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REPUBLIC OF THE PHILIPPINES)
First Regular Session)

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SENATE

S. NO. 325

2000/07/11
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Introduced by Senator Antonio "Sonny" F. Trillanes IV

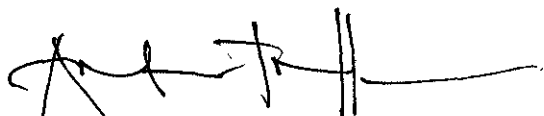
EXPLANATORY NOTE

Government accountants play a vital role in the daily operation of the National Government such as monitoring of programs and projects, budget control, economic analysis, policy formulation, decision-making, and spotting possible areas for anomalies. Performing the aforementioned functions and ensuring proper control on expenses and use of the government's resources however requires our accountants to render services beyond office hours.

Moreover, their profession exposes them to stress brought about by deadlines and pressures as well as the responsibilities that rests on their shoulders. This bill seeks to improve and promote the social and economic status of our government accountants as well as their living and working conditions, terms of employment, professional growth, and career advancement.

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

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



ANTONIO "SONNY" F. TRILLANES IV
Senator

SENATE

S. NO. 325

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

AN ACT
PROVIDING FOR A MAGNA CARTA OF GOVERNMENT ACCOUNTANTS

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

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

3
4 **SEC. 2. Declaration of Policy.** - The State shall maintain honesty and integrity in
5 the public service and take positive and effective measures to develop and install a sound
6 and effective government accounting system consistent with the requirements of public
7 accountability and transparency. The State hereby declares the
8 Government Accountants as protector and vanguard of financial and material
9 resources of the Government. To this end, the State shall endeavor to improve and
10 promote their social and economic status, living and working conditions, terms of
11 employment, professional growth, and career advancement.

12
13 **SEC. 3. Definition of Terms.** - As used in this Act, the following terms shall be
14 construed to mean as follows:

- 1 a.) Government Accounting - refers to the whole system of recording, classifying
2 and summarizing financial transactions, the establishment of adequate
3 accounting and financial information system, the establishment of sound and
4 integrated system of internal financial and administrative controls, and such
5 other related functions aimed towards improving fiscal controls and
6 management;
- 7 b.) Government Accountant - refers to any government employee holding position
8 belonging to any level of the career service and performing function and/or
9 works pertaining to government accounting;
- 10 c.) Government Accounting Staff - refers to a group of government accountants
11 assigned in a particular organizational unit which includes, but not limited
12 to, an office, division, section or equivalent, performing government
13 accounting functions;
- 14 d.) Certified Public Accountant (CPA) - refers to one who has passed the
15 licensure examination given by the Board of Accountancy of the
16 Professional Regulations Commission, has taken his oath and possesses no
17 disqualification to practice his profession;
- 18 e.) Head of Agency - refers to the chief operating officer of a department, office,
19 agency, bureau, state university and/or college, local government unit,
20 government-owned and controlled corporation and such other governmental
21 instrumentalities;
- 22 f.) CSC - refers to the Civil Service Commission;
- 23 g.) COA - refers to the Commission on Audit;
- 24 h.) DBM - refers to the Department of Budget and Management;
- 25 i.) AGAP - refers to the Association of Government Accountants of the
26 Philippines, Inc.;

1 j.) Geographical Reassignment - refers to the movement of official station from
2 one geographical location to another;

3 k.) Compulsory Retirement - refers to the cessation and/or termination of service
4 by the Government Accountant with the Government in accordance with
5 law or as may be provided under this Act;

6 l.) Overloading - refers to a condition when a Government Accountant is
7 assigned tasks/works above normal workload level;

8 m.) Understaffing - refers to a condition when a number of authorized positions in
9 an organizational unit performing government accounting function is less
10 than the required number of positions.

11
12 **SEC. 4. Coverage.** - This Act shall cover all officials and employees holding
13 permanent positions in the Government, its subdivisions, agencies, and instrumentalities,
14 including government-owned and controlled corporations performing accounting,
15 budgeting, internal audit and other related government accounting functions.

16
17 **SEC. 5. Recruitment and Qualification.** - The selection and appointment of
18 Government Accountants shall be strictly in accordance with the merit and fitness
19 principle and the minimum qualification requirements as may now or thereafter be
20 prescribed by the CSC: Provided, that the CSC may develop and administer specialized
21 examination for purposes of providing appropriate eligibilities to positions not requiring a
22 certified public accountant eligibility.

23
24 **SEC. 6. Performance Evaluation and Merit Promotion.** - Heads of agencies
25 shall prepare a uniform Career and Personnel Development Plan applicable to all
26 Government Accountants in their respective agencies. Such Career and Personnel

1 Development Plan shall include provisions on merit promotion, performance evaluation,
2 in service training, grants and incentive award system.

3
4 The Performance Evaluation Plan shall consider foremost the improvement of
5 individual employee's efficiency and organization effectiveness: Provided, that each
6 employee shall be informed regularly of his performance evaluation.

7
8 The merit promotion plan shall be in consonance with the rules of the CSC.

9
10 **SEC. 7. *Transfer or Geographical Reassignment of Government Accountants.* –**

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

20
21 **SEC. 8. *Security of Tenure.* -** Government accountants holding permanent
22 positions shall not be terminated except for cause as may be provided by law and after
23 due process: Provided, that any government accountant found by the CSC to be unjustly
24 dismissed from work shall be entitled to reinstatement without loss of seniority rights and
25 to backwages with twelve (12%) percent interest computed from the time the
26 compensation was withheld up to the time of reinstatement.

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

4
5 **SEC. 10. *No Understaffing/Overloading of Government Accounting Staff.*** -
6 There shall be no understaffing or overloading of Government Accountants. A Standard
7 Staffing Pattern for government accounting staff shall be established; taking into
8 consideration the total appropriation, number of funds, number of agencies/units with
9 individual sets of books of accounts, organization's manpower force, and such other
10 factors as may be determined by the DBM, CSC and COA.

11
12 In line with the above policy, substitute officers or employees shall be provided in
13 place of officers or employees who are on leave for over three (3) months.

14
15 **SEC. 11. *Safeguards and Disciplinary Procedures.*** - In every disciplinary
16 proceeding, a Government Accountant shall be accorded the following rights:

- 17 a.) The right to be informed in writing of the charges against him;
18 b.) The right to full access to evidence;
19 c.) The right to defend by himself or by counsel of his own choice and/or his
20 organization;
21 d.) The right to confront witnesses presented against him and summon witnesses in
22 his behalf;
23 e.) The right to appeal to designated authorities;
24 f.) Such other rights as will ensure fairness and impartiality during proceedings.

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

4
5 **SEC. 12. Overtime Work.** - Where the exigencies of the service so require, any
6 Government Accountant maybe required to render service beyond the normal eight (8)
7 hours a day, including Saturdays, Sundays or non-working holidays. In such case, the
8 Government Accountant shall be paid an additional compensation in accordance with
9 existing laws.

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

15
16 **SEC. 14. Salaries.** - The salary of the highest government accountant position shall
17 be equal to the salary of the third ranking official of any government agency: *Provided,*
18 that the salary grade intervals down the rank shall not be more than two (2) salary grades
19 and shall progress whenever there is a salary increase or across the board adjustment
20 granted by the National Government.

21
22 **SEC. 15. Additional Compensation and Incentives.** - Notwithstanding Section 12
23 of Republic Act No. 6758, otherwise known as the "Compensation and Position
24 Classification Act of 1989," Government Accountants shall receive the following
25 allowances:

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

1 such medical examination and treatment shall be included as automatic
2 appropriation in the Agency's annual budget.

3 f.) Compensation for Injuries - Government Accountants shall be protected
4 against the consequences of employment injuries in accordance with existing
5 laws. Injuries incurred while doing overtime work shall be presumed work-
6 connected.

7 g.) As withholding and collecting agent of BIR, GSIS, HMDC, a Government
8 Accountant shall be allowed honorarium as remitting officer.

9
10 **SEC. 16. *Automatic Salary Adjustment.*** - Government Accountants who are
11 Certified Public Accountants and enjoying permanent status, shall be granted an
12 automatic five percent (5%) increase in his basic salary upon approval of this Act:
13 Provided, that those who passed the CPA Licensure Examination or who have completed
14 post graduate studies after the approval of this Act, shall also be entitled to the five
15 percent (5%) automatic adjustment in basic pay.

16
17 **SEC. 17. *Highest Basic Salary Upon Retirement.*** - Three (3) months prior to
18 compulsory retirement, a Government Accountant shall automatically be granted salary
19 increase to the next higher salary grade but in no case shall the salary difference be less
20 than Five Hundred Pesos (P500.00): *Provided*, that compulsory retirement shall include
21 staff members who died by reason of work connected sickness or accident or declared
22 total permanent disability prior to compulsory retirement age irrespective of length of
23 services provided that the services rendered were satisfactory.

24
25 **SEC. 18. *Right to Self-organization.*** - Government Accountants shall have the
26 right to freely form their own organization, to affiliate with or assist other organizations

1 or government workers for purposes not contrary to law, in order to defend and protect
2 their mutual interests and to obtain redress of their grievances through peaceful concerted
3 activities: Provided, That under no circumstances shall they be allowed to declare, stage
4 or join any strike or cessation of services.

5
6 **SEC. 19. *The Right to Attend Periodic Workshops, Dialogues, Conferences,***
7 ***Seminars and Conventions.*** - Government Accountants being instrument of management
8 of the various government agencies in graphing or directing the proper course of action
9 towards the attainment of their respective plans and projects have the right to be properly
10 updated of the continuing plans and strategies in maximizing the resources of government
11 to obtain the best results at minimum costs. Heads of Agencies shall allow Government
12 Accountants to attend training workshops, dialogues-conferences or seminars and
13 conventions on official business. They shall also have the right to be informed
14 periodically of the Agency's plans, programs and strategies.

15
16 **SEC. 20. *Freedom from Interference or Coercion.*** - Government Accountants
17 shall be guaranteed from interference and coercion from authorities outside his agency.

18
19
20 **SEC. 21. *Human Resource Development/Management Study.*** - The CSC in
21 coordination with the Association of Government Accountants of the Philippines shall
22 conduct periodic human resource development/management study along the following
23 areas:

- 24 a) Adequacy of modern and updated facilities and supplies to render quality,
25 timely and reliable financial reports;

- 1 b) Opportunity for government accountant staff to grow and develop their
2 potentials and to, attain a sense of worth and dignity of their work;
- 3 c) Staffing patterns and standards of accounting offices or units attuned to
4 contemporary requirements and trends;
- 5 d) Ways and means of enabling the government accountants to avail themselves
6 of educational opportunities for personal growth and development;
- 7 e) Upgrading of working conditions, reclassification of position and salaries to
8 correct disparity vis-a-vis other professions.

9

10 **SEC. 22. *Prohibition Against Elimination and/or Diminution of Benefits.* -**

11 Nothing in this Act shall be construed to eliminate or in any way diminish benefits being
12 enjoyed by government accountants of the time of the effectivity of this. Act.

13

14 **SEC. 23. *Prohibition Against Double Recovery of Benefits.* -** Whenever other

15 laws provide for the same benefits covered by this Act, the Government Accountant shall
16 have the option to choose which benefits will be paid to him except when such benefit is
17 considered part of an incentive package extended for the extra effort and/or time devoted
18 by the Government Accountant.

19

20 **SEC. 24. *Appropriations.* -** The amount necessary to implement the provision of

21 this Act is hereby authorized to be appropriated out of any funds not otherwise
22 appropriated. Thereafter, such sums shall be included in the General Appropriation of the
23 government agencies or instrumentalities concerned.

24

25 **SEC. 25. *Rules and Regulations.* -** The Civil Service Commission (CSC), in

26 consultation with the Association of Government Accountants of the Philippines

1 (AGAP), Inc. and such other professional organizations of government accountants, shall
2 promulgate necessary rules and regulations to implement the provisions of this Act.

3

4 **SEC. 26. *Separability Clause.*** - If any provision of this Act is declared
5 unconstitutional or invalid, the remainder thereof not affected thereby shall continue to be
6 in full force and effect.

7

8 **SEC. 27. *Repealing Clause.*** - All laws, decrees, orders, rules and regulations or
9 other issuance or parts thereof inconsistent with the provision of this Act are hereby
10 repealed, amended or modified accordingly.

11

12 **SEC. 28. *Effectivity.*** - This Act shall take effect fifteen (15) days after its
13 publication in at least two (2) newspapers of general circulation.

Approved,