

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

7 JUN 30 P4:4

SENATE

RECEIVED BY: 

Senate Bill No. 270

---

---

Introduced by: *Senator Lacson*

---

---

**EXPLANATORY NOTE**

This bill establishing the Career Executive System seeks to improve on the current concept of the Career Executive Service provided for under the Integrated Reorganization Plan of 1972, as approved in Presidential Decree No. 1, as amended. The passage of this bill has become imperative by virtue of the adoption of the 1987 Constitution, which provided for the creation of one civil service system.

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.

Approval of this bill is therefore earnestly recommended.

  
**PANFILO M. LACSON**  
Senator

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

7 JUN 30 P4

SENATE

RECEIVED BY: 

Senate Bill No. 270

---

---

Introduced by: *Senator Lacson*

---

---

**AN ACT  
ESTABLISHING THE CAREER EXECUTIVE SYSTEM**

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

**CHAPTER 1  
GENERAL PROVISIONS**

**Section 1. Short Title.** - This Act shall be known as the "Career Executive System Act of 2007."

**Section 2. Declaration of Policy** - The third level covers positions in the executive and managerial class, the foreign service, the scientific, technical, artistic, and academic fields, in all branches, subdivisions, instrumentalities and agencies of the government including government-owned or controlled corporations with original charters.

The executive and managerial class constitutes the largest and the most crucial component of the third level. Recognizing the vital role of the Career Executive System in public sector governance, the State shall infuse the System with 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 and careerism in the civil service, and a critical link between government and the people.

Toward this end, the State shall endeavor to ensure an effective, efficient, and responsible administration of the managerial and executive class within the third level through the establishment of a Career Executive System that will maintain continuity and stability in the bureaucracy.

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

a) **Third Level-** The third level is an integral part of the civil service system being managed by the Civil Service Commission.

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

- b) **Career Executive System** - refers to a system for the professionalization and career development of the executive and managerial component of the third level.
- e) **Career Executive System Board (hereinafter referred to as the Board)** - refers to the policy making body responsible for the development, maintenance and administration of the Career Executive System.
- d) **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.
- e) **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.
- f) **Rank** - refers to 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.
- g) **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 maybe necessary for the proper performance of official functions, including rectification of violations, abuses and other forms of maladministration.
- h) **Mobility**- refers to the movement of a Career Executive Officer from one position to another without reduction in rank or salary.

## **CHAPTER II CAREER EXECUTIVE SYSTEM**

**Section 4. 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 principles of merit and fitness, and 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.

**Section 5. 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 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.

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

**Section 6. Powers and Functions of the 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.

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

The Office of the Career Executive System 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 upon recommendation by the Board.

### CHAPTER III

#### POLICIES AND STANDARDS IN THE CAREER EXECUTIVE SYSTEM

**Section 8. Membership in the Career Executive System.** - 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.

**Section 9. 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.

**Section 10. Compensation.** - A Career Executive Officer shall be compensated according to 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 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.

**Section 11. 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.

**Section 12. 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.

**Section 13. 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.

**Section 14. Mobility in the Career Executive System.** - 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.

**Section 15. Career Executive System 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.

**Section 16. Assignment to Positions in the Career Executive System.** -- Career Executive Officer-Eligibles shall be given priority in assignment 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 Office-Eligible becomes available.

Those who are in Salary Standard 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 the 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 with the standards prescribed under this Act.

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

**Section 18. 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.

**Section 19. Performance Management.** - The Board shall develop a system for the 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.

## CHAPTER IV

### MISCELLANEOUS PROVISIONS

**Section 20. Transitory Provisions.** - Upon the effectivity of this Act, all Career Executive Service Officers shall be accredited as Career Executive Officers. They shall be appointed to Career Executive Officers 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 Act shall be required to undergo further screening process.

**Section 21. Implementing Rules and Regulations.** - The Board, in coordination with the Civil Service Commission, shall promulgate implementing rules and regulations as may be necessary to implement the intent and purposes of this Act. The said implementing rules and regulations shall be published in two (2) newspapers of general circulation.

**Section 22. Repealing Clause.** - Provisions of Article IV, Part III of the Integrated Reorganization Plan, as approved by Presidential Decree No. 1, as amended, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**Section 23. Separability Clause.** - If any part, section, or provision of this Act is declared invalid or unconstitutional, other provisions not affected thereby shall remain in full force and effect.

**Section 24. Effectivity.** - This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*