (PSLRO) shall take charge of all inter- and intra-public sector union concerns such as employee relation standards, conciliation, registration and accreditation of unions including advocacy work. It shall also serve as the secretariat for the Public Sector Labor Management Council (PSLMC). The conduct of research and training on public sector unionism, as well as the function of designing and developing labor education programs shall also be lodged in this office.

SEC. 30. *Public Assistance and Information Office.* - The Public Assistance Information Office (PAIO) shall take charge of managing an effective information exchange system between the Commission and its internal and external publics. Its function includes maintaining strong linkages with media institutions/practitioners as well as undertaking special projects, such as the CSC anniversary celebration and the Honor Awards Program, necessary in carrying-out its dual role of information dissemination as well as feedback generation on operations, programs and thrusts of the Commission.

SEC. 31. *Integrated Records Management Office.* - The Integrated Records and Management Office (IRMO) shall formulate and implement policies, standards and

regulations pertaining to the storage, maintenance, security control, and disposal of government personnel records and other related civil service documents. Management of such records includes maintenance of the resource center for computer-based information, the library, the archives, and the museum of the Commission.

IRMO shall also be responsible for the management of incoming and outgoing communications of the Commission.

SEC. 32. *Office for Planning and Administration.* - The Office for Planning and Administration (OPA) shall be responsible for the formulation, implementation and monitoring of the long-term Strategic Plans of the Commission. It shall provide technical support and assistance to the Commission on organizational planning, benchmarking and research and in the development of work programs and projects of the different Commission offices consistent with its mandate.

OPA shall also oversee the formulation and management of the Information Technology Plan that shall serve as the blueprint for the development, implementation, and maintenance of communication and information systems vital to the internal operations of the CSC as well as to the decision-making functions of the Commission.

SEC. 33. *Office for Financial and Assets Management.* - The Office for Financial Assets and Management (OFAM) shall take charge of ensuring sound fiscal and asset management consonant with the annual, supplemental and special budgets of the Commission as contained in the General Appropriations Act.

SEC. 34. *Office for Personnel Management and Development.* - The Office for Personnel Management and Development (OPMD) shall take charge of formulating the human resource management and development plan of the Commission, which includes development of sound policies on personnel management in the areas of recruitment and selection, employee welfare and discipline, career development programs as well as position classification and pay plan of the Commission.

SEC. 35. *Internal Audit Service.* - The Internal Audit Service (IAS) shall oversee the periodic evaluation of existing methods and procedures, including financial systems, in the Commission and on the basis of such, formulate plans and programs relative to fiscal discipline, and management improvement and productivity of the Commission.

SEC. 36. *Commission Secretariat and Liaison Office.* - The Commission Secretariat and Liaison Office (CSLO) shall take charge of programming and coordinating regular and special meetings of the Commission, and of communicating with other

government agencies. Its function includes efficient information management and maintenance of all records, decisions, policies, pronouncements and issuances of the Commission.

CSLO shall also be the main liaison with Congress, the Regional Offices, and other government offices.

SEC. 37. *Regional Offices/Field Offices.* - The Regional Offices shall enforce Civil Service rules, policies and standards on personnel management within their respective regional jurisdictions. They shall provide technical advice and assistance to government offices and agencies regarding personnel administration such as but not limited to examination and placement, career development, appointments, filing/resolution of legal cases, audit, and other functions delegated by the Commission.

SEC. 38. *Changes in the Commission Organizational Structure.* - The Commission may reorganize or effect changes in its organization, including the creation, merger or consolidation, splitting or division and abolition of offices and positions.

Chapter 3. THE THIRD LEVEL SYSTEMS

SEC. 39. *The Third Level Systems* – The Third Level administered by the Civil Service Commission shall be composed of the Career Executive System and the Career Technical System. The Career Technical System shall among others consist of the foreign service, scientific, artistic, academic fields and other highly technical positions as maybe determined by the Civil Service Commission.

SEC. 40. *Office for the Career Executive and Technical Systems* - The Office for the Career Executive and Technical Systems, which shall be an office under the Civil Service Commission with its own administrative and financial support system, shall serve as the Secretariat for the Third Level Systems. It shall be responsible for the implementation of the policies, rules, regulations, decisions, directives, and instructions pertaining to the third level.

The Office for the Career Executive and Technical Systems shall be headed by an Assistant Commissioner, who shall be assisted by a Director IV, both of whom shall be Career Executive Officers and appointed by the Chairperson of the Civil Service Commission.

SEC. 41. *The Career Executive System.* - The Career Executive System shall cover all executive and managerial positions in the Executive, Legislative, and Judicial

branches, including Constitutional offices and such other equivalent positions as may be identified by the Board.

Entry and advancement in the Career Executive System shall be governed by the principle of merit and fitness, other requirements as may be prescribed by the Board through the Civil Service Commission. The Career Executive System shall be essentially characterized by the principles of security of tenure and mobility.

SEC. 42. *Membership* - A Career Executive Officer-Eligible who is assigned to a position in the Career Executive System shall automatically be given the entry rank as Career Executive Officer by the Civil Service Commission upon recommendation by the Board. This process completes his/her membership in the Career Executive System.

SEC. 43. *Career Executive System Board* - The Board is the policy making body of the Career Executive System. It shall promulgate rules, standards, and procedures in the recruitment, selection, assignment to positions, classification, compensation, mobility, performance management, tour of duty, rewards and incentives, and training and career development of Career Executive Officers and Career Executive Officer-Eligibles.

The Civil Service Commission shall exercise administrative supervision over the Board.

SEC. 44. *Composition of the Career Executive System Board* - The Board shall consist of the Chairperson of the Civil Service Commission, as the Board's ex-officio Chairperson; the Secretary of the Department of Budget and Management or his/her permanent representative not lower than an Undersecretary; the President of the Development Academy of the Philippines; and the Dean of the National College of Public Administration and Governance of the University of the Philippines as ex-officio members.

The Board shall also include a representative of the nationwide association of career executive officers, a representative of the nationwide association of personnel managers in the private sector, both of whom shall be nominated by their respective associations, and one from the ranks of retired Career Executive Officers, all of whom shall be appointed by the Chairperson for a term of three (3) years.

Members of the Board shall be provided with per diems and allowances as may be determined by the Commission.

SEC. 45. *Rank System in the Career Executive System* - Career Executive Officers shall be classified according to ranks, which shall be established and determined by the Civil Service Commission upon recommendation by the Board. The classification of ranks

shall be based on proven competence, qualifications, broad levels of responsibility, and other relevant considerations.

SEC. 46. *Appointment to Rank* - Only a Career Executive Officer-Eligible assigned to a position in the Career Executive System within the coverage of the Salary-Standardization Law, shall be appointed to a rank by the Civil Service Commission upon recommendation by the Board. The issuance of rank shall be done by the Chairperson of the Civil Service Commission.

SEC. 47. *Personnel Mechanisms* - The Board shall develop and design personnel mechanisms for the Career Executive System in accordance with standards and policies developed by the Commission.

SEC. 48. *Compensation* - A Career Executive Officer shall be compensated according to rank and shall be provided with an attractive salary, fringe benefits, and reasonable allowances. A Career Executive Officer occupying a position in the Career Executive System shall enjoy an added premium based on his/her rank. In case a Career Executive Officer occupies a position whose salary grade is higher than that of his/her rank, he/she shall receive the difference between the salary grade of his/her position and his/her rank while assigned to the position.

The Board, in coordination with the Civil Service Commission, and in consultation with the Department of Budget and Management, shall develop, and periodically review a compensation plan for Career Executive Officers.

The employing agency shall provide the funds to pay the salary, fringe benefits, and allowances of a Career Executive Officer.

SEC. 49. *Mobility* - Notwithstanding any provision of law to the contrary, Career Executive Officers may be assigned to any position in the Career Executive System without diminution in rank and salary.

There shall be a tour of duty of three (3) years for each Career Executive Officer, during which period he/she shall not be transferred to another office or position without his/her consent.

SEC. 50. *CES Resource Pool* - The Civil Service Commission shall establish a Career Executive System Resource Pool drawn from Career Executive Officers who may be tapped by other agencies of the government for cross-posting to undertake special works and unique assignments within a specific period, depending on the needs of the requesting agency. Participation of Career Executive Officers in the Pool may either be voluntary or involuntary.

For this purpose, the Civil Service Commission upon recommendation of the Board shall establish the systems and procedures in the assignment of Career Executive Officers to the Career Executive System Resource Pool.

The Civil Service Commission shall administer the Pool and pay for the salaries, benefits, and other expenses of Career Executive Officers assigned to the Pool.

SEC. 51. *Security of Tenure* – A Career Executive Officer shall enjoy security of tenure in the Career Executive System and shall not be suspended or dismissed, except for cause and after due process.

Officers in Salary Standardization Law-exempt agencies shall be governed by private sector rules and as such, shall not enjoy security of tenure.

SEC. 52. *Discipline* – The Civil Service Commission shall have the authority to discipline occupants of positions in Career Executive System.

SEC. 53. *Promotion in Rank* - The Board shall recommend to the Civil Service Commission the criteria which shall be the basis for promotion in rank. The criteria to be established shall include, but are not limited to, dimensions such as performance, qualifications, and proven competence.

SEC. 54. *Assignment to Positions in the Career Executive System* - Career Executive Officer-Eligibles shall be given priority in assignments to vacant positions in the Career Executive System. In exceptional cases, a non-Career Executive Officer-Eligible may be assigned to a position in the Career Executive System on a temporary status. He/she shall, however, be replaced once a Career Executive Officer-Eligible becomes available.

Those who are in the Salary Standardization Law (SSL)-exempt agencies shall also be required to be Career Executive Officer-Eligibles prior to their assignments to positions in the Career Executive System.

As far as practicable, all Undersecretaries and Assistant Secretaries shall come from the Career Executive Officers and Eligibles. In no case shall the number of non-career Undersecretaries and Assistant Secretaries exceed more than fifty percent (50%) of the number of career Undersecretaries and Assistant Secretaries.

The Civil Service Commission shall establish a mechanism to ensure that assignments to positions in the Career Executive System conform to the standards prescribed under this Code.

SEC. 55. *Assignments by the President* - The President shall assign Career Executive Officers to career Undersecretary and Assistant Secretary positions. Appointment

to non-career Undersecretary and Assistant Secretary positions shall be made by the President.

SEC. 56. *Assignments by the Head of Agency* – Assignments to Career Executive System positions lower than Assistant Secretary shall be made by the head of agency or the appointing authority concerned and such shall be subject to the approval by the Commission.

SEC. 57. *Training and Career Development* - The Board shall establish a continuing program of training and career development for Career Executive Officers and Career Executive Officer-Eligibles.

SEC. 58. *Performance Management* - The Board shall develop a system for periodic evaluation of performance of occupants of positions in the Career Executive System, taking into account their accomplishments and managerial capability. This periodic evaluation system shall be the basis for the grant of incentives and awards, as well as for sanctions for poor performance.

BOOK II. PERSONNEL POLICIES AND STANDARDS

Title I – On Employment

Chapter 1. Recruitment

SEC. 59. *Policy.* - Recruitment in the civil service system shall be made on the basis of merit and fitness to perform the duties and assume the responsibilities of the position, to be determined as far as practicable by competitive examination usually administered by the Commission. Only the Commission shall have the authority to grant civil service eligibility.

Every Filipino citizen shall have equal access to or opportunities for public service regardless of, among others religious belief, color, sex, regional origin, sexual-orientation or ethnic affiliation. Measures shall be adopted to include qualified members of indigenous cultural communities and other minority groups and differently abled persons for recruitment and selection.

SEC. 60. *Kinds and Frequency of Civil Service Examinations.* - Examinations may be written, oral, physical, testimonial based on performance or skills or a combination of these types. Examinations may take into consideration experience, education, aptitude, capacity, knowledge, character, physical fitness and other attributes of the applicant as may be determined by the Commission.

The Commission shall administer competitive examinations for all levels in the career service and grant corresponding civil service eligibilities to passers of the same and conduct civil service examinations as often as the exigency of the service requires.

Civil service special examinations may be conducted upon request of a particular department or agency, subject to rules and regulations promulgated by the Commission.

SEC. 61. *Qualifications of Applicants to Civil Service Examinations.* - Admission to civil service examinations shall be limited to citizens of the Philippines who satisfactorily meet the requirements prescribed by the Commission.

SEC. 62. *Invalidation of Civil Service Examination Results.* - The Commission shall have the authority to invalidate civil service examination results based on statistical improbability and other forms of irregularity as determined by the Commission.

SEC. 63. *Examination Rating for Civil Service Eligibility.* - Unless otherwise prescribed by the Commission, every examinee who obtains a general rating of at least eighty (80%) percent shall be granted a civil service eligibility.

SEC. 64. *Simultaneous Release of Examination Results.* - The results of an examination held in various locations on the same date shall be released simultaneously.

SEC. 65. *Registers of Civil Service Eligibles.* - The Commission shall maintain a register of qualified eligibles for each category of examination actually available for appointment. The register shall be the basis for certification and appointment in the civil service system.

SEC. 66. *Bar or Board Examinations as Eligibility.* - Successful examinees to bar or board examinations requiring completion of baccalaureate degrees or courses requiring not less than seventy-two (72) units of collegiate subjects or its equivalent as well as those registered under their respective boards to practice their professions without examination, shall be considered civil service eligibles. Their eligibilities shall be effective upon the release of examination results or the date of registration, as the case may be.

The Supreme Court and the Professional Regulation Commission shall furnish the Commission with the official list of successful examinees within thirty (30) days from the release of the examination results.

SEC. 67. *Effectivity and Imprescriptibility of Civil Service Eligibility.* - Eligibilities resulting from civil service, bar or board examinations shall be effective on the

date of the release of examination results. Other eligibilities granted by the Commission shall be effective on the date of the grant.

Civil service eligibilities shall be imprescriptible.

SEC. 68. *Agency Responsibilities in the Conduct of Examinations.* - All departments and agencies shall extend the necessary support and assistance to the Commission in the conduct of civil service examinations. They shall make available such personnel, buildings, transportation, communication and other facilities, that may be needed in the administration of the examinations.

SEC. 69. *Printing, Storage, Transportation and Distribution of Examination Materials.* - The printing, storage, transportation and distribution of examination materials shall be under the exclusive supervision and control of the Commission. The Commission shall determine and provide the necessary security measures for this purpose.

SEC. 70. *Examining Committees, Examiners and Investigators.* - The Commission may deputize persons to act as members of examining committees, examiners or investigators to perform such duties as the Commission may require. In the performance of such duties, they shall be under the exclusive control and supervision of the Commission. Such persons so deputized may be given allowances or per diem for their services to be paid out of funds allocated for the particular examination and at a rate to be determined by the Commission. Expenses for specialized examinations shall be allocated by the requesting department or agency.

Chapter 2. Selection and Appointment

SEC. 71. *Selection Process.* - Each department or agency shall evolve its own selection process in accordance with standards and guidelines set by the Commission.

A Personnel Selection Board for all levels shall be established in each department or agency to assist the appointing authority in the judicious evaluation and selection of personnel. The board shall be established in accordance with standards and guidelines set by the Commission.

SEC. 72. *Requisites for Appointment.* - Employment in the government service shall be made through appointment in accordance with the provisions of the Constitution, this Code, other laws and the rules and standards prescribed by the Commission.

In the appointment of teachers to public elementary or secondary schools preference shall be given to qualified bona fide residents of the municipality/city where the school is located.

SEC. 73. *Publication of Vacancies.* – All vacant positions in government shall be published or announced in either print or broadcast media or in any other form of publication such as in a newspaper or periodical of general or local circulation; the quarterly bulletin of vacant positions prepared by the Commission; or through posting on internet websites; prior to its filling-up. *Provided, however that,* only vacancies at the local government units shall be published in newspapers or periodicals which are of local circulation, or announced in local radio networks.

The agency where the vacancy is shall be responsible in publishing or announcing its vacant positions and such shall be posted in at least three (3) conspicuous public places in their area of jurisdiction.

Provided, further that, published vacant positions shall be open to any qualified person and that the Commission shall not act on any appointment to a vacant position unless the same has been published and posted.

The following positions shall be exempt from the publication requirement:

- (a) primarily confidential;
- (b) policy-determining;
- (c) highly technical;
- (d) coterminous with that of the appointing authority; or
- (e) limited to the duration of a particular project.

SEC. 74. *Merit and Fitness in Appointment.* - Appointment in the civil service system shall be made only according to merit and fitness to be determined, as far as practicable, by competitive examination, except to positions which are policy determining, primarily confidential, or highly technical.

SEC. 75. *Who May Appoint.* - Appointment in the civil service system shall be issued only by those authorized by the Constitution or by law including those appointed in an acting capacity. Those who are designated cannot exercise the power to appoint.

The appointing authority shall confine his/her choice to the top five candidates as ranked by the Personnel Selection Board (PSB).

SEC. 76. *Qualifications for Appointment.* - Appointment in the civil service system shall be limited to citizens of the Philippines who are at least eighteen (18) years of

age and who meet the qualifications and none of the disqualifications prescribed for the position.

SEC. 77. *Effectivity of Appointment.* - An appointment shall take effect immediately upon its issuance by the appointing authority. If the appointee has assumed the duties of the position, he/she shall be entitled to receive salary at once without awaiting the approval of his/her appointment by the Commission. Such appointment cannot be withdrawn or cancelled by the appointing authority and shall remain in full force and effect unless disapproved by the Commission. However, an appointment issued through fraudulent means or in violation of law, shall be void from the beginning.

In the case of temporary appointment, the twelve (12) month period of its effectivity shall be reckoned from the date of issuance of the appointment and not from the date the appointee assumes the duties of the position.

No officer or employee in the government shall allow a person to render service without an appointment duly issued by the appointing authority. Those who allow such service in violation of this Section shall be personally liable for the salaries of the person concerned. Moreover, the services rendered by the said person shall not be credited as government service.

If the appointee does not assume office within thirty (30) days from date of issuance of appointment, said appointment shall be deemed automatically cancelled.

If the appointee is not allowed to assume office by the appointing authority in spite of the Commission's approval of the appointment, the appointing authority shall be held liable for contempt of the Commission. This is without prejudice to his/her liability under RA 3019 (*Anti-Graft and Corrupt Practices Act*) and other criminal and administrative sanctions.

SEC. 78. *Appointment Form.* - An appointment shall be issued in the form prescribed by the Commission.

SEC. 79. *Submission of Appointments and Oaths of Office.* - All appointments in the civil service system, except those issued by the President, shall be submitted to the Commission for approval not later than thirty (30) days from the date of issuance thereof. Such approval shall be indicated below the signature of the appointing authority; otherwise, it shall be made effective thirty (30) days prior to the date of submission to the Commission.

Copies of appointments and oaths of office of those appointed by the President shall be submitted to the Commission for record purposes.

SEC. 80. *Merit Promotion Plan.* - Each department or agency shall establish a Merit Promotion Plan, subject to the approval of the Commission in accordance with standards and guidelines it may prescribe.

SEC. 81. *Appropriate Civil Service Eligibility.* - Appropriate civil service eligibility shall be required for permanent appointment to positions in the career service in accordance with the standards set by the Commission. Whenever there is a qualified civil service eligible willing and actually available for appointment, no appointment shall be issued to a person who is not an eligible, even in a temporary capacity.

When as certified to by the Commission, the immediate filling of the vacancy is required in the public interest, or when the vacancy is not permanent, a temporary appointment may be issued to eligibles who lack any of the other requirements for appointment or, to non-eligibles who meet all the other mandatory requirements for a particular position.

A person with a civil service eligibility acquired by passing an examination shall be qualified for a position requiring a lower level eligibility if he/she possesses the other requirements for appointment to such position.

Nothing herein shall affect eligibilities acquired prior to the effectivity of this Code.

SEC. 82. *Qualification Standards.* - Qualification standards shall be used: (a) as a basis for civil service examinations for positions in the career service; (b) as a guide in appointment and other personnel actions; (c) in the adjudication of protests against appointment; (d) in determining training needs; and (e) as an aid in inspection and audit of the agencies' personnel work programs.

The establishment, administration and maintenance of qualification standards shall be the responsibility of the department or agency concerned, with the approval of the Commission.

Qualification standards shall be administered so as to continually provide incentives to public officers and employees towards professional growth.

Chapter 3. Status of Appointment

SEC. 83. *Appointment Status.* - The status of an appointment shall be:

- (a) ***Permanent*** - an appointment issued to a person who meets all the qualification requirements of the position. In no case shall a person who meets all the requirements for permanent appointment be issued temporary appointment except to occupational groups of positions requiring additional or special disqualifications, in which case, prior clearance to issue temporary

appointment shall first be secured from the Commission. In case an appointment is erroneously issued, the Commission shall make the necessary rectification.

Whenever there is a qualified civil service eligible willing and actually available for appointment as certified by the Commission, a non-eligible shall not be appointed even in a temporary capacity to any vacant position in the career service.

- (b) **Temporary** - an appointment issued to a person who does not meet the eligibility or any of the other qualification requirements of the position: Provided, that there are no qualified eligibles willing and actually available for appointment and that the appointment shall not exceed twelve (12) months.

A temporary employee shall not be removed except for cause during the one (1) year period; Provided, that he/she may be replaced any time within the said period, only by a qualified civil service eligible. In the latter case, the appointing authority shall recall the temporary appointment and appoint the qualified civil service eligible.

- (a) **Provisional** - an appointment issued to a teacher who meets all the requirements of the position except the eligibility but shall not exceed twelve (12) months.
- (b) **Substitute** - an appointment issued to a person who has all the qualifications for permanent appointment but shall occupy a temporary vacancy while the regular occupant thereof is on an approved leave of absence for at least one month, on a scholarship grant, on secondment, out on official business, or is unable to perform the duties for at least a month.
- (c) **Coterminous status of appointment** - an appointment issued to a person whose entrance and continuity in the service is: (1) based on the trust and confidence of the appointing authority or of the head of the organizational unit where he/she is assigned; (2) limited by the duration of the project; (3) co-existent with the life span of the agency or office created; or (4) co-existent with the term or tenure of office of the appointing authority or the head of a specific organizational unit.
- (d) **Contractual** - an appointment issued to a person for services in accordance with a special contract to undertake a specific work requiring special or technical skills unavailable in the employing agency, to be accomplished within one year. The contractual employee shall perform the specific work under his/her own responsibility with minimum direction and supervision from the hiring agency. No contractual appointments corresponding to plantilla positions shall be issued.

- (e) *Casual* – an appointment issued to a person for services in an emergency or during peak work period to positions which do not have regular items in the plantilla of personnel of the department or agency. A casual appointment shall not exceed twelve (12) months.

Casual employees who have been in the service for an aggregate of three (3) years from the approval of this Act who meet all the qualification requirements of the position shall be absorbed as regular employees in accordance with the budgetary limitations set by law and rules to be promulgated by the Commission.

In no case shall temporary, provisional, contractual and casual appointments exceed an aggregate number of three (3) years in the same position except in meritorious cases as determined by the Commission.

SEC. 84. *Job Orders/Contract of Services and Consultancy.* - The appointing authority may enter into service contracts such as job orders/contracts of services and consultancies with individuals and institutions to cover lump sum work or services for short duration wherein no-employer-employee relation exists which contract shall be submitted to the Commission thirty (30) days from perfection of the contract for monitoring and record purposes.

SEC. 85. *Budget for Casual, Contractual Services and Job Orders/Contracts of Services.* - The aggregate annual expenditure for consultancy, casual and contractual services shall jointly be determined by the Commission and the Department of Budget and Management.

Chapter 4. On Personnel Actions

SEC. 86. *Personnel Action.* - Denotes the movement of personnel within the civil service system. It shall include original appointment, promotion, transfer, reinstatement, reemployment, reappointment, renewal, change of status, upgrading or reclassification, demotion and other related action. Personnel actions shall be in accordance with the rules, standards and regulations promulgated by the Commission.

A vacancy may be filled up by any of the following personnel actions: original appointment, promotion, transfer, renewal, demotion, reemployment and reappointment.

SEC. 87. *Original Appointment.* - refers to the initial entry into the career service or non-career service.

The appointee shall undergo a probationary period of six (6) months during which he/she shall undergo a thorough assessment of his/her performance and character. His/Her services can be terminated anytime during said period for unsatisfactory conduct or want of capacity. The order of termination shall be served through personal notice or through constructive notice and shall no longer be appealable.

SEC. 88. *Promotion.* - is the movement of an employee to a higher position with a corresponding increase in duties and responsibilities, usually accompanied by an increase in salary.

The pendency of an administrative case against any public officer or employee shall not be a bar to promotion.

SEC. 89. *Transfer.* - is the movement of an employee from one agency to another or from one position to another within the same agency which may involve a position of higher, equivalent or lower rank, level or salary, without break in the service. Transfer requires the issuance of an appointment.

SEC. 90. *Reinstatement.* - is the automatic restoration of a person to a position from which he/she was illegally separated with back salaries, allowances and other monetary benefits except rata and uniform allowance not to exceed five (5) years reckoned retroactively from the date of actual reinstatement.

SEC. 91. *Reemployment.* - is the appointment of a person who has been previously appointed to a position in the government service after separation therefrom. Reemployment presupposes gap in the service.

SEC. 92. *Reappointment.* - is the issuance of an appointment during reorganization, devolution, salary standardization involving change in position titles and salary grades, or similar events. Reappointment presupposes no gap in the service.

SEC. 93. *Renewal.* - is the subsequent appointment issued immediately upon the expiration of a temporary, contractual or casual appointment, if a qualified eligible is not willing and actually available, as certified by the Commission. Renewal presupposes no gap in the service.

SEC. 94. *Demotion.* - is the movement from one position to another within the same department or agency involving the issuance of an appointment with diminution in

duties, responsibilities and status or rank which may or may not involve reduction in salary: Provided, that such demotion shall require the consent of the officer or employee concerned.

SEC. 95. *Reclassification.* - is the process of upgrading or downgrading a position without change of status and regardless of the qualifications of the holder of said position.

SEC. 96. *Personnel Movements Not Involving the Issuance of Appointments.* - The issuance of an appointment is not needed in personnel movement involving no change in position title, rank or status if the existing appointment does not specify the work station. Such movement may include the following:

- (a) change in item number only
- (b) Salary adjustment
- (c) Step-increment
- (d) Upgrading (same position)

Notice of such adjustment or movement shall be submitted to the Commission within thirty (30) days from issuance thereof.

Except for secondment, the following personnel movements do not require the issuance of appointments but shall require office orders:

- (a) ***Reassignment*** - is the movement of an employee across the organizational structure within the same department or agency, which does not involve diminution in rank, status or salary.

Reassignment of employees with station-specific appointments shall be allowed for maximum period of one year only, if without the consent of the employee.

Reassignment of employees without station-specific appointments has no definite duration, except when the reassignment is outside the geographical location, in which case reassignment without the consent of the employee shall be for one year only.

Reassignment is presumed to be regular and made in the interest of public service unless proven otherwise or if it constitutes constructive dismissal. Constructive dismissal exists when an official or employee quits his or her work because of the agency head's unreasonable, humiliating or demeaning actuations which render continued work impossible, or when the reassignment results in severe economic dislocation, performance of duties and responsibilities alien and remote to those attached to the position, or placement in remote and inaccessible geographic location. In these cases, the employee is

deemed illegally dismissed. This may occur although there is no diminution or reduction in rank, status or salary of the employee.

- (b) **Detail** - is the temporary movement of a public officer or employee from one department or agency to another without the issuance of an appointment but with the consent of both the mother and receiving agencies and shall be allowed only for a maximum period of one year; otherwise, the consent of the officer or employee concerned shall be necessary. Detail shall not result in reduction in rank, status or salary.

Detail which results in demotion in rank, status or salary or which exceeds one year without the consent of the public officer or employee may be appealed to the Commission. Pending the appeal, detail of the officer or employee shall be held in abeyance until the decision of the Commission.

The detailed employee shall carry his/her regular position in the mother agency and continue to receive his/her salary from the mother agency.

- (c) **Job Rotation** - is the sequential movement of an officer or employee from one office to another or from one division to another within the same agency as a means for developing and enhancing the potentials of people in an organization by exposing them to the other work functions of the agency. It shall be allowed only for a maximum period of one (1) year. However, job rotation exceeding one (1) year may be allowed with the written consent of the officer or employee.

- (d) **Secondment** - is a movement of an officer or employee from one department or agency to another upon mutual concurrence between the mother agency, the receiving agency and the employee concerned which should be covered by a Memorandum Of Agreement (MOA) in accordance with the guidelines that the Commission may promulgate. It is temporary in nature which may involve reduction or increase in compensation and may or may not require the issuance of an appointment. The seconded employee shall be on leave without pay from the mother agency and shall be entitled to the compensation of the position to which he/she was seconded in the receiving agency. Unless otherwise specified in the MOA, the receiving agency shall shoulder all the benefits and emoluments of the seconded employee.

- (e) **Designation** - The employee designated should hold permanent appointments to career positions. The designee cannot be granted the salaries of the positions they are being designated to, except allowances that go with their functions.

SEC. 97. *Change of Status.* - When a temporary officer or employee acquires the appropriate eligibility or becomes fully qualified to the position to which he/she is appointed, the status of such appointment shall be changed from temporary to permanent without issuing another appointment. However, such change shall be reflected in the records of the Commission upon the notification by the agency concerned.

Title II – Disputes Regarding Appointments and Other Personnel Actions

Chapter 1. Contest on Appointments and Other Non-Disciplinary Cases

SEC. 98. *Who May Contest An Appointment.* - Any eligible qualified for the position may contest an appointment made in favor of one who is not qualified or whose appointment is issued not in accordance with law.

SEC. 99. *Adjudication of Contests on Appointments and Other Personnel Actions.* - All other cases on non-disciplinary personnel actions shall be adjudicated initially by the appointing authority, in accordance with the procedure prescribed by the Commission.

SEC. 100. *Appeals on Contests of Appointments Other Personnel Actions And Non Disciplinary Cases.* - The decisions of heads of agencies shall be appealable to the Commission.

TITLE III - Agency Personnel Administration

Chapter 1. Inter-Agency Relations

SEC. 101. *The Central Personnel Agency.* - The Commission, as the central personnel agency of the government, shall promulgate rules and regulations to govern personnel administration and management in the civil service system.

SEC. 102. *Responsibility for Personnel Administration.* - The head of each department or agency shall be responsible for personnel administration in the office.

Each department or agency shall establish a personnel office to be headed by a Human Resource Management Officer (HRMO) who shall be responsible for the effective implementation of personnel regulations and policies.

Employee unions and organizations shall be consulted and represented in the development and implementation of the agency personnel mechanisms such as merit promotion plan, incentives and rewards program, performance appraisal system, incentives and rewards plan, training and development plan, grievance machinery, and occupational and health plan, in accordance with the rules and regulations promulgated by the Commission.

SEC. 103. *Council of Human Resource Management Officers.* - There shall be a Council of Human Resource Management Officers (CHRMO) to be composed of holders of the HRMO positions which shall elect from among its regular members a set of officers and promulgate its internal rules and procedures.

The CHRMO shall have the following functions:

- (a) Offer advice, upon request of the Secretary of the department or the Commission, in developing constructive policies, standards, procedures, and programs as well as on matters relating to the improvement of personnel methods and to the solution of personnel problems confronting the various departments and agencies of the government;
- (b) Promote among the departments and agencies, through study and discussion, uniform and consistent interpretation and application of personnel policies; and
- (c) Serve as a clearing house of information and simulate the use of methods of personnel management that will contribute most to good government.
- (d)

SEC. 104. *Appointment of Human Resource Management Officers in the Local Government Units.* - The local chief executive shall appoint Human Resource Management Officers from among the list of at least three (3) recommendees of the Commission.

Chapter 2. Local Government Personnel Administration

SEC. 105. *Responsibility for Local Government Personnel Administration.* - Each local government unit shall establish a human resource management office to be headed by an HRMO who shall be responsible for the implementation of personnel regulations and policies in accordance with the provisions of this Code, the Local Government Code, and rules, policies, standards, guidelines and regulations promulgated by the Commission.

SEC. 106. *HRMO Positions in LGUs.* - The position of HRMO shall be immediately mandatory for provincial and city governments, and first and second class municipalities. Third and fourth class municipalities shall create the HRMO position within three (3) years from the effectivity of this Code. While the fifth and sixth class municipalities shall create the same within five (5) years.

Chapter 3. Position Classification and Compensation

SEC. 107. *Position Classification and Compensation System.* - There shall be a Position Classification and Compensation System (PCCS) which shall be jointly prepared and administered by the Commission and the Department of Budget and Management.

SEC. 108. *Parts of the PCCS.* - The PCCS shall have two parts: the Position Classification Plan and the Compensation Plan.

The Position Classification Plan shall consist of the following:

- (a) The occupational groups and classes to which positions are to be allocated or reallocated; and
- (b) The rules and regulations for its implementation.

The Compensation Plan shall consist of the following:

- (a) Salary schedule;
- (b) Policies relative to allowances, bonuses, pension plan and other benefits accruing to public officers and employees in the civil service system; and
- (c) The rules and regulations for its implementation.

SEC. 109. *Basis for Position Classification and Compensation.* - The classification and compensation of positions in the civil service system shall be based on similarity of kind and level of work and the determination of the relative worth of these classes of positions.

SEC. 110. *Coverage of the PCCS.* - The PCCS shall apply to all positions in the civil service system whether permanent or temporary, appointive or elective on full-time or part-time basis now existing or hereafter created.

SEC. 111. *Allocation and Compensation of Positions.* - Each department or agency shall allocate positions in accordance with the rules and regulations issued jointly by the Commission and the Department of Budget and Management. Such allocations shall be binding on the administrative and auditing offices of the government. Any change in the position classification and compensation shall be included in the annual appropriations or budget of the department or agency only if it is in accordance with the PCCS mentioned in Section 103 hereof.

Chapter 4. Personnel Inspection and Audit

SEC. 112. *Purpose.* - The Commission shall conduct a periodic inspection and audit of the personnel management programs of each department and agency to:

- (a) Determine compliance with civil service law, rules and standards;
- (b) Review the exercise of delegated authority;
- (c) Evaluate the progress made and problems encountered in the implementation of the merit system;

- (d) Advise and provide assistance in the development of constructive policies, standards and procedures; and
- (d) Improve all areas of personnel management.

SEC. 113. *Scope.* - The inspection and audit of the personnel management programs may include the following:

- (a) Organization and personnel management;
- (b) Formulation, issuance and implementation of personnel policies;
- (c) Recruitment and selection of employee;
- (d) Personnel action and employment status;
- (e) Career and employee development;
- (f) Performance evaluation systems;
- (g) Employee suggestions and incentive award;
- (h) Employee relations and service;
- (i) Discipline;
- (j) Personnel records and reporting;
- (k) Program evaluation; and
- (l) Employee organization.

SEC. 114. *Submission of Audit Reports.* - The Commission shall regularly submit its audit reports to the units concerned, heads of departments, Office of the President and the Legislature.

BOOK III. HUMAN RESOURCE MANAGEMENT

Title I - Human Resource Development

Chapter 1. Policy on Human Resource Development

SEC. 115. *Policy.* - There shall be an integrated program on human resource development for all levels and ranks in the civil service system that shall provide equal opportunities for career development.

The Commission shall provide leadership in the integration of all human resource development programs. All departments and agencies shall develop and implement human resource development plans and programs for their personnel to include among others, training and development, performance appraisal and incentives and awards in accordance with Commission policies and standards.

Chapter 2. Training and Development

SEC. 116. *Training and Development System.* - The Commission shall establish an Integrated Training and Development System (ITDS) for all levels and ranks. This shall include opportunities for training in skills enhancement and capability-building programs, local and foreign scholarships, and other educational opportunities.

SEC. 117. *Commission's Responsibilities for Training and Development.* - The Commission shall be responsible for the development, administration and evaluation of government-wide training programs on public personnel administration.

The Commission shall issue the appropriate rules and regulations for the said training and development programs.

SEC. 118. *Responsibilities for Local and Foreign Scholarships.* - The Commission shall have the responsibility to administer service-wide local and foreign scholarship programs. It shall also develop policies, standards, procedures and guidelines for the effective, efficient and equitable distribution of all scholarship grants. However, foreign scholarship grants which are part of the overseas development assistance (ODA) shall be administered by an Inter-agency Committee co-chaired by the Commission and the National Economic and Development Authority.

SEC. 119. *Inter-Agency Scholarship Committee.* - The inter-agency scholarship committee which shall be co-chaired by the Chairperson of the Commission and by the Director-General of the National Economic and Development Authority (NEDA) or their duly designated representatives shall have as members the heads of the following agencies or their duly designated representatives who hold positions not lower than that of assistant secretary or its equivalent:

- (a) Department of Foreign Affairs;
- (b) Department of Education;
- (c) University of the Philippines;
- (d) Commission on Higher Education; and the
- (e) Presidential Management Staff - Office of the President.

The Committee Secretariat shall be based at the NEDA.

SEC. 120. *Agency Responsibilities for Training and Development.* - Each department or agency shall be responsible for the development, implementation and evaluation of its training and development plan as well as its gender and development plan in accordance with the policies and standards promulgated by the Commission.

To carry out these responsibilities, each agency shall establish its own Personnel Development Committee pursuant to the rules and regulations promulgated by the Commission.

SEC. 121. *Technical Assistance and Consultative Services.* - The Commission shall provide technical assistance and consultative services to all departments and agencies in the development, administration and evaluation of their human resource development programs.

The Commission may also avail of advisory assistance from its accredited training institutions, professional organizations, public sector unions, federations, confederations and non-government organizations (NGOs) in connection with its human resource development policies and programs.

SEC. 122. *Funding.* - Each department or agency with individual budget shall allocate an amount of not less than 5% thereof to be spent exclusively for its training and development programs and activities including conferences and conventions and submit periodic reports thereof to the Commission.

Each agency shall likewise allocate 5% of its budget for gender and development activities and submit to the commission, periodic report on the utilization thereof.

Chapter 3. Performance Appraisal

SEC. 123. *Performance Appraisal System.* - The Commission shall establish a Performance Appraisal System (PAS) for all appointive public officers and employees which shall be the basis for incentives, rewards and recognition, training and development, personnel actions, and administrative sanctions.

SEC. 124. *Performance Appraisal Plan.* - Each department or agency shall develop and use one or more appropriate Performance Appraisal Plans (PAP) for the various groups of positions therein.

All performance appraisal plans shall be submitted to the Commission for approval in accordance with its policies, standards and guidelines.

Chapter 4. Incentives and Awards

SEC. 125. *Rewards System.* - The Commission shall establish a rewards system. It shall include incentives, commendations and awards. The rewards system shall be granted individually or in groups, for outstanding performance, exemplary conduct on the job,

inventions, ideas or suggestions, superior accomplishments and other extraordinary acts or services in the interest of the public.

The Commission shall develop, implement and evaluate the rewards system in all levels and ranks.

SEC. 126. *Merit and Rewards Plan.* - Each department or agency shall develop a merit and rewards plan appropriate for its officers and employees in accordance with policies and standards promulgated by the Commission.

The plan shall first be submitted to the Commission for approval before it can be implemented.

SEC. 127. *Funding of the Rewards Plan.* -The Commission and the Department of Budget and Management shall develop the funding scheme for the implementation of the rewards system.

TITLE II - Personnel Relations in the Civil Service System

Chapter 1. Personnel Relations

SEC. 128. *Declaration of Policy.* - The Commission shall provide leadership and assistance in developing personnel relations programs in the civil service system in consultation with public officers and employees and/or their organizations with their respective departments and agencies.

The head of a department or agency shall be responsible for an effective personnel relations program in the department or agency.

SEC. 129. *Grievance Machinery.* - Each department or agency of the Government, with the assistance and approval of the Commission shall establish and administer a grievance machinery to promote wholesome and desirable relations among employees and between employees and management.

Employees shall have the right to have their grievances adjudicated as expeditiously and as fairly as possible.

A grievance may be filed by aggrieved employees or by the employee organization to which they belong in accordance with the guidelines issued by the Commission.

SEC. 130. *Right to Organize.* - Government employees may form, join or assist employee organizations of their own choice for the furtherance and protection of their interests. Government employees may also form, in conjunction with appropriate government

authorities, employee management committees, work councils and other forms of employee participation schemes.

However, uniformed personnel of the Philippine National Police (PNP), Bureau of Fire Protection (BFP) and Bureau of Jail Management and Penology (BJMP), cannot form, join or assist rank-and-file employee organizations for purposes of collective negotiations.

The third level employees and other employees whose functions are primarily managerial or confidential in nature cannot form, assist, or join employee organizations for purposes of collective negotiations.

SEC. 131. *Protection of the Right to Self-Organization.* - Government employees shall not be discriminated against by reason of their membership in employee organizations or participation in the normal and legitimate activities of such organizations. Employment in the civil service system shall not be subject to the condition that the individual shall not form or join any employee's organizations.

Management shall not interfere in the establishment and administration of government employee organizations.

Chapter 2. Employee Organization

SEC. 132. *Registration of Rank-and-File Employee Organizations.* - Rank-and-file employee organizations shall register with the Commission in accordance with the implementing guidelines promulgated by the Commission.

SEC. 133. *Sole and Exclusive Employee Organization.* - The duly registered employee organization in an agency that has the support of the majority of the total rank-and-file employees, shall be accredited by the Commission as the sole and exclusive employee representative. In cases when there are two (2) or more registered employee organizations in an agency, the Commission, upon petition, shall conduct a certification election and shall certify the employee organization who garnered the majority vote as the sole and exclusive representative of the rank-and-file employees in the said agency.

For this purpose, an agency shall refer to an office which has its own budgetary allocations as provided for in the General Appropriations Act, specifically its Table of Contents.

SEC. 134. *Accreditation of Employee Federation in An Agency.* - Registered employee organizations within a given agency may federate and shall be accredited as the sole and exclusive bargaining representative of the employees; Provided, its aggregate total membership constitute the majority of the total rank-and-file employees in the agency.

SEC. 135. *Collective Negotiations.* - Except those that are fixed by law, terms and conditions of employment in the government service may be the subject of collective negotiations between duly accredited employee organizations and the appropriate government authorities.

Collective negotiations agreements shall be registered with the Commission.

Chapter 3. Settlement of Disputes

SEC. 136. *Definition of terms.* - For purposes of this Code, the following terms shall be defined as follows:

- (a) ***Arbitration*** - refers to the process whereby a third party (individual arbitrator), a board of arbitrators, or an arbitration court not acting as a court, is empowered to make a decision which disposes of the dispute.
 - (1) ***Voluntary*** - a method of settling dispute/s where both parties agree to submit the dispute before an arbitrator or panel of arbitrators chosen by both parties. The voluntary arbitrators shall render a decision after proper hearing of the issues. The decision of the arbitrator shall be final and binding on the contending parties.
 - (2) ***Compulsory*** - a method resorted to when the dispute has become hardened and irreconcilable and remains unresolved after exhausting all the available remedies under existing laws and procedures.
- (e) ***Conciliation*** - refers to the process whereby a third party (conciliator) brings the disputing parties together, encourages them to discuss their differences and assists them in developing their own proposed solutions.
- (f) ***Mediation*** - refers to the process whereby a third party (mediator) is more active in assisting the disputing parties reach acceptable solutions to the problem/s and help them develop or come out with an acceptable solution. The mediator may submit proposal/s for the settlement of dispute.

SEC. 137. *Settlement of Disputes.* - Disputes within employee organizations, between and among employee organizations, and between employee organizations and management shall be settled through conciliation, mediation and arbitration. The Commission shall be responsible in providing conciliation and mediation services. In case any dispute remains unresolved, the Commission shall certify the same to the Public Sector Labor Management Council (PSLMC).

However, the parties may opt to submit the issue for voluntary arbitration, the decision of which shall be final and unappealable.

Chapter 4. Public Sector Labor-Management Council

SEC. 138. *Public Sector Labor-Management Council (PSLMC).* - Public Sector Labor-Management Council (PSLMC) is hereby constituted to be composed of the following:

- (a) Chairperson, Civil Service Commission – Chairperson;
- (b) Secretary, Department of Labor and Employment - Vice Chairperson
- (c) Secretary, Department of Finance – Member;
- (d) Secretary of Justice – Member;
- (e) Secretary, Department of Budget and Management – Member; and
- (f) One (1) employee representative each from the National Government Agencies (NGAs), the Government-owned and Controlled Corporations (GOCCs), the Local Government Units (LGUs), and the State Colleges and Universities (SUCs), to be chosen by the employee organizations concerned.

The ex-officio members may designate alternates who hold positions not lower than that of assistant secretary or its equivalent.

The employee representatives may also designate their permanent alternates.

The employee representatives shall serve for a term of two (2) years or until their successors shall have been appointed or elected. In no case, however, shall anyone of them serve under holdover capacity for more than one (1) year.

The PSLMC may deputize public officers and employees of the Commission and of other departments and agencies to investigate and hear cases brought before it for arbitration. It may likewise deputize any national or local law enforcement agency or instrumentality of the government which shall act under its direct and immediate supervision, to enforce and execute its decisions, orders, and rulings.

The PSLMC shall implement and administer the provisions of this Chapter. For this purpose, the PSLMC shall promulgate the necessary rules and regulations to implement this Chapter.

SEC. 139. *Original and Exclusive Jurisdiction of the PSLMC.* - The PSLMC shall have original and exclusive jurisdiction to hear and decide the following cases:

- (a) Unfair labor practice;
- (b) Representation issue;
- (c) Disputes arising in the course of the conduct of collective negotiations;
- (d) Disputes on issues resulting from the implementation of the grievance machinery;
- (e) Inter-employee organization dispute;
- (f) Intra-employee organization dispute;
- (g) Employee organization election of officers;

- (h) Disputes on issues resulting from the implementation of the provisions of Collective Negotiations Agreement; and
- (i) Other analogous acts as may be determined by the PSLMC.

These cases may be referred to the PSLMC by any of the parties to the dispute or the PSLMC may, *motu proprio*, take cognizance of the same whenever the interest of the service so demands.

When the PSLMC has already assumed jurisdiction over a particular case, no administrative or disciplinary action shall be instituted by the agency concerned against any employee involved therein until the final resolution of the case.

SEC. 140. *Unfair Management and Labor Practice.* - The following shall constitute unfair labor practice on the part of the agency:

- (a) Interfering with, restraining or coercing employees in the exercise of their right to self-organization;
- (b) Requiring as a condition of employment that an employee shall not form or join an employee organization or shall withdraw from one to which he/she belongs;
- (c) Discriminating in regard to work schedules, places of assignment and other terms and conditions of employment in order to encourage or discourage membership in any employee organization;
- (d) Terminating the services or discriminating against any employee for having signed or filed an affidavit, petition or complaint or given any information or testimony against the head of the agency or members of top management;
- (e) Refusing to collectively negotiate in good faith with the accredited employee organization;
- (f) Violating any of the provisions of the Collective Negotiation Agreement; and
- (g) Other analogous acts as may be determined by the PSLMC

The following shall constitute unfair labor practice on the part of the employee organization:

- (a) Restraining or coercing any employee to form or join an employee organization or its activities. Employee organization shall have the right to prescribe its own rules on the acquisition or retention of membership;
- (b) Causing or attempting to cause the agency head or other officers to discriminate against an employee who has not joined or has withdrawn membership from the employee organization;
- (c) Refusing to collectively negotiate in good faith with the management;
- (d) Violating any of the provisions of the Collective Negotiation Agreement; and
- (e) Other analogous acts as may be determined by the PSLMC.

The heads of offices and the other officers of the agency as well as officers and members of an employee organization, who participate in or authorize an unfair labor practice shall be held administratively liable and shall be imposed a fine of not less than P10,000.00, or suspension not exceeding one year, or both for such participation or grant of authority without prejudice to civil and criminal liability.

SEC. 141. *Writ of Preliminary Injunction or Temporary Restraining Order.* – The PSLMC may after notice and hearing issue a writ of preliminary injunction or temporary restraining order which shall not last for more than twenty (20) days from issuance thereof when, on the basis of the allegations in the petition, it is established that the acts complained of involving or arising from any employee-management dispute, if not restrained or performed immediately, may cause grave or irreparable injury to any party or render ineffectual any decision of the PSLMC in favor of such party.

The PSLMC shall require the petitioner to post a bond and the writ of preliminary injunction or temporary restraining order shall become effective only upon the approval of the bond which shall answer for any damage that may be suffered by the party enjoined if it is finally determined that the petitioner is not entitled to the ancillary relief prayed for.

SEC. 142. *Grounds for Contempt.* - The PSLMC may cite a person for contempt on any of the following grounds:

- (a) Disobedience or resistance to a lawful order, decision, ruling, summons or subpoena or any other issuance of the PSLMC; or
- (b) Unlawful interference with the proceedings of the PSLMC, improper conduct tending directly or indirectly to impede, obstruct, delay or hamper the implementation of any order, decision or ruling of the PSLMC.

The person so cited for contempt whether direct or indirect shall be punished by a fine of not more than P1,000.00 for every act of contempt. Each day of defiance or disobedience or non-enforcement of any issuance of the PSLMC as mentioned shall constitute separate acts of contempt of the PSLMC.

SEC. 143. *PSLMC Decision.* - Decisions of the PSLMC are final and executory unless a motion for reconsideration is filed by the aggrieved party within fifteen (15) calendar days from receipt of the decision and only on the basis of palpable or patent errors. The PSLMC shall not entertain any second motion for reconsideration.

Decisions of the PSLMC may be elevated to the Court of Appeals.

**BOOK IV. PERSONNEL BENEFITS AND PRIVILEGES, DAYS AND HOURS OF
WORK AND OFFICIAL RECORDS**

Title I - Personnel Benefits and Privileges

Chapter 1. Health and Other Services

SEC. 144. *Policy.* - The health, welfare, safety and security of every personnel in the civil service system shall be the concern of government. Each department or agency shall make provisions out of their existing budgets for personnel health, welfare, medical, spiritual and counseling services and leave benefits and promote and develop occupational safety, sports and recreation programs and similar services.

SEC. 145. *Comprehensive Occupational Health Program.* - A comprehensive occupational health program including medical, dental and other health services shall be established maintained, and made accessible for all personnel in the civil service system.

SEC. 146. *Safety and Accident Prevention.* - Each department or agency shall develop and maintain a continuing occupational safety and accident prevention program for its officers and employees.

SEC. 147. *Personnel Counseling.* - Each department or agency shall provide personnel counseling services, including pre-retirement counseling.

SEC. 148. *Personnel Recreation.* - Each department or agency shall provide facilities for sports and recreational activities and shall encourage voluntary participation of its officers and employees.

SEC. 149. *Hazard Benefits.* - Each department or agency, in accordance with the Department of Budget and Management (DBM) and the Commission shall provide for hazard benefits for their personnel who work in areas or under conditions that have been declared to be hazardous to health, safety and well being.

Chapter 2. Leave Benefits

SEC. 150. *Entitlement to Leave Privileges.* - Appointive personnel of the government, whether permanent, temporary, contractual or casual as well as elective officials who render the required number of office hours shall be entitled to an annual fifteen (15)-day

vacation and fifteen (15)-day sick leave with full pay exclusive of Saturdays, Sundays, and public holidays.

SEC. 151. *Leave of Absence of Part-time Personnel.* - Public officers and employees rendering service on a part-time basis are entitled to vacation and sick leave benefits proportionate to the number of hours they served.

SEC. 152. *Leave of Absence of Personnel on Rotation Basis.* - Public officers and employees on rotation basis shall be entitled to vacation and sick leave corresponding to the length of service they rendered.

SEC. 153. *Forced/Mandatory Vacation Leave.* - All appointive and elective officers and employees of the government with ten (10) days or more vacation leave credits shall be required to go on mandatory vacation leave whether continuous or intermittent for a minimum of five (5) working days annually.

SEC. 154. *Accumulation and Commutation of Leave.* - Vacation and sick leave shall be cumulative and commutative. Except for personnel covered by special laws, commutation of leave credits shall be exclusive of Saturdays, Sundays and holidays.

Public officers and employees whose off-days do not fall on a Saturday or a Sunday shall have their leaves of absence computed exclusive of their off-days.

SEC. 155. *Additional Non-cumulative and Non-commutative Sick Leave.* - Public officers and employees shall be entitled to a 15-day non-cumulative and non-commutative sick leave annually with full pay and exclusive of Saturdays, Sundays and holidays. Provided, however, that this additional benefit shall only be availed of upon exhaustion of the regular 15-day sick leave and 15-day vacation leave entitlement for the year.

SEC. 156. *Rehabilitation Privilege.* - Public officers and employees holding permanent, temporary, casual and contractual appointments, including those with fixed terms of office for the duration of their employment with the agency and in accordance with this law, are entitled to rehabilitation privilege for up to six months for wounds and injuries resulting from accidents incurred while in the actual performance of duties. Such privilege shall be with full (pay and benefits) salaries, 13th month pay, and cash gift mandated by law, but not privileges based on the actual performance of duties such as representation and transportation allowances and shall not be charged against accumulated vacation or sick leave credits of the personnel concerned. Claimants of rehabilitation privilege benefits are entitled to reimbursement by his/her agency for first-aid expenses, preferably in government facilities,

subject to the availability of funds, but not to exceed P5,000. Substantive and long term medical expenses for therapeutic and rehabilitation purposes shall be borne by the Philippine Health Insurance Corporation; the Employee Compensation Commission (ECC) and the Government Service Insurance System (GSIS) as the case may be and whenever applicable.

For purposes of availment of rehabilitation privilege, actual performance of duty means situations wherein the official or employee was already at work or engaged in activities inherent to the performance of his/her job, including being on official business outside of his/her work station; official travel; authorized overtime; retail order; special assignment orders. injuries from accidents that occurred while the employee was in transit going to or coming from work are not job related injuries.

Agency heads shall determine whether the accident was work-related, decide on the validity of the claims, and monitor the progress of the rehabilitation efforts.

SEC. 157. *Teachers' Leave.* - Other than those designated for continuous duty and those covered by special charters, school teachers in government elementary and secondary schools shall be entitled to vacation pay. They shall be entitled to service credits for services rendered during the vacation period, including Saturdays, Sundays, and holidays, in accordance with the rules and regulations prescribed by the Commission.

Teachers shall also be entitled to annual seven (7) days sick leave which shall be non-cumulative and non-commutative.

SEC. 158. *Leave of Elective Officials.* - All elective officials shall be entitled to leave credits granted to appointive officers and the cumulation and commutation of the money value thereof.

SEC. 159. *Leave Credits of Officers and Employees Covered by Special Laws.* - The leave credits of the following personnel are covered by special laws:

- (a) Justices of the Supreme Court, Court of Appeals, Court of Tax Appeals and Sandiganbayan;
- (b) Judges of Regional Trial Courts, Municipal Trial Courts, Metropolitan Trial Courts, Shari'a Circuit Court and Shari'a District Court;
- (c) The Chairperson and Commissioners of the Constitutional Commissions;
- (d) Filipino personnel in the Foreign Service; and
- (e) Other personnel covered by special laws.

SEC. 160. *Maternity Leave.* - Women in the government service, of whatever civil and employment status and regardless of length of service shall, in addition to the vacation and sick leave granted them, be entitled to maternity leave of sixty (60) calendar

days for normal delivery and seventy-eight (78) days for delivery by caesarian section with full pay, subject to guidelines issued by the Commission.

SEC. 161. *Paternity Leave.* - A married man in the government service shall be entitled to paternity leave of seven (7) working days for the first four (4) deliveries or miscarriages of his legitimate spouse with whom he is cohabiting.

The paternity leave shall be non-cumulative and non-commutative.

SEC. 162. *Adoption Leave.* - Public officers and employees who legally adopt a child below seven (7) years of age as of the date the child is placed with them shall be entitled to adoption leave in the manner herein provided:

- (a) Married individuals shall be entitled to thirty (30) calendar days for the adoptive mother and seven (7) calendar days for the adoptive father.
- (c) Solo parents of whatever gender or civil status shall be entitled to thirty (30) calendar days.

Availment of adoption leave shall commence from the date the child is placed with the adoptive parents which shall not be earlier than the date of the decree of adoption. Adoption leave shall be non-commutative and non-cumulative.

SEC. 163. *Parental Leave for Solo Parents.* - In addition to leave privileges under existing laws, parental leave of not more than seven (7) working days every year until the child reaches the age of eighteen (18) years shall be granted to officers and employees who are solo parents and have rendered service of at least one (1) year.

Parental leave shall be non-commutative and non-cumulative.

SEC. 164. *Special Leaves.* - Public officers and employees, except those covered by special laws, are entitled to special leaves, not exceeding an aggregate of three (3) days a year to attend to personal, filial and domestic responsibilities such as but not limited to the following, in accordance with the guidelines to be set by this Commission:

- (a) personal milestones such as birthdays, wedding, wedding anniversaries and other similar milestones, including bereavement and death anniversaries;
- (b) obligations to parental, filial and other domestic emergencies and responsibilities; and
- (f) calamity, accident hospitalization leave pertain to *force majeure* events that affect the life, limb, and property of the employee or his/her/her immediate family.

Special leaves shall be non-commutative and non-cumulative.

SEC. 165. *Study Leave and Sabbatical Leave.* - Qualified public officers and employees may be granted study and sabbatical leave, subject to the rules and regulations promulgated by the Commission.

SEC. 166. *Commutation and Monetization of Leave Credits.* - Accumulated leave credits can either be commuted or monetized subject to the rules and regulations prescribed by the Commission.

Each agency of the government shall provide for the commutation and monetization of leave credits in their budget program provided it is within their approved budget level/ceiling.

SEC. 167. *Effect of Reemployment on Commuted Leave.* - Public officers and employees whose leave credits have been commuted following their separation from the service and were thereafter reemployed may refund the money equivalent of the unspent portion of the commuted leave credits. Otherwise, they have to start from zero balance.

SEC. 168. *Transfer of Leave Credits of Appointive Personnel and Elective Officials.* - When appointive officers and employees transfer from one entity to another, they can have their accumulated vacation and/or sick leave credits commuted or transferred to their new office.

The second option can only be exercised by the personnel concerned when there are no gaps in their service. However, a gap of not more than one (1) month may be allowed provided same is not due to the fault of the personnel concerned.

The abovementioned options of commutation or transfer of accumulated leave credits can also be availed of by an elective officer assuming another elective post. However, these options are not applicable to the transfer of Armed Forces of the Philippines (AFP) uniformed personnel to civilian positions.

SEC. 169. *Prescriptive Period for Transfer of Leave Credits.* - The option to transfer accumulated leave credits can be exercised within one (1) year only from the effective date of transfer of the appointive personnel to their new office, or to the assumption of the elective officers in their new post.

SEC. 170. *Leave Without Pay.* - In no case shall leave without pay be granted in excess of one (1) year or if the public officer or employee concerned still has leave credits with pay.

SEC. 171. *Terminal Leave.* - Terminal leave refers to the total accumulated leave credits of personnel, the money value of which shall be based not necessarily on the

latest salary rate but on the highest salary rate received at any time during the period of employment in the government service.

Chapter 3. Retirement Benefits

SEC. 172. *Payment of Retirement Benefits on the Day of Retirement.* - All personnel are entitled to receive their retirement benefits provided for under existing laws on the day of their retirement. The last agency-employer shall ensure that all the retirement documents are in order six (6) months prior to the retirement of the said personnel. All concerned agencies of the government shall render assistance in this regard.

Notwithstanding any law to the contrary, officers and employees of the government who hold more than one regular full-time or part-time appointment and who retire from the service shall be entitled to not more than one (1) retirement plan.

All public officers and employees with pending administrative disciplinary cases who failed to receive their retirement benefits on the day of retirement as a result thereof but were eventually exonerated or cleared there from shall be entitled to payment of retirement benefits immediately after the promulgation of the decision.

SEC. 173. *Rate of Interest for Delay in Payment.* - Should the retiree, through no fault of his/her own, fail to receive the benefits on the day of retirement, the same shall earn interest at the prevailing legal rate.

The retirement benefits of those who were eventually exonerated or cleared from administrative, disciplinary cases shall likewise earn interest at the prevailing legal rate computed from the date of retirement to the date of promulgation of the final decision.

In case of forfeiture of retirement benefits as a result of administrative disciplinary case, the Government Service Insurance System (GSIS) shall return both the employee's and employer's contribution to the national government with legal interest.

SEC. 174. *Liability for Delay.* - Agencies or their officers and employees who caused the delay in the retiree's receipt of retirement benefits shall upon complaint of the retiree or the successor in interests, be liable for the payment of the interest mentioned in the immediately preceding Section. This is without prejudice to the filing of administrative and criminal cases against the personnel responsible for the said delay.

Complaints against delays in the release of retirement benefits shall be filed with the Commission within one (1) year from the date of retirement.

The Commission shall promulgate rules and mechanisms to enforce this provision.

Title II - Official Records and Work Days and Hours

Chapter 1. Personnel Records Information System

SEC. 175. *Policy.* - An IT-based government-wide personnel records system shall be established, administered and maintained by the Commission.

Each department or agency through its human resource management office, shall establish, manage and maintain personnel records, database and statistics of all its personnel.

SEC. 176. *Records of Employment.* - The Commission shall keep and maintain official records of all elective and appointive personnel regardless of their employment status. The Commission shall likewise maintain statistics on their employment, accession and separation.

Chapter 2. Work Days and Hours

SEC. 177. *Observance of Work Days and Hours and Wearing of IDs.* - It shall be the duty of each head of agency to require all its officers and employees to strictly observe the prescribed work days and office hours, taking into account the religious persuasion and beliefs of the employees, and to wear identification cards, nameplates or the like bearing clearly and legibly their respective names and positions when dealing directly with the public in the performance of their respective duties or whenever they are within the premises of the office. When the head of agency allows government personnel to leave the office during office hours and not for official business or official time, the same shall be reflected in their time records and charged to their vacation leave credits.

SEC. 178. *Forty Hour Workweek Requirement.* - Personnel of all departments and agencies except those covered by special laws shall render not less than forty (40) hours of work a week, exclusive of time for lunch. As a general rule, such hours shall be from eight (8) o'clock in the morning to twelve (12) o'clock noon and from one (1) o'clock to five (5) o'clock in the afternoon, all days except Saturdays, Sundays, and holidays. However, in the interest of the service, heads of agencies, particularly those with frontline services, shall adopt measures to ensure that continuous service is available even during the 12:00 noon to 1:00 p.m. period.

In the exigency of the service, or when necessary by the nature of the work of a particular agency and taking into account the religious persuasions and beliefs of its employees, the rescheduling or shifting of work schedule of a particular agency for a number of working days less than the required five (5) days may be allowed by the head of agency provided that government personnel render a total of forty (40) hours a week and provided

further that the public is assured of continuous delivery of service from eight (8) in the morning to five (5) in the afternoon for the duration of the entire workweek.

SEC. 179. *Non-regular Working Hours.* - A work schedule that deviates from that which is provided in Section 173 hereof or that which extends well into the night may also be allowed upon the discretion of the head of office, the need of the service, or the health and welfare of the personnel concerned; Provided, that the forty (40) hours workweek exclusive of meal time, will not be reduced.

SEC. 180. *Daily Record of Attendance.* - Each head of department or agency shall require a daily record of attendance of all its officers and employees including those serving in the field or on board a vessel, to be kept on the proper form and, whenever possible, registered on the Bundy clock or any mechanical, electrical, or electronic device.

Service "in the field" or "on board a vessel" shall refer to service rendered outside the office which is the usual place of work.

SEC. 181. *Recording of Attendance by Senior Officers and Elective Officials.* - Agency heads, third level positions shall record times of arrival at and times of departure from official work stations. Absences from office shall likewise be properly recorded in the agency.

SEC. 182. *Persons in the Teaching Service.* - All persons in the teaching service, primary and secondary levels, shall be covered by the forty (40) hours work-week requirement provided that they render not more than six (6) hours of actual classroom teaching every school day.

SEC. 183. *Compensation for Authorized Work Beyond Forty Hours.* - When the interest of public service so requires, the daily hours of work for personnel may be extended by the head of the agency concerned, which extension shall be fixed in accordance with the nature of the work. Provided, that work in excess of forty (40) hours a week must be properly compensated by payment of overtime whenever funds are available for the purpose or through the grant of compensatory time or day/s-off or through the accumulation of leave credits.

SEC. 184. *Performance of Duties in Excess of Forty Hours of Those in Special Occupational Groups.* - When the nature of duties to be performed or the interest of the public service so requires, the head of department or agency may require any or all of its officers and employees to work in excess of the forty (40) hours, on Saturdays, Sundays and

public holidays, with either additional compensation or compensatory time/days-off; or the accumulation of leave credits.

SEC. 185. *Flexible Working Hours.* - Flexible working hours shall be enforced subject to the discretion of the head of agency. In no case shall the weekly working hours be reduced in the event the agency adopts the flexi-time schedule. In the adoption of flexi-time, core working hours shall be prescribed taking into consideration the needs of the service.

SEC. 186. *Compensatory Time or Day/s Off.* - Grant of compensatory time or day/s off shall be allowed for overtime services rendered subject to the rules to be promulgated by the Commission.

SEC. 187. *Flexi-place.* - Public officers and employees may be allowed to work away from their official work stations subject to the discretion of the head of agency and the nature of the functions of their positions. The Commission shall issue the rules and regulations to govern the adoption of flexi-work place. In no case shall the adoption thereof affect the availability and accessibility of government services.

SEC. 188. *Liabilities.* - Falsification or irregularities in the keeping of time records will render the personnel concerned administratively liable without prejudice to criminal prosecution as the circumstances warrant.

BOOK V. DISCIPLINE

Title I - Administrative Discipline

Chapter 1. General Provisions

SEC. 189. *Disciplinary Action.* - No public officer or employee in the civil service system shall be disciplined, suspended or removed from office except for cause as provided for by law and after due process.

The following shall be grounds for disciplinary action:

- (a) Dishonesty;
- (b) Neglect of duty;
- (c) Misconduct;
- (d) Final conviction of a crime involving moral turpitude;
- (e) Falsification of official documents;
- (f) Sexual Harassment;
- (g) Engaging directly or indirectly in partisan political activities by one holding a non-political office;

- (h) Receiving for personal use of a fee, gift or other valuable thing in the course of official duties or in connection therewith when such fee, gift or other valuable thing is given by any person in the hope or expectation of receiving a favor or better treatment than that accorded to other persons or for committing acts punishable under the anti-graft laws;
- (i) Contracting loans from persons with whom the office of the employee has business relations;
- (j) Nepotism;
- (k) Oppression;
- (l) Disgraceful or immoral conduct;
- (m) Inefficiency and incompetence in the performance of official duties;
- (n) Unauthorized absences;
- (o) Tardiness;
- (p) Loafing;
- (q) Refusal to perform official duty or unjust refusal to render overtime service;
- (r) Insubordination;
- (s) Conduct prejudicial to the best interests of the service;
- (t) Discourtesy in the course of official duties;
- (u) Drunkenness;
- (v) Violation of reasonable office rules and regulations;
- (w) Gambling prohibited by law;
- (x) Pursuit of private business, vocation or profession in violation of civil service law, rules and regulations;
- (y) Promoting ticket sales which are not intended for charitable or public welfare purposes;
- (z) Improper or unauthorized solicitation of contributions;
- (aa) Unauthorized use of government resources and properties;
- (bb) Unfair labor practice;
- (cc) Unjustifiable delays in the payment of employee benefits;
- (dd) Directly or indirectly having financial and material interest in any transaction requiring the approval of their office. Financial and material interest is defined as a pecuniary interest by which a person will gain or lose something;
- (ee) Owning, controlling, managing or accepting employment as officer, employee, consultant, counsel, broker, agent, trustee, or nominee in any private enterprise regulated, supervised or licensed by his/her office, unless expressly allowed by law;

- (ff) Engaging in the private practice of profession unless authorized by the Constitution, law or regulation, provided that such practice will not conflict or tend to conflict with his/her official functions;
- (gg) Recommending any person to any position in a private enterprise which has a regular or pending official transaction with his/her office, unless such recommendation or referral is mandated by (1) law, or (2) international agreements, commitment and obligation, or as part of the functions of his/her office;
- (hh) Disclosing or misusing confidential or classified information officially known to him/her by reason of his/her office and not made available to the public, to further his/her private interests or give undue advantage to anyone or to prejudice the public interest;
- (ii) Soliciting or accepting, directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value which in the course of his/her official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of his/her office. The propriety or impropriety of the foregoing shall be determined by its value, kinship or relationship between giver and receiver and the motivation. A thing of monetary value is one which is evidently or manifestly excessive by its very nature;
- (jj) Obtaining or using any statement filed under R.A. 6713 for any purpose contrary to morals or public policy or any commercial purpose other than by news and communications media for dissemination to the general public;
- (kk) Unfair discrimination in rendering public service due to party affiliation or preference;
- (ll) Disloyalty to the Republic of the Philippines and to the Filipino people;
- (mm) Failure to act promptly on letters and requests within fifteen (15) days from receipt, except as otherwise provided in R.A. 6713 and in its Implementing Rules;
- (nn) Failure to process documents and complete action on documents and papers *within a reasonable time from preparation thereof*;
- (oo) Failure to attend to anyone who wants to avail himself/herself of the services of the office or to act promptly and expeditiously on public personal transactions;
- (pp) Failure to file sworn statements of assets, liabilities and net worth, and disclosure of business interests and financial connections; and
- (qq) Failure to resign from his/her position in the private business enterprise within thirty (30) days from assumption of public office when conflict of interest

arises, and/or failure to divest himself/herself of his/her shareholdings or interests in private business enterprise within sixty (60) days from such assumption of public office when conflict of interest arises: Provided, however, that for those who are already in the service and a conflict of interest arises, the official or employee must either resign or divest himself/herself of said interests within the periods herein-above provided, reckoned from the date when the conflict of interest had arisen;

- (rr) Engaging in or supporting acts of insurrection, rebellion, sedition, and other crimes against public order as defined in Title Three, Book Two of the Revised Penal Code and commission of crimes against national security and the law of nations as defined in Title One, Book Two, Chapters One, Two, and Three of the Revised Penal Code; and
- (ss) All other grounds for disciplinary action as may be provided for by law.

Chapter 2. Disciplinary Jurisdiction

SEC. 190. *Original Jurisdiction.* - The heads of departments, agencies, bureaus and instrumentalities of the national government, constitutional offices, the proper disciplining authority of state universities and colleges, government – owned and controlled corporations with original charters or created under special laws, and local government units shall have original jurisdiction to investigate and decide disciplinary cases against their subordinate public officers and employees.

They shall also retain original jurisdiction over public officers and employees who are already separated from the service but who, while still in the service committed an offense.

Sec. 191. *Original Jurisdiction of Bureau or Department-wide, Regional Office Head.* – The heads of bureaus or department- wide regional offices shall have jurisdiction over offenses committed by their subordinate public officers and employees.

Sec. 192. *Original Jurisdiction of the Commission.* – The Commission shall have exclusive administrative disciplinary jurisdiction over its public officers and employees. It shall have concurrent original disciplinary jurisdiction over public officers and employees of the departments, agencies, bureaus, state universities and colleges, government-owned and controlled corporations with original charters or created under special laws, and local government units.

In disciplinary cases where agencies have original and concurrent jurisdiction, the agency which first take cognizance of the case shall exclude the others.

The Commission may, *motu proprio*, initiate the investigation and filing of administrative charges against public officers and employees who violate the provisions of this Code and other pertinent civil service laws, rules and regulations. For this purpose, the Commission shall conduct fact-finding investigation and require through the issuance of subpoena *duces tecum* and similar processes the production of records necessary to resolve the case.

Any person who impersonates another in civil service examinations, possesses or uses a codigo or crib sheet, swaps assigned examinee numbers, is in collusion with examination personnel in any examination related anomaly, tampers with the examination records, possesses and uses fake certificate of eligibility, submit fakes eligibilities and tampers with the results, sells civil service application or examination forms, misrepresents material facts, makes false statements or forgeries or commit any other fraudulent acts which adversely affect the integrity of civil service examinations, but who at the time of the commission of any of the aforementioned acts is not employed in the government, shall likewise be under exclusive original jurisdiction of the Commission. Such person, or the manager, corporate secretary, treasurer or finance officer, and other key officers of the review center found to have committed examination irregularities, may be liable for the administrative offenses of Dishonesty, Grave Misconduct and Conduct prejudicial to the Best Interest of the Service. He/She shall be imposed the penalty of dismissal from the service, which shall be deemed served. The accessory penalties of perpetual disqualification from holding public office and bar from taking future civil service examinations, and cancellation of civil service eligibility shall be imposed, without prejudice to criminal prosecution.

Chapter 3. Procedure in Disciplinary Cases

SEC. 193. *Commencement of Administrative Proceedings and Answer.* –

- (a) Administrative proceedings may be commenced *motu proprio* against a subordinate public officer or employee by the proper disciplining authority or head of department or agency or upon a sworn written complaint of any other person. The complaint shall be accompanied by sworn statements covering the charges and those of the witnesses together with documentary evidence, if any.
- (b) On the basis of the sworn written complaint and supporting papers filed by any other person, the disciplining authority shall require the person complained of to explain why no administrative case should be filed. If the disciplining authority does not find a *prima facie* case, the complaint shall be dismissed; otherwise, a formal charge shall be issued in accordance with the provisions of

this Code. The respondent shall be furnished with copies of the complaint, sworn statements and other documents submitted.

- (c) In administrative proceedings initiated by the disciplining authority or head of a department or agency, the formal charge shall be issued only after the disciplining authority finds a prima facie case in accordance with the provisions of this Code or when the disciplining authority has personally observed or has direct personal knowledge or actually caught the offender in the act of committing the administrative offense.

SEC. 194. *Issuance of a Formal Charge.* - The formal charge shall state the specifications of the offense and shall require the respondent to submit an answer in writing and under oath together with supporting sworn statements covering his/her defense and those of witnesses together with the documentary evidence, if any. The respondent shall be allowed at least seventy-two (72) hours but not more than five (5) days from receipt of the formal charge to submit an answer and the affidavits of the witnesses, if any, and shall be informed of his/her right to counsel and to indicate whether or not he/she elects a formal investigation. In cases when the respondent submits a request for clarification, a bill of particulars or a motion to dismiss which are obviously designed to delay the administrative proceedings, the same shall be considered as answer.

SEC. 195. *Formal Investigation.* -

- (a) If the respondent has elected a formal investigation, the disciplining authority or the duly authorized representative shall conduct the formal investigation with a notice issued within five (5) days from receipt of the answer.
- (b) Complainant and respondent may avail themselves of the services of counsel and may require the attendance of witnesses by *subpoena ad testificandum* and the production of documentary evidence through the compulsory process of *subpoena duces tecum*.
- (c) Even if the respondent does not request a formal investigation, such investigation shall be conducted when, on the basis of the allegations in the complaint and the answer of the respondent, including supporting documents, the merits of the case cannot be decided judiciously without conducting such investigation.
- (d) The formal investigation shall be commenced not earlier than five (5) days nor later than ten (10) days from receipt of the respondent's answer. The investigation shall be conducted to ascertain the truth without strictly adhering to technical rules applicable to judicial proceedings. Hearings shall be continuously held and the investigation terminated, if possible, within ten (10)

days from its commencement, especially for grave offenses, unless the period is extended by the disciplining authority in meritorious cases.

- (d) The direct evidence for the complainant and the respondent shall consist of the sworn statements and documents submitted in support of the complaint or answer, as the case may be, without prejudice to the presentation of additional evidence deemed necessary but was unavailable at the time of the filing of the complaint or answer, upon which cross-examination by the respondent and the complainant, respectively, shall be based.

SEC. 196. *Report of Investigation and Records of Case.* - The hearing officer shall submit to the disciplining authority the report of investigation within ten (10) days from the termination of the investigation. The report shall contain the findings and recommendations together with the complete record of the case which shall be properly and securely bound, all pages numbered consecutively, and with a table of contents.

SEC. 197. *Decision.* - The proper disciplining authority shall render a decision within the period and in the form and content as provided for in this Code.

SEC. 198. *Preventive Suspension.* - Notwithstanding any provision of law to the contrary, the proper disciplining authority may preventively suspend a respondent formally charged with dishonesty, oppression, grave misconduct, gross neglect in the performance of duty, if there are reasons to believe that respondent is guilty of the charges which would warrant removal from office and that there is a great probability that the continuance in office of the respondent could influence the witnesses or pose a threat to the safety and integrity of the records and other evidence. In no case shall preventive suspension exceed ninety (90) days or last for the duration of the investigation, whichever is shorter.

SEC. 199. *Lifting of Preventive Suspension Pending Administrative Investigation.* - When the administrative case against the respondent under preventive suspension is not decided by the disciplining authority within the period of ninety (90) days after the date of suspension, the respondent shall be automatically reinstated in the service; Provided, that when the delay in the disposition of the case is due to the fault, negligence or petition of the respondent, the period of delay shall not be included in computing the period of suspension herein provided.

Chapter 4. Decision

SEC. 200. *When to Render Decision.* - The proper disciplining authority exercising original jurisdiction and those exercising appellate jurisdiction shall render their decisions within sixty (60) days from the date of the submission of the case for decision.

SEC. 201. *Form and Content of Decision.* - The decision, properly designated as such and under the signature of the proper disciplining authority, shall contain the charge, the name of the respondent, the position and office of the respondent, a brief statement of the material and relevant facts, findings, offense committed and the penalty imposed.

SEC. 202. *Service of Decision.* -

- (a) A copy of the decision shall be served on the complainant and the respondent through their respective counsel, if any, within five (5) days from its promulgation.
- (b) Disciplining authorities shall furnish their superiors with a copy of the decision within five (5) days from the date of its promulgation.

SEC. 203. *Finality of Decision.* -

- (a) Without prejudice to the power of review by the Commission, and its powers to decide cases on appeal as provided for in this Code, the decisions of the heads of departments, agencies, and instrumentalities of the National Government and the disciplining authority of state universities and colleges, government-owned and -controlled corporations with original charters or created under special laws, local government units shall be final and executory, if the penalty imposed is suspension of not more than thirty (30) working days or a fine of not more than thirty (30) working days' pay.
- (b) Without prejudice to the power of review by the Commission and its powers to decide cases on appeal provided for in this Code, the decision of the head of the bureau or department-wide regional office shall be final and executory, if the penalty imposed is suspension of not more than thirty (30) working days or a fine of not more than thirty (30) working days' pay.
- (c) The decision in a disciplinary case becomes final upon expiration of the period within which to file a motion for reconsideration and no such motion is filed.

SEC. 204. *Execution of Decision.* –

- (a) The decisions of heads of agencies and other disciplining authorities shall be immediately executory upon receipt of a copy thereof by the parties concerned, even pending appeal.
- (b) Decisions of the disciplining authority in disciplinary cases shall be immediately executory unless a motion for reconsideration is seasonably filed, in which case the execution of the decisions shall be held in abeyance pending resolution of the motion.
- (c) The filing and pendency of a petition for *certiorari* with the Supreme Court shall not stop the immediate execution of the decision of the Commission, unless the Court issues a restraining order or a writ of preliminary injunction. For this purpose, no other Courts can issue a temporary restraining order or a writ of preliminary injunction against the Commission.

Chapter 5. Administrative Penalties

SEC. 205. *Penalties That May Be Imposed.* – Heads of departments and agencies and other disciplining authorities may impose the penalty of reprimand or censure, fine in an amount not exceeding six (6) months' salary, suspension without pay for not more than one (1) year, demotion in rank or pay, or dismissal from the service.

SEC. 206. *Imposition of Penalties.* –

- (a) In meting out punishment, the same penalties shall be imposed for similar offenses and only one (1) penalty shall be imposed in each case. In the imposition of these penalties, the disciplining authority shall take into consideration the circumstances which may either exonerate the respondent from any liability, mitigate or aggravate the offense.
- (b) In the imposition of the proper penalties, the administrative offenses or causes for disciplinary action mentioned in this Code shall be categorized into light, less grave, and grave.
- (d) The Commission shall promulgate rules and regulations on the classification of administrative offenses into light, less grave and grave and shall prescribe the corresponding principal and accessory penalties such as cancellation of eligibility, forfeiture of retirement benefits, disqualification from employment, reinstatement, reemployment, or promotion, and bar from taking civil service examinations.

SEC. 207. *Effect of Administrative Penalties.* - The penalty of dismissal shall result in the separation of the respondent from the service. Dismissal shall carry with it the cancellation of civil service eligibilities, forfeiture of retirement benefits, and disqualification from employment in the government whether appointive or elective and disqualification to run for any public office even if the case is pending on appeal. However, in case of forfeiture of retirement benefits, the GSIS shall return both the employee's and employer's contribution to the national government.

Although decisions imposing the penalty of dismissal are immediately executory, no permanent appointment pending appeal shall be issued to replace the dismissed employee. In the interest of the service, however, designation may be resorted to until the case is resolved with finality.

The penalties of demotion, suspension and fine shall disqualify the respondent from receiving certain benefits or from promotion for a period based on the gravity of the penalty imposed in accordance with the rules prescribed by the Commission.

SEC. 208. *Effect of Death on Pending Cases.* - Pending disciplinary cases shall be deemed terminated upon the death of the respondent except when expressly requested by the heirs of the respondent.

SEC. 209. *Effect of Exoneration and Other Penalties.* - Upon exoneration, the respondent shall be restored to his/her former position without loss of seniority and other rights or to a comparable or equivalent position in case of reorganization. He/She shall also be entitled to payment of back salaries and other benefits for a period not exceeding five (5) years including the period of preventive suspension, if any.

Chapter 6. Administrative Remedies

SEC. 210. *Appeal.* -

Who May Appeal. Only the party adversely affected by the decision, may file an appeal. However, when there are very strong reasons, as determined by the Commission, to believe that the complainant is a victim of injustice, he/she may also be allowed to appeal to the Commission.

Requirements for Appeal. -

- (a) Unless a motion for reconsideration is seasonably filed, the appeal shall be filed with the proper authority within fifteen (15) days from receipt of the decision, together with a notice of appeal to the disciplining authority who rendered the decision.

- (b) The appeal shall state the appellant's date of receipt of the decision and the date of the resolution on the motion for reconsideration, if any, together with the grounds for appeal and the arguments in support thereof.

SEC. 211. *Where To Appeal.* - The appellant may appeal to the following:

- (a) In case of decisions rendered by heads of departments, agencies, state universities and colleges, provinces, cities and municipalities and instrumentalities of the national government and the disciplining authority of government-owned or -controlled corporations with original charters, where the penalty imposed is suspension of more than thirty (30) working days or a fine equivalent to more than thirty (30) working days' salary, the appeal shall be brought before the Commission; and
- (b) In case of decisions of the head of bureaus or department-wide regional offices, the appeal shall initially be made to the department secretary and then to the Commission if the penalty imposed is suspension of more than thirty (30) working days or fine equivalent to more than thirty (30) working days' salary.

SEC. 212. *Motion for Reconsideration.* - A motion for reconsideration may be filed during the period for filing an appeal on the following grounds:

- (a) Newly discovered evidence which could materially affect the decision rendered;
- (b) The decision is not supported by the evidence on record; or
- (c) Errors of law or irregularities have been committed prejudicial to the interest of either party.

Only one (1) motion for reconsideration shall be entertained.

A motion for reconsideration shall suspend the running of the period for appeal. The motion for reconsideration shall be resolved within thirty (30) days from receipt thereof.

SEC. 213. *Remand of Cases Due to Lack of Due Process.* - If the case on appeal with the Commission is remanded to the proper disciplining authority for further investigation due to lack of due process, the said disciplining authority shall finish the investigation within three (3) calendar months from the date of receipt of the records from the Commission, unless the investigation is delayed due to the fault, negligence or petition of the respondent, or an extension is granted by the Commission in meritorious cases. The period of delay shall not be included in the computation of the prescribed period.

Within fifteen (15) days from the termination of the investigation, the disciplining authority shall render its decision. If at the end of said period, the disciplining authority fails

to decide the case, the Commission shall vacate and set aside the appealed decision and declare the respondent exonerated of the charge. If the respondent is under preventive suspension, he/she shall be immediately reinstated and shall be entitled to back salaries and other benefits.

SEC. 214. *Petition for Review.* - Pursuant to this Code, the Commission may review decisions rendered by its regional offices and other disciplining authorities dismissing a complaint for lack of a prima facie case, subject to rules and regulations the Commission may prescribe.

SEC. 215. *Removal of Administrative Penalties or Disabilities.* - Upon recommendation of the Commission, the President may commute or remove administrative penalties or disabilities imposed upon public officers or employees in disciplinary cases, subject to such terms and conditions as he/she may impose in the interest of the service.

Title II - Prohibitions

Chapter 1. Limitation on Appointments

SEC. 216. *Appointment of Elective Officers.* - Except as provided for in the Constitution, no elective officer shall be eligible for appointment or designation in any capacity to any public office or position during his/her tenure.

SEC. 217. *Candidate Who Lost in an Election.* - No candidate who lost in any election shall, within one (1) year after such election, be appointed in any capacity to any office in the government or any state university and college, government-owned and -controlled corporations with original charters or created under special laws, local government units. Neither can they be hired within the same period as consultants or under contracts of services/job orders in said entities.

SEC. 218. *Resignation Before Election.* - A person who resigned from the service within three (3) months before any election and engaged in any political activity shall not be eligible for reemployment in the government during the six (6) -month periods following such election.

SEC. 219. *Prohibition Against Holding Another Office or Employment.* - Unless otherwise allowed by law or by the primary functions of the position, no appointive officer shall hold any other office or employment in the government or any subdivision, agency or instrumentality thereof, state universities and colleges, government-owned and -

controlled corporations with original charters or created under special laws, and local government units.

SEC. 220. *Prohibition During Election Period.* - No appointment, whether original, transfer, reemployment, reappointment, renewal, promotion and demotion, regardless of status, except in the case of reinstatement, shall be issued forty-five (45) days before any national or local election except barangay and sangguniang kabataan elections to last until the assumption of the newly-elected or reelected appointing officer. No consultancy, job order or contract of service shall also be entered into during the said period. However, in the exigency of the service and subject to the authority by the Commission, the appointing authority may issue appointments after the election and until the assumption of the newly elected or reelected appointing officer provided the following concur:

- (a) A vacancy occurred during the prohibited period;
- (b) There is need to fill up the vacancy immediately in order not to prejudice public service and/or endanger public safety;
- (c) The appointee is qualified;
- (d) The appointment has gone through the usual requirements like publication, regular screening by the Personnel Selection Board and concurrence by the Sanggunian, as the case may be.

All appointments issued before the prohibited period shall take effect immediately, notwithstanding any provisions in the appointment to the contrary and the appointee shall assume the position within thirty (30) days from issuance thereof. Failure of the appointee to assume the position within said period shall make the appointment ineffective.

SEC. 221. *Prohibition Against Appointments by an Outgoing Appointing Authority.* - No appointment in national or local agencies, state universities and colleges, government-owned and -controlled corporations with original charters or created under special laws shall be made by any outgoing appointing authority within three (3) months before the end of his/her term of office or retirement. This prohibition shall also apply to outgoing appointing authorities who have previously manifested their intention to resign from office. In which case, the prohibition shall commence from the date of formal manifestation to resign but shall not be more than three (3) months from the effective date of resignation.

However, in the exigency of the service, interim appointments may be issued which shall not exceed three (3) months from the time the appointing authority ceases to hold office.

This prohibition shall embrace all kinds of appointments whether original, transfer, reemployment, reappointment, renewal, casual, contractual promotion, or demotion, regardless of status.

SEC. 222. *Prohibition Against Appointment Of A Person Who Is a Permanent Resident Or Immigrant Of A Foreign Country Or A Green Card Holder.* - No appointment in national agencies, state universities and colleges, government-owned or controlled corporation, and local government units shall be issued to a person who is a permanent resident or immigrant of a foreign country, unless it is shown by clear evidence that he/she has made an irrevocable waiver of his/her status as a permanent resident or immigrant of a foreign country before such appointment.

No appointment shall likewise be issued to a green card holder unless it is shown by clear evidence that he/she has made an irrevocable waiver of that status or that he/she has surrendered his/her green card to the appropriate U.S. authorities.

SEC. 223. *Prohibition Against Supervision by Non-career personnel.* - Subject to the rules to be promulgated by the Commission, no consultant, contractual or non-career personnel shall be designated to any position exercising control and supervision over regular and career personnel in the government.

SEC. 224. *Prohibition Against Contracting of Regular functions.* - A person issued a contract of service shall not discharge duties pertaining to a career or non-career service position or/and neither shall an institution perform any of the regular function of the contracting agency. Provided, however, that the agency may enter into a contract of service to undertake non-regular functions or support services for the government for a specific period where no employer-employee relationship exists between the individual or the institution and the government subject to the rules and regulations promulgated by the Commission.

SEC. 225. *Ecclesiastic.* - No priest, preacher, minister, or other religious teacher, or dignitary as such, shall be employed in the civil service system except when such priest, preacher, minister, or dignitary is assigned to the Armed Forces of the Philippines, the Philippine National Police or to any penal or correctional institution, or any government orphanage or leprosarium.

SEC. 226. *Nepotism.* - The act of issuing an appointment in the national, or in any branch or instrumentality thereof, or in state universities and colleges, government-owned and -controlled corporations with original charters or created under special laws, local government units to a person who is related within the third (3rd) civil degree of consanguinity or affinity to the appointing or recommending authority, the chief of bureau or office, or of the person exercising immediate supervision over him/her, is hereby prohibited.

The following positions are exempt from the operation of the law and rules on nepotism:

- (a) Primarily confidential;
- (b) Highly technical;
- (c) Policy-determining;
- (d) Physician; and
- (e) Teacher and professorial staff.

The term 'teacher' shall refer only to those actually performing classroom instruction in both public elementary and secondary schools. 'Professorial staff' shall denote members of the faculty including instructors of state universities or colleges primarily engaged in academic activities such as teaching in the tertiary level, research and curriculum development, among others. The designation of professorial staff to non-professorial/non-academic positions shall not be covered by this exemption.

The restrictions mentioned in this Section shall not be applicable to a member of any family, who, after appointment to any position in an office or bureau, contracts marriage with another employee in the same office or bureau, or those who were affected by reorganization in which event the employment or retention therein of both husband and wife may be allowed.

The prohibition shall not also apply in case of promotion if the person to be promoted occupies a career and next-in-rank position, or to those devolved to local government units or who were affected by reorganization or to any member of a personnel selection board.

Chapter 2. Other Prohibitions

SEC. 227. *Political Activity.* - No public officer or employee in the civil service system holding a non-political position shall engage in any electioneering or partisan political campaign or take part in any election except to vote, nor shall use official authority or influence to coerce the political activity of any person or body. Nothing herein provided shall be understood to prevent any public officer or employee from expressing views on current political problems or issues, or from mentioning the names of candidates for public office whom he/she supports; Provided, that public officers and employees holding political offices may take part in political and electoral activities but it shall be unlawful for them to solicit contributions from, or subject their subordinates to commit any of the prohibited acts under the Election Code.

In this regard, membership in any political party shall be considered as engaging in partisan political activity.

SEC. 228. *Appointment of Military Personnel in the Civil Service System.* - It shall be unlawful for any member of AFP in the active service to be appointed or designated

in any capacity to any civilian position in the government, state universities and colleges, government-owned and -controlled corporations with original charters or created under special laws, local government units.

SEC. 229. *Additional or Double Compensation.* - No elective or appointive public officer or employee shall receive additional, double, or indirect compensation, unless specifically authorized by law, nor accept any present, emolument, office, or title of any kind from any foreign government unless allowed by law.

Pensions, gratuities or honoraria shall not be considered as additional, double or indirect compensation.

SEC. 230. *Detail or Reassignment.* - Except when the exigencies of the service require, no public officer or employee of the government shall be detailed or reassigned three (3) months before any local or national election.

SEC. 231. *Courtesy Resignation.* - It shall be unlawful for any public officer, elective or appointive, to require public officers and employees within his/her jurisdiction to submit courtesy resignations for whatever reason or purpose.

SEC. 232. *Appointment and/or Transfer of Officers and Employees of Oversight Agencies.* Unless allowed by the Commission in meritorious cases, heads of oversight agencies and their staff are prohibited from transferring or being appointed to any position in the department/agency/office/local government unit which his/her unit is assigned or designated to oversee within one (1) year after termination of such assignment or designation.

BOOK VI. MISCELLANEOUS PROVISIONS

Title I - Termination of Employment

Chapter 1. Modes of Termination

SEC. 233. *Modes of Termination OF Employment.* - The following are modes of terminating employment in the government;

- (a) ***Resignation*** - A public officer or employee shall be considered separated from the service effective on the date of acceptance of the resignation by the officer authorized to do so or thirty (30) days from the submission thereof.
- (b) ***Candidacy*** - An appointive public officer or employee shall be *ipso facto* separated from the service on the date of filing of the certificate of candidacy for an elective position.

- (c) **Death** - Upon proof of death, the public officer or employee shall automatically be recorded as separated from the service.
- (d) **Permanent Disability** - In case of permanent disability which shall render the public officer or employee incapable of performing the official duties, the department or agency head may terminate such public officer or employee.
- (e) **Expiration of Period of Employment** - The services of a public officer or employee appointed for a fixed period, or for a specific project or whose appointment are coterminous with the appointing officer shall be terminated upon the expiration of the period of employment, completion of the project, or at the end of the term of the appointing officer, unless otherwise earlier validly separated.
- (f) **Dropped from the Service** - A public officer or employee who goes on leave without proper authority or fails to return to duty after the expiration of the authorized leave, without valid reasons, and for other grounds under existing rules, shall be dropped from the service in accordance with the regulations promulgated by the Commission.
- (g) **Conviction** - The services of the public officer and employee shall be considered terminated upon conviction by final judgment of a crime where the penalty carries with it the accessory penalty of perpetual or temporary absolute or special disqualification to hold public office.
- (h) **Retirement** - Any public officer or employee who reaches the compulsory retirement age and meets the service requirement shall be retired under the provisions of the Retirement Law, unless his/her services are extended by the Commission in accordance with its rules and regulations. Optional retirement pursuant to law likewise terminates official relations.
- (i) **Expiration of Temporary Appointment** - The services of a public officer or employee with temporary appointment shall automatically be terminated upon the expiration of the appointment.
- (j) **Disapproval of Appointment** - The services of a public officer or employee are considered terminated upon the final disapproval of the appointment by the Commission.

SEC. 234. Reduction in Force. - The head of a department or agency may reduce its staff due to lack of work or funds or due to a change in the scope or nature of an agency's program, or as a result of reorganization, subject to the rules and regulations which the Commission shall prescribe.

Title II - Sanctions and Liabilities

Chapter 1. Liabilities

SEC. 235. *Liability of Appointing Authority.* - No person employed in the civil service system in willful violation of this Code shall be entitled to receive pay from the government. The appointing authority responsible for such unlawful employment shall be personally liable for the pay that would have accrued had the employment been lawful. Likewise, the Commission officials or employees who caused the approval of such unlawful employment and was proven to have connived or conspired with the appointing authority shall be personally liable for the pay that would have accrued thereof had the employment been lawful.

The disbursing public officers shall make payment to the employees of such amount from the salary of the public officers or employees so liable.

SEC. 236. *Liability of Disbursing Public officers.* - Except as may otherwise be provided by law, it shall be unlawful for a treasurer or other fiscal public officer or employee to deduct any amount for contributions or payment of obligations other than those due to the government or its instrumentalities.

SEC. 237. *Criminal Liability.* - Whoever makes any appointment or employs any person in willful violation of any provision of this Code or the rules and regulations issued thereunder; or whoever commits fraud, deceit or intentional misrepresentation of material facts concerning any civil service matter; or whoever violates, refuses or neglects to comply with any final decision or order of the Commission, shall, upon conviction, be punished by a fine not exceeding Ten Thousand Pesos (P10,000.00) or by imprisonment of not less than three (3) years nor more than five (5) years or both at the discretion of the court.

The same penalty of fine or imprisonment or both as provided above and permanent disqualification from holding public office shall be imposed upon any appointing authority who willfully violates any of the provisions of this Code including failure to abide by the rules promulgated by the Commission or to implement a Commission reappointment order.

Title III - Fees and Authority to Administer Oaths

Chapter 1. Collection of Fees

SEC. 238. *Authority to Collect Fees.* - The Commission may collect and charge fees for civil service examinations, certification of civil service ratings, service records, appeals in disciplinary and non-disciplinary cases, training courses, seminars and workshops in personnel management, and for services rendered on other civil service matters. For this

purpose, the Commission shall prescribe standard and reasonable rates for such examination, certifications, training courses, seminars and workshops and other activities or services, the fees for which are not provided by law or regulation. No fees shall be collected in examinations given for the selection of scholars.

**Chapter 2. Authority of Public Officers to Administer Oaths,
Take Testimony, and Prosecute Cases in Court**

SEC. 239. *Who May Administer Oaths.* - The Chairperson and Members of the Commission, public officers occupying third level positions and other public officers and employees of the Commission and other departments or agencies designated in writing by the Chairperson, may administer oaths as may be necessary in a transaction of an official business and take a testimony in connection with any authorized investigation.

Title IV - Fiscal Autonomy and Use of Appropriations and Income

Chapter 1. Fiscal Autonomy

SEC. 240. *Fiscal Autonomy.* - The Commission shall enjoy fiscal autonomy. It shall determine the amount of its annual budget requirements for its operating expenses, and capital outlays which shall be proposed to Congress in accordance with existing budget laws. Its approved annual appropriations shall be automatically and regularly released in full.

The Commission shall have the flexibility to utilize its appropriations, and its income, for operating and capital expenses, acquisition, supplies, repairs and maintenance of office equipment and facilities subject to the provision of law.

Chapter 2. Authority to Use Appropriations and Income

SEC. 241. *Authority to Use Appropriations and Income.* - The Commission is hereby authorized to use such sums appropriated in the annual appropriations act, including all balances of existing certifications, to accounts payable of prior years which have not yet been reverted to unappropriated surplus, within a period of two (2) years, as are necessary to carry out the provisions of this Code. The Commission is also authorized to augment any item in its appropriations from savings actually released for any official purpose at its discretion.

The Commission is further authorized to directly use its income derived from fees, cost for services it may assess and levy, and such other proceeds generated in the performance of its functions for its operating expenses, for personnel and organizational development as well as acquisition, repair and maintenance of office equipment, facilities and supplies.

Title V - Transitory Provisions

SEC. 242. *Abolished Offices.* - All Commission public officers and employees whose offices are abolished by virtue of the provisions of this Code shall be absorbed in the central, regional and field offices of the Commission with no diminution of status, rank and salary.

SEC. 243. *Vested Rights.* - Except as otherwise provided in this Code, rights vested or acquired under the provisions of the Civil Service Law, rules and regulations and any other Act prior to the effectivity of this Code shall be respected.

SEC. 244. *Career Executive System Transitory Provisions.* - Upon the effectivity of this Code, all Career Executive Service Officers shall be accredited as Career Executive Officers. They shall be appointed to Career Executive Officer ranks corresponding to their Career Executive Service Officer ranks.

Career Executive Service Eligibles and Career Service Executive Eligibles assigned to positions in the Career Executive System shall likewise be appointed to entry rank as Career Executive Officer.

Those who possess Career Executive Service Eligibility shall be accredited as Career Executive Officer-Eligibles. Career Service Executive Eligibles who have not been assigned to positions in the Career Executive System at the time of the effectivity of this Code shall be required to undergo further screening process.

Title VI - Final Provisions

SEC. 245. *Funding.* - Funds needed to carry out the provisions of this Code shall be taken from funds available in the Commission or in the absence or insufficiency thereof, from any lump sum appropriations to be included in the annual General Appropriations Act. The appropriation shall cover the operating expenses of the Commission including the salaries, allowances and other emoluments of all its public officers and employees in its central, regional and field offices and for its projects and activities, subject to the accounting of such expenditures.

SEC. 246. *Implementing Rules and Regulations.* - The Commission shall promulgate rules and regulations and set guidelines and standards to implement the provisions of this Code which shall become effective thirty (30) days after its publication in a national newspaper of general circulation.

SEC. 247. *Repealing Clause.* - Republic Act No. 2260, Republic Act No. 6040, Presidential Decree No. 807, Presidential Decree No. 1, Presidential Decree No. 1409, Executive Order No. 135, series of 1987, Executive Order No. 180 and Book V, Title 1, Subtitle A on the Civil Service Commission of Executive Order No. 292, series of 1987, and Section 2 of RA 6758 are hereby repealed. Section 2, Rule IV, LOI, Section 42 of PD 205, Section 11 of PD 1752, Section 24 of RA 6770, Section 56, Title VIII and Section 46, Title VI of RA 7157, Sections 77, 79 and 85 of RA 7160, Section 5 of RA 7836, Section 18 (a) of RA 7875, Section 1 of RA 8190, Section 42 of RA 8291 and Section 21 of RA 8551 are hereby amended or modified accordingly; and all laws, decrees, orders, circulars, rules and regulations or any part thereof which are contrary to or inconsistent with any provision of this Code are hereby repealed or modified accordingly.

SEC. 248. *Supplemental Applications.* - The Rules of Court shall have supplemental application to this Code.

SEC. 249. *Separability.* - If any provision of this Code or its application to any person or circumstances is declared invalid, such declaration shall not affect the other provisions of this Code.

SEC. 250. *Construction in Favor of Employees.* - All doubts in the implementation and interpretation of the provisions of this Code including its implementing rules and regulations shall be resolved in favor of employees.

SEC. 251. *Effectivity.* - This Code shall take effect thirty (30) days following its publication in the *Official Gazette* or in a national newspaper of general circulation in the Philippines.

Approved,