

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

7 SEP 26 1966

SENATE

RECEIVED BY: 

S.B.No. 1649

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Introduced by Senator LOREN B. LEGARDA

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**EXPLANATORY NOTE**

Article IX-B, Section 3 of the Constitution provides the Civil Service Commission shall, among others, i.) establish a career service and adopt measures to promote morale, efficiency, integrity, responsiveness, progressiveness, and courtesy in the civil service; ii.) strengthen the merit and rewards system; and iii.) institutionalize a management climate conducive to public accountability.

The civil service system is composed of three levels, namely, the first, second, and third levels. The third level embraces positions in the executive, scientific, artistic, foreign service, technical, and academic services. Positions in the executive and managerial services constitute the biggest component of the third level. The executive and managerial component has the following features: security of tenure, mobility, and classification based on ranks.

The executive and managerial component of the civil service has a significant role in the bureaucracy since they have a direct hand both in the formulation and implementation of government policies. It is imperative that a system for their professionalization and career development be provided for by law.

In furtherance of the aforementioned State policies, this bill seeks to establish a Career Executive System that will improve the current concept of the Career Executive Service and infuse well-selected and development-oriented managers, who shall provide a strong, competent, and accountable corps of public managers, who possess the necessary expertise and responsive leadership that will serve as a stabilizing force, an instrument for change, a vanguard of professionalism in the civil service, and a critical link between government and the people.

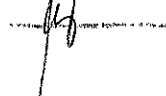
In view of the foregoing, the immediate approval of this bill is earnestly sought.

  
LOREN LEGARDA  
Senator

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7 SEP 26 P 6 46

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AN ACT  
ESTABLISHING THE CAREER EXECUTIVE SYSTEM

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

CHAPTER I

GENERAL PROVISIONS

1  
2  
3  
4  
5       **Section 1. Short Title.** This Act shall be known as the "Career Executive System  
6 Act of 2007."

7  
8       **Section 2. Declaration of Policy.** It is hereby declared State policy to establish a  
9 career service and adopt measures to promote morale, efficiency, integrity,  
10 responsiveness, progressiveness and courtesy in the civil service. The State shall  
11 endeavor to ensure an effective, efficient, and responsible administration of the  
12 managerial and executive class within the third level through the establishment of a  
13 Career Executive System that will maintain continuity and stability in the bureaucracy.  
14

15       Towards this end, the State shall recognize the vital role of the Career Executive  
16 System in public sector governance and infuse the System with well-selected and  
17 development-oriented managers, who shall provide a strong, competent, and  
18 accountable corps of public managers who possess the necessary expertise and  
19 responsive leadership that will serve as a stabilizing force, an instrument for change, a  
20 vanguard of professionalism and careerism in the civil service, and a critical link  
21 between government and the people.  
22

23       **Section 3. Definition of Terms.** As used in this Act, the following terms shall be  
24 construed as follows:  
25

- 26       a. **Third Level** - The third level covers positions in the executive and managerial  
27 class, the foreign service, the scientific, technical, artistic, and academic fields,  
28 in all branches, subdivisions, instrumentalities and agencies of the government  
29 including government-owned or controlled corporations with original  
30 charters.  
31

1 The third level shall include all positions higher than division chief based on  
2 the position classification system of the Department of Budget and  
3 Management or such other systems, as may be applicable, across the  
4 executive, legislative, and judicial branches, including constitutional offices.  
5

- 6 **b. Career Executive System** - system for the professionalization and career  
7 development of the executive and managerial component of the third level.  
8
- 9 **c. Career Executive System Board** (hereinafter referred to as the Board) - is the  
10 policy making body responsible for the development, maintenance, and  
11 administration of the Career Executive System.  
12
- 13 **d. Career Executive Officer-Eligible** - refers to a person who passed the  
14 examination process set by the Board through the Civil Service Commission to  
15 qualify for, but has not yet been assigned to a position in the Career Executive  
16 System.  
17
- 18 **e. Career Executive Officer** - refers to a Career Executive Officer-Eligible  
19 occupying a position in the Career Executive System, who is appointed to a  
20 rank by the Civil Service Commission, upon the recommendation of the  
21 Board.  
22
- 23 **f. Rank** - is the index of classification of Career Executive Officers to which a  
24 Career Executive Officer-Eligible may be appointed by the Civil Service  
25 Commission in accordance with the requirements prescribed by the Board.  
26
- 27 **h. Administrative Supervision**- refers to the authority of the department or its  
28 equivalent to generally oversee the operations and to ensure that they are  
29 managed effectively, efficiently, and economically; or to take such action as  
30 may be necessary for the proper performance of official functions, including  
31 rectification of violations; abuses and other forms of maladministration.  
32
- 33 **i. Mobility** - refers to the movement of a Career Executive Officer from one  
34 position to another without reduction in rank or salary.  
35  
36

## 37 CHAPTER II

### 38 CAREER EXECUTIVE SYSTEM

39 **Section 4. The Career Executive System.** The Career Executive System shall  
40 cover all executive and managerial positions in the Executive, Legislative, and Judicial  
41 branches, including Constitutional offices and such other equivalent positions as may  
42 be identified by the Board.  
43  
44

45  
46 Entry and advancement in the Career Executive System shall be governed by the  
47 principles of merit and fitness, and other requirements as may be prescribed by the  
48 Board through the Civil Service Commission. The Career Executive System shall be  
49 essentially characterized by the principles of security of tenure and mobility.  
50

51 **Section 5. Career Executive System Board** - The Board shall consist of the  
52 Chairperson of the Civil Service Commission, as the Board's ex-officio Chairperson; the  
53 Secretary of the Department of Budget and Management or his/her permanent

1 representative not lower than an Undersecretary; the President of the Development  
2 Academy of the Philippines; and the Dean of the National College of Public  
3 Administration and Governance of the University of the Philippines as ex-officio  
4 members.

5  
6 The Board shall also include a representative of the nationwide association of  
7 career executive officers, a representative of the nationwide association of personnel  
8 managers in the private sector, both of whom shall be nominated by their respective  
9 associations, and one from the ranks of retired Career Executive Officers, all of whom  
10 shall be appointed by the Chairperson for a term of three (3) years.

11  
12 Members of the Board shall be provided with per diems and allowances as may  
13 be determined by the Commission.

14  
15 The Civil Service Commission shall exercise administrative supervision over the  
16 Board.

17  
18 **Section 6. Powers and Functions of the Board.** The Board is the policy making  
19 body of the Career Executive System. It shall promulgate rules, standards, and  
20 procedures in the recruitment, selection, assignment to positions, classification,  
21 compensation, mobility, performance management, tour of duty, rewards and  
22 incentives, and training and career development of Career Executive Officers and  
23 Career Executive Officer-Eligibles.

24  
25 **Section 7. Office of the Career Executive System.** The Office of the Career  
26 Executive System, which shall be an office under the Civil Service Commission with its  
27 own administrative and financial support system, shall serve as the CESB Secretariat. In  
28 addition, it shall be responsible for the implementation of the policies, rules,  
29 regulations, decisions, directives, and instructions pertaining to the third level.

30  
31 The Office of the Career Executive System shall be headed by an Assistant  
32 Commissioner, who shall be assisted by a Director IV, both of whom shall be Career  
33 Executive Officers and appointed by the Chairperson of the Civil Service Commission  
34 upon recommendation by the Board.

### 35 36 37 **CHAPTER III**

#### 38 39 **POLICIES AND STANDARDS IN THE** 40 **CAREER EXECUTIVE SYSTEM**

41  
42 **Section 8. Membership in the Career Executive System.** A Career Executive  
43 Officer-Eligible who is assigned to a position in the Career Executive System shall  
44 automatically be given the entry rank as Career Executive Officer by the Civil Service  
45 Commission upon recommendation by the Board. This process completes his/her  
46 membership in the Career Executive System.

47  
48 **Section 9. Security of Tenure.** A Career Executive Officer shall enjoy security of  
49 tenure in the Career Executive System and shall not be suspended or dismissed, except  
50 for cause and after due process.

51  
52 **Section 10. Compensation.** A Career Executive Officer shall be compensated  
53 according to rank and shall be provided with an attractive salary, fringe benefits, and

1 reasonable allowances. A Career Executive Officer occupying a position in the Career  
2 Executive System shall enjoy an added premium based on his/her rank. In case a  
3 Career Executive Officer occupies a position whose salary grade is higher than that of  
4 his/her rank, he/she shall receive the difference between the salary grade of his/her  
5 position and his/her rank while assigned to the position.

6  
7 The Board, in coordination with the Civil Service Commission, and in  
8 consultation with the Department of Budget and Management, shall develop, and  
9 periodically review a compensation plan for Career Executive Officers.

10  
11 The employing agency shall provide the funds to pay the salary, fringe benefits,  
12 and allowances of a Career Executive Officer.

13  
14 **Section 11. Rank System in the Career Executive System.** Career Executive  
15 Officers shall be classified according to ranks, which shall be established and  
16 determined by the Civil Service Commission upon recommendation by the Board. The  
17 classification of ranks shall be based on proven competence, qualifications, broad levels  
18 of responsibility, and other relevant considerations.

19  
20 **Section 12. Appointment to Rank.** Only a Career Executive Officer-Eligible  
21 assigned to a position in the Career Executive System within the coverage of the Salary-  
22 Standardization Law, shall be appointed to a rank by the Civil Service Commission  
23 upon recommendation by the Board. The issuance of rank shall be done by the  
24 Chairperson of the Civil Service Commission.

25  
26 **Section 13. Promotion in Rank.** The Board shall recommend to the Civil Service  
27 Commission the criteria which shall be the basis for promotion in rank. The criteria to  
28 be established shall include, but are not limited to, dimensions such as performance,  
29 qualifications, and proven competence.

30  
31 **Section 14. Mobility in the Career Executive System.** Notwithstanding any  
32 provision of law to the contrary, Career Executive Officers may be assigned to any  
33 position in the Career Executive System without diminution in rank and salary.

34  
35 There shall be a tour of duty of three (3) years for each Career Executive Officer,  
36 during which period he/she shall not be transferred to another office or position  
37 without his/her consent.

38  
39 **Section 15. Career Executive System Resource Pool.** The Civil Service  
40 Commission shall establish a Career Executive System Resource Pool drawn from  
41 Career Executive Officers who may be tapped by other agencies of the government for  
42 cross-posting to undertake special works and unique assignments within a specific  
43 period, depending on the needs of the requesting agency. Participation of Career  
44 Executive Officers in the Pool may either be voluntary or involuntary.

45  
46 For this purpose, the Civil Service Commission upon recommendation of the  
47 Board shall establish the systems and procedures in the assignment of Career Executive  
48 Officers to the Career Executive System Resource Pool.

49  
50 The Civil Service Commission shall administer the Pool and pay for the salaries,  
51 benefits, and other expenses of Career Executive Officers assigned to the Pool.

1 **Section 16. Assignment to Positions in the Career Executive System.** Career  
2 Executive Officer-Eligibles shall be given priority in assignments to vacant positions in  
3 the Career Executive System. In exceptional cases, a non-Career Executive Officer-  
4 Eligible may be assigned to a position in the Career Executive System on a temporary  
5 status. He/she shall, however, be replaced once a Career Executive Officer-Eligible  
6 becomes available.

7  
8 Those who are in Salary Standard Law (SSL)-exempt agencies shall also be  
9 required to be Career Executive Officer-Eligibles prior to their assignments to positions  
10 in the Career Executive System.

11  
12 As far as practicable, all Undersecretaries and Assistant Secretaries shall come  
13 from the Career Executive Officers and Eligibles. In no case shall the number of non-  
14 career Undersecretaries and Assistant Secretaries exceed more than fifty percent (50%)  
15 of the number of career Undersecretaries and Assistant Secretaries.

16  
17 The Civil Service Commission shall establish a mechanism to ensure that  
18 assignments to positions in the Career Executive System conform to the standards  
19 prescribed under this Act.

20  
21 **Section 17. Discipline.** The Civil Service Commission shall have the authority to  
22 discipline occupants of positions in the Career Executive System.

23  
24 **Section 18. Training and Career Development.** The Board shall establish a  
25 continuing program of training and career development for Career Executive Officers  
26 and Career Executive Officer-Eligibles.

27  
28 **Section 19. Performance Management.** The Board shall develop a system for  
29 periodic evaluation of performance of occupants of positions in the Career Executive  
30 System, taking into account their accomplishments and managerial capability. This  
31 periodic evaluation system shall be the basis for the grant of incentives and awards, as  
32 well as for sanctions for poor performance.

33  
34  
35 **CHAPTER V**

36  
37 **MISCELLANEOUS PROVISIONS**

38  
39 **Section 20. Transitory Provisions.** Upon the effectivity of this Act, all Career  
40 Executive Service Officers shall be accredited as Career Executive Officers. They shall be  
41 appointed to Career Executive Officer ranks corresponding to their Career Executive  
42 Service Officer ranks.

43  
44 Career Executive Service Eligibles and Career Service Executive Eligibles  
45 assigned to positions in the Career Executive System shall likewise be appointed to  
46 entry rank as Career Executive Officer.

47  
48 Those who possess Career Executive Service Eligibility shall be accredited as  
49 Career Executive Officer-Eligibles. Career Service Executive Eligibles who have not  
50 been assigned to positions in the Career Executive System at the time of the effectivity  
51 of this Act shall be required to undergo further screening process.

1           **Section 22. Implementing Rules and Regulations.** The Board, in coordination  
2 with the Civil Service Commission, shall promulgate implementing rules and  
3 regulations as may be necessary to implement the intent and purposes of this Act. The  
4 said implementing rules and regulations shall be published in two (2) newspapers of  
5 general circulation.

6  
7           **Section 23. Repealing Clause.** Article IV, Part III of the Integrated  
8 Reorganization Plan, as approved by Presidential Decree No. 1, as amended all laws,  
9 rules and regulations, or parts thereof that are inconsistent with the provisions of this  
10 Act are hereby repealed or modified accordingly.

11  
12           **Section 24. Separability Clause.** If any part, section, or provision of this Act is  
13 held invalid or unconstitutional, no other part, section, or provision shall be affected by  
14 the invalidity or unconstitutionality.

15  
16           **Section 25. Effectivity.** This Act shall take effect after fifteen (15) days from its  
17 publication in the Official Gazette and in a newspaper of general circulation.

18  
19 Approved,  
20