

**Inventory of Governance Related Laws and Interpretation
of the Legal Regime in the Philippines**

CIVIL SERVICE AND THE PROFESSIONS

**“INVENTORY OF GOVERNANCE RELATED
LAWS AND INTERPRETATION OF THE
LEGAL REGIME IN THE PHILIPPINES”**

**PART A: INVENTORY OF LAWS, RULES AND COURT
DECISIONS**

**GOVERNANCE ADVISORY COUNCIL
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**UNITED NATIONS DEVELOPMENT PROGRAMME
A PROJECT THROUGH THE
PHILIPPINE GOVERNANCE FORUM**

THE CIVIL SERVICE AND THE PROFESSIONS
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ARTICLE IX - B, 1987 Constitution

SECTION 2. (1) The civil service embraces all branches, subdivisions, instrumentalities, and agencies of the Government, including government-owned or controlled corporations with original charters.

(2) Appointments in the civil service shall be made only according to merit and fitness to be determined, as far as practicable, and, except to positions which are policy-determining, primarily confidential, or highly technical, by competitive examination.

(3) No officer or employee of the civil service shall be removed or suspended except for cause provided by law.

(4) No officer or employee in the civil service shall engage, directly or indirectly, in any partisan political campaign.

(5) The right to self-organization shall not be denied to government employees.

(6) Temporary employees of the Government shall be given such protection as may be provided by law.

ARTICLE IX - B, 1987 Constitution

SECTION 1. (1) The Civil Service shall be administered by the Civil Service Commission composed of a Chairman and two Commissioners who shall be natural-born citizens of the Philippines and, at the time of their appointment, at least thirty-five years of age, with proven capacity for public administration, and must not have been candidates for any elective position in elections immediately preceding their appointment.

(2) The Chairman and the Commissioners shall be appointed by the President with the consent of the Commission on Appointments for a term of seven years without reappointment. Of those first appointed, the Chairman shall hold office for seven years, a Commissioner for five years, and another Commissioner for three years, without reappointment. Appointment to any vacancy shall be only for the unexpired term of the predecessor. In no case shall any member be appointed or reappointed in a temporary or acting capacity.

ARTICLE IX - B, 1987 Constitution

SECTION 3. The Civil Service Commission, as the central personnel agency of the Government, shall establish a career service and adopt measures to promote morale, efficiency, integrity, responsiveness, progressiveness, and courtesy in the civil service. It shall strengthen the merit and rewards system, integrate all human resources development programs for all levels and ranks, and institutionalize a management climate conducive to public accountability. It shall submit to the President and the Congress an annual report on its personnel programs.

SECTION 4. All public officers and employees shall take an oath or affirmation to uphold and defend this Constitution.

SECTION 5. The Congress shall provide for the standardization of compensation of Government officials, including those in government-owned or controlled corporations with original charters, taking into account the nature of the responsibilities pertaining to, and the qualifications required for their positions.

SECTION 6. No candidate who has lost in any election shall, within one year after such election, be appointed to any office in the Government of any government-owned or controlled corporation or in any of its subsidiaries.

SECTION 7. No elective official shall be eligible for appointment or designation in any capacity to any public office or position during his tenure.

Unless otherwise allowed by law or by the primary functions of his position, no appointive official shall hold any other office or employment in the Government or any subdivision, agency or instrumentality thereof, including government-owned or controlled corporations or their subsidiaries.

SECTION 8. No elective or appointive public officer or employee shall receive additional, double, or indirect compensation, unless specifically authorized by law, nor accept without the consent of the Congress, any present, emolument, office, or title of any kind from any foreign government.

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

ARTICLE II, 1987 Constitution

SECTION 26. The State shall guarantee equal access to opportunities for public service, and prohibit political dynasties as may be defined by law.”

SECTION 27. The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.”

ARTICLE XI

Accountability of Public Officers

SECTION 1. Public office is a public trust. Public officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency, act with patriotism and justice, and lead modest lives.

ARTICLE XI, 1987 Constitution

SECTION 15. The right of the State to recover properties unlawfully acquired by public officials and employees, from them or from their nominees or transferees, shall not be barred by prescription, laches, or estoppel.”

SECTION 17. A public officer or employee shall, upon assumption of office and as often thereafter as may be required by law, submit a declaration under oath of his assets, liabilities, and net worth. In the case of the President, the Vice-President, the Members of the Cabinet, the Congress, the Supreme Court, the Constitutional Commissions and other constitutional offices, and officers of the armed forces with general or flag rank, the declaration shall be disclosed to the public in the manner provided by law.”

SECTION 18. Public officers and employees owe the State and this Constitution allegiance at all times, and any public officer or employee who seeks to change his citizenship or acquire the status of an immigrant of another country during his tenure shall be dealt with by law.”

ARTICLE XVI, 1987 Constitution

SECTION 8. The State shall, from time to time, review to upgrade the pensions and other benefits due to retirees of both the government and the private sectors.”

ARTICLE XI, 1987 Constitution

"SECTION 12. The Ombudsman and his Deputies, as protectors of the people, shall act promptly on complaints filed in any form or manner against public officials or employees of the Government, or any agency, subdivision or instrumentality thereof, including government-owned or controlled corporations, and shall, in appropriate cases, notify the complainants of the actions taken and the result thereof."

"SECTION 13. The Office of the Ombudsman shall have the following powers, functions, and duties :

- (1) Investigate on its own, or on complaint by any person, any act or omission of any public official, employee, office or agency, when such act or omission appears to be illegal, unjust, improper, or inefficient.
- (2) Direct, upon complaint or at its own instance, any public official or employee of the Government, or any subdivision, agency or instrumentality thereof, as well as of any government-owned or controlled corporation with original charter, to perform and expedite any act or duty required by law, or to stop, prevent, and correct any abuse or impropriety in the performance of duties.
- (3) Direct the officer concerned to take appropriate action against a public official or employee at fault, and recommend his removal, suspension, demotion, fine, censure, or prosecution, and ensure compliance therewith.
- (4) Direct the officer concerned, in any appropriate case, and subject to such limitations as may be provided by law, to furnish it with copies of documents relating to contracts and transactions entered into by his office involving the disbursement or use of public funds or properties, and report any irregularity to the Commission on Audit for appropriate action.
- (5) Request any government agency for assistance and information necessary in the discharge of its responsibilities, and to examine, if necessary, pertinent records and documents.
- (6) Publicize matters covered by its investigation when circumstances so warrant and with due prudence.
- (7) Determine the causes of inefficiency, red tape, mismanagement, fraud, and corruption in the Government and make recommendations for their elimination and the observance of high standards of ethics and efficiency.
- (8) Promulgate its rules and procedure and exercise such other powers or perform such functions or duties as may be provided by law."

PRESIDENTIAL DECREE NO. 807

PROVIDING FOR THE ORGANIZATION OF THE CIVIL SERVICE COMMISSION IN ACCORDANCE WITH PROVISIONS OF THE CONSTITUTION, PRESCRIBING ITS POWERS AND FUNCTIONS AND FOR OTHER PURPOSES

WHEREAS, the Constitution provides for organization of a Civil Service Commission which shall establish a career service and adopt measures to promote morale, efficiency and integrity in the government service:

WHEREAS, Presidential Decree No. 110 dated January 26, 1973 declared the Civil Service Commission envisioned in the Constitution in existence, providing guidelines for its operation:

WHEREAS, there is need for the immediate organization of the Civil Service Commission in order to enable it to carry out its mission as mandated by the Constitution: and

WHEREAS, the former Civil Service Commission created under Republic Act No. 2260, as amended, and as organized under the Integrated Reorganization Plan may serve as the nucleus of the new Civil Service Commission.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order:

ARTICLE I. TITLE

SECTION 1. This Decree shall be known as the Civil Service Decree of the Philippines.

ARTICLE II. DECLARATION OF POLICY

SECTION 2. It shall be the policy of the State to insure and promote the Constitutional principle that appointment in the Civil Service shall be made only according to merit and fitness, to establish within the public service a progressive system of personnel administration, and to adopt measures to promote morale and the highest degree of responsibility, integrity, loyalty, efficiency, professionalism in the Civil Service; that the Civil Service Commission shall be the central personnel agency to set standards and to enforce the laws and rules governing the selection, promotion, training and discipline of civil servants; that a public office is a public trust and public officers shall serve with the highest degree of responsibility, integrity, loyalty and efficiency and shall remain accountable to the people; and that action on personnel matters shall be decentralized, with the different departments and other offices or agencies of the government delegating to their respective offices or other similar units, powers and functions.

ARTICLE III. DEFINITION OF TERMS

SECTION 3. As used in this Decree, the following shall be construed thus:

- (a) *Agency* means any bureau, office, commission, administration, board, committee, institute, corporation, whether performing governmental or proprietary function, or any other unit of the National Government, as well as provincial, city or municipal government, except as hereinafter otherwise provided.
- (b) *Appointing officer* is the person or body authorized by law to make appointments in the Philippine Civil Service.
- (c) *Class* includes all positions in the government service 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.
- (d) *Commission* refers to the Civil Service Commission.
- (e) *Chairman* refers to the Chairman of the Commission.
- (f) *Commissioner* refers either of the two other members of the Commission.
- (g) *Department* includes any of the executive departments or entities having the category of a department including the judiciary, Commission on Elections and Commission on Audit.
- (h) *Eligible* refers to a person who obtains a passing grade in a civil service examination or is granted a civil service eligibility and whose name is entered in the register of eligibles.
- (i) *Examination* refers to a civil service examination conducted by the Commission and its regional offices or by other departments or agencies with the assistance of the Commission, or in coordination or jointly with it, and those that it may delegate to departments and agencies pursuant to this Decree, or those that may have been delegated by law.
- (j) *Form* refers to those prescribed by the Civil Service Commission.

ARTICLE IV. SCOPE OF THE CIVIL SERVICE

SECTION 4. *Position Embraced in the Civil Service.* — The Civil Service embraces branch, agency, subdivision, and instrumentality of the government, including every government-owned or controlled corporations whether performing governmental or proprietary on.

Positions in the Civil Service shall be classified into career service and non-career service.

SECTION 5. The Career Service shall be characterized by (1) entrance based on merit to be determined as far as practicable by competitive examinations, or based on highly cal qualifications; (2) opportunity for advancement to higher career positions; and (3) security

tenure.

The Career Service shall include:

- (1) Open Career positions for appointment to which prior qualification in an appropriate examination is required;
- (2) Closed Career positions which are scientific or highly technical in nature; these include the faculty and academic staff of state colleges and universities, and scientific and technical positions in scientific or research institutions which shall establish and maintain their own merit systems;
- (3) Positions in the Career Executive Service: namely, Undersecretary, Assistant Secretary, Bureau Director, Assistant Bureau Director, Regional Director, Assistant Regional Director, Chief of Department Service and other officers of equivalent rank as may be identified by the Career Executive Service Board, all of whom are appointed by the President;
- (4) Career officers, other than those in the Career Executive Service, who are appointed by the President, such as the Foreign Service Officers in the Department of Foreign Affairs;
- (5) Commissioned officers and enlisted men of the Armed Forces which shall maintain a separate merit system;
- (6) Personnel of government-owned or controlled corporations, whether performing governmental or proprietary functions, who do not fall under the non-career service; and
- (7) Permanent laborers, whether skilled, semi-skilled, or unskilled.

SECTION 6. The Non-Career Service shall be characterized by (1) entrance on bases other than those of the usual tests of merit and fitness utilized for the career service; and (2) tenure which is limited to a period specified by law, or which is coterminous with that of the appointing authority or subject to his pleasure, or which is limited to the duration of a particular project for which purpose employment was made.

The Non-Career Service shall include:

- (1) Elective officials and their personal or confidential staff;
- (2) Department Heads and other officials of Cabinet rank who hold positions at the pleasure of the President and their personal or confidential staff(s);
- (3) Chairman and members of commissions and boards with fixed terms of office and their personal or confidential staff;
- (4) Contractual personnel or those whose employment in the government is in

accordance with a special contract to undertake a specific work or job, requiring special or technical skills not available in the employing agency, to be accomplished within a specific period, which in no case shall exceed one year, and performs or accomplishes the specific work or job, under his own responsibility with a minimum of direction and supervision from the hiring agency; and

- (5) Emergency and seasonal personnel.

SECTION 7. *Classes of Positions in the Career Service.* —

- (a) Classes of positions in the career service appointment to which requires examinations shall be grouped into three major level as follows:
- (1) The first level shall include clerical, trades, crafts, and custodial service positions which involve non-professional or subprofessional work in a non-supervisory or supervisory capacity requiring less than four years of collegiate studies;
 - (2) The second level shall include professional, technical, and scientific positions which involve professional, technical, or scientific work in a non-supervisory or supervisory capacity requiring at least four years of college work up to Division Chief level; and
 - (3) The third level shall cover positions in the Career Executive Service.
- (b) Except as herein otherwise provided, entrance to the first two levels shall be through competitive examinations, which shall be open to those inside and outside the service who meet the minimum qualification requirements. Entrance to a higher level does not require previous qualification in the lower level. Entrance to the third level shall be prescribed by the Career Executive Service Board.
- (c) Within the same level, no civil service examination shall be required for promotion to a higher position in one or more related occupational groups. A candidate for promotion should, however, have previously passed the examination for that level.

ARTICLE V. ORGANIZATION AND FUNCTIONS

SECTION 8. *Composition of the Civil Service Commission.* —

- (a) An independent Civil Service Commission, hereinafter referred to as the Commission is hereby established composed of a Chairman and two Commissioners, who shall be responsible for the effective discharge of the functions of the Commission. They shall be appointed by the President for a term of seven years without reappointment. Of the Commissioners first appointed, one shall hold office for seven years, another for five years, and the third for three

years: *Provided*. That appointment to any vacancy shall be only for the unexpired portion of the term of the predecessors.

- (b) To be eligible for appointment as Chairman or Commissioners, a person should be a natural born citizen of the Philippines, at least thirty-five years of age at the time of appointment, a holder of a college degree and must not have been a candidate for any elective position in the election immediately preceding his appointment.
- (c) The Chairman and each Commissioner shall receive an annual compensation of sixty thousand pesos and fifty thousand pesos which shall not be decreased during their continuance in office: *Provided*. That no member of the Commission shall, during his tenure in office, engage in the practice of any profession or in the management of any business, or be financially interested directly or indirectly in any contract with, or in any franchise or privilege granted by, the Government, or any subdivision, agency or instrumentality thereof, including government-owned or controlled corporations.

SECTION 9. *Powers and Functions of the Commission.* — The Commission shall administer the Civil Service and shall have the following powers and functions:

- (a) Administer and enforce the constitutional and statutory provisions on the merit system;
- (b) Prescribe, amend and enforce suitable rules and regulations for carrying into effect the provisions of this Decree. These rules and regulations shall become effective thirty days after publication in the Official Gazette or in any newspaper of general circulation;
- (c) Promulgate policies, standards, and guidelines for the Civil Service and adopt plans and programs to promote economical, efficient, and effective personnel administration in the government; and prescribe all forms for publications, examinations, appointments, reports, records, and such other forms as may be required under this Decree;
- (d) Advise the President on all matters involving personnel management in the government service and assist in the improvement of personnel units and programs in the department and agencies;
- (e) Appoint its personnel and exercise overall supervision and control over the activities of the Commission;
- (f) Supervise and coordinate the conduct of civil service examinations being administered by the departments concerned as provided for under Paragraph 5, Article III, Chapter II, Part III of the Integrated Reorganization Plan;
- (g) Provide leadership and assistance in formulating, administering, and evaluating programs relative to the development and retention of a competent and efficient

work force in the public service:

- (h) Approve all appointments, whether original or promotional, to positions in the civil service, except those of presidential appointees, members of the Armed Forces of the Philippines, police forces, firemen, and jailguards, and disapprove those where the appointees do not possess the appropriate eligibility or required qualifications. An appointment shall take effect immediately upon issue by the appointing authority if the appointee assumes his duties immediately and shall remain effective until it is disapproved by the Commission, if this should take place, without prejudice to the liability of the appointing authority for appointments issued in violation of existing laws or rules: *Provided, finally*, That the Commission shall keep a record of appointments of all officers and employees in the civil service. All appointments requiring the approval of the Commission as herein provided, shall be submitted to it by the appointing authority within thirty days from issuance, otherwise, the appointment becomes ineffective thirty days thereafter
- (i) Inspect and audit periodically the personnel work programs of the different departments, bureaus, offices, agencies and other instrumentalities of the government, including government-owned or controlled corporations, conduct periodic review of decisions and actions of offices or officials to whom authority has been delegated by the Commission as well as the conduct of the officials and employees in these offices and apply appropriate sanctions whenever necessary;
- (j) Hear and decide administrative disciplinary cases instituted directly with it in accordance with Section 37 or brought to it on appeal;
- (k) *Issue subpoena and subpoena duces tecum* or require the production of books and papers pertinent to investigations and inquiries to be made by the Commission in accordance with its authority conferred by the Constitution, this Decree, and other laws, decrees, or letters of instructions issued by the President; summon witnesses to appear at such investigation or inquiries;
- (l) Submit to the President an annual report which shall contain an adequate evaluation of the progress of the merit system and the problems encountered in its implementation; and
- (m) Perform such other functions as properly belong to a central personnel agency.

SECTION 10. *Duties and Responsibilities of the Chairman. —*

- (a) Subject to policies and resolution adopted by the Commission, the Chairman shall:
 - (1) Direct the operations of the Commission including those pertaining to its internal administration;
 - (2) Establish standard operating procedures for the effective operations for

the Commission: ...

- (3) Transmit to the President, rules, regulations, and other guidelines adopted by the Commission which require Presidential attention including annual and other periodic reports as may be necessary;
 - (4) Issue appointments to, and enforce decision on administrative discipline involving officials and employees of the Commission;
 - (5) Delegate authority for the performance of any function to officials of the Commission;
 - (6) Submit the annual and supplemental budgets of the Commission; and
 - (7) Perform such other functions as may be provided by law.
- b) In his capacity as member of the Career Executive Service Board, he shall present appropriate viewpoints in the deliberations of the Board that would seek to insure the policies and programs of the Board are properly harmonized with the overall policies and programs of personnel management in the government.
- (c) There shall be an Executive Director in the Office of the Chairman who shall be responsible for the effective implementation of the policies, rules and standards promulgated by the Commission, to coordinate and supervise the activities of the different offices in the Commission including those of the regional offices; to report to the Chairman the operation of such functions as may be assigned to him by the Chairman.

SECTION 11. *Duties and Responsibilities of the Other Members of the Commission.* — Together with the Chairman, the two Commissioners shall be responsible for the effective exercise of rule-making and adjudicative functions of the Commission. In case of the absence of the Chairman, owing to illness or other cause, the senior member shall temporarily perform the functions of the Chairman. ...

SECTION 12. *Offices in the Commission.* — The Commission shall carry out its functions through the following Offices and Service: (1) Office of Recruitment, Examination and Selection, (2) Office of Career and Employee Development, (3) Office of Personnel Planning and Management Evaluation, (4) Office of Personnel Relations, (5) Office of Legal Affairs, and (6) Administrative Service. It shall keep and maintain such regional offices as the exigencies of the service may require in accordance with the pertinent provisions of Chapter III, Part II of the Integrated Personnel Management Plan, or as may be provided by law.

- 1) The Office of Recruitment, Examination and Selection, headed by a Director, shall provide leadership and assistance in developing and implementing the overall Commission program relating to recruitment, examination and selections.
- 2) The Office of Career and Employee Development, headed by a Director, shall provide leadership and assistance to line agencies in formulating, administering,

and evaluating programs relating to the development and retention of skilled and efficient work force in the public service, develop policies, standards and procedures on the establishment and administration of departmental and agency career and personnel development plans which shall include provisions on merit promotions, performance evaluation, in-service training, job rotation, suggestions and incentive award system; integrate such plans into a national plan; and monitor and evaluate progress in connection therewith.

- (3) The Office of Personnel Planning and Program Evaluation, headed by a Director, shall provide the Commission with economical, efficient, and effective service relating to policy development, program planning, research and statistics, budgetary and management services; and shall conduct periodic evaluation of personnel management programs and performance of the different departments and agencies of the national government, including government-owned or controlled corporations.
- (4) The Office of Personnel Relations, headed by a Director, shall provide leadership and assistance in developing employee relations programs in the different departments and agencies, including the establishment of employee organizations and the coordination of their activities.
- (5) The Office of Legal Affairs, headed by a Director, shall assist the Commission on all matters relating to administrative discipline and in its quasi-judicial and rule-making functions and the prosecution of violation of Civil Service Law and Rules and laws affecting the Civil Service and such other functions as may be assigned by the Chairman.
- (6) The Administrative Service, headed by a Director, shall provide the Commission with economical, efficient, and effective services relating to personnel, records, supplies, equipment, collection, disbursements, accounting, and data processing and custodial services.

SECTION 13. *Regional Offices.* — Each regional office of the Commission shall exercise the following authority:

- a. Enforce Civil Service Law and Rules in connection with personnel actions of national and local government agencies within the region, and the conduct of public officers and employees;
- b. Conduct recruitment and examination for government-wide positions in the region;
- c. Provide technical advice and assistance to public agencies within the region regarding personnel administration; and
- d. Perform such other functions as may be assigned to it by the Commission.

SECTION 14. *Authority to Reorganize.* — In order to carry out the powers and functions

forth in this Decree, the Commission is hereby authorized to reorganize the internal structure of the Commission subject to the approval of the President; *Provided, however,* That this authority shall not extend beyond December 31, 1976.

ARTICLE VI. RESPONSIBILITIES OF PUBLIC OFFICERS AND EMPLOYEES

SECTION 15. *Duties of Public Officers.* — Public office is a public trust. Public officers and employees shall serve with the highest degree of responsibility, integrity, loyalty, and efficiency, and shall remain accountable to the people.

ARTICLE VII. INTERDEPARTMENT RELATIONS

SECTION 16. *Civil Service Assistance to Departments and Agencies.* — Each head of department, office, agency, government-owned or controlled corporation and local government shall be responsible for personnel administration in his office which shall be in accordance with the provisions relating to civil service embodied in the Constitution, this Decree and the rules, regulations, standards, guidelines and regulations established by the Commission. Whenever it deems in the interest of the public service, the Civil Service Commission shall organize in each department, office, agency, government-owned or controlled corporation, and provincial and city government a Civil Service Staff which shall be headed by an officer of the Commission. The necessary staff personnel and office facilities and equipment shall be provided by the department, government-owned or controlled corporation or local government where the staff is established but the Commission may augment these with its own. This shall serve as the principal liaison between Civil Service and the Department concerned and shall perform the following specific functions and those functions which may hereafter be assigned to it by the Commission:

1. Provide technical assistance in all aspects of personnel management;
2. Monitor and audit periodically the personnel practices and performance of the Department or agency concerned as well as those of public officers and employees thereof;
3. Determine agency compliance with Civil Service Law and rules; and
4. In the performance of these functions, the staff shall welcome and receive from the public any suggestions, observations and complaints pertaining to the conduct of public officers and employees.

In the performance of their functions, the units so organized shall avail of the technical assistance and guidelines of the Civil Service Commission.

SECTION 17. *Council of Personnel Officers.* — There is hereby created a Council of Personnel Officers to be composed of Chief personnel officers of the different executive departments and of agencies with the category of department that the Chairman of the Commission shall select for membership. Except for its Executive Officer who shall be designated by the Commission from among the appropriate officials in the Civil Service Commission, the Council is authorized to elect such other officer from among its members and to fix its own rules or procedures governing attendance at meetings, approval of policy declaration, and other business matters.

provisions for necessary facilities and clerical assistance for the Council shall be made in the annual budget of the Commission.

The Council shall have the following functions:

- (a) Upon request of the Head of Department or the Commission, to offer advice 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) To promote among the departments and agencies, through study and discussion, uniform and consistent interpretation and application of personnel policies; and
- (c) To serve as a clearing house of information and to stimulate the use of methods of personnel management that will contribute most to good government.

SECTION 18. *Inspection and Audit.* — The Commission, through its designated representatives, shall conduct a periodic inspection and audit of the personnel management program of each department, agency, province or city, in order to: (a) determine compliance with this decree, rules and standards; (b) review discharge of delegated authority; (c) make an adequate evaluation of the progress made and problems encountered in the conduct of the merit system in the national and local governments including government-owned or controlled corporations; (d) give advice and provide assistance in developing constructive policies, standards and procedures, and (e) stimulate improvement in all areas of personnel management.

Periodic inspection and audit will include an appraisal of personnel management operations and activities relative to: (a) formulation and issuance of personnel policy; (b) recruitment and selection of employees; (c) personnel action and employment status; (d) career and employee development; (e) performance evaluation system; (f) employee suggestions and incentive award; (g) employee relations and services; (h) discipline; (i) personnel records and reporting; and (j) program evaluation.

ARTICLE VIII. PERSONNEL POLICIES AND STANDARDS

SECTION 19. *Recruitment and Selection of Employees.* — (1) Opportunity for government employment shall be open to all qualified citizens and positive efforts shall be exerted to attract the best qualified to enter the service. Employees shall be selected on the basis of fitness to perform the duties and assume the responsibilities of the positions.

(2) When a vacancy occurs in a position in the first level of the Career Service as defined in Section 7, the employees in the department who occupy the next lower positions in the occupational group under which the vacant position is classified, and in other functionally related occupational groups and who are competent, qualified and with the appropriate civil service eligibility shall be considered for promotion.

(3) When a vacancy occurs in a position in the second level of the Career Service as defined in Section 7, the employees in the government service who occupy the next lower positions

the occupational group under which the vacant position is classified and in other functionally related occupational groups and who are competent, qualified and with the appropriate civil service eligibility shall be considered for promotion.

(4) For purposes of this Section, each department or agency shall evolve its own screening process, which may include tests of fitness, in accordance with standards and guidelines set by the Commission. Promotion boards shall be formed to formulate criteria for evaluation, conduct tests and/or interviews, and make systematic assessment of training and experience. ...

(5) If the vacancy is not filled by promotion as provided herein the same shall be filled by transfer of present employees in the government service, by reinstatement, by re-employment of persons separated through reduction in force, or by appointment of persons with the civil service eligibility appropriate to the positions.

(6) A qualified next-in-rank employee shall have the right to appeal initially to the department head and finally to the Office of the President an appointment made (1) in favor of another next-in-rank employee who is not qualified, or (2) in favor of one who is not next-in-rank, or (3) in favor of one who is appointed by transfer and not next-in-rank, or by reinstatement, or by original appointment if the employee making the appeal is not satisfied with the written special reason or reasons given by the appointing authority for such appointment; *Provided*, That final appeal shall be to the department head concerned if the appointment is issued to a qualified next-in-rank employee. Before deciding a contested appointment, the Office of the President shall consult the Civil Service Commission. For purposes of this Section, "qualified next-in-rank" refers to an employee appointed on a permanent basis to a position previously determined to be next-in-rank to the vacancy proposed to be filled and who meets the requisites for appointment thereto as previously determined by the appointing authority and approved by the Commission.

(7) Qualification in an appropriate examination shall be required for appointment to positions in the first and second levels in the career service in accordance with the Civil Service Law, except as otherwise provided in this Decree; *Provided*, That whenever there is a civil service eligible actually available for appointment, no person who is not such an eligible shall be appointed in a temporary capacity to any vacant position in the career service in the government or in any government-owned or controlled corporation, except when the immediate filling of the vacancy is urgently required in the public interest, or when the vacancy is not permanent, in which cases temporary appointments of non-eligibles may be made in the absence of eligibles actually and immediately available.

(8) The appropriate examinations herein referred to shall be those given by the Commission at the different agencies; *Provided, however*, That nothing herein shall affect those eligibles employed prior to the effectivity of this Civil Service Law; *Provided, further*, That a person with a civil service eligibility acquired by successfully passing an examination shall be qualified for a position requiring a lower eligibility if he possesses the other requirements for appointment to such position.

(9) Those who acquired civil service eligibility after the passage of the Integrated Organization Plan by virtue of having passed civil service examinations or their equivalents may avail of said eligibilities within a period not exceeding five years.

SECTION 20. *Qualification Standards.* — (1) A qualification standard expresses the minimum requirements for a class of positions in terms of education, training and experience, civil service eligibility, physical fitness, and other qualities required for successful performance. The degree of qualifications of an officer or employee shall be determined by the appointing authority on the basis of the qualifications standard for the particular position.

Qualification standards shall be used as basis for civil service examinations for positions in the career service, as guides in appointment and other personnel actions, in the adjudication of contested appointments, in determining training needs, and as aid in the inspection and audit of the agencies personnel work programs.

It shall be administered in such manner as to continually provide incentives to officers and employees towards professional growth and foster the career system in the government service.

(2) The establishment, administration and maintenance of qualification standards shall be the responsibility of the department or agency, with the assistance and approval of the Civil Service Commission and in consultation with the Wage and Position Classification Office.

SECTION 21. *Release of Examination Results.* — The results of any particular civil service examination held in a number of places on the same date shall be released simultaneously.

SECTION 22. *Register of Eligibles.* — The names of the competitors who pass an examination shall be entered in a register of eligibles arranged in the order of their general ratings and containing such information as the Commission may deem necessary.

SECTION 23. *Cultural Communities.* — In line with the national policy to facilitate the integration of the members of cultural communities and accelerate to the development of the areas occupied by them, the Commission shall give special civil service examinations to qualify them for appointment in the civil service.

SECTION 24. *Personnel Actions.* — All appointments in the career service shall be made only according to merit and fitness, to be determined as far as practicable by competitive examinations. A non-eligible shall not be appointed to any position in the civil service whenever there is a civil service eligible actually available for and ready to accept appointment.

As used in this Decree, any action denoting the movement or progress of personnel in the civil service shall be known as personnel action. Such action shall include appointment through certification, promotion, transfer, reinstatement, re-employment, detail, reassignment, demotion, and termination. All personnel actions shall be in accordance with such rules, standards, and regulations as may be promulgated by the Commission.

(a) *Appointment through certification.* — An appointment through certification to a position in the civil service, except as herein otherwise provided, shall be issued to a person who has been selected from a list of qualified persons certified by the Commission from an appropriate register of eligibles, and who meets all the other requirements of the position.

All such persons must serve a probationary period of six months

following their original appointment and shall undergo a thorough character investigation in order to acquire permanent civil service status. A probationer may be dropped from the service for unsatisfactory conduct or want of capacity any time before the expiration of the probationary period: *Provided*, That such action is appealable to the Commission.

- (b) *Promotion*. — A promotion is a movement from one position to another with an increase in duties and responsibilities as authorized by law and usually accompanied by an increase in pay. The movement may be from one department or agency to another, or from one organizational unit to another in the same department or agency.
- (c) *Transfer*. — A transfer is a movement from one position to another which is of equivalent rank, level, or salary without break in service involving the issuance of an appointment.

It shall be considered disciplinary when made in the interest of public service, in which case, the employee concerned shall be informed of the reasons therefore. If the employee believes that there is no justification for the transfer, he may appeal his case to the Commission.

The transfer may be from one department or agency to another or from one organizational unit to another in the same department or agency: *Provided, however*, That any movement from the non-career service to the career service shall not be considered a transfer.

- (d) *Reinstatement*. — Any person who has been permanently appointed to a position in the career service and who has, through no delinquency or misconduct, been separated therefrom, may be reinstated to a position in the same level for which he is qualified.
- (e) *Re-employment*. — Names of persons who have been appointed permanently to positions in the career service and who have been separated as a result of reduction in force and/or reorganization, shall be entered in a list from which selection for reemployment shall be made.
- (f) *Detail*. — A detail is the movement of an employee from one agency to another without the issuance of an appointment and shall be allowed, only for a limited period in the case of employees occupying professional, technical and scientific positions. If the employee believes that there is no justification for the detail, he may appeal his case to the Commission. Pending appeal, the decision to detail the employee shall be executory unless otherwise ordered by the Commission.
- (g) *Reassignment*. — An employee may be reassigned from one organizational unit to another in the same agency: *Provided*, That such reassignment shall not involve a reduction in rank, status or salary.

SECTION 25. *Employment Status*. — Appointment in the career service shall be

permanent or temporary.

- (a) *Permanent status.* — A permanent appointment shall be issued to a person who meets all the requirements for the positions to which he is being appointed, including the appropriate eligibility prescribed, in accordance with the provisions of law, rules and standards promulgated in pursuance thereof.
- (b) *Temporary appointment.* — In the absence of appropriate eligibles and it becomes necessary in the public interest to fill a vacancy, a temporary appointment shall be issued to a person who meets all the requirements for the positions to which he is being appointed except the appropriate civil service eligibility: *Provided,* That such temporary appointment shall not exceed twelve months, but the appointee may be replaced sooner if a qualified civil service eligible becomes available.

SECTION 26. *Salary Increase or Adjustment.* — Adjustments in salaries as a result of raises in pay levels or upgrading of positions which do not involve a change in qualification requirements shall not require a new appointments except that copies of the salary adjustment fees shall be submitted to the Commission for record purposes.

SECTION 27. *Reduction in Force.* — Whenever it becomes necessary because of lack of funds or due to a change in the scope or nature of an agency's program, or as a result of reorganization, to reduce the staff of any department or agency, those in the same group or class of positions in one or more agencies within the particular department or agency wherein the reduction is effected, shall be reasonably compared in terms of relative fitness, efficiency and length of service, and those found to be least qualified for the remaining positions shall be laid off.

SECTION 28. *Career and Personnel Development.* — The Development and retention of a competent and efficient work force in the public service is a primary concern of government. It shall be the policy of the government that a continuing program of career and personnel development be established for all government employees at all levels. An integrated national plan for career and personnel development shall serve as the basis for all career and personnel development activities in the government.

SECTION 29. *Career and Personnel Development Plans.* — Each department or agency shall prepare a career and personnel development plan which shall be integrated into a national plan submitted to the Commission. Such career and personnel development plans shall include provisions on promotions, performance evaluation, in-service training, including overseas and local assignments and training grants, job rotation, suggestions and incentive award systems, and such provisions for employees' health, welfare, counselling, recreation and similar services.

SECTION 30. *Merit Promotion Plans.* — Each department or agency shall establish merit promotion plans which shall be administered in accordance with the provisions of this Decree and the rules, regulations, and standards to be promulgated by the Commission. Such plans shall include provisions for a definite screening process, which may include tests of fitness, in accordance with the standards and guidelines set by the Commission. Promotion Boards may be organized subject to the criteria drawn by the Commission.

SECTION 31. *Performance Evaluation System.* — There shall be established a performance evaluation system, which shall be administered in accordance with rules, regulations and standards promulgated by the Commission for all officers and employees in the career service. Each performance evaluation system shall be administered in such manner as to continually foster the improvement of individual employee efficiency and organizational effectiveness.

Each department or agency may, after consultation with the Commission, establish and use one or more performance evaluation plans appropriate to the various groups of positions in the department or agency concerned. No performance evaluation shall be given, or used as a basis for personnel action, except under an approved performance evaluation plan: *Provided*, That each employee shall be informed periodically by his supervisor of his performance evaluation.

SECTION 32. *Responsibility for Training.* — The Commission shall be responsible for the coordination and integration of a continuing program of personnel development for all government personnel in the first and second levels.

Central staff agencies and specialized institutes shall conduct continuing centralized training for staff specialists from the different agencies. However, in those cases where there is sufficient number of participants to warrant training at department or agency or local government level, such central staff agencies and specialized institute shall render the necessary assistance, and consultative services.

To avoid duplication, of effort and overlapping of training functions, the following functional responsibilities are assigned:

- (a) Public and private colleges and universities and similar institutions shall be encouraged to organize and carry out continuing programs of executive development.
- (b) The Commission, the Commission on Audit, the Budget Commission, the General Services Administration, and other central staff agencies shall conduct centralized training and assist in the training program of the Departments or agencies along their respective functional areas of specialization.
- (c) In coordination with the Commission, the Department of Local Government and Community Development shall undertake local government training programs.
- (d) In coordination with the Commission, each department or agency, province or city shall establish, maintain and promote a systematic plan of action for personnel training at all levels in accordance with standards laid down by the Commission. It shall maintain appropriate training staffs and make full use of available training facilities.

Whenever it deems it necessary, the Commission shall take the initiative in undertaking programs for personnel development.

SECTION 33. *Employee Suggestions and Incentive Award System.* — There shall be established a government-wide employee suggestions and incentive awards system which shall be

administered under such rules, regulations, and standards as may be promulgated by the Commission.

In accordance with rules, regulations, and standards promulgated by the Commission, the President or the head of each department or agency is authorized to incur whatever necessary expenses involved in the honorary recognition of subordinate officers and employees of the Government who by their suggestions, inventions, superior accomplishment, and other personal efforts contribute to the efficiency, economy, or other improvement of government operations, or who perform such other extraordinary acts or services in the public interest in connection with, or in relation to, their official employment. ...

SECTION 34. *Personnel Relations.* — (a) It shall be the concern of the Commission to provide leadership and assistance in developing employee relations programs in the departments or agencies.

(b) Every head of department or agency shall take all proper steps toward the creation of an atmosphere conducive to good supervisor-employee relations and the improvement of employee morale.

SECTION 35. *Complaints and Grievances.* — Employees shall have the right to present or file complaints or grievances to management and have them adjudicated as expeditiously as possible in the best interest of the agency, the government as a whole, and the employee concerned. Each complaint or grievance shall be resolved at the lowest possible level in the department or agency, as the case may be, and the employee shall have the right to appeal such decision to higher authorities.

Each department or agency shall promulgate rules and regulations governing expeditious, fair, and equitable adjustment of employees' complaints or grievances in accordance with the policies enunciated by the Commission.

ARTICLE IX. DISCIPLINE

SECTION 36. *Discipline: General Provisions.* — (a) No officer or employee in the Civil Service shall be suspended or dismissed except for cause as provided by law and after due process.

(b) The following shall be grounds for disciplinary action:

- (1) Dishonesty;
- (2) Oppression; ...
- (3) Neglect of duty;
- (4) Misconduct;
- (5) Disgraceful and immoral conduct;
- (6) Being notoriously undesirable;

- (7) Discourtesy in the course of official duties;
- (8) Inefficiency and incompetence in the performance of official duties;
- (9) 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 other persons, or committing acts punishable under the anti-graft laws;
- (10) Conviction of a crime involving moral turpitude;
- (11) Improper or unauthorized solicitation of contributions from subordinate employees and by teachers or school officials from school children;
- (12) Violation of existing Civil Service Law and rules or reasonable office regulations;
- (13) Falsification of official document;
- (14) Frequent unauthorized absences or tardiness in reporting for duty, loafing or frequent unauthorized absences from duty during regular office hours;
- (15) Habitual drunkenness;
- (16) Gambling prohibited by law;
- (17) Refusal to perform official duty or render overtime service;
- (18) Disgraceful, immoral or dishonest conduct prior to entering the service;
- (19) Physical or mental incapacity or disability due to immoral or vicious habits;
- (20) Borrowing money by superior officers from subordinates or lending by subordinates to superior officers;
- (21) Lending money at usurious rates of interest;
- (22) Willful failure to pay just debts or willful failure to pay taxes due to the government;
- (23) Contracting loans of money or other property from persons with whom the office of the employee concerned has business relations;
- (24) Pursuit of private business, vocation or profession without the permission required by Civil Service rules and regulations;

- (25) Insubordination:
- (26) Engaging directly or indirectly in partisan political activities by one holding non-political office:
- (27) Conduct prejudicial to the best interest of the service:
- (28) Lobbying for personal interest or gain in legislative halls and offices without authority:
- (29) Promoting the sale of tickets in behalf of private enterprises that are not intended for charitable or public welfare purposes and even in the latter cases if there is no prior authority:
- (30) Nepotism as defined in Section 49 of this Decree.

(c) Except when initiated by the disciplining authority, no complaint against a civil service official or employee shall be given due course unless the same is in writing and subscribed and sworn to by the complainant.

(d) In meting out punishment, the same penalties shall be imposed for similar offenses and by one penalty shall be imposed in each case. The disciplining authority may impose the penalty removal from the service, transfer, demotion in rank, suspension for not more than one year without pay, fine in an amount not exceeding six months' salary, or reprimand.

SECTION 37. *Disciplinary Jurisdiction.* — (a) The Commission shall decide upon appeal all administrative disciplinary cases involving the imposition of a penalty of suspension for more than thirty days, or fine in an amount exceeding thirty days' salary, demotion in rank or salary transfer, removal or dismissal from Office. A complaint may be filed directly with the Commission by a private citizen against a government official or employee in which case it may hear and decide the case or it may deputize any department or agency or official or group of officials to conduct the investigation. The results of the investigation shall be submitted to the Commission with recommendation as to the penalty to be imposed or other action to be taken.

(b) The heads of departments, agencies and instrumentalities, provinces, cities and municipalities shall have jurisdiction to investigate and decide matters involving disciplinary action against officers and employees under their jurisdiction. Their decisions shall be final in case the penalty imposed is suspension for not more than thirty days or fine in an amount not exceeding thirty days' salary. In case the decision rendered by a bureau or office head is appealable to the Commission, the same may be initially appealed to the department and finally to the Commission. Pending appeal, the same shall be executory except when the penalty is removal, in which case the same shall be executory only after confirmation by the department head.

(c) An investigation may be entrusted to regional director or similar officials who shall file the necessary report and recommendation to the chief of bureau or office or department within the period specified in Paragraph d of the following Section.

(d) An appeal shall not stop the decision from being executory, and in case the penalty is

suspension or removal, the respondent shall be considered as having been under the preventive suspension during the pendency of the appeal in the event he wins an appeal.

SECTION 38. *Procedure in Administrative Cases Against Non-Presidential Appointees.*

(a) Administrative proceedings may be commenced against a subordinate officer or employee by the head of department or office of equivalent rank, or head of local government, or chiefs or agencies, regional directors, or upon sworn, written complaint of any other persons.

(b) In the case of a complaint filed by any other persons, the complainant shall submit sworn statements covering his testimony and those of his witnesses together with his documentary evidence. If on the basis of such papers a *prima facie* case is found not to exist, the disciplining authority shall dismiss the case. If a *prima facie* case exists, he shall notify the respondent in writing of the charges against the latter, to which shall be attached copies of the complaint, sworn statements and other documents submitted, and the respondent shall be allowed not less than twenty-two hours after receipt of the complaint to answer the charges in writing under oath, together with supporting sworn statements and documents, in which he shall indicate whether or not he elects a formal investigation if his answer is not considered satisfactory. If the answer is found unsatisfactory, the disciplining authority shall dismiss the case.

(c) Although a respondent does not request a formal investigation, one shall nevertheless be conducted when from the allegations of the complaint and the answer of the respondent, including supporting documents, the merits of the case cannot be decided judiciously without conducting an investigation.

(d) The investigation shall be held not earlier than five days nor later than ten days from the date of receipt of respondent's answer by the disciplining authority, and shall be finished within thirty days from the filing of the charges, unless the period is extended by the Commission in meritorious cases. The decision shall be rendered by the disciplining authority within thirty days from the termination of the investigation or submission of the report of the investigator, which report shall be submitted within fifteen days from the conclusion of the investigation.

(e) The direct evidence for the complainant and the respondent shall consist of the sworn statement 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 the cross-examination, by respondent and the complainant, respectively, shall be based. Following cross-examination, there shall be redirect and recross-examination.

(f) Either party may avail himself of the services of counsel and may require the attendance of witnesses and the production of documentary evidence in his favor through the compulsory process of subpoena or subpoena *duces tecum*.

(g) The investigation shall be conducted only for the purpose of ascertaining the truth and without necessarily adhering to technical rules applicable in judicial proceedings. It shall be conducted by the disciplining authority concerned or his authorized representative.

The phrase "any other party" shall be understood to be a complainant other than those

referred to in subsection (a) hereof.

SECTION 39. *Appeals.* — Appeals, where allowable, shall be made by the party adversely affected by the decision within fifteen days from receipt of the decision unless a petition for reconsideration is seasonably filed, which petition shall be decided within fifteen days. Notice of appeal shall be filed with the disciplining office, which shall forward the records of the case, together with the notice of appeal, to the appellate authority within fifteen days from filing of the notice of appeal, with its comment, if any. The notice of appeal shall specifically state the date of the decision appealed from and the date of receipt thereof. It shall also specifically set forth clearly the grounds relied upon for excepting from the decision.

(b) A petition for reconsideration shall be based only on any of the following grounds: (1) new evidence has been discovered which materially affects the decision rendered; (2) the decision is not supported by the evidence on record; or (3) errors of law or irregularities have been committed prejudicial to the interest of the respondent: *Provided*, That only one petition for reconsideration shall be entertained.

SECTION 40. *Summary Proceedings.* — No formal investigation is necessary and the respondent may be immediately removed or dismissed if any of the following circumstances is present:

- (a) When the charge is serious and the evidence of guilt is strong;
- (b) When the respondent is a recidivist or has been repeatedly charged and there is reasonable ground to believe that he is guilty of the present charge;
- (c) When the respondent is notoriously undesirable.

Resort to summary proceedings by disciplining authority shall be done with utmost activity and impartiality to the end that no injustice is committed: *Provided*, That removal or dismissal except those by the President, himself, or upon his order, may be appealed to the Commission.

SECTION 41. *Preventive Suspension.* — The proper disciplining authority may preventively suspend any subordinate officer or employee under his authority pending an investigation, in the charge against such officer or employee involves dishonesty, oppression or grave misconduct, or neglect in the performance of duty, or if there are reasons to believe that the respondent is guilty of charges which would warrant his removal from the service.

SECTION 42. *Lifting of Preventive Suspension Pending Administrative Investigation.* — When the administrative case against the officer or employee under preventive suspension is not finally decided by the disciplining authority within the period of ninety (90) days after the date of suspension of the respondent who is not a presidential appointee, 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 counted in computing the period of suspension herein provided.

SECTION 43. *Removal of Administrative Penalties or Disabilities.* — In meritorious

cases and upon recommendation in the Commission, the President may commute or remove administrative penalties or disabilities imposed upon officers or employees in disciplinary cases, subject to such terms and conditions as he may impose in the interest of the service.

ARTICLE X. PROHIBITIONS

SECTION 44. *Limitation on Appointment.* — (1) No elective official shall be eligible for appointment to any office or position during his term of office.

(2) No candidate who lost in an election shall be eligible for appointment to any office in the government, or in any government-owned or controlled corporation within one year following such election.

SECTION 45. *Political Activity.* — No officer or employee in the Civil Service including members of the Armed Forces, shall engage directly or indirectly in any partisan political activity or take part in any election except to vote nor shall he use his official authority or influence to influence the political activity of any other person or body. Nothing herein provided shall be understood to prevent any officer or employee from expressing his views on current political problems or issues, or from mentioning the names of candidates for public office whom he 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 their subordinates subject them to any of the acts involving subordinates prohibited in the Election Code.

SECTION 46. *Additional or Double Compensation.* — No elective or appointive public officer or employee shall receive additional or double compensation unless specifically authorized by law nor accept without the consent of the President, any present, emolument, office, or title of any kind from any foreign state.

SECTION 47. *Limitation on Employment of Laborers.* — Laborers, whether skilled, semi-skilled or unskilled, shall not be assigned to perform clerical duties.

SECTION 48. *Prohibition on Detail or Reassignment.* — No detail or reassignment whatever shall be made within three (3) months before any election.

SECTION 49. *Nepotism.* — (a) All appointments in the national, provincial, city and municipal governments or in any branch or instrumentality thereof, including government-owned or controlled corporations, made in favor of a relative of the appointing or recommending authority, or the chief of the bureau or office, or of the persons exercising immediate supervision over him, are hereby prohibited.

As used in this Section, the word "relative" and members of the family referred to are those related within the third degree either of consanguinity or of affinity.

(b) The following are exempted from the operation of the rules on nepotism: (1) persons employed in a confidential capacity, (2) teachers, (3) physicians, and (4) members of the Armed Forces of the Philippines: *Provided, however.* That in each particular instance full report of such appointment shall be made to the Commission.

The restriction mentioned in subsection (a) shall not be applicable to the case of a member of any family who, after his or her appointment to any position in an office or bureau, contracts marriage with someone in the same office or bureau, in which event the employment or retention herein of both husband and wife may be allowed.

(c) In order to give immediate effect to these provisions, cases of previous appointments which are in contravention hereof shall be corrected by transfer, and pending such transfer, no promotion or salary increase shall be allowed in favor of the relative or relatives who were appointed in violation of these provisions.

ARTICLE XI. MISCELLANEOUS PROVISIONS

SECTION 50. *Examining Committee, Special Examiners and Special Investigators.* — Subject to approval by the proper head of department or agency, the Commission may select suitable persons in the government service to act as members of examining committees, special examiners or special investigators. Such person shall be designated examiners or investigators of the Commission and shall perform such duties as the Commission may require and in the performance of such duties they shall be under its exclusive control. Examining committees, special examiners or special investigators so designated may be given allowances or per diems for their services, to be paid out of the funds of, and at a rate to be determined by, the Commission.

SECTION 51. *Fees.* — The Commission shall collect and charge fees for civil service examinations, certifications of civil service ratings, service records, and other civil service matters, training courses, seminars, workshops in personnel management and other civil service matters.

For this purpose, the Commission shall prescribe standard and reasonable rates for such examinations, certifications, training courses, seminars, and workshops: *Provided*, That the fees so collected in training courses, seminars and workshops, shall be used exclusively for training activities of the Commission: *Provided, further*, That no examination fees shall be collected in examinations given for the selection of scholars.

SECTION 52. *Authority of Officers to Administer Oaths, Take Testimony, Prosecute and Defend Cases in Court.* — Members of the Commission, chiefs of offices, and other officers and employees of the Commission designated in writing by the Chairman may administer such oaths as may be necessary in the transactions of official business and administer oaths and take testimony in connection with any authorized investigation. Attorneys of the Commission may prosecute and defend cases in connection with the functions of the Commission before any court or tribunal.

SECTION 53. *Liability of Appointing Authority.* — No person employed in the Civil Service in violation of the Civil Service Law and rules shall be entitled to receive pay from the Government; but the appointing authority responsible for such unlawful employment shall be personally liable for the pay that would have accrued had the employment been lawful, and the disbursing officials shall make payment to the employee of such amount from salary of the officers liable.

SECTION 54. *Liability of Disbursing Officers.* — Except as may otherwise be provided by law, it shall be unlawful for a treasurer, or other fiscal officer to draw or retain from the salary

due an officer or employee any amount for contribution or payment of obligations other than those due the government or its instrumentalities.

SECTION 55. *Penal Provision.* — Whoever makes any appointment or employs any person in violation of any provision of this Decree or the rules made thereunder or whoever commits fraud, deceit or intentional misrepresentation of material facts concerning other civil service matters, or whoever violates, refuses or neglects to comply with any of such provisions or rules, shall upon conviction be punished by a fine not exceeding one thousand pesos or by imprisonment not exceeding six (6) months, or both such fine and imprisonment in the discretion of the court.

ARTICLE XII. TRANSITORY PROVISIONS

SECTION 56. *Government-owned or Controlled Corporations Personnel.* — All permanent personnel of government-owned or controlled corporations whose positions are now filled in the civil service shall continue in the service until they have been given a chance to qualify in an appropriate examination, but in the meantime, those who do not possess the appropriate civil service eligibility shall not be promoted until they qualify in an appropriate civil service examination. Services of temporary personnel may be terminated any time.

SECTION 57. *Authority to Use Appropriations.* — The Commission is hereby authorized to use such sums appropriated in Presidential Decree No. 733 and balances of existing certifications to accounts payable including prior years which have not yet been reverted to the unappropriated surplus, as are necessary to carry out the provisions of this Decree. Henceforth, appropriations to cover the salaries of officials and employees of the Civil Service Commission and its maintenance and operational expenses shall be included in the annual General Appropriations Decree.

SECTION 58. *Vested Rights.* — Except as otherwise provided in this Decree, rights vested or acquired under the provisions of the old Civil Service Law, rules and regulations and any other Acts prior to the effectivity of this Decree shall be respected.

SECTION 59. *Repealing Clause.* — All laws, rules and regulations or parts thereof consistent with the provisions of this Decree are hereby repealed or modified accordingly.

SECTION 60. *Separability of Provisions.* — If any part, section or provision of this Decree shall be held invalid or unconstitutional, no other part, section or provision thereof shall be affected thereby.

SECTION 61. *Effectivity.* — This Decree shall form part of the law of the land and shall take effect immediately.

DONE in the City of Manila, this 6th day of October, in the year of Our Lord, nineteen hundred and seventy-five.

Title I

CONSTITUTIONAL COMMISSIONS

Subtitle A

CIVIL SERVICE COMMISSION

CHAPTER 1 — GENERAL PROVISIONS

SECTION 1. *Declaration of Policy.* — The State shall insure and promote the constitutional mandate that appointments in the Civil Service shall be made only according to merit and fitness; that the Civil Service Commission, as the central personnel agency of the Government shall establish a career service, adopt measures to promote morale, efficiency, integrity, responsiveness, and courtesy in the civil service, strengthen the merit and rewards system, integrate human resources development programs for all levels and ranks, and institutionalize a management climate conducive to public accountability; that public office is a public trust and public officers and employees must at all times be accountable to the people; and that personnel functions shall be decentralized, delegating the corresponding authority to the departments, offices and agencies where such functions can be effectively performed.

SECTION 2. *Duties and Responsibilities of Public Officers and Employees.* — Public officers and employees shall have the duties, responsibilities, and accountability provided in Chapter 9, Book I of this Code.

SECTION 3. *Terms and Conditions of Employment.* — The terms and conditions of employment of all government employees, including those in government-owned or controlled corporations with original charters, shall be fixed by law. The terms and conditions of employment which are not fixed by law may be the subject of negotiation between duly recognized employees' organizations and appropriate government authorities.

SECTION 4. *Compensation.* — The Congress shall provide for the standardization of compensation of government officials and employees including those in government-owned or controlled corporations with original charters, taking into account the nature of the responsibilities pertaining to, and the qualifications required for the position concerned.

SECTION 5. *Definitions of Terms.* — As used in this title, the following shall be construed thus:

- (1) Agency means any bureau, office, commission, administration, board, committee, institute, corporation with original charter, whether performing governmental or proprietary function, or any other unit of the National Government, as well as provincial, city or municipal government, except as hereinafter otherwise provided.
- (2) Appointing officer is the person or body authorized by law to make appointments in the Philippine Civil Service.

- (3) Class includes all positions in the government service 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.
- (4) Commission refers to the Civil Service Commission.
- (5) Chairman refers to the Chairman of the Commission.
- (6) Commissioner refers to either to the two other members of the Commission.
- (7) Department includes any of the executive departments or entities having the category of a department including the judiciary, Commission on Elections and Commission on Audit.
- (8) Eligible refers to a person who obtains a passing grade in a civil service examination or is granted a civil service eligibility and whose name is entered in the register of eligibles.
- (9) Examination refers to a civil service examination conducted by the Commission and its regional offices or by other departments or agencies with the assistance of the Commission, or in coordination or jointly with it, and those that it may delegate to departments and agencies pursuant to this Title, or those that may have been delegated by law.
- (10) Form refers to those prescribed by the Civil Service Commission.

CHAPTER 2 — COVERAGE OF THE CIVIL SERVICE

SECTION 6. *Scope of the Civil Service.* — (1) The Civil Service embraces all branches, divisions, instrumentalities, and agencies of the Government, including government-owned or controlled corporations with original charters.

(2) Positions in the Civil Service shall be classified into career service and non-career service.

SECTION 7. *Career Service.* — The Career Service shall be characterized by (1) entrance based on merit and fitness to be determined as far as practicable by competitive examination, or based on highly technical qualifications; (2) opportunity for advancement to higher career positions; and (3) security of tenure.

The Career Service shall include:

- (1) Open Career positions for appointment to which prior qualification in an appropriate examination is required;
- (2) Closed Career positions which are scientific, or highly technical in nature; these include the faculty and academic staff of state colleges and universities, and

scientific and technical positions in scientific or research institutions which shall establish and maintain their own merit systems:

- (3) Positions in the Career Executive Service: namely, Undersecretary, Assistant Secretary, Bureau Director, Assistant Bureau Director, Regional Director, Assistant Regional Director, Chief of Department Service and other officers of equivalent rank as may be identified by the Career Executive Service Board, all of whom are appointed by the President;
- (4) Career officers, other than those in the Career Executive Service, who are appointed by the President, such as the Foreign Service Officers in the Department of Foreign Affairs;
- (5) Commissioned officers and enlisted men of the Armed Forces which shall maintain a separate merit system;
- (6) Personnel of government-owned or controlled corporations, whether performing governmental or proprietary functions, who do not fall under the non-career service; and
- (7) Permanent laborers, whether skilled, semi-skilled, or unskilled.

SECTION 8. *Classes of Positions in the Career Service.* — (1) Classes of positions in the career service appointment to which requires examinations shall be grouped into three major levels as follows:

- (a) The first level shall include clerical, trades, crafts, and custodial service positions which involve non-professional or subprofessional work in a non-supervisory or supervisory capacity requiring less than four years of collegiate studies;
- (b) The second level shall include professional, technical, and scientific positions which involve professional, technical, or scientific work in a non-supervisory or supervisory capacity requiring at least four years of college work up to Division Chief level; and
- (c) The third level shall cover positions in the Career Executive Service.

(2) Except as herein otherwise provided, entrance to the first two levels shall be through competitive examinations, which shall be open to those inside and outside the service who meet the minimum qualification requirements. Entrance to a higher level does not require previous qualification in the lower level. Entrance to the third level shall be prescribed by the Career Executive Service Board.

(3) Within the same level, no civil service examination shall be required for promotion to a higher position in one or more related occupation groups. A candidate for promotion should, however, have previously passed the examination for that level.

SECTION 9. *Non-Career Service.* — The Non-Career Service shall be characterized by

entrance on bases other than those of the usual tests of merit and fitness utilized for the career service; and (2) tenure which is limited to a period specified by law, or which is coterminous with that of the appointing authority or subject to his pleasure, or which is limited to the duration of a particular project for which purpose employment was made.

The Non-Career Service shall include:

- (1) Elective officials and their personal or confidential staff;
- (2) Secretaries and other officials of Cabinet rank who hold their positions at the pleasure of the President and their personal or confidential staff(s);
- (3) Chairman and members of commissions and boards with fixed terms of office and their personal or confidential staff;
- (4) Contractual personnel or those whose employment in the government is in accordance with a special contract to undertake a specific work or job, requiring special or technical skills not available in the employing agency, to be accomplished within a specific period, which in no case shall exceed one year, and performs or accomplishes the specific work or job, under his own responsibility with a minimum of direction and supervision from the hiring agency; and
- (5) Emergency and seasonal personnel.

CHAPTER 3 — ORGANIZATION AND FUNCTIONS OF THE CIVIL SERVICE COMMISSION

SECTION 10. *Composition.* — The Commission shall be composed of a Chairman and two Commissioners who shall be natural born citizens of the Philippines and, at the time of their appointment, at least thirty-five 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.

SECTION 11. *Appointment of Chairman and Commissioners.* — The Chairman and the Commissioners shall be appointed by the President with the consent of the Commission on appointments for a term of seven years without reappointment. Of the first appointed, the Chairman shall hold office for seven years, a Commissioner for five years, and another Commissioner for three years, without reappointment. Appointment to any vacancy shall be only for the unexpired term of the predecessor. In no case shall any Member be appointed or designated in a temporary or acting capacity.

SECTION 12. *Powers and Functions.* — The Commission shall have the following powers and functions:

- (1) Administer and enforce the constitutional and statutory provisions on the merit system for all levels and ranks in the Civil Service;

- (2) Prescribe, amend and enforce rules and regulations for carrying into effect the provisions of the Civil Service Law and other pertinent laws:
- (3) Promulgate policies, standards and guidelines for the Civil Service and adopt plans and programs to promote economical, efficient and effective personnel administration in the government:
- (4) 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 scales, classes and positions:
- (5) Render opinion and rulings on all personnel and other Civil Service matters which shall be binding on all heads of departments, offices and agencies and which may be brought to the Supreme Court on certiorari:
- (6) Appoint and discipline its officials and employees in accordance with law and exercise control and supervision over the activities of the Commission:
- (7) Control, supervise and coordinate Civil Service examinations. Any entity or official in government may be called upon by the Commission to assist in the preparation and conduct of said examinations including security, use of buildings and facilities as well as personnel and transportation of examination materials which shall be exempt from inspection regulations:
- (8) Prescribe all forms for Civil Service examinations, appointments, reports and such other forms as may be required by law, rules and regulations:
- (9) Declare positions in the Civil Service as may properly be primarily confidential, highly technical or policy determining:
- (10) Formulate, administer and evaluate programs relative to the development and retention of qualified and competent work force in the public service:
- (11) Hear and decide administrative cases instituted by or brought before it directly or on appeal, including contested appointments, and review decisions and actions of its offices and of the agencies attached to it. Officials and employees who fail to comply with such decisions, orders, or rulings shall be liable for contempt of the Commission. Its decisions, orders, or rulings shall be final and executory. Such decisions, orders, or rulings may be brought to the Supreme Court on certiorari by the aggrieved party within thirty (30) days from receipt of a copy thereof:
- (12) Issue *subpoena* and *subpoena duces tecum* for the production of documents and records pertinent to investigation and inquiries conducted by it in accordance with its authority conferred by the Constitution and pertinent laws:
- (13) Advise the President on all matters involving personnel management in the government service and submit to the President an annual report on the personnel

programs:

- (14) Take appropriate action on all appointments and other personnel matters in the Civil Service including extension of Service beyond retirement age;
- (15) Inspect and audit the personnel actions and programs of the departments, agencies, bureaus, offices, local government units, and other instrumentalities of the government including government-owned or controlled corporations; conduct periodic review of the decisions and actions of offices or officials to whom authority has been delegated by the Commission as well as the conduct of the officials and the employees in these offices and apply appropriate sanctions when necessary;
- (16) Delegate authority for the performance of any functions to departments, agencies and offices where such functions may be effectively performed;
- (17) Administer the retirement program for government officials and employees, and accredit government services and evaluate qualifications for retirement;
- (18) Keep and maintain personnel records of all officials and employees in the Civil Service; and
- (19) Perform all functions properly belonging to a central personnel agency and such other functions as may be provided by law.

SECTION 13. *Duties and Responsibilities of the Chairman.* — Subject to policies and rules adopted by the Commission, the Chairman shall:

- (1) Direct all operations of the Commission;
- (2) Establish procedures for the effective operations of the Commission;
- (3) Transmit to the President rules and regulations, and other guidelines adopted by the Chairman which require Presidential attention including annual and other periodic reports;
- (4) Issue appointments to, and enforce decisions on administrative discipline involving officials and employees of the Commission;
- (5) Delegate authority for the performance of any function to officials and employees of the Commission;
- (6) Approve and submit the annual and supplemental budget of the Commission; and
- (7) Perform such other functions as may be provided by law.

SECTION 14. *Membership of the Chairman in Boards.* — The Chairman shall be a member of the Board of Directors or of other governing bodies of government entities whose

actions affect the career development, employment status, rights, privileges, and welfare of government officials and employees, such as the Government Service Insurance System, Foreign Service Board, Foreign Trade Service Board, National Board for Teachers, and such other similar boards as may be created by law.

SECTION 15. *Duties and Responsibilities of the Members of the Commission.* — Jointly with the Chairman, the two (2) Commissioners shall be responsible for the effective exercise of the rule-making and adjudicative functions of the Commission. They shall likewise perform such functions as may be delegated by the Commission. In case of the absence of the Chairman owing to illness or other cause, the senior member shall perform the functions of the Chairman.

SECTION 16. *Offices in the Commission.* — The Commission shall have the following offices:

- (1) The Office of the Executive Director headed by an Executive Director, with a Deputy Executive Director shall implement policies, standards, rules and regulations promulgated by the Commission; coordinate the programs of the offices of the Commission and render periodic reports on their operations, and perform such other functions as may be assigned by the Commission.
- (2) The Merit System Protection Board composed of a Chairman and two (2) members shall have the following functions:
 - (a) Hear and decide on appeal administrative cases involving officials and employees of the Civil Service. Its decision shall be final except those involving dismissal or separation from the service which may be appealed to the Commission;
 - (b) Hear and decide cases brought before it on appeal by officials and employees who feel aggrieved by the determination of appointing authorities involving personnel actions and violations of the merit system. The decision of the Board shall be final except those involving division chiefs or officials of higher ranks which may be appealed to the Commission;
 - (c) Directly take cognizance of complaints affecting functions of the Commission, those which are unacted upon by the agencies, and such other complaints which require direct action of the Board in the interest of justice;
 - (d) Administer oaths, issue *subpoena* and *subpoena duces tecum*, take testimony in any investigation or inquiry, punish for contempt in accordance with the same procedures and penalties prescribed in the Rules of Court; and
 - (e) Promulgate rules and regulations to carry out the functions of the Board subject to the approval of the Commission.

- (3) The Office of Legal Affairs shall provide the Chairman with legal advice and assistance; render counselling services; undertake legal studies and researches; prepare opinions and rulings in the interpretation and application of the Civil Service law, rules and regulations; prosecute violations of such law, rules and regulations; and represent the Commission before any Court or tribunal.
- (4) The Office of Planning and Management shall formulate development plans, programs and projects; undertake research and studies on the different aspects of public personnel management; administer management improvement programs; and provide fiscal and budgetary services.
- (5) The Central Administrative Office shall provide the Commission with personnel, financial, logistics and other basic support services.
- (6) The Office of Central Personnel Records shall formulate and implement policies, standards, rules and regulations pertaining to personnel records maintenance, security, control and disposal; provide storage and extension services; and provide and maintain library services.
- (7) The Office of Position Classification and Compensation shall formulate and implement policies, standards, rules and regulations relative to the administration of position classification and compensation.
- (8) The Office of Recruitment, Examination and Placement shall provide leadership and assistance in developing and implementing the overall Commission programs relating to recruitment, examination and placement, and formulate policies, standards, rules and regulations for the proper implementation of the Commission's examination and placement programs.
- (9) The Office of Career Systems and Standards shall provide leadership and assistance in the formulation and evaluation of personnel systems and standards relative to performance appraisal, merit promotion, and employee incentive benefits and awards.
- (10) The Office of Human Resource Development shall provide leadership and assistance in the development and retention of qualified and efficient work force in the Civil Service; formulate standards for training and staff development; administer service-wide scholarship programs; develop training literature and materials; coordinate and integrate all training activities and evaluate training programs.
- (11) The Office of Personnel Inspection and Audit shall develop policies, standards, rules and regulations for the effective conduct or inspection and audit of personnel and personnel management programs and the exercise of delegated authority; provide technical and advisory services to civil Service Regional Offices and government agencies in the implementation of their personnel programs and evaluation systems.

- (12) The Office of Personnel Relations shall provide leadership and assistance in the development and implementation of policies, standards, rules and regulations in the accreditation of employee associations or organizations and in the adjustment and settlement of employee grievances and management of employee disputes.
- (13) The Office of Corporate Affairs shall formulate and implement policies, standards, rules and regulations governing corporate officials and employees in the areas of recruitment, examination, placement, career development, merit and awards systems, position classification and compensation, performing appraisal, employee welfare and benefits, discipline and other aspects of personnel management on the basis of comparable industry practices.
- (14) The Office of Retirement Administration shall be responsible for the enforcement of the constitutional and statutory provisions, relative to retirement and the regulation for the effective implementation of the retirement of government officials and employees.
- (15) *The Regional and Field Offices.* — The Commission shall have not less than thirteen (13) Regional offices each to be headed by a Director, and such field offices as may be needed, each to be headed by an official with at least the rank of an Assistant Director. Each Regional Office shall have the following functions:
 - (a) Enforce Civil Service law and rules, policies, standards on personnel management within their respective jurisdiction;
 - (b) Provide technical advice and assistance to government offices and agencies regarding personnel administration; and
 - (c) Perform such other functions as may be delegated by the Commission.

SECTION 17. *Organizational Structure.* — Each office of the Commission shall be headed by a Director with at least one (1) Assistant Director, and may have such divisions as are necessary to carry out their respective functions. As an independent constitutional body, the Commission may effect changes in the organization as the need arises.

CHAPTER 4 — INTERDEPARTMENT RELATIONS

SECTION 18. *Civil Service Assistance to Department and Agencies.* — Each Secretary head of office, agency, government-owned or controlled corporation with original charter and local government shall be responsible for personnel administration in his office which shall be in accordance with the provision relating to civil service embodied in the Constitution, this Title and rules, principles, standards, guidelines and regulations established by the Commission. The Civil Service Commission shall, whenever it deems it in the interest of the public service, organize in each department, office, agency, government-owned or controlled corporation, and provincial and local government a Civil Service Staff which shall be headed by an officer of the Commission. The necessary staff personnel and office facilities and equipment shall be provided by the department.

Government-owned or controlled corporation or local government where the staff is established but the Commission may augment these with its own. The Staff shall serve as the principal liaison between the Civil Service and Department concerned and shall perform the following specific functions and those functions which may hereafter be assigned to it by the Commission.

- (1) Provide technical assistance in all aspects of personnel management;
- (2) Monitor and audit periodically the personnel practices and performance of the Department or agency concerned as well as those of public officers and employees thereat;
- (3) Determine agency compliance with Civil Service Law and rules; and
- (4) In the performance of these functions, the staff shall welcome and receive from the public any suggestions, observations and complaints pertaining to the conduct of public officers and employees.

In the performance of their functions, the units so organized shall avail of the technical assistance and guidelines of the Civil Service Commission.

SECTION 19. *Council of Personnel Officers.* — There shall be a Council of Personnel Officers to be composed of Chief personnel officers of the different executive departments and of agencies with the category of department that the Chairman of the Commission shall select for membership. Except for its Executive Officer who shall be designated by the Chairman from among the appropriate officials in the Civil Service Commission, the Council is authorized to elect such other officers from among its members and to fix its own rules or procedures concerning attendance at meetings, approval of policy declaration, and other business matters. Provisions for necessary facilities and clerical assistance for the Council shall be made in the annual budget of the Commission.

The Council shall have the following functions:

- (1) Offer advice, upon request of the Secretary of a 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;
- (2) Promote among the departments and agencies, through study and discussion, uniform and consistent interpretation and application of personnel policies; and
- (3) Serve as a clearing house of information and stimulate the use of methods of personnel management that will contribute most to good government.

SECTION 20. *Inspection and Audit.* — The Commission, through its designated representatives, shall conduct a periodic inspection and audit of the personnel management program in each department, agency, province or city, in order to: (a) determine compliance with the Civil Service law, rules and standards; (b) review discharge of delegated authority; (c) make an adequate

evaluation of the progress made and problems encountered in the conduct of the merit system in the national and local governments: (d) give advice and provide assistance in developing constructive policies, standards and procedures, and (e) stimulate improvement in all areas of personnel management.

Periodic inspection and audit will include an appraisal of personnel management operations and activities relative to: (a) formulation and issuance of personnel policy; (b) recruitment and selection of employees; (c) personnel action and employment status; (d) career and employee development; (e) performance evaluation system; (f) employee suggestions and incentive award; (g) employee relations and services; (h) discipline; (i) personnel records and reporting; and (j) programs evaluation.

CHAPTER 5 — PERSONNEL POLICIES AND STANDARDS

SECTION 21. *Recruitment and Selection of Employees.* — (1) Opportunity for government employment shall be open to all qualified citizens and positive efforts shall be exerted to attract the best qualified to enter the service. Employees shall be selected on the basis of fitness to perform the duties and assume the responsibilities of the positions.

(2) When a vacancy occurs in a position in the first level of the Career Service as defined in Section 6, the employees in the department who occupy the next lower positions in the occupational group under which the vacant position is classified, and in other functionally related occupational groups and who are competent, qualified and with the appropriate civil service eligibility shall be considered for promotion.

(3) When a vacancy occurs in a position in the second level of the Career Service as defined in Section 8, the employees in the government service who occupy the next lower positions in the occupational group under which the vacant position is classified and in other functionally related occupational groups and who are competent, qualified and with the appropriate civil service eligibility shall be considered for promotion.

(4) For purposes of this Section, each department or agency shall evolve its own screening process, which may include tests of fitness, in accordance with standards and guidelines set by the Commission. Promotion boards shall be formed to formulate criteria for evaluation, conduct tests or interviews, and make systematic assessment of training experience.

(5) If the vacancy is not filled by promotion as provided herein the same shall be filled by transfer of present employees in the government service, by reinstatement, by re-employment of persons separated through reduction in force, or by appointment of persons with the civil service eligibility appropriate to the positions.

(6) A qualified next-in-rank employee shall have the right to appeal initially to the Secretaries or heads of agencies or instrumentalities including government-owned or controlled corporations with original charters, then to the Merit System Protection Board, and finally to the Civil Service Commission an appointment made in favor of another employee if the appellant is not satisfied with the written special reason or reason given by the appointing authority for such appointment; *Provided, however,* that the decision of the Civil Service Commission may be reviewed on certiorari only by the Supreme Court within thirty (30) days from receipt of the

decision of the aggrieved party. For purposes of this Section, "qualified next-in-rank" refers to an employee appointed on a permanent basis to a position previously determined to be next-in-rank and who meets the requirements for appointment thereto as previously determined by the appointing authority and approved by the Commission.

(7) Qualification in an appropriate examination shall be required for appointment to positions in the first and second levels in the career service in accordance with the Civil Service Rules, except as otherwise provided in this Title: *Provided*, That whenever there is a civil service eligible actually available for appointment, no person who is not such an eligible shall be appointed in a temporary capacity to any vacant position in the career service in the government or in any government-owned or controlled corporation with original charter, except when the immediate filling of the vacancy is urgently required in the public interest, or when the vacancy is not permanent, in which cases temporary appointments of non-eligibles may be made in the absence of eligibles actually and immediately available.

(8) The appropriate examinations herein referred to shall be those given by the Commission and the different agencies: *Provided, however*, That nothing herein shall affect those eligibilities required prior to the effectivity of this Civil Service Law: *Provided, further*, That a person with a civil service eligibility acquired by successfully passing an examination shall be qualified for a position requiring a lower eligibility if he possesses the other requirements for appointments to such position.

SECTION 22. *Qualification Standards.* — (1) A qualification standard expresses the minimum requirements for a class of positions in terms of education, training and experience, civil service eligibility, physical fitness, and other qualities required for successful performance. The degree of qualifications of an officer or employee shall be determined by the appointing authority on the basis of the qualification standard for the particular position.

Qualification standards shall be used as basis for civil service examinations for positions in the career service, as guides in appointment and other personnel actions, in the adjudication of protested appointments, in determining training needs, and as aid in the inspection and audit of the agencies personnel work programs.

It shall be administered in such manner as to continually provide incentives to officers and employees towards professional growth and foster the career system in the government service.

(2) The establishment, administration and maintenance of qualification standards shall be the responsibility of the department or agency, with the assistance and approval of the Civil Service Commission and in consultation with the Wage and Position Classification Office.

SECTION 23. *Release of Examination Results.* — The results of any particular civil service examination held in a number of places on the same date shall be released simultaneously.

SECTION 24. *Register of Eligibles.* — The names of the competitors who pass an examination shall be entered in a register of eligibles arranged in the order of their general ratings and containing such information as the Commission may deem necessary.

SECTION 25. *Cultural Communities.* — In line with the national policy to facilitate the

Integration of the members of cultural communities and accelerate the development of the areas occupied by them, the Commission shall give special civil service examinations to qualify them for appointment in the civil service.

SECTION 26. *Personnel Actions.* — All appointments in the career service shall be made only according to merit and fitness, to be determined as far as practicable by competitive examinations. A non-eligible shall not be appointed to any position in the civil service whenever there is a civil service eligible actually available for and ready to accept appointment.

As used in this Title, any action denoting the movement or progress of personnel in the civil service shall be known as personnel action. Such action shall include appointment through certification, promotion, transfer, reinstatement, re-employment, detail, reassignment, demotion, and separation. All personnel actions shall be in accordance with such rules, standards, and regulations as may be promulgated by the Commission.

- (1) *Appointment through certification.* An appointment through certification to a position in the civil service, except as herein otherwise provided, shall be issued to a person who has been selected from a list of qualified persons certified by the Commission from an appropriate register of eligibles, and who meets all the other requirements of the position.

All such persons must serve a probationary period of six months following their original appointment and shall undergo a thorough character investigation in order to acquire permanent civil service status. A probationer may be dropped from the service for unsatisfactory conduct or want of capacity any time before the expiration of the probationary period: *Provided,* That such action is appealable to the Commission.

- (2) *Promotion.* A promotion is a movement from one position to another with an increase in duties and responsibilities as authorized by law and usually accompanied by an increase in pay. The movement may be from one department or agency to another, or from one organizational unit to another in the same department or agency.
- (3) *Transfer.* A transfer is a movement from one position to another which is of equivalent rank, level, or salary without break in service involving the issuance of an appointment.

It shall not be considered disciplinary when made in the interest of public service, in which case, the employee concerned shall be informed of the reasons therefor. If the employee believes that there is no justification for the transfer, he may appeal his case to the Commission.

The transfer may be from one department or agency to another or from one organizational unit to another in the same department or agency: *Provided, however,* That any movement from the non-career service to the career service shall not be considered a transfer.

- (4) *Reinstatement.* Any person who has been permanently appointed to a position in the career service and who has, through no delinquency or misconduct, been separated therefrom, may be reinstated to a position in the same level for which he is qualified.
- (5) *Reemployment.* Names of persons who have been appointed permanently to positions in the career service and who have been separated as a result of reduction in force or reorganization, shall be entered in a list from which selection for reemployment shall be made.
- (6) *Detail.* A detail is the movement of an employee from one agency to another without the issuance of an appointment and shall be allowed, only for a limited period in the case of employees occupying professional, technical and scientific positions. If the employee believes that there is no justification for the detail, he may appeal his case to the Commission. Pending appeal, the decision to detail the employee shall be executory unless otherwise ordered by the Commission.
- (7) *Reassignment.* An employee may be reassigned from one organizational unit to another in the same agency: *Provided.* That such reassignment shall not involve a reduction in rank, status or salary.

SECTION 27. *Employment Status.* — Appointment in the career service shall be permanent or temporary.

- (1) *Permanent status.* A permanent appointment shall be issued to a person who meets all the requirements for the positions to which he is being appointed, including the appropriate eligibility prescribed, in accordance with the provisions of law, rules and standards promulgated in pursuance thereof.
- (2) *Temporary appointment.* In the absence of appropriate eligibles and it becomes necessary in the public interest to fill a vacancy, a temporary appointment shall be issued to a person who meets all the requirements for the position to which he is being appointed except the appropriate civil service eligibility: *Provided.* That such temporary appointment shall not exceed twelve months, but the appointee may be replaced sooner if a qualified civil service eligible becomes available.

SECTION 28. *Salary increase or Adjustment.* — Adjustments in salaries as a result of increase in pay levels or upgrading of positions which do not involve a change in qualification requirements shall not require new appointments except that copies of the salary adjustment notices shall be submitted to the Commission for record purposes.

SECTION 29. *Reduction in Force.* — Whenever it becomes necessary because of 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, to reduce the staff of any department or agency, those in the same group or class of positions in one or more agencies within the particular department or agency wherein the reduction is to be effected, shall be reasonably compared in terms of relative fitness, efficiency and length of service, and those found to be least qualified for the remaining positions shall be laid off.

SECTION 30. *Career and Personnel Development.* — The development and retention of competent and efficient work force in the public service is a primary concern of government. It shall be the policy of the government that a continuing program of career and personnel development be established for all government employees at all levels. An integrated national plan for career and personnel development shall serve as the basis for all career and personnel development activities in the government.

SECTION 31. *Career and Personnel Development Plans.* — Each department or agency shall prepare a career and personnel development plan which shall be integrated into a national plan of the Commission. Such career and personnel development plans which shall include provisions on merit promotions, performance evaluation, in-service training, including overseas and local scholarships and training grants, job rotation, suggestions and incentive award systems, and such other provisions for employees' health, welfare, counseling, recreation and similar services.

SECTION 32. *Merit Promotion Plans.* — Each department or agency shall establish promotion plans which shall be administered in accordance with the provisions of the Civil Service Law and the rules, regulations and standards to be promulgated by the Commission. Such plans shall include provisions for a definite screening process, which may include tests of fitness, in accordance with standards and guidelines set by the Commission. Promotion Boards may be organized subject to criteria drawn by the Commission.

SECTION 33. *Performance Evaluation System.* — There shall be established a performance evaluation system, which shall be administered in accordance with rules, regulations and standards, promulgated by the Commission for all officers and employees in the career service. Such performance evaluation system shall be administered in such manner as to continually foster the improvement of individual employee efficiency and organizational effectiveness.

Each department or agency may, after consultation with the Commission, establish and use one or more performance evaluation plans appropriate to the various groups of positions in the department or agency concerned. No performance evaluation shall be given, or used as a basis for personnel action, except under an approved performance evaluation plan: *Provided*, That each employee shall be informed periodically by his supervisor of his performance evaluation.

SECTION 34. *Responsibility for Training.* — The Commission shall be responsible for the coordination and integration of a continuing program of personnel development for all government personnel in the first and second levels.

Central staff agencies and specialized institutes shall conduct continuing centralized training for staff specialists from the different agencies. However, in those cases where there is sufficient number of participants to warrant training at department or agency or local government levels, such central staff agencies and specialized institutes shall render the necessary assistance, and consultative services.

To avoid duplication of effort and overlapping of training functions, the following functional responsibilities are assigned:

- (1) Public and private colleges and universities and similar institutions shall be

encouraged to organize and carry out continuing programs of executive development.

- (2) The Commission, the Commission on Audit, the Department of Budget and Management, the General Services Administration, and other central staff agencies shall conduct centralized training and assist in the training program of the Departments or agencies along their respective functional areas of specialization.
- (3) In coordination with the Commission, the Department of Local Government and Community Development shall undertake local government training programs.
- (4) In coordination with the Commission, each department or agency, province or city shall establish, maintain and promote a systematic plan of action for personnel training at all levels in accordance with standards laid down by the Commission. It shall maintain appropriate training staffs and make full use of available training facilities.

Whenever it deems it necessary, the Commission shall take the initiative in undertaking programs for personnel development.

SECTION 35. *Employee Suggestions and Incentive Award System.* — There shall be established a government-wide employee suggestions and incentive awards system which shall be administered under such rules, regulations, and standards as may be promulgated by the Commission.

In accordance with rules, regulations, and standards promulgated by the Commission, the President or the head of each department or agency is authorized to incur whatever necessary expenses involved in the honorary recognition of subordinate officers and employees of the Government who by their suggestions, inventions, superior accomplishment, and other personal efforts contribute to the efficiency, economy, or other improvement of government operations, or who perform such other extraordinary acts or services in the public interest in connection with, or in relation to, their official employment.

SECTION 36. *Personnel Relations.* — (1) It shall be the concern of the Commission to provide leadership and assistance in developing employee relations programs in the department or agencies.

(2) Every Secretary or head of agency shall take all proper steps toward the creation of an atmosphere conducive to good supervisor-employee relations and the improvement of employee morale.

SECTION 37. *Complaints and Grievances.* — Employees shall have the right to present their complaints or grievances to management and have them adjudicated as expeditiously as possible in the best interest of the agency, the government as a whole, and the employee concerned. Each complaint or grievances shall be resolved at the lowest possible level in the department or agency, as the case may be, and the employee shall have the right to appeal such decision to higher

authorities.

Each department or agency shall promulgate rules and regulations governing expeditious, fair and equitable adjustment of employees' complaints or grievances in accordance with the policies announced by the Commission.

In case any dispute remains unresolved after exhausting all the available remedies under existing laws and procedures, the parties may jointly refer the dispute to the Public Sector Labor Management Council constituted under section 46, for appropriate action.

CHAPTER 6 — RIGHT TO SELF-ORGANIZATION

SECTION 38. *Coverage.* — (1) All government employees, including those in government-owned or controlled corporations with original charters, can form, join or assist employees' organizations of their own choosing for the furtherance and protection of their interests. They can also form, in conjunction with appropriate government authorities, labor-management committees, work councils and other forms of workers' participation schemes to achieve the same objectives.

(2) The provisions of this Chapter shall not apply to the members of the Armed Forces of the Philippines, including police officers, policemen, firemen and jail guards.

SECTION 39. *Ineligibility of High-Level Employees to Join Rank-and-File Employees' Organization.* — High-level employees whose functions are normally considered as policy-making, managerial or whose duties are of a highly confidential nature shall not be eligible to join the organization of rank-and-file government employees.

SECTION 40. *Protection of the Right to Organize.* — (1) Government employees shall not be discriminated against in respect of their employment by reason of their membership in employees' organizations or participation in the normal activities of their organizations. Their employment shall not be subject to the condition that they shall not join or shall relinquish their membership in the employees' organizations.

(2) Government authorities shall not interfere in the establishment, functioning or administration of government employees' organizations through acts designed to place such organizations under the control of government authority.

SECTION 41. *Registration of Employees' Organization.* — Government employees' organizations shall register with the Civil Service Commission at the Department of Labor and Employment. The application shall be filed with the Bureau of Labor Relations of the Department which shall process the same in accordance with the provisions of the Labor Code of the Philippines. Applications may also be filed with the Regional Offices of the Department of Labor and Employment which shall immediately transmit the said applications to the Bureau of Labor Relations within three (3) days from receipt thereof.

SECTION 42. *Certificate of Registration.* — Upon arrival of the application, a registration certificate shall be issued to the organization recognizing it as a legitimate employees' organization with the right to represent its members and undertake activities to further and defend

interests. The corresponding certificates of registration shall be jointly approved by the Chairman of the Civil Service Commission and the Secretary of Labor and Employment.

SECTION 43. *Appropriate Organization Unit.* — The appropriate organizational unit shall be the employer's unit consisting of rank-and-file employees unless circumstances otherwise require.

SECTION 44. *Sole and Exclusive Employees' Representatives.* — (1) The duly registered employees' organization having the support of the majority of the employees in the appropriate organizational unit shall be designated as the sole and exclusive representative of the employees.

(2) A duly registered employees' organization shall be accorded voluntary recognition upon showing that no other employees' organization is registered or is seeking registration, based on the records of the Bureau of Labor Relations, and that the said organization has the majority support of rank-and-file employees in the organizational unit.

(3) Where there are two or more duly registered employees' organizations in the appropriate organizational unit, the Bureau of Labor Relations shall, upon petition, order the conduct of a qualification election and shall certify the winner as the exclusive representative of the rank-and-file employees in said organizational unit.

SECTION 45. *The Public Sector Labor-Management Council.* — A Public Sector Labor-Management Council is hereby constituted to be composed of the following: The Chairman of the Civil Service Commission, as Chairman; the Secretary of Labor and Employment, as Vice-Chairman; and the Secretary of Finance, the Secretary of Justice and the Secretary of Budget and Management, as members.

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

SECTION 46. *Discipline: General Provisions.* — (a) No officer or employee in the Civil Service shall be suspended or dismissed except for cause as provided by law and after due process.

(b) The following shall be grounds for disciplinary action:

- (1) Dishonesty;
- (2) Oppression;
- (3) Neglect of duty;
- (4) Misconduct;
- (5) Disgraceful and immoral conduct;
- (6) Being notoriously undesirable;

- (7) Discourtesy in the course of official duties:
- (8) Inefficiency and incompetence in the performance of official duties:
- (9) 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 favor or better treatment than that accorded other persons, or committing acts punishable under the anti-graft laws:
- (10) Conviction of a crime involving moral turpitude:
- (11) Improper or unauthorized solicitation of contributions from subordinate employees and by teachers or school officials from school children:
- (12) Violation of existing Civil Service Law and rules or reasonable office regulations:
- (13) Falsification of official document:
- (14) Frequent unauthorized absences or tardiness in reporting for duty, loafing or frequently unauthorized absence from duty during regular office hours:
- (15) Habitual drunkenness:
- (16) Gambling prohibited by law:
- (17) Refusal to perform official duty or render overtime service:
- (18) Disgraceful, immoral or dishonest conduct prior to entering the service:
- (19) Physical or mental incapacity or disability due to immoral or vicious habits:
- (20) Borrowing money by superior officers from subordinates or lending by subordinates to superior officers:
- (21) Lending money at usurious rates or interest:
- (22) Willful failure to pay just debts or willful failure to pay taxes due to the government:
- (23) Contracting loans of money or other property from persons with whom the office of the employee concerned has business relations:
- (24) Pursuit of private business, vocation or profession without the permission required by Civil Service rules and regulations:

- (25) Insubordination:
- (26) Engaging directly or indirectly in partisan political activities by one holding a non-political office:
- (27) Conduct prejudicial to the best interest of the service:
- (28) Lobbying for personal interest or gain in legislative halls and offices without authority:
- (29) Promoting the sale of tickets in behalf of private enterprises that are not intended for charitable or public welfare purposes and even in the latter cases if there is no prior authority:
- (30) Nepotism as defined in Section 60 of this Title.

(c) Except when initiated by the disciplining authority, no complaint against a civil service official or employee shall be given due course unless the same is in writing and subscribed and sworn to by the complainant.

(d) In meeting out punishment, the same penalties shall be imposed for similar offenses and only one penalty shall be imposed in each case. The disciplining authority may impose the penalty of removal from the service, demotion in rank, suspension for not more than one year without pay, or fine in an amount not exceeding six months' salary, or reprimand.

SECTION 47. *Disciplinary Jurisdiction.* — (1) The Commission shall decide upon all administrative disciplinary cases involving the imposition of a penalty of suspension for more than thirty days, or fine in an amount exceeding thirty days' salary, demotion in rank or salary transfer, removal or dismissal from office. A complaint may be filed directly with the Commission by a private citizen against a government official or employee in which case it may hear and decide the case or it may depute any department or agency or official or group of officials to conduct the investigation. The results of the investigation shall be submitted to the Commission with recommendation as to the penalty to be imposed or other action to be taken.

(2) The Secretaries and heads of agencies and instrumentalities, provinces, cities and municipalities shall have jurisdiction to investigate and decide matters involving disciplinary action against officers and employees under their jurisdiction. Their decisions shall be final in case the penalty imposed is suspension for not more than thirty days or fine in an amount not exceeding thirty days' salary. In case the decision rendered by a bureau or office head is appealable to the Commission, the same may be initially appealed to the department and finally to the Commission. Pending appeal, the same shall be executory except when the penalty is removal, in which case the same shall be executory only after confirmation by the Secretary concerned.

(3) An investigation may be entrusted to regional director or similar officials who shall make the necessary report and recommendation to the chief of bureau or office or department within the period specified in Paragraph (4) of the following Section.

(4) An appeal shall not stop the decision from being executory, and in case the penalty is

suspension or removal, the respondent shall be considered as having been under preventive suspension during the pendency of the appeal in the event he wins an appeal.

SECTION 48. *Procedure in Administrative Cases Against Non-Presidential Appointees.*

(1) Administrative proceedings may be commenced against a subordinate officer or employee by the Secretary or head of office of equivalent rank, or head of local government, or chiefs of agencies, or regional directors, or upon sworn, written complaint of any other person.

(2) In the case of a complaint filed by any other persons, the complainant shall submit sworn statements covering his testimony and those of his witnesses together with his documentary evidence. If on the basis of such papers a prima facie case is found not to exist, the disciplining authority shall dismiss the case. If a prima facie case exists, he shall notify the respondent in writing of the charges against the latter, to which shall be attached copies of the complaint, sworn statements and other documents submitted, and the respondent shall be allowed not less than twenty-two hours after receipt of the complaint to answer the charges in writing under oath, together with supporting sworn statements and documents, in which he shall indicate whether or not he elects a formal investigation if his answer is not considered satisfactory. If the answer is found satisfactory, the disciplining authority shall dismiss the case.

(3) Although a respondent does not request a formal investigation, one shall nevertheless be conducted when from the allegations of the complaint and the answer of the respondent, including the supporting documents, the merits of the case cannot be decided judiciously without conducting such an investigation.

(4) The investigation shall be held not earlier than five days nor later than ten days from the date of receipt of respondent's answer by the disciplining authority, and shall be finished within thirty days from the filing of the charges, unless the period is extended by the Commission in meritorious cases. The decision shall be rendered by the disciplining authority within thirty days from the termination of the investigation or submission of the report of the investigator, which report shall be submitted within fifteen days from the conclusion of the investigation.

(5) The direct evidence for the complainant and the respondent shall consist of the sworn statement 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 the cross-examination, by respondent and the complainant, respectively, shall be based. Following cross-examination, there may be redirect and recross-examination.

(6) Either party may avail himself of the services of counsel and may require the attendance of witnesses and the production of documentary evidence in his favor through the compulsory process of *subpoena* or *subpoena duces tecum*.

(7) The investigation shall be conducted only for the purpose of ascertaining the truth and without necessarily adhering to technical rules applicable in judicial proceedings. It shall be conducted by the disciplining authority concerned or his authorized representative.

The phrase "any other party" shall be understood to be a complainant other than those

referred to in subsection (a) hereof.

SECTION 49. *Appeals.* — (1) Appeals, where allowable, shall be made by the party adversely affected by the decision within fifteen days from receipt of the decision unless a petition for reconsideration is seasonably filed, which petition shall be decided within fifteen days. Notice of appeal shall be filed with the disciplining office, which shall forward the records of the case, together with the notice of appeal, to the appellate authority within fifteen days from filing of the notice of appeal, with its comment, if any. The notice of appeal shall specifically state the date of the decision appealed from and the date of receipt thereof. It shall also specifically set forth clearly the grounds relied upon for excepting from the decision.

(2) A petition for reconsideration shall be based only on any of the following grounds: (a) evidence has been discovered which materially affects the decision rendered; (b) the decision is not supported by the evidence on record; or (c) error of law or irregularities have been committed which are prejudicial to the interest of the respondent: *Provided*, That only one petition for reconsideration shall be entertained.

SECTION 50. *Summary Proceedings.* — No formal investigation is necessary and the respondent may be immediately removed or dismissed if any of the following circumstances is present:

- (1) When the charge is serious and the evidence of guilt is strong;
- (2) When the respondent is a recidivist or has been repeatedly charged and there is reasonable ground to believe that he is guilty of the present charge; and
- (3) When the respondent is notoriously undesirable.

Resort to summary proceedings by the disciplining authority shall be done with utmost activity and impartiality to the end that no injustice is committed: *Provided*, That removal or dismissal except those by the President, himself or upon his order, may be appealed to the Commission.

SECTION 51. *Preventive Suspension.* — The proper disciplining authority may preventively suspend any subordinate officer or employee under his authority pending an investigation, if the charge against such officer or employee involves dishonesty, oppression or the misconduct, or neglect in the performance of duty, or if there are reasons to believe that the respondent is guilty of charges which would warrant his removal from the service.

SECTION 52. *Lifting of Preventive Suspension Pending Administrative Investigation.* — When the administrative case against the officer or employee under preventive suspension is not finally decided by the disciplining authority within the period of ninety (90) days after the date of suspension of the respondent who is not a presidential appointee, 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 counted in computing the period of suspension herein provided.

SECTION 53. *Removal of Administrative Penalties or Disabilities.* — In meritorious

cases and upon recommendation of the Commission, the President may commute or remove administrative penalties or disabilities imposed upon officers or employees in disciplinary cases, subject to such terms and conditions as he may impose in the interest of the service.

CHAPTER 7 — PROHIBITIONS

SECTION 54. *Limitation on Appointment.* — (1) No elective official shall be eligible for appointment or designation in any capacity to any public office or position during his tenure.

(2) No candidate who has lost in any election shall, within one year after election, be appointed to any office in the Government or any government-owned or controlled corporations or any of its subsidiaries.

(3) Unless otherwise allowed by law or by the primary functions of his position, no appointive official shall hold any other office or employment in the Government or any subdivision, agency or instrumentality thereof, including government-owned or controlled corporations or their subsidiaries.

SECTION 55. *Political Activity.* — No officer or employee in the Civil Service including members of the Armed Forces, shall engage directly or indirectly in any partisan political activity or take part in any election except to vote nor shall he use his official authority or influence to coerce the political activity of any other person or body. Nothing herein provided shall be understood to prevent any officer or employee from expressing his views on current political problems or issues, or from mentioning the names of candidates for public office whom he 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 their subordinates subject them to any of the acts involving subordinates prohibited in the Election Code.

SECTION 56. *Additional or Double Compensation.* — No elective or appointive public officer or employee shall receive additional or double compensation unless specifically authorized by law nor accept without the consent of the President, any present, emolument, office, or title of any kind from any foreign state.

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

SECTION 57. *Limitations on Employment of Laborers.* — Laborers, whether skilled, semi-skilled or unskilled, shall not be assigned to perform clerical duties.

SECTION 58. *Prohibition on Detail or Reassignment.* — No detail or reassignment however shall be made within three (3) months before any election.

SECTION 59. *Nepotism.* — (1) All appointments in the national, provincial, city and municipal governments or in any branch or instrumentality thereof, including government-owned or controlled corporations, made in favor of a relative of the appointing or recommending authority, or the chief of the bureau or office, or of the persons exercising immediate supervision over him, are hereby prohibited.

As used in this Section, the word "relative" and members of the family referred to are those related within the third degree either of consanguinity or of affinity.

(2) The following are exempted from the operation of the rules on nepotism: (a) persons employed in a confidential capacity, (b) teachers, (c) physicians, and (d) members of the Armed Forces of the Philippines; *Provided, however*, That in each particular instance full report of such appointment shall be made to the Commission.

The restriction mentioned in subsection (1) shall not be applicable to the case of a member of a family who, after his or her appointment to any position in an office or bureau, contracts marriage with someone in the same office or bureau, in which event the employment or retention herein of both husband and wife may be allowed.

(3) In order to give immediate effect to these provisions, cases of previous appointments which are in contravention hereof shall be corrected by transfer, and pending such transfer, no promotion or salary increase shall be allowed in favor of the relative or relatives who are appointed in violation of these provisions.

CHAPTER 8 — LEAVE OF ABSENCE

SECTION 60. *Leave of Absence.* — Officers and employees in the Civil Service shall be entitled to leave of absence, with or without pay, as may be provided by law and the rules and regulations of the Civil Service Commission in the interest of the service.

CHAPTER 9 — MISCELLANEOUS PROVISIONS

SECTION 61. *Examining Committee, Special Examiners and Special Investigators.* — Subject to approval by the proper head of a department or agency, the Commission may select suitable persons in the government service to act as members of examining committees, special examiners or special investigators. Such persons shall be designated examiners or investigators of the Commission and shall perform such duties as the Commission may require, and in the performance of such duties they shall be under its exclusive control. Examining committees, special examiners or special investigators so designated may be given allowances or per diems for their services, to be paid out of the funds of, and at a rate to be determined by, the Commission.

SECTION 62. *Fees.* — The Commission shall collect and charge fees for civil service examinations, certifications of civil service ratings, service records, and other civil service matters, training courses, seminars, workshops in personnel management and other civil service matters. For this purpose, the Commission shall prescribe standard and reasonable rates for such examinations, certifications, training courses, seminars, and workshops; *Provided*, That no examination fees shall be collected in examinations given for the selection of scholars.

SECTION 63. *Income.* — The income of the Commission from fees, costs for services it may assess and levy, and such other proceeds generated in the performance of its functions shall be fully utilized by the Commission for its expenses.

SECTION 64. *Authority of Officers to Administer Oaths, Take Testimony, Prosecute and Demand Cases in Court.* — Members of the Commission, chiefs of offices, and other officers and

Employees of the Commission designated in writing by the Chairman may administer such oath as may be necessary in the transactions of official business and administer oaths and take testimony in connection with any authorized investigation. Attorneys of the Commission may prosecute and defend cases in connection with the functions of the Commission before any court or tribunal.

SECTION 65. *Liability of Appointing Authority.* — No person employed in the Civil Service in violation of the Civil Service Law and rules shall be entitled to receive pay from the Government; but the appointing authority responsible for such unlawful employment shall be personally liable for the pay that would have accrued had the employment been lawful, and the disbursing officials shall make payment to the employee of such amount from the salary of the officers so liable.

SECTION 66. *Liability of Disbursing Officers.* — Except as may otherwise be provided by law, it shall be unlawful for a treasurer or other fiscal officer to draw or retain from salary due an officer or employee any amount for contribution or payment of obligations other than those due the Government or its instrumentalities.

SECTION 67. *Penal Provision.* — Whoever makes any appointment or employs any person in violation of any provision of this Title or the rules made thereunder or whoever commits fraud, deceit or intentional misrepresentation of material facts concerning other civil service matters, or whoever violates, refuses or neglects to comply with any of such provisions or rules, shall upon conviction be punished by a fine not exceeding one thousand pesos or by imprisonment not exceeding six (6) months, or both such fine and imprisonment in the discretion of the court.

Title Seven

CRIMES COMMITTED BY PUBLIC OFFICERS

Chapter One

PRELIMINARY PROVISIONS

ARTICLE 203. *Who are public officers.* — For the purpose of applying the provisions of this and the preceding titles of this book, any person who, by direct provision of the law, popular election or appointment by competent authority, shall take part in the performance of public functions in the Government of the Philippine Islands, or shall perform in said Government or in any of its branches public duties as an employee, agent or subordinate official, of any rank or class, shall be deemed to be a public officer.

Chapter Two

MALFEASANCE AND MISFEASANCE IN OFFICE

SECTION 1. — *Dereliction of duty*

ARTICLE 204. *Knowingly rendering unjust judgment.* — Any judge who shall knowingly render an unjust judgment in any case submitted to him for decision, shall be punished by *prision mayor* and perpetual absolute disqualification.

ARTICLE 205. *Judgment rendered through negligence.* — Any judge who, by reason of inexcusable negligence or ignorance shall render a manifestly unjust judgment in any case submitted to him for decision shall be punished by *arresto mayor* and temporary special disqualification.

ARTICLE 206. *Unjust interlocutory order.* — Any judge who shall knowingly render an unjust interlocutory order or decree shall suffer the penalty of *arresto mayor* in its minimum period and suspension; but if he shall have acted by reason of inexcusable negligence or ignorance and the interlocutory order or decree be manifestly unjust, the penalty shall be suspension.

ARTICLE 207. *Malicious delay in the administration of justice.* — The penalty of *prision correccional* in its minimum period shall be imposed upon any judge guilty of malicious delay in the administration of justice.

ARTICLE 208. *Prosecution of offenses; negligence and tolerance.* — The penalty of *prision correccional* in its minimum period and suspension shall be imposed upon any public officer, or officer of the law, who, in dereliction of the duties of his office, shall maliciously refrain from instituting prosecution for the punishment of violators of the law, or shall tolerate the commission of offenses.

ARTICLE 209. *Betrayal of trust by an attorney or solicitor. — Revelation of secrets.* — In addition to the proper administrative action, the penalty of *prision correccional* in its minimum period, or a fine ranging from 200 to 1,000 pesos, or both, shall be imposed upon any

attorney-at-law or solicitor (*procurador judicial*) who, by any malicious breach of professional duty or of inexcusable negligence or ignorance, shall prejudice his client, or reveal any of the secrets of the latter learned by him in his professional capacity.

The same penalty shall be imposed upon an attorney-at-law or solicitor (*procurador judicial*) who, having undertaken the defense of a client or having received confidential information from said client in a case, shall undertake the defense of the opposing party in the same case, without the consent of his first client.

SECTION 2. — *Bribery*

ARTICLE 210. *Direct bribery.* — Any public officer who shall agree to perform an act constituting a crime, in connection with the performance of his official duties, in consideration of any offer, promise, gift or present received by such officer, personally or through the mediation of another, shall suffer the penalty of *prision mayor* in its medium and maximum periods and a fine [of not less than the value of the gift and] not less than three times the value of the gift in addition to the penalty corresponding to the crime agreed upon, if the same shall have been committed.

If the gift was accepted by the officer in consideration of the execution of an act which does not constitute a crime, and the officer executed said act, he shall suffer the same penalty provided in the preceding paragraph; and if said act shall not have been accomplished, the officer shall suffer the penalties of *prision correccional*, in its medium period and a fine of not less than twice the value of such gift.

If the object for which the gift was received or promised was to make the public officer refrain from doing something which it was his official duty to do, he shall suffer the penalties of *prision correccional* in its maximum period and a fine [of not less than the value of the gift and] not less than three times the value of such gift.

In addition to the penalties provided in the preceding paragraphs, the culprit shall suffer the penalty of special temporary disqualification.

The provisions contained in the preceding paragraphs shall be made applicable to assessors, arbitrators, appraisal and claim commissioners, experts or any other persons performing public duties. (*As amended by Batas Pambansa Blg. 871, June 10, 1985*)

ARTICLE 211. *Indirect bribery.* — The penalties of *prision correccional* in its medium and maximum periods, and public censure shall be imposed upon any public officer who shall accept gifts offered to him by reason of his office. (*As amended by Batas Pambansa Blg. 871, June 10, 1985*)

ARTICLE 211-A. *Qualified bribery.* — If any public officer is entrusted with law enforcement and he refrains from arresting or prosecuting an offender who has committed a crime punishable by *reclusion perpetua* and/or death in consideration of any offer, promise, gift or present, he shall suffer the penalty for the offense which was not prosecuted.

If it is a public officer who asks or demands such gift or present, he shall suffer the penalty of death. (*As inserted by Republic Act No. 7659.*)

ARTICLE 212. *Corruption of public officials.* — The same penalties imposed upon the officer corrupted, except those of disqualification and suspension, shall be imposed upon any person who shall have made the offers or promises or given the gifts or presents as described in the preceding articles.

Chapter Three

FRAUDS AND ILLEGAL EXACTIONS AND TRANSACTIONS

ARTICLE 213. *Frauds against the public treasury and similar offenses.* — The penalty of *prision correccional* in its medium period to *prision mayor* in its minimum period, or a fine ranging from 200 to 10,000 pesos, or both, shall be imposed upon any public officer who:

1. In his official capacity, in dealing with any person with regard to furnishing supplies, the making of contracts, or the adjustment or settlement of accounts relating to public property or funds, shall enter into an agreement with any interested party or speculator or make use of any other scheme, to defraud the Government;
2. Being entrusted with the collection of taxes, licenses, fees and other imposts, shall be guilty of any of the following acts or omissions:
 - (a) Demanding, directly, or indirectly, the payment of sums different from or larger than those authorized by law;
 - (b) Failing voluntarily to issue a receipt, as provided by law, for any sum of money collected by him officially;
 - (c) Collecting or receiving, directly or indirectly, by way of payment or otherwise things or objects of a nature different from that provided by law.

When the culprit is an officer or employee of the Bureau of Internal Revenue or the Bureau of Customs, the provisions of the Administrative Code shall be applied.

ARTICLE 214. *Other frauds.* — In addition to the penalties prescribed in the provisions of Chapter Six, Title Ten, Book Two, of this Code, the penalty of temporary special disqualification in its maximum period to perpetual special disqualification shall be imposed upon any public officer who, taking advantage of his official position, shall commit any of the frauds or deceits enumerated in said provisions.

ARTICLE 215. *Prohibited transactions.* — The penalty of *prision correccional* in its maximum period or a fine ranging from 200 to 1,000 pesos, or both, shall be imposed upon any appointive public officer who, during his incumbency, shall directly or indirectly become interested in any transaction of exchange or speculation within the territory subject to his jurisdiction.

ARTICLE 216. *Possession of prohibited interest by a public officer.* — The penalty of *prision mayor* in its medium period to *prision correccional* in its minimum period, or a fine ranging

from 200 to 1,000 pesos, or both, shall be imposed upon a public officer who directly or indirectly, shall become interested in any contract or business in which it is his official duty to intervene.

This provisions is applicable to experts, arbitrators and private accountants who, in like manner, shall take part in any contract or transaction connected with the estate or property in appraisal, distribution or adjudication of which they shall have acted, and to the guardians and executors with respect to the property belonging to their wards or estate.

Chapter Four

MALVERSATION OF PUBLIC FUNDS OR PROPERTY

ARTICLE 217. *Malversation of public funds or property. — Presumption of malversation.* — Any public officer who, by reason of the duties of his office, is accountable for public funds or property, shall appropriate the same or shall take or misappropriate or shall consent, through abandonment or negligence, shall permit any other person to take such public funds, or property, wholly or partially, or shall otherwise be guilty of the misappropriation or malversation of such funds or property, shall suffer:

1. The penalty of *prision correccional* in its medium and maximum periods, if the amount involved in the misappropriation or malversation does not exceed two hundred pesos.
2. The penalty of *prision mayor* in its minimum and medium periods, if the amount involved is more than two hundred pesos but does not exceed six thousand pesos.
3. The penalty of *prision mayor* in its maximum period to *reclusion temporal* in its minimum period, if the amount involved is more than six thousand pesos but is less than twelve thousand pesos.
4. The penalty of *reclusion temporal*, in its medium and maximum periods, if the amount involved is more than twelve thousand pesos but is less than twenty-two thousand pesos. If the amount exceeds the latter, the penalty shall be *reclusion temporal* in its maximum period to *reclusion perpetua*.

In all cases, persons guilty of malversation shall also suffer the penalty of perpetual special disqualification and a fine equal to the amount of the funds malversed or equal to the total value of the property embezzled.

The failure of a public officer to have duly forthcoming any public funds or property with which he is chargeable, upon demand by any duly authorized officer, shall be *prima facie* evidence that he has put such missing funds or property to personal use. (*As amended by R.A. 1060.*)

ARTICLE 218. *Failure of accountable officer to render accounts.* — Any public officer, whether in the service or separated therefrom by resignation or any other cause, who is required by law or regulation to render account to the Insular Auditor, or to a provincial auditor and who fails to do so for a period of two months after such accounts should be rendered, shall be punished by *prision correccional* in its minimum period, or by a fine ranging from 200 to 6,000 pesos, or both.

ARTICLE 219. *Failure of a responsible public officer to render accounts before leaving the country.* — Any public officer who unlawfully leaves or attempts to leave the Philippine Islands without securing a certificate from the Insular Auditor showing that his accounts have been finally settled, shall be punished by *arresto mayor*, or a fine ranging from 200 to 1,000 pesos or both.

ARTICLE 220. *Illegal use of public funds or property.* — Any public officer who shall apply any public fund or property under his administration to any public use other than for which such fund or property were appropriated by law or ordinance shall suffer the penalty of *prision correccional* in its minimum period or a fine ranging from one-half to the total of the sum misapplied, if by reason of such misapplication, any damages or embarrassment shall have resulted to the public service. In either case, the offender shall also suffer the penalty of temporary special disqualification.

If no damage or embarrassment to the public service has resulted, the penalty shall be a fine from 5 to 50 per cent of the sum misapplied.

ARTICLE 221. *Failure to make delivery of public funds or property.* — Any public officer under obligation to make payment from Government funds in his possession, who shall fail to make such payment, shall be punished by *arresto mayor* and a fine from 5 to 25 per cent of the sum which he failed to pay.

This provision shall apply to any public officer who, being ordered by competent authority to deliver any property in his custody or under his administration, shall refuse to make such delivery.

The fine shall be graduated in such case by the value of the thing, provided that it shall not be less than 50 pesos.

ARTICLE 222. *Officers included in the preceding provisions.* — The provisions of this chapter shall apply to private individuals who in any capacity whatever, have charge of any insular, provincial or municipal funds, revenues, or property and to any administrator or depository of funds or property attached, seized or deposited by public authority, even if such property belongs to a private individual.

Chapter Five

INFIDELITY OF PUBLIC OFFICERS

SECTION 1. — *Infidelity in the custody of prisoners*

ARTICLE 223. *Conniving with or consenting to evasion.* — Any public officer who shall consent to the escape of a prisoner in his custody or charge, shall be punished:

1. By *prision correccional* in its medium and maximum periods and temporary special disqualification in its maximum period to perpetual special disqualification, if the fugitive shall have been sentenced by final judgment to any penalty.
2. By *prision correccional* in its minimum period and temporary special

disqualification, in case the fugitive shall not have been finally convicted but only held as a detention prisoner for any crime or violation of law or municipal ordinance.

ARTICLE 224. *Evasion through negligence.* — If the evasion of the prisoner shall have taken place through the negligence of the officer charged with the conveyance or custody of the escaping prisoner, said officer shall suffer the penalties of *arresto mayor* in its maximum period to *prision correccional* in its minimum period and temporary special disqualification.

ARTICLE 225. *Escape of prisoner under the custody of a person not a public officer.* — Any private person to whom the conveyance or custody of a prisoner or person under arrest shall have been confided, who shall commit any of the offenses mentioned in the two preceding articles, shall suffer the penalty next lower in degree than that prescribed for the public officer.

SECTION 2. — *Infidelity in the custody of document*

ARTICLE 226. *Removal, concealment or destruction of documents.* — Any public officer who shall remove, destroy or conceal documents or papers officially entrusted to him, shall suffer:

1. The penalty of *prision mayor* and a fine not exceeding 1,000 pesos, whenever serious damage shall have been caused thereby to a third party or to the public interest.
2. The penalty of *prision correccional* in its minimum and medium period and a fine not exceeding 1,000 pesos, whenever the damage to a third party or to the public interest shall not have been serious.

In either case, the additional penalty of temporary special disqualification in its maximum period to perpetual disqualification shall be imposed.

ARTICLE 227. *Officer breaking seal.* — Any public officer charged with the custody of papers or property sealed by proper authority, who shall break the seals or permit them to be broken, shall suffer the penalties of *prision correccional* in its minimum and medium periods, temporary special disqualification and a fine not exceeding 2,000 pesos.

ARTICLE 228. *Opening of closed documents.* — Any public officer not included in the provisions of the next preceding article who, without proper authority, shall open or shall permit to be opened any closed papers, documents or objects entrusted to his custody, shall suffer the penalties of *arresto mayor*, temporary special disqualification and a fine of not exceeding 2,000 pesos.

SECTION 3. — *Revelation of secrets*

ARTICLE 229. *Revelation of secrets by an officer.* — Any public officer who shall reveal a secret known to him by reason of his official capacity, or shall wrongfully deliver papers or copies of papers of which he may have charge and which should not be published, shall suffer the penalties of *prision correccional* in its medium and maximum periods, perpetual special disqualification and a fine not exceeding 2,000 pesos if the revelation of such secrets or the delivery

such papers shall have caused serious damage to the public interest: otherwise, the penalties of *prision correccional* in its minimum period, temporary special disqualification and a fine not exceeding 50 pesos shall be imposed.

ARTICLE 230. *Public officer revealing secrets of private individual.* — Any public officer to whom the secrets of any private individual shall become known by reason of his office who shall reveal such secrets, shall suffer the penalties of *arresto mayor* and a fine not exceeding 100 pesos.

Chapter Six

OTHER OFFENSES OR IRREGULARITIES BY PUBLIC OFFICERS

ARTICLE 231. *Open disobedience.* — Any judicial or executive officer who shall openly refuse to execute the judgment, decision or order of any superior authority made within the scope of the jurisdiction of the latter and issued with all the legal formalities, shall suffer the penalties of *arresto mayor* in its medium period to *prision correccional* in its minimum period, temporary special disqualification in its maximum period and a fine not exceeding 1,000 pesos.

ARTICLE 232. *Disobedience to order of superior officers, when said order was suspended by inferior officer.* — Any public officer who, having for any reason suspended the execution of the orders of his superiors, shall disobey such superiors after the latter have disapproved the suspension, shall suffer the penalties of *prision correccional* in its minimum and medium periods and perpetual special disqualification.

ARTICLE 233. *Refusal of assistance.* — The penalties of *arresto mayor* in its medium period to *prision correccional* in its minimum period, perpetual special disqualification and a fine not exceeding 1,000 pesos, shall be imposed upon a public officer who, upon demand from competent authority, shall fail to lend his cooperation towards the administration of justice or other public service, if such failure shall result in serious damage to the public interest, or to a third party: otherwise, *arresto mayor* in its medium and maximum periods and a fine not exceeding 500 pesos shall be imposed.

ARTICLE 234. *Refusal to discharge elective office.* — The penalty of *arresto mayor* or a fine not exceeding 1,000 pesos, or both, shall be imposed upon any person who, having been elected by popular election to a public office, shall refuse without legal motive to be sworn in or to discharge the duties of said office....

ARTICLE 235. *Maltreatment of prisoners.* — The penalty of *arresto mayor* in its medium period to *prision correccional* in its minimum period, in addition to his liability for the physical injuries or damage caused, shall be imposed upon any public officer or employee who shall overdo himself in the correction or handling of a prisoner or detention prisoner under his charge, by the imposition of punishment not authorized by the regulations, or by inflicting such punishment in a cruel and humiliating manner.

If the purpose of the maltreatment is to extort a confession, or to obtain some information from the prisoner, the offender shall be punished by *prision correccional* in its minimum period.

temporary special disqualification and a fine not exceeding 500 pesos, in addition to his liability for physical injuries or damage caused.

SECTION 2. — Anticipation, prolongation and abandonment of the duties and powers of public office

ARTICLE 236. — Anticipation of duties of a public office. — Any person who shall assume the performance of the duties and powers of any public officer or employment without first being sworn in or having given the bond required by law, shall be suspended from such office or employment until he shall have complied with the respective formalities and shall be fined from 200 to 500 pesos.

ARTICLE 237. — Prolonging performance of duties and powers. — Any public officer shall continue to exercise the duties and powers of his office, employment or commission, beyond the period provided by law, regulation or special provisions applicable to the case, shall suffer the penalties of *prision correccional* in its minimum period, special temporary disqualification in its minimum period and a fine not exceeding 500 pesos.

ARTICLE 238. — Abandonment of office or position. — Any public officer who, before the acceptance of his resignation, shall abandon his office to the detriment of the public service shall suffer the penalty of *arresto mayor*.

If such office shall have been abandoned in order to evade the discharge of the duties of preventing, prosecuting or punishing any of the crime falling within Title One, and Chapter One of Title Three of Book Two of this Code, the offender shall be punished by *prision correccional* in its minimum and medium periods, and by *arresto mayor* if the purpose of such abandonment is to evade the duty of preventing, prosecuting or punishing any other crime.

SECTION 3. — Usurpation of powers and unlawful appointments

ARTICLE 239. — Usurpation of legislative powers. — The penalties of *prision correccional* in its minimum period, temporary special disqualification and a fine not exceeding 500 pesos, shall be imposed upon any public officer who shall encroach upon the powers of the legislative branch of the Government, either by making general rules or regulations beyond the scope of his authority, or by attempting to repeal a law or suspending the execution thereof.

ARTICLE 240. — Usurpation of executive functions. — Any judge who shall assume any power pertaining to the executive authorities, or shall obstruct the latter in the lawful exercise of their powers, shall suffer the penalty of *arresto mayor* in its medium period to *prision correccional* in its minimum period.

ARTICLE 241. — Usurpation of judicial functions. — The penalty of *arresto mayor* in its medium period to *prision correccional* in its minimum period and shall be imposed upon any officer of the executive branch of the Government who shall assume judicial powers or shall obstruct the execution of any order or decision rendered by any judge within its jurisdiction.

ARTICLE 242. — Disobeying request for disqualification. — Any public officer who, before the question of jurisdiction is decided, shall continue any proceeding after having been lawfully

required to refrain from so doing, shall be punished by *arresto mayor* and a fine not exceeding 500 pesos.

ARTICLE 243. *Orders or requests by executive officers to any judicial authority.* — Any executive officer who shall address any order or suggestion to any judicial authority with respect to any case or business coming within the exclusive jurisdiction of the courts of justice shall suffer the penalty of *arresto mayor* and a fine not exceeding 500 pesos.

ARTICLE 244. *Unlawful appointments.* — Any public officer who shall knowingly nominate or appoint to any public office any person lacking the legal qualifications therefor, shall suffer the penalty of *arresto mayor* and a fine not exceeding 1,000 pesos.

SECTION 4. — *Abuses against chastity*

ARTICLE 245. *Abuses against chastity — Penalties.* — The penalties of *prision correccional* in its medium and maximum periods and temporary special disqualification shall be imposed:

1. Upon any public officer who shall solicit or make immoral or indecent advances to a woman interested in matters pending before such officer for decision, or with respect to which he is required to submit a report to or consult with a superior officer;
2. Any warden or other public officer directly charged with the care and custody of prisoners or persons under arrest who shall solicit or make immoral or indecent advances to a woman under his custody.

If the person solicited be the wife, daughter, sister or relative within the same degree by affinity of any person in the custody of such warden or officer, the penalties shall be *prision correccional* in its minimum and medium periods and temporary special disqualification.

REPUBLIC ACT NO. 3019

ANTI-GRAFT AND CORRUPT PRACTICES ACT

SECTION 1. *Statement of policy.* — It is the policy of the Philippine Government, in accordance with the principle that a public office is a public trust, to repress certain acts of public officers and private persons alike which constitute graft or corrupt practices or which may lead thereto.

SECTION 2. *Definition of terms.* — As used in this Act, that term —

- (a) "Government" includes the national government, the local governments, the government-owned and government-controlled corporations, and all other instrumentalities or agencies of the Republic of the Philippines and their branches.
- (b) "Public officer" includes elective and appointive officials and employees, permanent or temporary, whether in the classified or unclassified or exempt service receiving compensation, even nominal, from the government as defined in the preceding subparagraph.
- (c) "Receiving any gift" includes the act of accepting directly or indirectly a gift from a person other than a member of the public officer's immediate family, in behalf of himself or of any member of his family or relative within the fourth civil degree, either by consanguinity or affinity, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is under the circumstances manifestly excessive.
- (d) "Person" includes natural and juridical persons, unless the context indicates otherwise.

SECTION 3. *Corrupt practices of public officers.* — In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:

- (a) Persuading, inducing or influencing another public officer to perform an act constituting a violation of rules and regulations duly promulgated by competent authority or an offense in connection with the official duties of the latter, or allowing himself to be persuaded, induced, or influenced to commit such violation or offense. ...
- (b) Directly or indirectly requesting or receiving any gift, present, share, percentage, or benefit, for himself or for any other person, in connection with any contract or transaction between the Government and any other part, wherein the public officer in his official capacity has to intervene under the law.
- (c) Directly or indirectly requesting or receiving any gift, present or other pecuniary

or material benefit, for himself or for another, from any person for whom the public officer, in any manner or capacity, has secured or obtained, or will secure or obtain, any Government permit or license, in consideration for the help given or to be given, without prejudice to Section thirteen of this Act.

- (d) Accepting or having any member of his family accept employment in a private enterprise which has pending official business with him during the pendency thereof or within one year after its termination.
- (e) Causing any undue injury to any party, including the Government, or giving any private party any unwarranted benefits, advantage or preference in the discharge of his official administrative or judicial functions through manifest partiality, evident bad faith or gross inexcusable negligence. This provision shall apply to officers and employees of offices or government corporations charged with the grant of licenses or permits or other concessions.
- (f) Neglecting or refusing, after due demand or request, without sufficient justification, to act within a reasonable time on any matter pending before him for the purpose of obtaining, directly or indirectly, from any person interested in the matter some pecuniary or material benefit or advantage, or for the purpose of favoring his own interest or giving undue advantage in favor of or discriminating against any other interested party.
- (g) Entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.
- (h) Director or indirectly having financing or pecuniary interest in any business, contract or transaction in connection with which he intervenes or takes part in his official capacity, or in which he is prohibited by the Constitution or by any law from having any interest.
- (i) Directly or indirectly becoming interested, for personal gain, or having a material interest in any transaction or act requiring the approval of a board, panel or group of which he is a member, and which exercises discretion in such approval, even if he votes against the same or does not participate in the action of the board, committee, panel or group.

Interest for personal gain shall be presumed against those public officers responsible for the approval of manifestly unlawful, inequitable, or irregular transaction or acts by the board, panel or group to which they belong.

- (j) Knowingly approving or granting any license, permit, privilege or benefit in favor of any person not qualified for or not legally entitled to such license, permit, privilege or advantage, or of a mere representative or dummy of one who is not so qualified or entitled.
- (k) Divulging valuable information of a confidential character, acquired by his office

or by him on account of his official position to unauthorized persons, or releasing such information in advance of its authorized release date. ...

(b) and (c); or offering or giving to the public officer the employment mentioned in subparagraph (d); or urging the divulging or untimely release of the confidential information referred to in subparagraph (k) of this section shall, together with the offending public officer, be punished under Section nine of this Act and shall be permanently or temporarily disqualified in the discretion of the Court, from transacting business in any form with the Government.

SECTION 4. *Prohibition on private individuals.* — (a) It shall be unlawful for any person having family or close personal relation with any public official to capitalize or exploit or take advantage of such family or close personal relation by directly or indirectly requesting or receiving any present, gift or material or pecuniary advantage from any other person having some business, transaction, application, request or contract with the government, in which such public official has to intervene. Family relation shall include the spouse or relatives by consanguinity or affinity in the third civil degree. The word "close personal relation" shall include close personal friendship, social and fraternal connections, and professional employment all giving rise to intimacy which assures free access to such public officer.

(b) It shall be unlawful for any person knowingly to induce or cause any public official to commit any of the offenses defined in Section 3 hereof.

SECTION 5. *Prohibition on certain relatives.* — It shall be unlawful for the spouse or for any relative, by consanguinity or affinity, within the third civil degree, of the President of the Philippines, the Vice-President of the Philippines, the President of the Senate, or the Speaker of the House of Representatives, to intervene, directly or indirectly, in any business, transaction, contract or application with the Government: *Provided*, That this section shall not apply to any person who, prior to the assumption of office of any of the above officials to whom he is related, has been already dealing with the Government along the same line of business, nor to any transaction, contract or application already existing or pending at the time of such assumption of public office, nor to any application filed by him the approval of which is not discretionary on the part of the official or officials concerned but depends upon compliance with requisites provided by law, or rules or regulations issued pursuant to law, nor to any act lawfully performed in an official capacity or in the exercise of a profession.

SECTION 6. *Prohibition on Members of Congress.* — It shall be unlawful hereafter for any Member of the Congress during the term for which he has been elected, to acquire or receive any personal pecuniary interest in any specific business enterprise which will be directly and particularly favored or benefited by any law or resolution authored by him previously approved or adopted by the Congress during the same term.

The provision of this section shall apply to any other public officer who recommended the initiation in Congress of the enactment or adoption of any law or resolution, and acquires or receives any such interest during his incumbency.

It shall likewise be unlawful for such member of Congress or other public officer, who, having such interest prior to the approval of such law or resolution authored or recommended by

continues for thirty days after such approval to retain such interest.

SECTION 7. *Statement of assets and liabilities.* — Every public officer, within thirty days after the approval of this Act or after assuming office, and within the month of January of every other year thereafter, as well as upon the expiration of his term of office, or upon his resignation or separation from office, shall prepare and file with the office of the corresponding Department Head, or in the case of a Head of Department or chief of an independent office, with the office of the President, or in the case of members of the Congress and the officials and employees thereof, with the Office of the Secretary of the corresponding House, a true detailed and sworn statement of assets and liabilities, including a statement of the amounts and sources of his income, the amounts of his personal and family expenses and the amount of income taxes paid for the next preceding calendar year: *Provided*, That public officers assuming office less than two months before the end of the calendar year, may file their statements in the following months of January.

SECTION 8. *Dismissal due to unexplained wealth.* — If in accordance with the provisions of Republic Act Numbered One thousand three hundred seventy-nine, a public official has been found to have acquired during his incumbency, whether in his name or in the name of other persons, an amount of property and/or money manifestly out of proportion to his salary and to his other lawful income, that fact shall be a ground for dismissal or removal. Properties in the name of the spouse and unmarried children of such public official may be taken into consideration, when their acquisition through legitimate means cannot be satisfactorily shown. Bank deposits shall be taken into consideration in the enforcement of this section, notwithstanding any provision of law to the contrary.

SECTION 9. *Penalties for violations.* — (a) Any public officer or private person committing any of the unlawful acts or omissions enumerated in Sections 3, 4, 5 and 6 of this Act shall be punished with imprisonment for not less than one year nor more than ten years, perpetual disqualification from public office, and confiscation or forfeiture in favor of the Government of any prohibited interest and unexplained wealth manifestly out of proportion to his salary and other lawful income.

Any complaining party at whose complaint the criminal prosecution was initiated shall, in case of conviction of the accused, be entitled to recover in the criminal action with priority over the forfeiture in favor of the Government, the amount of money or the thing he may have given to the accused, or the value of such thing.

(b) Any public officer violation any of the provisions of Section 7 of this Act shall be punished by a fine of not less than one hundred pesos nor more than one thousand pesos, or by imprisonment not exceeding one year, or by both such fine and imprisonment, at the discretion of the Court.

The violation of said section proven in a proper administrative proceeding shall be sufficient cause for removal or dismissal of a public officer, even if no criminal prosecution is instituted against him.

SECTION 10. *Competent court.* — Until otherwise provided by law, all prosecutions under this Act shall be within the original jurisdiction of the proper Court of First Instance.

SECTION 11. *Prescription of offenses.* — All offenses punishable under this Act shall prescribe in ten years.

SECTION 12. *Termination of office.* — No public officer shall be allowed to resign or retire pending an investigation, criminal or administrative, or pending a prosecution against him, for any offense under this Act or under the provisions of the Revised Penal Code on bribery.

SECTION 13. *Suspension and loss of benefits.* — Any public officer against whom any criminal prosecution under a valid information under this Act or under the provisions of the Revised Penal Code on bribery is pending in court, shall be suspended from office. Should he be convicted by final judgment, he shall lose all retirement or gratuity benefits under any law, but if he is acquitted, he shall be entitled to reinstatement and to the salaries and benefits which he failed to receive during suspension, unless in the meantime administrative proceedings have been filed against him. —

SECTION 14. *Exception.* — Unsolicited gifts or presents of small or insignificant value offered or given as a mere ordinary token of gratitude or friendship according to local customs or usage, shall be excepted from the provisions of this Act.

Nothing in this Act shall be interpreted to prejudice or prohibit the practice of any profession, lawful trade or occupation by any private person or by any public officer who under the law may legitimately practice his profession, trade or occupation, during his incumbency, except where the practice of such profession, trade or occupation involves conspiracy with any other person or public official to commit any of the violations penalized in this Act.

SECTION 15. *Separability clause.* — If any provision of this Act or the application of such provision to any person or circumstances is declared invalid, the remainder of the Act or the application of such provision to other persons or circumstances shall not be affected by such declaration.

SECTION 16. *Effectivity.* — This Act shall take effect on its approval, but for the purpose of determining unexplained wealth, all property acquired by a public officer since he assumed office shall be taken into consideration.

Approved: August 17, 1960

REPUBLIC ACT NO. 6713

AN ACT ESTABLISHING A CODE OF CONDUCT AND ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES, TO UPHOLD THE TIME-HONORED PRINCIPLE OF PUBLIC OFFICE BEING A PUBLIC TRUST, GRANTING INCENTIVES AND REWARDS FOR EXEMPLARY SERVICE, ENUMERATING PROHIBITED ACTS AND TRANSACTIONS AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF AND FOR OTHER PURPOSES

SECTION 1. *Title.* — This Act shall be known as the "Code of Conduct and Ethical Standards for Public Officials and Employees."

SECTION 2. *Declaration of Policies.* — It is the policy of the State to promote a high standard of ethics in public service. Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence, and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest.

SECTION 3. *Definition of Terms.* — As used in this Act, the term:

- (a) "*Government*" includes the National Government, the local governments, and all other instrumentalities, agencies or branches of the Republic of the Philippines including government-owned or controlled corporations, and their subsidiaries.
- (b) "*Public Officials*" includes elective and appointive officials and employees, permanent or temporary, whether in the career or non-career service, including military and police personnel, whether or not they receive compensation, regardless of amount.
- (c) "*Gift*" refers to a thing or a right to dispose of gratuitously, or any act or liberality, in favor of another who accepts it, and shall include a simulated sale or an ostensibly onerous disposition thereof. It shall not include an unsolicited gift of nominal or insignificant value not given in anticipation of, or in exchange for, a favor from a public official or employee.
- (d) "*Receiving any gift*" includes the act of accepting directly or indirectly, a gift from a person other than a member of his family or relative as defined in this Act, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is neither nominal nor insignificant, or the gift is given in anticipation of, or in exchange for, a favor.
- (e) "*Loan*" covers both simple loan and *commodatum* as well as guarantees, financing arrangements or accommodations intended to ensure its approval.
- (f) "*Substantial stockholder*" means any person who owns, directly or indirectly, shares of stock sufficient to elect a director of a corporation. This term shall also

apply to the parties to a voting trust.

- (g) "*Family of public officials or employees*" means their spouses and unmarried children under eighteen (18) years of age.
- (h) "*Person*" includes natural and juridical persons unless the context indicates otherwise.
- (i) "*Conflict of interest*" arises when a public official or employee is a member of a board, an officer, or a substantial stockholder of a private corporation or owner or has a substantial interest in a business, and the interest of such corporation or business, or his rights or duties therein, may be opposed to or affected by the faithful performance of official duty.
- (j) "*Divestment*" is the transfer of title or disposal of interest in property by voluntarily, completely and actually depriving or dispossessing oneself of his right or title to it in favor of a person or persons other than his spouse and relatives as defined in this Act.
- (k) "*Relatives*" refers to any and all persons related to a public official or employee within the fourth civil degree of consanguinity or affinity, including *bilas, inso* and *balae*.

SECTION 4. *Norms of Conduct of Public Officials and Employees.* — (A) Every public official and employee shall observe the following as standards of personal conduct in the discharge and execution of official duties:

- (a) *Commitment to public interest.* — Public officials and employees shall always uphold the public interest over and above personal interest. All government resources and powers of their respective offices must be employed and used efficiently, effectively, honestly and economically, particularly to avoid wastage in public funds and revenues.
- (b) *Professionalism.* — Public officials and employees shall perform and discharge their duties with the highest degree of excellence, professionalism, intelligence and skill. They shall enter public service with utmost devotion and dedication to duty. They shall endeavor to discourage wrong perceptions of their roles as dispensers or peddlers of undue patronage.
- (c) *Justness and sincerity.* — Public officials and employees shall remain true to the people at all times. They must act with justness and sincerity and shall not discriminate against anyone, especially the poor and the underprivileged. They shall at all times respect the rights of others, and shall refrain from doing acts contrary to law, good morals, good customs, public policy, public order, public safety and public interest. They shall not dispense or extend undue favors on account of their office to their relatives whether by consanguinity or affinity except with respect to appointments of such relatives to positions considered strictly confidential or as members of their personal staff whose terms are

coterminous with theirs. ...

- (d) *Political neutrality.* — Public officials and employees shall provide service to everyone without unfair discrimination and regardless of party affiliation or preference.
- (e) *Responsiveness to the public.* — Public officials and employees shall extend prompt, courteous, and adequate service to the public. Unless otherwise provided by law or when required by the public interest, public officials and employees shall provide information of their policies and procedures in clear and understandable language, ensure openness of information, public consultations and hearings whenever appropriate, encourage suggestions, simplify and systematize policy, rules and procedures, avoid red tape and develop an understanding and appreciation of the socio-economic conditions prevailing in the country, especially in the depressed rural and urban areas.
- (f) *Nationalism and patriotism.* — Public officials and employees shall at all times be loyal to the Republic and to the Filipino people, promote the use of locally produced goods, resources and technology and encourage appreciation and pride of country and people. They shall endeavor to maintain and defend Philippine sovereignty against foreign intrusion.
- (g) *Commitment to democracy.* — Public officials and employees shall commit themselves to the democratic way of life and values, maintain the principle of public accountability, and manifest by deeds the supremacy of civilian authority over the military. They shall at all times uphold the Constitution and put loyalty to country above loyalty to persons or party.
- (h) *Simple living.* — Public officials and employees and their families shall lead modest lives appropriate to their positions and income. They shall not indulge in extravagant or ostentatious display of wealth in any form.

(B) The Civil Service Commission shall adopt positive measures to promote (1) observance of these standards including the dissemination of information programs and workshops authorizing merit increases beyond regular progression steps, to a limited number of employees recognized by their office colleagues to be outstanding in their observance of ethical standards; and (2) continuing research and experimentation on measures which provide positive motivation to public officials and employees in raising the general level of observance of these standards.

SECTION 5. *Duties of Public Officials and Employees.* — In the performance of their duties, all public officials and employees are under obligation to:

- (a) *Act promptly on letters and requests.* — All public officials and employees shall, within fifteen (15) working days from receipt thereof, respond to letters, telegrams or other means of communications sent by the public. The reply must contain the action taken on the request. ...
- (b) *Submit annual performance reports.* — All heads or other responsible officers of

offices and agencies of the government and of government-owned or controlled corporations shall, within forty-five (45) working days from the end of the year, render a performance report of the agency or office or corporation concerned. Such report shall be open and available to the public within regular office hours.

- (c) *Process documents and papers expeditiously.* — All official papers and documents must be processed and completed within a reasonable time from the preparation thereof and must contain, as far as practicable, not more than three (3) signatories therein. In the absence of duly authorized signatories, the official next-in-rank or officer in charge shall sign for and in their behalf.
- (d) *Act immediately on the public's personal transactions.* — All public officials and employees must attend to anyone who wants to avail himself of the services of their offices and must, at all times, act promptly and expeditiously.
- (e) *Make documents accessible to the public.* — All public documents must be made accessible to, and readily available for inspection by, the public within reasonable working hours.

SECTION 6. *System of Incentives and Rewards.* — A system of annual incentives and rewards is hereby established in order to motivate and inspire public servants to uphold the highest standards of ethics. For this purpose, a Committee on Awards to Outstanding Public Officials and Employees is hereby created composed of the following: the Ombudsman and Chairman of the Civil Service Commission as Co-Chairmen, and the Chairman of the Commission on Audit, and two government employees to be appointed by the President, as members.

It shall be the task of this Committee to conduct a periodic, continuing review of the performance of public officials and employees, in all the branches and agencies of Government and establish a system of annual incentives and rewards to the end that due recognition is given to public officials and employees of outstanding merit on the basis of the standards set forth in this Act.

The conferment of awards shall take into account, among other things, the following: the years of service and the quality and consistency of performance, the obscurity of the position, the level of salary, the unique and exemplary quality of a certain achievement, and the risks or temptations inherent in the work. Incentives and rewards to government officials and employees of the year to be announced in public ceremonies honoring them may take the form of bonuses, citations, directorships in government-owned or controlled corporations, local and foreign scholarship grants, paid vacations and the like. They shall likewise be automatically promoted to the next higher position with the commensurate salary suitable to their qualifications. In case there is no next higher position or it is not vacant, said position shall be included in the budget of the office in the next General Appropriations Act. The Committee on Awards shall adopt its own rules to govern the conduct of its activities.

SECTION 7. *Prohibited Acts and Transactions.* — In addition to acts and omissions of public officials and employees now prescribed in the Constitution and existing laws, the following shall constitute prohibited acts and transactions of any public official and employee and are hereby declared to be unlawful:

(a) *Financial and material interest.* — Public officials and employees shall not, directly or indirectly, have any financial or material interest in any transaction requiring the approval of their office. ...

(b) *Outside employment and other activities related thereto.* — Public officials and employees during their incumbency shall not:

(1) Own, control, manage or accept employment as officer, employee, consultant, counsel, broker, agent, trustee or nominee in any private enterprise regulated, supervised or licensed by their office unless expressly allowed by law;

(2) Engage in the private practice of their profession unless authorized by the Constitution or law, provided, that such practice will not conflict or tend to conflict with their official functions; or

(3) Recommend any person to any position in a private enterprise which has a regular or pending official transaction with their office.

These prohibitions shall continue to apply for a period of one (1) year after resignation, retirement, or separation from public office, except in the case of subparagraph (b) (2) above, but the professional concerned cannot practice his profession in connection with any matter before the office he used to be with, in which case the one-year prohibition shall likewise apply

(c) *Disclosure and/or misuse of confidential information.* —

Public officials and employees shall not use or divulge, confidential or classified information officially known to them by reason of their office and not made available to the public, either:

(1) To further their private interests, or give undue advantage to anyone; or

(2) To prejudice the public interest.

(d) *Solicitation or acceptance of gifts.* — Public officials and employees shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value from any person in the course of their official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of their office.

As to gifts or grants from foreign governments, the Congress consents to:

(i) The acceptance and retention by a public official or employee of a gift of nominal value tendered and received as a souvenir or mark of courtesy;

(ii) The acceptance by a public official or employee of a gift in the nature of a

scholarship or fellowship grant or medical treatment: or

- (iii) The acceptance by a public official or employee of travel grants or expenses for travel taking place entirely outside the Philippine (such as allowances, transportation, food, and lodging) of more than nominal value if such acceptance is appropriate or consistent with the interests of the Philippines, and permitted by the head of office, branch or agency to which he belongs.

The Ombudsman shall prescribe such regulations as may be necessary to carry out the purpose of this subsection, including pertinent reporting and disclosure requirements.

Nothing in this Act shall be construed to restrict or prohibit any educational, scientific or cultural exchange programs subject to national security requirements.

SECTION 8. *Statements and Disclosure.* — Public officials and employees have an obligation to accomplish and submit declarations under oath of, and the public has the right to know, their assets, liabilities, net worth and financial and business interests including those of their spouses and of unmarried children under eighteen (18) years of age living in their households.

- (A) *Statements of Assets and Liabilities and Financial Disclosure.* — All public officials and employees, except those who serve in an honorary capacity, laborers and casual or temporary workers, shall file under oath their Statement of Assets, Liabilities and Net Worth and a Disclosure of Business Interests and Financial Connections and those of their spouses and unmarried children under eighteen (18) years of age living in their households.

The two documents shall contain information on the following:

- (a) real property, its improvements, acquisition costs, assessed value and current fair market value;
- (b) personal property and acquisition cost;
- (c) all other assets such as investments, cash on hand or in banks, stocks, bonds, and the like;
- (d) liabilities, and;
- (e) all business interests and financial connections.

The documents must be filed:

- (a) within thirty (30) days after assumption of office;
- (b) on or before April 30, of every year thereafter; and
- (c) within thirty (30) days after separation from the service.

All public officials and employees required under this section to file the aforesaid

documents shall also execute, within thirty (30) days from the date of their assumption of office, the necessary authority in favor of the Ombudsman to obtain from all appropriate government agencies, including the Bureau of Internal Revenue, such documents as may show their assets, liabilities, net worth, and also their business interests and financial connections in previous years, including, if possible, the year when they first assumed any office in the Government.

Husband and wife who are both public officials or employees may file the required statements jointly or separately.

The Statements of Assets, Liabilities and Net Worth and the Disclosure of Business Interests and Financial Connections shall be filed by:

- (1) Constitutional and national elective officials, with the national office of the Ombudsman;
 - (2) Senators and Congressmen, with the Secretaries of the Senate and the House of Representatives, respectively; Justices, with the Clerk of Court of the Supreme Court; Judges, with the Court Administrator; and all national executive officials with the Office of the President.
 - (3) Regional and local officials and employees, with the Deputy Ombudsman in their respective regions;
 - (4) Officers of the armed forces from the rank of colonel or naval captain, with the Office of the President, and those below said ranks, with the Deputy Ombudsman in their respective regions; and
 - (5) All other public officials and employees, defined in Republic Act No. 3019, as amended, with the Civil Service Commission.
- (B) *Identification and disclosure of relatives.* — It shall be the duty of every public official or employee to identify and disclose, to the best of his knowledge and information, his relatives in the Government in the form, manner and frequency prescribed by the Civil Service Commission.
- (C) *Accessibility of documents.* — (1) Any and all statements filed under this Act, shall be made available for inspection at reasonable hours.
- (2) Such statements shall be made available for copying or reproduction after ten (10) working days from the time they are filed as required by law.
 - (3) Any person requesting a copy of a statement shall be required to pay a reasonable fee to cover the cost of reproduction and mailing of such statement, as well as the cost of certification.
 - (4) Any statement filed under this Act shall be available to the public for a period of ten (10) years after receipt of the statement. After such period, the statement may be destroyed unless needed in an ongoing investigation.

(D) *Prohibited acts.* — It shall be unlawful for any person to obtain or use any statement filed under this Act for:

- (a) any purpose contrary to morals or public policy; or
- (b) any commercial purpose other than by news and communications media for dissemination to the general public.

SECTION 9. *Divestment.* — A public official or employee shall avoid conflicts of interest at all times. When a conflict of interest arises, he shall resign from his position in any private business enterprise within thirty (30) days from his assumption of office and/or divest himself of his shareholdings or interest within sixty (60) days from such assumption.

The same rule shall apply where the public official or employee is a partner in a partnership.

The requirement of divestment shall not apply to those who serve the Government in an honorary capacity nor to laborers and casual or temporary workers.

SECTION 10. *Review and Compliance Procedure.* — (a) The designated Committees of both Houses of the Congress shall establish procedures for the review of statements to determine whether said statements which have been submitted on time, are complete, and are in proper form. In the event a determination is made that a statement is not so filed, the appropriate Committee shall so inform the reporting individual and direct him to take the necessary corrective action.

(b) In order to carry out their responsibilities under this Act, the designated Committees of both Houses of Congress shall have the power within their respective jurisdictions, to render any opinion interpreting this Act, in writing, to persons covered by this Act, subject in each instance to the approval by affirmative vote of the majority of the particular House concerned.

The individual to whom an opinion is rendered, and any other individual involved in a similar factual situation, and who, after issuance of the opinion acts in good faith in accordance with it shall not be subject to any sanction provided in this Act.

(c) The heads of other offices shall perform the duties stated in subsections (a) and (b) hereof insofar as their respective offices are concerned, subject to the approval of the Secretary of Justice, in the case of the Executive Department and the Chief Justice of the Supreme Court, in the case of the Judicial Department.

SECTION 11. *Penalties.* — (a) Any public official or employee, regardless of whether or not he holds office or employment in a casual, temporary, holdover, permanent or regular capacity, committing any violation of this Act shall be punished with a fine not exceeding the equivalent of six (6) months' salary or suspension not exceeding one (1) year, or removal depending on the gravity of the offense after due notice and hearing by the appropriate body or agency. If the violation is punishable by a heavier penalty under another law, he shall be prosecuted under the latter statute. Violations of Sections 7, 8 or 9 of this Act shall be punishable with imprisonment not exceeding five (5) years, or a fine not exceeding five thousand pesos (P5,000), or both, and, in the discretion of the court of competent jurisdiction, disqualification to hold public office.

(b) Any violation hereof proven in a proper administrative proceeding shall be sufficient cause for removal or dismissal of a public official or employee, even if no criminal prosecution is instituted against him.

(c) Private individuals who participate in conspiracy as co-principals, accomplices or accessories, with public officials or employees, in violation of this Act, shall be subject to the same penal liabilities as the public officials or employees and shall be tried jointly with them.

(d) The official or employee concerned may bring an action against any person who obtains or uses a report for any purpose prohibited by Section 8 (D) of this Act. The Court in which such action is brought may assess against such person a penalty in any amount not to exceed twenty-five thousand pesos (P25,000). If another sanction hereunder or under any other law is heavier, the latter shall apply.

SECTION 12. *Promulgation of Rules and Regulations, Administration and Enforcement of this Act.* — The Civil Service Commission shall have the primary responsibility for the administration and enforcement of this Act. It shall transmit all cases for prosecution arising from violations of this Act to the proper authorities for appropriate action: *Provided, however,* That it may institute such administrative actions and disciplinary measures as may be warranted in accordance with law. Nothing in this provision shall be construed as a deprivation of the right of each House of Congress to discipline its Members for disorderly behavior.

The Civil Service Commission is hereby authorized to promulgate rules and regulations necessary to carry out the provisions of this Act, including guidelines for individuals who render free voluntary service to the Government. The Ombudsman shall likewise take steps to protect citizens who denounce acts or omissions of public officials and employees which are in violation of this Act.

SECTION 13. *Provisions for More Stringent Standards.* — Nothing in this Act shall be construed to derogate from any law, or any regulation prescribed by any body or agency, which provides for more stringent standards for its official and employees.

SECTION 14. *Appropriations.* — The sum necessary for the effective implementation of this Act shall be taken from the appropriations of the Civil Service Commission. Thereafter, such sum as may be needed for its continued implementation shall be included in the annual General Appropriations Act.

SECTION 15. *Separability Clause.* — If any provision of this Act or the application of such provision to any person or circumstance is declared invalid, the remainder of the Act or the application of such provision to other persons or circumstances shall not be affected by such declaration.

SECTION 16. *Repealing Clause.* — All laws, decrees and orders or parts thereof inconsistent herewith, are deemed repealed or modified accordingly, unless the same provide for a heavier penalty.

SECTION 17. *Effectivity.* — This Act shall take effect after thirty (30) days following

the completion of its publication in the *Official Gazette* or in two (2) national newspapers of general circulation.

Approved: February 20, 1989.

April 21, 1989

RULES IMPLEMENTING THE CODE OF CONDUCT AND ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES (REPUBLIC ACT NO. 6713)

Pursuant to the provisions of Section 12 of Republic Act No. 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees," approved on February 20, 1989, and which took effect on March 25, 1989, conformably to Section 17 thereof, the following Rules are hereby adopted in order to carry out the provisions of the said Code:

RULE I. COVERAGE

SECTION 1. These Rules shall cover all officials and employees in the government, elective and appointive, permanent or temporary, whether in the career or non-career service, including military and police personnel, whether or not they receive compensation, regardless of amount.

RULE II. INTERPRETATION

SECTION 1. These Rules shall be interpreted in the light of the Declaration of Policy found in Section 2 of the Code:

"It is the policy of the State to promote a high standard of ethics in public service. Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest."

RULE III. REFORMS ON PUBLIC ADMINISTRATIVE SYSTEMS

SECTION 1. Every department, office and agency shall, as soon as practicable and in no case later than ninety (90) days from the effectivity of these Rules, start conducting value development programs for its officials and employees in order to strengthen their commitment to public service and help promote the primacy of public interest over personal interest in the performance of their duties. Such programs and other parallel efforts on value development shall include, among other things, the following subjects:

- (a) Ethical and moral values;
- (b) Rights, duties and responsibilities of public servants;
- (c) Nationalism and patriotism;
- (d) Justice and human rights;
- (e) Democracy in a free and just society;

- (f) Philippine history, culture and tradition; and
- (g) Socio-economic conditions prevailing in the country, especially in the depressed areas, and the need for a Code of Conduct and Ethical Standards.

Continuing refresher courses and seminars and/or workshops to promote a high standard of ethics in public service shall be conducted.

SECTION 2. Professional, scientific, technical trainings and education programs shall enhance to the highest degree, professionalism, excellence, intelligence and skills in the performance and discharge of duties and responsibilities of officials and employees. These programs shall be conducted in all offices of the government and may include subjects that are enumerated in the preceding section.

SECTION 3. It is the responsibility of every head of department, office and agency to ensure that officials and employees attend the value development program and participate in parallel value development efforts.

SECTION 4. Every department, office and agency shall conduct continuing studies and analyses of their works systems and procedures to improve delivery of public services. Towards this end, such studies and analyses shall: (1) identify systems and procedures that lead or contribute to negative bureaucratic behavior; (2) simplify rules and procedures to avoid red tape; and (3) devise and adopt systems and procedures that promote official and employee morale and satisfaction.

Each department, office or agency shall develop a service guide or its functional equivalent which shall be regularly updated and made available to the transacting public. A workflow chart showing procedures or flow of documents shall likewise be posted in conspicuous places in the department, office or agency for the information and guidance of all concerned.

Upon request, the Department of Budget and Management shall assist departments, offices and agencies in the evaluation and adoption of work systems and procedures that will institutionalize a management climate conducive to public accountability.

SECTION 5. Every department, office or agency shall consult the public they serve for the purpose of gathering feedback and suggestions on the efficiency, effectiveness and economy of services. They shall establish mechanisms to ensure the conduct of public consultations and hearings.

SECTION 6. Every department, office or agency shall continuously conduct research and experimentation on measures and adopt innovative programs which will provide motivation to officials and employees in raising the level of observance of public service ethical standards.

SECTION 7. Every department, office and agency shall, in consultation with the Office of the Ombudsman, appoint or designate a resident Ombudsman who shall act immediately on all requests for public assistance referred to him by the Ombudsman and his Deputies. He shall be held accountable for the disposition of all requests for assistance.

SECTION 8. Government officials shall make themselves available to their staff for

consultations and dialogues.

RULE IV. TRANSPARENCY OF TRANSACTION AND ACCESS TO INFORMATION

SECTION 1. Subject to reasonable conditions prescribed by law, the State adopts and implements a policy of full public disclosure of all its transactions involving public interest.

SECTION 2. It is the responsibility of heads of departments, offices or agencies to establish measures and standards that will ensure transparency of and openness in public transactions in their respective offices, such as in biddings, purchases, other financial transactions including contracts, status of projects, and all other matters involving public interest.

They shall establish information systems that will inform the public of the following: (a) policies, rules, and procedures; (b) work programs, projects, and performance targets; (c) performance reports; and (d) all other documents as may hereafter be classified as public information.

Such information shall be utilized solely for the purpose of informing the public of such policies, programs and accomplishments, and not to build the public image of any official or employee or to advance his own personal interests.

SECTION 3. Every department, office or agency shall provide official information, records or documents to any requesting public, except if:

- (a) such information, record or document must be kept secret in the interest of national defense or security or the conduct of foreign affairs;
- (b) such disclosure would put the life and safety of an individual in imminent danger;
- (c) the information, record or document sought falls within the concepts of established privilege or recognized exceptions as may be provided by law or settled policy or jurisprudence;
- (d) such information, record or document comprises drafts of decisions, orders, rulings, policy decisions, memoranda, etc.;
- (e) it would disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;
- (f) it would disclose investigatory records compiled for law enforcement purposes, or information which if written would be contained in such records, but only to the extent that the production of such records or information would (i) interfere with enforcement proceedings, (ii) deprive a person of a right to a fair trial or an impartial adjudication, (iii) disclose the identity of a confidential source and, in the case of a record compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, confidential information furnished only by the

confidential source, or (iv) unjustifiably disclose investigative techniques and procedures; or ...

- (g) it would disclose information the premature disclosure of which would (i) in the case of a department, office or agency which regulates currencies, securities, commodities, or financial institutions, be likely to lead to significant financial speculation in currencies, securities, or commodities, or significantly endanger the stability of any financial institution; or (ii) in the case of any department, office or agency, be likely or significantly to frustrate implementation of a proposed official action, except that subparagraph (f) (ii) shall not apply in any instance where the department, office or agency has already disclosed to the public the content or nature of its proposed action, or where the department, office or agency is required by law to make such disclosure on its own initiative prior to taking final official action on such proposal.

SECTION 4. Every head of department, office and agency shall establish information systems and networks that will affect the widest possible dissemination of information regarding the provisions of the Code, and the policies and programs relative thereto.

RULE V. INCENTIVES AND REWARDS SYSTEM

SECTION 1. Incentives and rewards shall be granted officials and employees who have demonstrated exemplary service and conduct on the basis of their observance of the norms of conduct laid down in Section 4 of the code, namely:

- (a) *Commitment to public interest.* — Officials and employees shall always uphold the public interest over personal interest. All government resources and powers of their respective departments, offices and agencies must be employed and used efficiently, effectively, honestly and economically particularly to avoid wastage in public funds and revenues.
- (b) *Professionalism.* — Officials and employees shall perform and discharge their duties with the highest degree of excellence, professionalism, intelligence and skill. They shall enter public service with utmost devotion and dedication to duty. They shall endeavor to discourage wrong perceptions of their roles as dispensers or peddlers of undue patronage.
- (c) *Justness and sincerity.* — Officials and employees shall remain true to the people at all times. They must act with justness and sincerity and shall not discriminate against anyone, especially the poor and the underprivileged. They shall at all times respect the rights of others, and shall refrain from doing acts contrary to law, good morals, good customs, public policy, public order, public safety and public interest. They shall not dispense or extend undue favors on account of their office to their relatives, whether by consanguinity or affinity, except with respect to appointments of such relatives to positions considered strictly confidential or as members of their personal staff whose terms are coterminous with theirs.

- (d) *Political neutrality.* — Officials and employees shall provide service to everyone without unfair discrimination regardless of party affiliation or preference.
- (e) *Responsiveness to the public.* — Officials and employees shall extend prompt, courteous, and adequate service to the public. Unless otherwise provided by law or when required by the public interest, officials and employees shall provide information on their policies and procedures in clear and understandable language, ensure openness of information, public consultation and hearings whenever appropriate, encourage suggestions, simplify and systematize policy, rules and procedures, avoid red tape and develop an understanding and appreciation of the socio-economic conditions prevailing in the country, especially in the depressed rural and urban areas.
- (f) *Nationalism and patriotism.* — Officials and employees shall at all times be loyal to the Republic and to the Filipino people, promote the use of locally produced goods, resources and technology and encourage appreciation and pride of country and people. They shall endeavor to maintain and defend Philippine sovereignty against foreign intrusion.
- (g) *Commitment to democracy.* — Officials and employees shall commit themselves to the democratic way of life and values, maintain the principle of public accountability and manifest by deeds the supremacy of civilian authority over the military. They shall at all times uphold the Constitution and put loyalty to country above loyalty to persons or party.
- (h) *Simple living.* — Officials and employees and their families shall lead modest lives appropriate to their positions and income. They shall not indulge in extravagant or ostentatious display of wealth in any form.

SECTION 2. The following criteria shall be considered in the conferment of awards:

- (a) Years of service;
- (b) Quality and consistency of performance;
- (c) Obscurity of the position;
- (d) Level of salary;
- (e) Unique and exemplary quality of achievement;
- (f) Risk or temptation inherent in the work; and
- (g) Any similar circumstances or considerations in favor of the particular awardee.

SECTION 3. Incentives and rewards to government officials and employees of the year may take the form of any of the following, as may be determined by the Committee on Awards

the awardees in public ceremonies and the creation of subcommittees.

(c) in the evaluation of nominees, the Committee may be assisted by technical experts selected from the government and the private sectors.

SECTION 5. The Civil Service Commission shall provide secretariat services to the committee.

SECTION 6. Nothing herein provided by, but not inconsistent with, these Rules.

SECTION 7. The budget to cover all expenses in the implementation of this Rule shall be incorporated in the appropriation of the Civil Service Commission.

RULE VI. DUTIES OF PUBLIC OFFICIALS AND EMPLOYEES

SECTION 1. As a general rule, when a request or petition, whether written or verbal, is presented shall do so immediately, without discrimination, and in no case beyond fifteen (15) days from receipt of the request or petition.

SECTION 2. In departments, offices or agencies that are usually swamped with persons applying for a particular type of service, the head of the department, office or agency shall devise a mechanism so as to avoid long queues, such as by giving each person a ticket number duly countersigned which shall specify the time and the date when the person, whose name and address shall be indicated, can be served without delay. Said person shall have the right to prompt service upon presentation of said ticket number.

SECTION 3. In case of written requests, petitions, or motions, sent by means of letters, telegrams, or the like, the official or employee in charge shall act on the same within fifteen (15) working days from receipt thereof, provided that:

(a) If the communication is within the jurisdiction of the office or agency, the official or employee must:

(1) Write a note or letter of acknowledgment where the matter is merely routinary or the action desired may be acted upon in the ordinary course of business of the department, office or agency, specifying the date when the matter will be disposed of and the name of the official or employee in charge thereof.

(2) Where the matter is non-routinary or the issues involved are not simple or ordinary, write a note or letter of acknowledgment, informing the interested party, petitioner or correspondent of the action to be taken or when such requests, petitions or motions can be acted upon. Where there is a need to submit additional information, requirements, or documents, the note or letter of acknowledgment shall so state, specifying a reasonable period of time within which they should be submitted, and the

name of the particular official or employee in charge thereof. When all the documents or requirements have been submitted to the satisfaction of the department, office or agency concerned, the particular official or employee in charge shall inform the interested party, petitioner, or correspondent of the action to be taken and when such action or disposition can be expected, barring unforeseen circumstances.

- (b) If communication is outside its jurisdiction, the official or employee must:
- (1) Refer the letter, petition, or verbal request to the proper department, office or agency.
 - (2) Acknowledge the communication by means of a note or letter, informing the interested party, petitioner, or correspondent of the action taken and attaching a copy of the letter of referral to the proper department, office or agency.

The department, office and agency to which the letter, petition, telegram or verbal request is referred for appropriate action must take action in accordance with subsection (a), pars. 1 and 2 thereof.

The period of fifteen (15) days herein provided shall be counted from the date of receipt of written or verbal communication by the department, office or agency concerned.

SECTION 4. All official papers and documents must be processed and completed within a reasonable time from the preparation thereof. Reasonable time shall be determined in accordance with the following rules:

- (a) When the law or the applicable rule issued in accordance therewith prescribes a period within which decision is to be rendered or an action taken, the same shall be followed:
- (b) When the law or the applicable rule issued in accordance therewith does not prescribe a period, the head of department, office or agency shall issue rules and regulations prescribing, among other things, what is reasonable time, taking into account the following factors:
 - (1) Nature, simplicity, or complexity of the subject matter of the official papers or documents processed by said department, office or agency;
 - (2) Completeness or inadequacy of requirements of data and information necessary for decision or action;
 - (3) Lack of resources caused by circumstances beyond the control of the department, office or agency or official or employee concerned;
 - (4) Legal constraints such as restraining orders and injunctions issued by proper judicial, quasi-judicial or administrative authorities;

- (5) Fault, failure or negligence of the party concerned which renders decision or action not possible or premature; and
- (6) Fortuitous events or *force majeure*.

SECTION 5. Except as otherwise provided by law or regulation, and as far as practicable, any written action or decision must contain not more than three (3) initials or signatures. In the absence of the duly authorized signatory, the official next-in-rank or officer-in-charge or the person duly authorized shall sign for and in his behalf.

The heads of the department, office or agency shall prescribe, through an appropriate office order, the rules on the proper authority to sign in the absence of the regular signatory, as follows:

- (1) If there is only one official next in rank, he shall automatically be the signatory;
- (2) If there are two or more officials next in rank, the appropriate office order shall prescribe the order of priority among the officials next in rank within the same organizational unit; or
- (3) If there is no official next in rank present and available, the head of department, office or agency shall designate an officer-in-charge from among those next lower in rank in the same organizational unit.

SECTION 6. All public documents must be made accessible to, and readily available for inspection by, the public during working hours, except those provided in Section 3, Rule IV.

SECTION 7. All heads or other responsible officers of departments, offices and agencies of the government and of government-owned or controlled corporations shall, within forty-five (45) working days from the end of the year, render a full and complete report of performance and accomplishments, as prescribed by existing laws and regulations.

Another report of compliance with the provisions of the Code and these Rules shall be prepared and submitted to the Civil Service Commission. The Commission may require officials to provide additional information or furnish documents, if necessary.

SECTION 8. Officials and employees and their families shall lead modest and simple lives appropriate to their positions and income. They shall not indulge in extravagant or ostentatious display of wealth in any form.

Basically, modest and simple living means maintaining a standard of living within the public official or employee's visible means of income as correctly disclosed in his income tax returns, annual statement of assets, liabilities and net worth and other documents relating to financial business interests and connections.

Public funds and property for official use and purpose shall be utilized with the diligence of a good father of a family.

RULE VII. PUBLIC DISCLOSURE

SECTION 1. Every official and employee, except those who serve in an official temporary capacity without service credit or pay, temporary laborers and casual or temporary and contractual workers, shall file under oath their statement of assets, liabilities and net worth and a disclosure of business interests and financial connections including those of their spouses and unmarried children under eighteen (18) years of age living in their households, in the prescribed form, Annex A.

(a) *Contents of Statement*

(1) The Statement of Assets and Liabilities and Net Worth shall contain information on the following:

- (a) real property, its improvements, acquisition costs, assessed value, and current fair market value;
- (b) personal property and acquisition costs;
- (c) all other assets such as investments, cash on hand or in banks, stocks, bonds, and the like; and
- (d) All financial liabilities, both current and long-term.

(2) The Disclosure of Business interests and Financial Connections shall contain information on any existing interests in, or any existing connections with, any business enterprises or entities, whether as proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, lawyer, legal consultant or adviser, financial or business consultant, accountant, auditor, and the like, the names and addresses of the business enterprises or entities, the dates when such interests or connections were established, and such other details as will show the nature of the interests or connections.

(b) *When to File*

The above documents under the Code must be filed:

- (1) within thirty (30) days after assumption of office, statements of which must be reckoned as of his first day of service;
- (2) on or before April 30 of every year thereafter, statements of which must be reckoned as of the end of the preceding year; or
- (3) within thirty (30) days after separation from the service, statements of which must be reckoned as of his last day of office.

(c) *Where to File*

The Statements of Assets, Liabilities and Net Worth and the Disclosure of Business Interests and Financial Connections shall be filed by the:

- (1) President, Vice-President and Constitutional Officials, with the National Office of the Ombudsman;
- (2) Senators and Congressmen, with the Secretaries of the Senate and the House of Representatives, respectively; Justices, with the Clerk of Court of the Supreme Court; Judges, with the Court Administrator; and national executive officials such as Members of the Cabinet, Undersecretaries and Assistant Secretaries, including the foreign service and heads of government-owned or controlled corporations with original charters and their subsidiaries and state colleges and universities, with the Office of the President;
- (3) Regional and local officials and employees, both appointive and elective, including other officials and employees of government-owned or controlled corporations and their subsidiaries and state colleges and universities, with the Deputy Ombudsman in their respective regions;
- (4) Officers of the Armed Forces from the rank of Colonel or Naval Captain, with the Office of the President, and those below said ranks, with the Deputy Ombudsman in their respective regions; and
- (5) All other officials and employees defined in Republic Act No. 3019, as amended, with the Civil Service Commission.

A copy of said statements shall also be filed with their respective departments, offices or agencies.

- (d) All Statements of Assets, Liabilities and Net Worth, as of December 31, 1988, now on file with their respective agencies shall constitute sufficient compliance with the requirements of the Code and they shall be required to accomplish and file the new form as prescribed in these Rules on or before April 30, 1990, and every year thereafter.
- (e) Every official and employee shall also execute, within thirty (30) days from the date of their assumption of office, the necessary authority in favor of the Ombudsman to obtain, from all the appropriate government agencies, including the Bureau of Internal Revenue, such documents as may show their assets, liabilities, net worth, and also their business interests, and financial connections in previous years, including, if possible, the year when they first assumed any office in the government.
- (f) Married couples who are both public officials or employees may file the required statements jointly or separately.

SECTION 2. Every official or employee shall identify and disclose under oath to the best of his knowledge and information, his relatives in the government, up to the fourth civil degree

relationship, either of consanguinity or affinity, including *bilas*, *inso*, and *balae*, in the prescribed form. Annex A, which shall be filed: (a) within thirty (30) days after assumption of office, the information contained therein must be reckoned as of his first day of office; (b) on or before April of every year thereafter, the information contained therein must be reckoned as of the end of the preceding year; or (c) within thirty (30) days after separation from the service, the information contained therein must be reckoned as of his last day of office.

SECTION 3. (a) Any and all statements filed in accordance with the preceding sections shall be made available for public inspection at reasonable hours.

(b) Such statements shall be made available for copying or reproduction after ten (10) working days from the time they are filed as required by law unless extended for meritorious reasons.

(c) Any authorized person requesting a copy of a statement shall be required to pay a reasonable fee as may be determined and prescribed by the Civil Service Commission to cover the cost of reproduction and mailing of such statement, as well as the cost of certification.

(d) Any statement filed under the Code shall be available to the public, subject to the foregoing limitations, for a period of ten (10) years after receipt of the statement. The statement may be destroyed after such period unless needed in an on-going investigation.

RULE VIII. REVIEW AND COMPLIANCE PROCEDURES

SECTION 1. The following shall have the authority to establish compliance procedures for the review of statements to determine whether said statements have been properly accomplished:

- (a) in the case of Congress, the designated committees of both Houses of Congress subject to approval by the affirmative vote of the majority of the particular House concerned;
- (b) in the case of the Executive Department, the heads of departments, offices and agencies insofar as their respective departments, offices and agencies are concerned subject to approval of the Secretary of Justice; ...
- (c) in the case of the Judicial Department, the Chief Justice of the Supreme Court; and
- (d) in the case of the Constitutional Commissions and other Constitutional Offices, the respective Chairman and members thereof; in the case of the Ombudsman, the Ombudsman.

The above officials shall likewise have the authority to render any opinion interpreting the provisions on the review and compliance procedures in the filing of statements of assets, liabilities, net worth and disclosure of information.

In the event said authorities determine that a statement is not properly filed, they shall inform

reporting individual and direct him to take the necessary corrective action.

The individual to whom an opinion is rendered, and any other individual involved in a similar factual situation, and who, after issuance of the opinion, act in good faith in accordance with shall not be subject to any sanction provided in the Code.

RULE IX. CONFLICT OF INTEREST AND DIVESTMENT

SECTION 1. (a) An official or employee shall avoid conflict of interest at all times.

(b) Conflict of interest occurs:

(1) When the official or employee is:

- (a) a substantial stockholder; or
- (b) a member of the Board of Directors; or
- (c) an officer of the corporation; or
- (d) an owner or has substantial interest in a business; or
- (e) a partner in a partnership; and

(2) The interest of such corporation or business, or his rights or duties therein, are opposed to or affected by the faithful performance of official duty.

(c) A substantial stockholder is any person who owns, directly or indirectly, shares of stock sufficient to elect a director of a corporation. This term shall also apply to the parties to a voting trust.

(d) A voting trust means an agreement in writing between one or more stockholders of a corporation for the purpose of conferring upon a trustee or trustees the right to vote and other rights pertaining to the shares for certain periods and subject to such other conditions provided for in the Corporation Law.

SECTION 2. (a) When a conflict of interest arises, the official or employee involved shall resign from his position in any private business enterprise within thirty (30) days from his assumption of office and/or divest himself of his shareholdings or interests upon such assumption. For those who are already in the service, and conflict of interest arises, the officer or employee must resign from his position in the private business enterprise and/or divest himself of his shareholdings or interests within the periods herein-above provided, reckoned from the date when the conflict of interest has arisen. The same rule shall apply where the public official or employee is a partner in a partnership.

(b) If the conditions in Section 1 (b) concur, divestment shall be mandatory for any official or employee even if he has resigned from his position in any private business enterprise.

(c) Divestment shall be to a person or persons other than his spouse and relatives within the fourth civil degree of consanguinity and or affinity.

(d) The requirements for investment shall not apply to those specifically authorized by law

ed those who serve the government in an honorary capacity nor to laborers and casual or temporary workers.

RULE X. GROUNDS FOR ADMINISTRATIVE DISCIPLINARY ACTION

SECTION 1. In addition to the grounds for administrative disciplinary action prescribed existing laws, the acts and omissions of any official or employee, whether or not he holds or employment in a casual, temporary, hold-over, permanent or regular capacity, declared lawful or prohibited by the Code, shall constitute grounds for administrative disciplinary action, without prejudice to criminal and civil liabilities provided herein, such as:

- (a) Directly or indirectly having financial and material interest in any transaction requiring the approval of his office. Financial and material interest is defined as a pecuniary or proprietary interest by which a person will gain or lose something;
- (b) 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 office, unless expressly allowed by law;
- (c) Engaging in the private practice of his profession unless authorized by the Constitution, law or regulation, provided that such practice will not conflict or tend to conflict with his official functions;
- (d) Recommending any person to any position in a private enterprise which has a regular or pending official transaction with his 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 office;

These acts shall continue to be prohibited for a period of one (1) year after resignation, retirement, or separation from public office, except in the case of paragraph (c) above, but the professional concerned cannot practice his profession in connection with any matter before the office he used to be with, within one year after such resignation, retirement, or separation, provided that any violation hereof shall be a ground for administrative disciplinary action upon re-entry to the government service.

- (e) Declaring or misusing confidential or classified information officially known to him by reason of his office and not made available to the public to further his private interests or give undue advantage to anyone, or to prejudice the public interest;
- (f) Soliciting or accepting, directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value in the course of his official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of, his 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.

Gift refers to a thing or a right disposed of gratuitously, or any act of liberality, in favor of another who accepts it, and shall include a simulated sale or an ostensibly onerous disposition thereof.

Loan covers both simple loan and *commodatum* as well as guarantees, financing arrangement or accommodations intended to ensure its approval. *Commodatum* refers to a contract whereby one of the parties delivers to another something not consumable so that the latter may use the same for a certain time and return it.

This prohibition shall not include:

- (1) Unsolicited gift of nominal or insignificant value not given in anticipation of, or in exchange for a favor from a public official or employee or given after the transaction is completed, or service is rendered. As to what is a gift of nominal value will depend on the circumstances of each case taking into account the salary of the official or employee, the frequency or infrequency of the giving, the expectation of benefits, and other similar factors.
- (2) A gift from a member of his family or relative as defined in the Code on the occasion of a family celebration, and without any expectation of pecuniary gain or benefit.
- (3) Nominal donations from persons with no regular, pending, or expected transactions with the department, office or agency with which the official or employee is connected, and without any expectation of pecuniary gain or benefit.
- (4) Donations coming from private organizations whether local or foreign, which are considered and accepted as humanitarian and altruistic in purpose and mission.
- (5) Donations from government to government entities.

As to gift or grants from foreign governments, the Congress consent to:

- (i) The acceptance and retention by public official or employee of a gift of nominal value tendered and received as a souvenir or mark of courtesy;
- (ii) The acceptance by a public official or employee of a gift in the nature of a scholarship or fellowship grant or medical treatment; or
- (iii) The acceptance by a public official or employee of travel grant or expenses for travel taking place entirely outside the Philippines (such as allowances, transportation, food and lodging) of more than nominal value if such acceptance is appropriate or consistent with the interests of the Philippines, and permitted by the head of office, branch, or agency to

which he belongs.

Nothing in the Code shall be construed to restrict or prohibit any education, scientific or cultural exchange programs subject to national security requirements.

- (g) Obtaining or using any statement filed under the Code 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;
- (h) Unfair discrimination in rendering public service due to party affiliation or preference;
- (i) Disloyalty to the Republic of the Philippines and to the Filipino People;
- (j) Failure to act promptly on letters and requests within fifteen (15) days from receipt, except as otherwise provided in these Rules;
- (k) Failure to process documents and complete action on documents and papers within a reasonable time from preparation thereof, except as otherwise provided in these Rules;
- (l) Failure to attend to anyone who wants to avail himself of the services of the office, or to act promptly and expeditiously on public personal transactions;
- (m) Failure to file sworn statements of assets, liabilities and net worth, and disclosure of business interests and financial connections; and
- (n) Failure to resign from his 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 of his 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 arise, the official or employee must either resign or divest himself of said interests within the periods herein-above provided, reckoned from the date when the conflict of interest had arisen.

RULE XI. PENALTIES

SECTION 1. Any official or employee regardless of whether or not he holds office or employment in a casual, temporary, holdover, permanent or regular capacity, committing any violation of the Code shall be punished with a fine not exceeding the equivalent of six (6) months salary or suspension not exceeding one (1) year, or removal depending on the gravity of the offense after due notice and hearing by the appropriate body or agency. If the violation is punishable by a heavier penalty under another law, he shall be prosecuted under the latter statute. Violations of Section 7, 8 or 9 of the Code shall be punishable with imprisonment not exceeding five (5) years, or fine not exceeding five thousand pesos (P5,000) or both, and, in the discretion of the court of competent jurisdiction, disqualification to hold public office.

Any violation hereof in a proper administrative proceeding shall be sufficient cause for removal or dismissal of an official or employee, even if no criminal prosecution is instituted against

Private individuals who participate in conspiracy as co-principals, accomplices or accessories, with officials or employees, in violation of the Code, shall be subject to the same penal liabilities as the officials or employees and shall be tried jointly with them.

The official or employee concerned may bring an action against any person who obtains or reports a report for any purpose prohibited by Section 8 (d) of the Code. The Court in which such action is brought may assess against such person a penalty in any amount not to exceed twenty five thousand pesos (P25,000). If another sanction hereunder or under any other law is heavier, the latter shall apply.

SECTION 2. Administrative proceedings for violation of these Rules shall be in accordance with the Civil Service Law and Rules.

RULE XII. FREE VOLUNTARY SERVICE

SECTION 1. (a) Free voluntary service refers to services rendered by persons who are government without pay or compensation.

(b) The requirements of the free voluntary service are as follows:

- (1) Issuance of an appropriate document;
- (2) Fitness and suitability for the duties and responsibilities of the particular position; and
- (3) Compliance with the rule on nepotism.

(c) The following are the functions or services that volunteers can perform:

- (1) Advisory;
- (2) Consultancy or counselling;
- (3) Recommendatory;
- (4) Professional Services;
- (5) Staff work such as planning or research; or
- (6) Humanitarian.

(d) Those who render free voluntary service to the government are covered by the following:

- (1) Laws on rewards and incentives;
- (2) Norms of conduct and ethical standards;
- (3) Duties and obligations of public officers and employees;
- (4) Prohibitions and sanctions enumerated in these Rules; and
- (5) Civil and Criminal liability.

(e) Those who render free voluntary service are, however, exempted from the filing of statements of assets, liabilities and net worth and financial disclosures, the requirement on investment and the appropriate eligibility requirement, for their designations, and shall not enjoy security of tenure.

Unless otherwise provided in the terms of their designations, volunteers are prohibited from:

- (1) Exercising supervisory functions over personnel;
- (2) Exercising functions or positions involving national security;
- (3) Having access to confidential or classified information unless authorized by proper authorities;
- (4) Occupying regular *plantilla* positions;
- (5) Having such services credited as government service and availing themselves of retirement benefits; and
- (6) Using facilities and resources of the office for partisan political purposes; and
- (7) Receiving any pecuniary benefits such as honoraria, allowances and other perquisites of office.

RULE XIII. AMENDMENT

SECTION 1. The Civil Service Commission may amend or modify these Rules as may be necessary.

RULE XIV. EFFECTIVITY

SECTION 1. These Rules shall take effect thirty (30) days following the completion of their publication in the *Official Gazette* or in a newspaper of general circulation.

Quezon City, April 21, 1989.

REPUBLIC ACT NO. 1379

ACT DECLARING FORFEITURE IN FAVOR OF THE STATE ANY PROPERTY FOUND TO
HAVE BEEN UNLAWFULLY ACQUIRED BY ANY PUBLIC OFFICER OR EMPLOYEE AND
PROVIDING FOR THE PROCEEDINGS THEREFOR

SECTION 1. *Definitions.* —

(a) For the purposes of this Act, a "public officer or employee" means any person holding public office or employment by virtue of an appointment, election or contract, and any person holding any office or employment, by appointment or contract, in any State owned or controlled corporation or enterprise.

(b) "Other legitimately acquired property" means any real or personal property, money or securities which the respondent has at any time acquired by inheritance and the income thereof, or gift *inter vivos* before his becoming a public officer or employee, or any property (or income thereof) already pertaining to him when he qualified for public office or employment, or the fruits and income of the exclusive property of the respondent's spouse. It shall not include:

1. Property unlawfully acquired by the respondent, but its ownership is concealed by its being recorded in the name of, or held by, the respondent's spouse, ascendants, descendants, relatives, or any other person.
2. Property unlawfully acquired by the respondent, but transferred by him to another person or persons on or after the effectivity of this Act.
3. Property donated to the respondent during his incumbency, unless he can prove to the satisfaction of the court that the donation is lawful.

SECTION 2. *Filing of petition.* — Whenever any public officer or employee has acquired during his incumbency an amount of property which is manifestly out of proportion to his salary as such public officer or employee and to his other lawful income and the income from legitimately acquired property, said property shall be presumed *prima facie* to have been unlawfully acquired. The Solicitor General, upon complaint by any taxpayer to the city or provincial fiscal who shall conduct a previous inquiry similar to preliminary investigations in criminal cases and shall certify to the Solicitor General that there is reasonable ground to believe that there has been committed a violation of this Act and the respondent is probably guilty thereof, shall file, in the name and on behalf of the Republic of the Philippines, in the Court of First Instance of the city or province where said public officer or employee resides or holds office, a petition for a writ commanding said officer or employee to show cause why the property aforesaid, or any part thereof, should not be declared property of the State: *Provided*, That no such petition shall be filed within one year before any general election or within three months before any special election.

The resignation, dismissal or separation of the officer or employee from his office or employment in the Government or in the Government-owned or controlled corporation shall not be

...or to the filing of the petition: *Provided, however,* That the right to file such petition shall prescribe after four years from the date of the resignation, dismissal or separation or expiration of term of the office or employee concerned, except as to those who have ceased to hold office within ten years prior to the approval of this Act, in which case the proceedings shall prescribe after five years from the approval hereof.

SECTION 3. *The petition.* — The petition shall contain the following information:

- (a) The name and address of the respondent. ...
- (b) The public officer or employment he holds and such other public offices or employment which he has previously held.
- (c) The approximate amount of property he has acquired during his incumbency in his past and present offices and employments.
- (d) A description of said property, or such thereof as has been identified by the Solicitor General.
- (e) The total amount of his government salary and other proper earnings and incomes from legitimately acquired property, and
- (f) Such other information as may enable the court to determine whether or not the respondent has unlawfully acquired property during his incumbency.

SECTION 4. *Period for the answer.* — The respondent shall have a period of fifteen days within which to present his answer.

SECTION 5. *Hearing.* — The Court shall set a date for a hearing, which may be open to the public, and during which the respondent shall be given ample opportunity to explain, to the satisfaction of the court, how he has acquired the property in question.

SECTION 6. *Judgment.* — If the respondent is unable to show to the satisfaction of the court that he has lawfully acquired the property in question, then the court shall declare such property forfeited in favor of the State, and by virtue of such judgment the property aforesaid shall become property of the State: *Provided,* That no judgment shall be rendered within six months before any general election or within three months before any special election. The Court may, in addition, refer this case to the corresponding Executive Department for administrative or criminal action, or both.

SECTION 7. *Appeal.* — The parties may appeal from the judgment of the Court of First Instance as provided in the Rules of Court for appeals in civil cases.

SECTION 8. *Protection against self-incrimination.* — Neither the respondent nor any other person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda and other records on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to prosecution; but no individual shall be prosecuted criminally for or on account of any transaction.

... or thing concerning which he is compelled, after having claimed his privilege against discrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and conviction for perjury or false testimony committed in so testifying or from administrative proceedings. ...

SECTION 9. *Immunity.* — The Solicitor General may grant immunity from criminal prosecution to any person who testifies to the unlawful manner in which the respondent has acquired any of the property in question in cases where such testimony is necessary to prove violations of this Act.

SECTION 10. *Effect of record of title.* — The fact that any real property has been recorded in the Registry of Property or office of the Register of Deeds in the name of the respondent of any person mentioned in paragraphs (1) and (2) of subsection (b) of section one hereof shall prevent the rendering of the judgment referred to in section six of this Act.

SECTION 11. *Laws on prescription.* — The laws concerning acquisitive prescription and limitation of actions cannot be invoked by, nor shall they benefit the respondent, in respect of property unlawfully acquired by him.

SECTION 12. *Penalties.* — Any public officer or employee who shall, after the effective date of this Act, transfer or convey any unlawfully acquired property shall be repressed with imprisonment for a term not exceeding five years, or a fine not exceeding ten thousand pesos, or both such imprisonment and fine. The same repression shall be imposed upon any person who shall knowingly accept such transfer or conveyance.

SECTION 13. *Separability of provisions.* — If any provision of this Act or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 14. *Effective date.* — This Act shall take effect on its approval, and shall apply not only to property thereafter unlawfully acquired but also to property unlawfully acquired before the effective date of this Act. ...

Approved: June 18, 1955

EXECUTIVE ORDER NO. 89

DIRECTING THE IMPLEMENTATION OF A POLICY OF ACCESSIBILITY AND TRANSPARENCY IN GOVERNMENT

WHEREAS, in consultations conducted by the National Unification Commission (NUC), various sectors of Philippine society have expressed concern over the inaccessibility of Government as a result of too much red tape in the bureaucracy:

WHEREAS, addressing this concern will increase the confidence of these sectors in Government's sincerity and capability to address their needs, as well as enhance the credibility of ongoing consultations being conducted by the NUC with various sectors of society:

WHEREAS, perceived or actual Government inaccessibility consists mainly in the difficulty of obtaining access to public records, information and data, and transacting other business with Government offices:

WHEREAS, Section 7, Article III of the Constitution recognizes the sacred right of people to information on matters of public concern, and to have access to official records and to documents, and papers pertaining to official acts, transactions or decisions, subject to such limitations as may be provided by law:

WHEREAS, under Section 28, Article II of the Constitution, "the State adopts and implements a policy of full public disclosure of all its transactions involving public interest":

WHEREAS, Section 4(e) of Republic Act 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees, requires public officials and employees to "provide information on their policies and procedures in clear and understandable language:" and

WHEREAS, existing mechanisms in the bureaucracy do not guarantee that processes are carried out well, and there is a need to provide for a manner by which the relevant provisions of the Constitution and the law may actually be given effect by way of a simplified procedure in obtaining public records, information and data, and in transacting other business with Government.

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and the laws, do hereby order as follows:

SECTION 1. All heads of the executive departments, bureaus, instrumentalities, offices, and agencies of Government, as well as government-owned and controlled corporations, shall implement a policy of accessibility and transparency in accordance with the guidelines herein provided.

SECTION 2. All heads of executive departments, bureaus, instrumentalities, offices, and agencies of Government, as well as government-owned and controlled corporations, are required, one (1) month from the effectivity of this Executive Order, to submit to the Office of the

present the guidelines governing procedures for obtaining access by the public to official records, documents, and papers pertaining to official acts, transactions or decisions, as well as to government research data used as a basis for policy development in their respective offices, subject to such limitations as may be provided by law or by rules and regulations promulgated pursuant to Executive Order, such as, among others, those pertaining to national security and the defense of the State.

SECTION 3. All heads of offices referred to in the immediately preceding section are directed to post in conspicuous places within the premises of their respective offices the procedures for all public transactions or official business, including the procedure by which an aggrieved party may seek administrative redress for any violation of the aforementioned procedures, in the form of flowcharts, using clear and understandable language in Pilipino and the dialect predominantly spoken in the locality.

SECTION 4. Expenses incurred in compliance with this Executive Order shall be taken from the Contingent Funds of the respective offices.

SECTION 5. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 18th day of May in the year of Our Lord, Nineteen Hundred and Ninety-Three.

REPUBLIC ACT NO. 6758

AN ACT PRESCRIBING A REVISED COMPENSATION AND POSITION CLASSIFICATION SYSTEM IN THE GOVERNMENT AND FOR OTHER PURPOSES

SECTION 1. *Title.* — This Act shall be known as the "Compensation and Position Classification Act of 1989."

SECTION 2. *Statement of Policy.* — It is hereby declared the policy of the State to provide equal pay for substantially equal work and to base differences in pay upon substantive differences in duties and responsibilities, and qualification requirements of the positions. In determining rates of pay, due regard shall be given to, among others, prevailing rates in the private sector for comparable work. For this purpose, the Department of Budget and Managements (DBM) is hereby directed to establish and administer a unified Compensation and Position Classification System, hereinafter referred to as the System, as provided for in Presidential Decree No. 985, as amended, that shall be applied for all government entities, as mandated by the Constitution.

SECTION 3. *General Provisions.* — The following principles shall govern the Compensation and Position Classification System of the Government:

- (a) All government personnel shall be paid just and equitable wages; and while pay distinctions must necessarily exist in keeping with work distinctions, the ratio of compensation for those occupying higher ranks to those at lower ranks should be maintained at equitable levels, giving due consideration to higher percentage of increases to lower level positions and lower percentage increases to higher level positions;
- (b) Basic compensation for all personnel in the government and government-owned or controlled corporations and financial institutions shall generally be comparable with those in the private sector doing comparable work, and must be in accordance with prevailing laws on minimum wages;
- (c) The total compensation provided for government personnel must be maintained at a reasonable level in proportion to the national budget;
- (d) A review of government compensation rates, taking into account possible erosion in purchasing power due to inflation and other factors, shall be conducted periodically.

SECTION 4. *Coverage.* — The Compensation and Position Classification System herein provided shall apply to all positions, appointive or elective, on full or part-time basis, now existing or hereafter created in the government, including government-owned or controlled corporations and government financial institutions.

The term "government" refers to the Executive, the Legislative and the Judicial Branches and

Constitutional Commissions and shall include all, but shall not be limited to, departments, offices, boards, commissions, courts, tribunals, councils, authorities, administrations, institutes, state colleges and universities, local government units, and the armed forces. The "government-owned or controlled corporations and financial institutions" shall include all corporations and financial institutions owned or controlled by the National Government, whether such corporations and financial institutions perform governmental or proprietary functions.

SECTION 5. *Position Classification System.* — The Position Classification System shall consist of classes of positions grouped into four main categories, namely: professional supervisory, professional non-supervisory, sub-professional supervisory, and sub-professional non-supervisory, and the rules and regulations for its implementation.

Categorization of these classes of positions shall be guided by the following considerations:

- (a) *Professional Supervisory Category.* — This category includes responsible positions of a managerial character involving the exercise of management functions such as planning, organizing, directing, coordinating, controlling and overseeing within delegated authority the activities of an organization, a unit thereof or of a group, requiring some degree of professional, technical or scientific knowledge and experience, application of managerial or supervisory skills required to carry out their basic duties and responsibilities involving functional guidance and control, leadership, as well as line supervision. These positions require intensive and thorough knowledge of a specialized field usually acquired from completion of a bachelor's degree or higher degree courses.

The positions in this category are assigned Salary Grade 9 to Salary Grade 33.

- (b) *Professional Non-Supervisory Category.* — This category includes positions performing task which usually require the exercise of a particular profession or application of knowledge acquired through formal training in a particular field or just the exercise of a natural, creative and artistic ability or talent in literature, drama, music and other branches of arts and letters. Also included are positions involved in research and application of professional knowledge and methods to a variety of technological, economic, social, industrial and governmental functions: the performance of technical tasks auxiliary to scientific research and development; and in the performance of religious, educational, legal, artistic or literary functions.

These positions require thorough knowledge in the field of arts and sciences or learning acquired through completion of at least four (4) years of college studies.

The positions in this category are assigned Salary Grade 8 to Salary Grade 30.

- (c) *Sub-Professional Supervisory Category.* — This category includes positions performing supervisory functions over a group of employees engaged in responsible work along technical, manual or clerical lines of work which are short of professional work, requiring training and moderate experience or lower training but considerable experience and knowledge of a limited subject matter

or skills in arts, crafts or trades. These positions require knowledge acquired from secondary or vocational education or completion of up to two (2) years of college education.

The positions in this category are assigned Salary Grade 4 to Salary Grade 18.

- (d) *Sub-Professional Non-Supervisory Category.* — This category includes positions involves in structured work in support of office or fiscal operations or those engaged in crafts, trades or manual work. These positions usually require skills acquired through training and experience of completion of elementary education, secondary or vocational education or completion of up to two (2) years of college education.

The positions in this category are assigned Salary Grade 1 to Salary Grade 10.

SECTION 6. *Index of Occupational Services, Position Titles and Salary Grades of the Compensation and Position Classification System.* — All positions in the government covered under Section 4 hereof shall be allocated to their proper position titles and salary grades in accordance with the Index of Occupational Services, Position Titles and Salary Grades of the Compensation and Position Classification System which shall be prepared by the DBM.

SECTION 7. *Salary Schedule.* — The Department of Budget and Management is hereby directed to implement the Salary Schedule prescribed below:

Salary Schedule

Grade	1st	2nd	3rd	4th	5th	6th	7th	8th
2-000	2,020	2,040	2,061	2,081	2,102	2,123	2,144	
2-073	2,094	2,115	2,136	2,158	2,179	2,201	2,223	
2-156	2,178	2,200	2,222	2,244	2,266	2,289	2,312	
2-250	2,272	2,295	2,318	2,341	2,364	2,388	2,412	
2-355	2,378	2,402	2,426	2,450	2,475	2,500	2,525	
2-473	2,497	2,522	2,547	2,573	2,599	2,625	2,651	
2-604	2,630	2,657	2,683	2,710	2,737	2,765	2,793	
2-752	2,779	2,807	2,835	2,864	2,892	2,921	2,950	
2-917	2,946	2,976	3,005	3,036	3,066	3,097	3,127	
3-102	3,133	3,164	3,196	3,228	3,260	3,293	3,325	
3-309	3,342	3,375	3,409	3,443	3,477	3,512	3,547	
3-540	3,576	3,611	3,647	3,684	3,721	3,758	3,796	
3-800	3,838	3,876	3,915	3,954	3,994	4,033	4,074	
4-091	4,132	4,173	4,215	4,257	4,300	4,343	4,386	
4-418	4,463	4,507	4,552	4,598	4,644	4,690	4,737	
4-786	4,834	4,883	4,932	4,981	5,031	5,081	5,132	
5-201	5,253	5,306	5,359	5,413	5,467	5,521	5,577	
5-670	5,726	5,784	5,841	5,900	5,959	6,018	6,079	
6-199	6,261	6,323	6,386	6,450	6,515	6,580	6,646	
6-798	6,866	6,935	7,004	7,074	7,145	7,216	7,288	
7-478	7,553	7,628	7,704	7,781	7,859	7,938	7,017	
8-250	8,333	8,416	8,500	8,585	8,671	8,758	8,845	
9-131	9,222	9,314	9,407	9,501	9,596	9,692	9,789	
10-135	10,236	10,339	10,442	10,546	10,652	10,758	10,866	
11-385	11,499	11,614	11,730	11,847	11,966	12,085	12,206	

12,650	12,777	12,904	13,033	13,164	13,295	13,428	13,563
13,915	14,054	14,195	14,337	14,480	14,625	14,771	14,919
15,180	15,332	15,485	15,640	15,796	15,954	16,114	16,275
17,075	17,246	17,418	17,592	17,768	17,946	18,125	18,307
18,975							
19,550							
22,000							
25,000							

The above Salary Schedule shall be used for positions that are paid on the annual or monthly basis. All salaries in the Salary Schedule expressed as monthly rates in pesos shall represent full compensation for full-time employment, regardless of where the work is performed. Salaries for services rendered on a part-time basis shall be adjusted proportionately.

The Department of Budget and Management shall update the above Schedule whenever there are across-the-board salary adjustments as may be provided by law.

The daily wage rate shall be determined by dividing the monthly salary rate by twenty-two (22) working days per month.

SECTION 8. *Salaries of Constitutional Officials and their Equivalent.* — Pursuant to Section 17, Article XVIII of the Constitution, the salary of the following officials shall be in accordance with the Salary Grades indicated hereunder:

	Salary Grades
President of the Philippines	33
Vice-President of the Philippines	32
President of the Senate	32
Speaker of the House of Representatives	32
Chief Justice of the Supreme Court	32
Senator	31
Member of the House of Representatives	31
Associate Justices of the Supreme Court	31
Chairman of a Constitutional Commission under Article IX, 1987 Constitution	31
Member of a Constitutional Commission under Article IX, 1987 Constitution	30

The Department of Budget and Management is hereby authorized to determine the officials who are of equivalent rank to the foregoing Officials, where applicable, and may be assigned the same Salary Grades based on the following guidelines:

GRADE 33 — This Grade is assigned to the President of the Republic of the Philippines as the highest position in the government. No other position in the government service is considered to be of equivalent rank.

GRADE 32 — This Grade is limited to the Vice-President of the Republic of the Philippines and those positions which head the Legislative and Judicial Branches of the government, namely:

Senate President, Speaker of the House of Representatives and Chief Justice of the Supreme Court. No other positions in the government service are considered to be of equivalent rank.

GRADE 31 — This Grade is assigned to Senators and Members of the House of Representatives and those with equivalent rank as follows: the Executive Secretary, Department Secretary, Presidential Spokesman, Ombudsman, Press Secretary, Presidential Assistant with Cabinet Rank, Presidential Adviser, National Economic and Development Authority Director General, Court of Appeals Presiding Justice, Sandiganbayan Presiding Justice, Secretary of the Senate, Secretary of the House of Representatives, and President of the University of the Philippines.

An entity with a broad functional scope of operations and wide area of coverage ranging from top level policy formulation to the provision of technical and administrative support to the entities under it, with functions comparable to the aforesaid positions in the preceding paragraph, can be considered organizationally equivalent to a Department, and its head to that of a Department Secretary.

GRADE 30 — Positions included are those of Department Undersecretary, Cabinet Undersecretary, Presidential Assistant, Solicitor General, Government Corporate Counsel, Court Administrator of the Supreme Court, Chief of Staff of the Office of the Vice-President, National Economic and Development Authority Deputy Director General, Presidential Management Staff Executive Director, Deputy Ombudsman, Associate Justices of the Court of Appeals, Associate Justices of the Sandiganbayan, Special Prosecutor, University of the Philippines Executive Vice-President, Mindanao State University President, Polytechnic University of the Philippines President of and President of other state universities and colleges of the same class.

Heads of councils, commissions, boards and similar entities whose operations cut across offices or departments or are serving a sizeable portion of the general public and whose coverage is nationwide or whose functions are comparable to the aforesaid positions in the preceding paragraph, may be placed at this level.

The equivalent rank of positions not mentioned herein or those that may be created hereafter shall be determined based on these guidelines.

The Provisions of this Act as far as they upgrade the compensation of Constitutional Officials and their equivalent under this section shall, however, take effect only in accordance with the Constitution: Provided, That with respect to the President and Vice-President of the Republic of the Philippines, the President of the Senate, the Speaker of the House of Representatives, the Senators, and the Members of the House of Representatives, no increase in salary shall take effect even from 1992, until this Act is amended: Provided, further, That the implementation of this Act with respect to Assistant Secretaries and Undersecretaries shall be deferred for one (1) year from the effectivity of this Act and for Secretaries, until July 1, 1992: Provided, finally, That in the case of Assistant Secretaries, Undersecretaries and Secretaries, the salary rates authorized herein shall be included in the computation of the retirement benefits for those who retire under the existing retirement laws within the aforesaid period.

SECTION 9. *Salary Grade Assignments for Other Positions.* — For positions below the officials mentioned under Section 8 hereof and their equivalent, whether in the National

Government, local government units, government-owned or controlled corporations or financial institutions, the Department of Budget and Management is hereby directed to prepare the Index of Occupational Services to be guided by the Benchmark Position Schedule prescribed hereunder and the following factors: (1) the education and experience required to perform the duties and responsibilities of the positions: (2) the nature and complexity of the work to be performed: (3) the level of supervision received: (4) mental and/or physical strain required in the completion of the work: (5) nature and extent of internal and external relationships: (6) kind of supervision exercised: (7) decision-making responsibility: (8) responsibility for accuracy of records and reports: (9) accountability for funds, properties and equipment: and (10) hardship, hazard and personal risk involved in the job.

Benchmark Position Schedule

Position Title	Salary Grade
Laborer I	1
Messenger	2
Clerk I	3
Driver I	3
Stenographer I	4
Mechanic I	4
Carpenter II	5
Electrician II	6
Secretary I	7
Bookkeeper	8
Administrative Assistant	8
Education Research Assistant I	9
Cashier I	10
Nurse I	10
Teacher I	10
Agrarian Reform Program Technologist	10
Budget Officer I	11
Chemist I	11
Agriculturist I	11
Social Welfare Officer I	11
Engineer I	12
Veterinarian I	13
Legal Officer I	14
Administrative Officer II	15
Dentist II	16
Postmaster IV	17
Forester III	18
Associate Professor I	19
Rural Health Physician	20

In no case shall the salary of the chairman, president, general manager or administrator, and the board of directors of government-owned or controlled corporations and financial institutions exceed Salary Grade 30: Provided, That the President may, in truly exceptional cases, approve higher compensation for the aforesaid officials.

SECTION 10. *Local Government Units (LGUs).* — The rates of pay in LGUs shall be determined on the basis of the class and financial capability of each LGU: Provided, That such rates of pay shall not exceed the following percentages of the rates in the salary schedule prescribed

Section 7 hereof:

	For Provinces/Cities	For Municipalities
Special Cities		100%
1st Class	100%	90%
2nd Class	95%	85%
3rd Class	90%	80%
4th Class	85%	75%
5th Class	80%	70%
6th Class	75%	65%

SECTION 11. *Military and Police Personnel.* — The base pay of uniformed personnel of the Armed Forces of the Philippines and the Integrated National Police shall be as prescribed in the salary schedule for these personnel in R.A. No. 6638 and R.A. No. 6648. The longevity pay of these personnel shall be as prescribed under R.A. No. 6638, and R.A. No. 1134 as amended by R.A. No. 3725 and R.A. No. 6648: Provided, however, That the longevity pay of uniformed personnel of the Integrated National Police shall include those services rendered as uniformed members of the police, jail and fire departments of the local government units prior to the police integration.

All existing types of allowances authorized for uniformed personnel of the Armed Forces of the Philippines and Integrated National Police such as cost of living allowance, longevity pay, quarters allowance, subsistence allowance, clothing allowance, hazard pay and other allowances shall continue to be authorized.

SECTION 12. *Consolidation of Allowances and Compensation.* — All allowances, except for representation and transportation allowances; clothing and laundry allowances; subsistence allowance of marine officers and crew on board government vessels and hospital personnel; hazard pay; allowances of foreign service personnel stationed abroad; and such other additional compensation not otherwise specified herein as may be determined by the DBM, shall be deemed included in the standardized salary rates herein prescribed. Such other additional compensation, whether in cash or in kind, being received by incumbents only as of July 1, 1989 not integrated into the standardized salary rates shall continue to be authorized.

Existing additional compensation of any national government official or employee paid from local funds of a local government unit shall be absorbed into the basic salary of said official or employee and shall be paid by the National Government.

SECTION 13. *Pay Adjustments.* — Paragraphs (b) and (c), Section 15 of Presidential Decree No. 985 are hereby amended to read as follows:

"(b) *Pay Reduction* — If an employee is moved from a higher to a lower class, he shall not suffer a reduction in salary; Provided, That such movement is not the result of a disciplinary action or voluntary demotion.

"(c) *Step Increments* — Effective January 1, 1990 step increments shall be granted based on merit and/or length of service in accordance with rules and regulations that will be promulgated jointly by the DBM and the Civil Service Commission."

SECTION 14. *Administration of Compensation and Position Classification System.* —

Paragraph (a), Section 17 of Presidential Decree No. 985 is hereby amended to read as follows:

"(a) Administer the compensation and position classification system established herein and revise it as necessary."

SECTION 15. *Reference to Offices and Positions.* — All references to the "Commissioner of the Budget," "Budget Commission" or "Commission" and "Office of Compensation and Position Classification" or "OCPC" in Presidential Decree No. 985 and Presidential Decree No. 1597 shall read to mean the Secretary of Budget and Management, the Department of Budget and Management or DBM, and the Compensation and Position Classification Bureau or CPCB, respectively.

SECTION 16. *Repeal of Special Salary Laws and Regulations.* — All laws, decrees, executive orders, corporate charters, and other issuances or parts thereof, that exempt agencies from the coverage of the System, or that authorize and fix position classification, salaries, pay rates or allowances of specified positions, or groups of officials and employees or of agencies, which are inconsistent with the System, including the proviso under Section 2, and Section 16 of Presidential Decree No. 985 are hereby repealed.

SECTION 17. *Salaries of Incumbents.* — Incumbents of positions presently receiving salaries and additional compensation/fringe benefits including those absorbed from local government units and other emoluments, the aggregate of which exceeds the standardized salary rate as herein prescribed, shall continue to receive such excess compensation, which shall be referred to as transition allowance. The transition allowance shall be reduced by the amount of salary adjustment that the incumbent shall receive in the future.

The transition allowance referred to herein shall be treated as part of the basic salary for purposes of computing retirement pay, year-end bonus and other similar benefits.

As basis for computation of the first across-the-board salary adjustment of incumbents with transition allowance, no incumbent who is receiving compensation exceeding the standardized salary rate at the time of the effectivity of this Act, shall be assigned a salary lower than ninety percent (90%) of his present compensation or the standardized salary rate, whichever is higher. Subsequent increases shall be based on the resultant adjusted salary.

SECTION 18. *Additional Compensation of Commission on Audit Personnel and of Other Agencies.* — In order to preserve the independence and integrity of the Commission on Audit (COA), its officials and employees are prohibited from receiving salaries, honoraria, bonuses, allowances or other emoluments from any government entity, local government unit, and government-owned and controlled corporations, and government financial institution, except those compensation paid directly by the COA out of its appropriations and contributions.

Government entities, including government-owned or controlled corporations including financial institutions and local government units are hereby prohibited from assessing or billing other government entities, government-owned or controlled corporations including financial institutions or local government units for services rendered by its officials and employees as part of their regular functions for purposes of paying additional compensation to said officials and employees.

SECTION 19. *Funding Source.* — The funding sources for the amounts necessary to implement this Act shall be as follows:

- (a) For national government entities, the amount shall be charged against the appropriations set aside for the purpose in the 1989 General Appropriations Act and from savings generated from the different departments, bureaus, offices and agencies. Thereafter, such amounts as are needed shall be included in the annual General Appropriations Act.
- (b) For local government units, the amount shall be charged against their respective funds. Local government units which do not have adequate or sufficient funds shall only partially implement the established rates as may be approved by the Joint Commission under Section 3 of Presidential Decree No. 1136: Provided, That any partial implementation shall be uniform and proportionate for all positions in each local government unit: Provided, further, That savings from National Assistance to Local Government Units (NALGU) funds may be used for this purpose.
- (c) For government corporations, the amount shall come from their respective corporate funds.

SECTION 20. *Separability Clause.* — If for any reason any section or provision of this Act is declared to be unconstitutional or invalid, the other sections or provisions thereof which are not affected thereby shall continue to be in full force and effect.

SECTION 21. *Applicability of Presidential Decree No. 985 as Amended by Presidential Decree No. 1597.* — All provisions of Presidential Decree No. 985, as amended by Presidential Decree No. 1597, which are not inconsistent with this Act and are not expressly modified, revoked or repealed in this Act shall continue to be in full force and effect.

SECTION 22. *Repealing Clause.* — all laws, decrees, orders, rules or regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 23. *Effectivity.* — This Act shall take effect July 1, 1989. The DBM shall, within sixty (60) days after its approval, allocate all positions in their appropriate position titles and salary grades and prepare and issue the necessary guidelines to implement the same.

Approved: August 21, 1989

ADMINISTRATIVE ORDER NO. 282

DIRECTING STRICT COMPLIANCE WITH THE COMPENSATION STANDARDIZATION LAW BY LOCAL GOVERNMENTS

WHEREAS, in pursuance of Section 5, Article IX-B of the constitution directing the standardization of compensation in the government, Congress enacted R.A. No. 6758, the Compensation and Position Classification Act of 1989 otherwise known as the Compensation Standardization Law:

WHEREAS, Section 81 of R.A. 7160, the Local Government Code, provides that compensation in the local government units as determined by the sanggunian concerned shall be prescribed by R.A. 6758;

WHEREAS, pursuant to Section 4, Art. V of the Constitution and Section 25 of RA 7160, the President shall exercise general supervision over local government units to ensure that their acts are within the scope of their prescribed powers and functions:

WHEREAS, Administrative Order No. 42 issued on May 3, 1993 clarified the authority of the Department of Budget and Management to issue policies and guidelines on position classification and compensation in the local government units and affirmed the continued adoption of the Compensation Standardization Law in the local government units:

WHEREAS, notwithstanding the unified Position Classification and Compensation System already in place in the government in consonance with the constitutional mandate, some local government units authorize compensation not consider with the rules and regulations pertaining thereto issued by the DBM:

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Philippines, by virtue the powers vested in me by the Constitution, do hereby order and direct.

SECTION 1. Provinces/Cities/Municipalities/Barangays are hereby directed to adhere strictly to the provisions of R.A. 6758 as amended under Joint Resolution No. 1, s. 1994 of the Senate and House of Representatives and implemented by the rules, policies and guidelines issued for the purpose by the Department of Budget and Management. ..

SECTION 2. Any grant of salary adjustments and other forms of compensation to officials and employees in any manner inconsistent with the provisions of said law, rules and regulations is strictly prohibited.

SECTION 3. Violation of the Compensation Standardization Law, its implementing rules and regulations shall subject officials responsible thereto to administrative and criminal sanctions.

SECTION 4. In the review and evaluation of the request for allotment specially for

personal services, the Municipal/City/Provincial Budget Officers shall ensure that such allotment conforms with existing rules, policies and guidelines on the matter.

SECTION 5. The review of the budgets of component cities and municipalities shall always be based on and in pursuance of the pertinent provisions, rules and regulations of the Compensation Standardization Law.

SECTION 6. This Administrative Order shall take effect immediately.

DONE in the City of Manila, the 25th day of July in the year of Our Lord, Nineteen Hundred Sixty-Six.

EXECUTIVE ORDER NO. 332

INTEGRATING THE BARANGAY GOVERNMENTS INTO THE REVISED POSITION CLASSIFICATION AND COMPENSATION SYSTEM IN THE GOVERNMENT

WHEREAS, Article IX-B, Section 5 of the Constitution mandates Congress to provide for standardization of compensation of government officials and employees:

WHEREAS, RA 6758 was enacted in compliance with the constitutional mandate for standardization of compensation in the government: ..

WHEREAS, the unified Position Classification and Compensation System established under RA 6758 applies to all positions in the government whether appointive or elective, on full-time or part-time basis:

WHEREAS, local government units, defined under Art. X of the 1987 Constitution as the territorial and political subdivisions of the State refer to Provinces, Cities, Municipalities and Barangays:

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and direct:

SECTION 1. *Compensation in the Barangay.* — The Barangay as a political subdivision of the state shall henceforth be included in the unified position classification and compensation system of the government.

SECTION 2. *Compensation Adjustments.* — Compensation adjustments authorized by Congress and/or the President for government personnel shall also apply to the barangay personnel subject to the rules, policies and guidelines to be issued on the matter.

SECTION 3. *Implementation.* — The Department of Budget and Management as Administrator of the unified Position Classification and Compensation System is hereby directed to issue rules and regulations relative to position classification and compensation of barangay personnel. ..

SECTION 4. *Funding Source.* — The amount necessary to implement the position classification and compensation system in the barangay shall be taken from barangay funds, subject to the budgetary requirement and limitations as provided for by law.

SECTION 5. *Effectivity.* — This Executive Order shall take effect immediately.

DONE in the City of Manila, this 16th day of May in the year of Our Lord, Nineteen Hundred and Ninety-Six.

ADMINISTRATIVE ORDER NO. 42

CLARIFYING THE ROLE OF THE DEPARTMENT OF BUDGET AND MANAGEMENT IN THE COMPENSATION AND CLASSIFICATION OF LOCAL GOVERNMENT POSITIONS UNDER R.A. NO. 7160

WHEREAS, Section 77 of the Local Government Code of 1991 (R.A. No. 7160) abolished the Joint Commission on Local Government Personnel Administration (JCLGPA) organized pursuant to Presidential Decree No. 1136 and transferred its personnel, records, equipment, and other assets to the appropriate office in the Civil Service Commission (CSC);

WHEREAS, the same Code does not provide for the transfer of the respective functions of the member agencies of the JCLGPA to the CSC; ...

WHEREAS, Section 325(b) of the Code states that: "No official or employee shall be entitled to a salary rate higher than the maximum fixed for his position or other positions of equivalent rank by applicable laws or rules and regulations issued thereunder:

WHEREAS, the only applicable law that governs the Compensation and Position Classification system of the government is R.A. No. 6758, otherwise known as the "Compensation and Position Classification Act of 1989";

WHEREAS, the Compensation and Position Classification System covers all national and local government positions, appointive or elective, on full or part-time basis, now existing or hereafter created:

WHEREAS, the Department of Budget and Management (DBM), principally through its Compensation and Position Classification Bureau, is mandated to administer the compensation and position classification system established under R.A. 6758:

WHEREAS, there is a need to clarify the role of the DBM, through its appropriate bureau, in the administration of the compensation and position classification systems in local government units:

NOW, THEREFORE, I FIDEL V. RAMOS, President of the Philippines, by virtue of the powers vested in me by law and upon the recommendation of the Oversight Committee of the Code, do hereby order: ...

SECTION 1. The Department of Budget and Management as the head administrator of R.A. 6758 shall, through its Compensation and Position Classification Bureau, continue to have the following responsibilities in connection with the implementation of the Local Government Code of 1991:

- a. Provide guidelines on the classification of local government positions and on the specific rates of pay therefor:

- b. Provide criteria and guidelines for the grant of all allowances and additional forms of compensation to local government employees:
- c. Advise and assist local government units on matters of position classification and compensation of local government personnel: and
- d. Provide technical expertise in the training of local government personnel to enable them to administer and maintain the compensation and position classification system. ...

SECTION 2. This Administrative Order shall take effect immediately.

DONE in the City of Manila, this 3rd day of March, in the year of Our Lord, nineteen hundred and ninety-three.

ARTICLE XII, 1987 Constitution

"SECTION 14. The sustained development of a reservoir of national talents consisting of Filipino scientists, entrepreneurs, professionals, managers, high-level technical manpower and skilled workers and craftsmen in all fields shall be promoted by the State. The State shall encourage appropriate technology and regulate its transfer for the national benefit.

The practice of all professions in the Philippines shall be limited to Filipino citizens, save in cases prescribed by law."

Republic of the Philippines
Congress of the Philippines
Metro Manila
Seventy Congress
Third Regular Session

Began and held in Metro Manila, on Monday, the twenty-fourth day of July, two thousand.

[REPUBLIC ACT NO. 8981]

AN ACT MODERNIZING THE PROFESSIONAL REGULATION COMMISSION, REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NUMBERED TWO HUNDRED AND TWENTY-THREE, ENTITLED "CREATING THE PROFESSIONAL REGULATION COMMISSION AND PRESCRIBING ITS POWERS AND FUNCTIONS," AND FOR OTHER PURPOSES

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

SECTION 1. *Title.* - This Act shall be called the "Professional Regulation Act of 2000."

SEC. 2. *Statement of Policy.* - The State recognizes the important role of professionals in nation-building and, towards this end, promotes the sustained development of a reservoir of professionals whose competence has been determined by honest

professional service and practice are internationally recognized and considered world-class brought about by regulatory measures, programs and activities that foster professional growth and advancement.

SEC. 3. Professional Regulation Commission. - There is hereby created a three-man commission to be known as the Professional Regulation Commission, hereinafter referred to as the Commission, which shall be attached to the Office of the President for general direction and coordination.

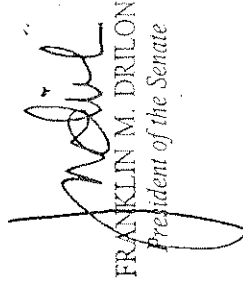
SEC. 4. Composition. - The Commission shall be headed by one (1) full-time Chairperson and two (2) full-time Commissioners, all to be appointed by the President for a term of seven (7) years without reappointment to start from the time they assume office. Appointments to a vacancy that occurs before the expiration of the term of a Commissioner shall cover only the unexpired term of the immediate predecessor. At the expiration of the term of the Chairperson, the most senior of the Commissioners shall temporarily assume and perform the duties and functions of the Chairperson until a permanent Chairperson is appointed by the President.

The Chairperson or Commissioner shall be at least forty (40) years of age, holding a valid certificate of registration/professional license and a valid professional identification card or a valid certificate of competency issued by the Commission or a valid professional license issued by any government agency, familiar with the principles and methods of professional regulation and/or licensing and has had at least five (5) years of executive or management experience. *Provided*, That, one (1) of the Commissioners must be a past Chairperson/member of a Professional Regulatory Board.

SEC. 5. Exercise of Powers and Functions of the Commission. - The Chairperson of the Commission, and the Commissioners as members thereof shall sit and act as a body to exercise general administrative, executive and policy-making functions of the Commission. The Commission shall establish and maintain a high standard of admission to the practice of all professions and at all times ensure and safeguard the integrity of all licensure examinations.

SEC. 21. *Effectivity.* - This Act shall take effect after fifteen (15) days following its publication in the *Official Gazette* or in two (2) newspapers of general circulation, whichever is earlier.

Approved.


FRANKLIN M. DRILON
President of the Senate

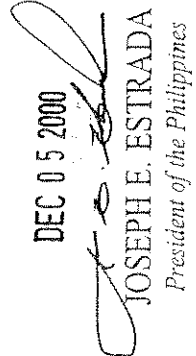
MANUEL B. VILLAR JR.
Speaker of the House of Representatives

This Act which is a consolidation of House Bill No. 7572 and Senate Bill No. 1271 was passed by the House of Representatives and the Senate on October 25, 2000 and October 18, 2000, respectively.


OSCAR G. YABES
Secretary of the Senate

ROBERTO P. NAZARENO
Secretary General House of Representatives

Approved:

DEC 05 2000

JOSEPH E. ESTRADA
President of the Philippines

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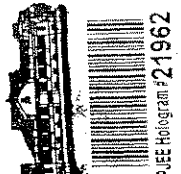


The Chairperson shall act as the presiding and chief executive officer of the Commission. As presiding officer, he/she shall preside over the meetings of the Commission sitting as a collegial body. As chief executive officer of the Commission, he/she shall be responsible for the implementation of the policies and the programs adopted by the Commission for the general administration of the Commission. He/she shall perform such other activities which are necessary for the effective exercise of the powers, functions and responsibilities of the Commission.

SEC. 6. *Compensation and Other Benefits.* - The Chairperson shall receive compensation and allowances equivalent to that of a Department Secretary while the Commissioners shall receive compensation and allowances equivalent to that of an Undersecretary. The Chairperson and the members of the Commission shall be entitled to retirement benefits provided under Republic Act Numbered Fifteen Hundred and Sixty-Eight, as amended by Republic Act Numbered Three Thousand Five Hundred and Ninety-Five.

SEC. 7. *Powers, Functions and Responsibilities of the Commission.* - The powers, functions and responsibilities of the Commission are as follows:

- (a) To administer, implement and enforce the regulatory policies of the national government with respect to the regulation and licensing of the various professions and occupations under its jurisdiction including the enhancement and maintenance of professional and occupational standards and ethics and the enforcement of the rules and regulations relative thereto;
- (b) To perform any and all acts, enter into contracts, make such rules and regulations and issue such orders and other administrative issuances as may be necessary in the execution and implementation of its functions and the improvement of its services;
- (c) To review, revise, and approve resolutions, embodying policies promulgated by the Professional Regulatory Boards in the exercise of their powers and functions or in implementing the laws regulating their respective professions and other official actions on non-ministerial matters within their respective jurisdictions;



(d) To administer and conduct the licensure examinations of the various regulatory boards in accordance with the rules and regulations promulgated by the Commission; determine and fix the places and dates of examinations; use publicly or privately owned buildings and facilities for examination purposes; conduct more than one (1) licensure examination. *Provided*, That, when there are two (2) or more examinations given in a year, at least one (1) examination shall be held on weekdays (Monday to Friday). *Provided, further*, That, if only one (1) examination is given in a year, this shall be held only on weekdays. *Provided, finally*, That, the Commission is also authorized to require the completion of a refresher course where the examinee has failed to pass three (3) times, except as otherwise provided by law; approve the results of examinations and the release of the same; adopt measures to preserve the integrity and inviolability of licensure examinations; appoint supervisors and room watchers from among the employees of the government and/or private individuals with baccalaureate degrees, who have been trained by the Commission for the purpose and who shall be entitled to a reasonable daily allowance for every examination day actually attended, to be determined and fixed by the Commission; publish the list of successful examinees; provide schools, colleges and universities; public and private, offering courses for licensure examinations, with copies of sample test questions on examinations recently conducted by the Commission and copies of the syllabi or terms of specifications of subjects for licensure examinations; and impose the penalty of suspension or prohibition from taking licensure examinations to any examinee charged and found guilty of violating the rules and regulations governing the conduct of licensure examinations promulgated by the Commission;

(e) To admit the successful examinees to the practice of the profession or occupation; cause the entry of their names on its registry book and computerized database; issue certificates of registration/professional license, bearing the registrant's name, picture, and registration number, signed by all the members of the Board concerned and the Chairperson, with the official seal of the Board and the Commission affixed thereto which certificate shall be the authority to practice; and at the option of the professional concerned, ministerially issue the professional identification card, to be used solely for the purpose of identification, upon payment of the appropriate amount. *Provided*, That, marine

SEC. 16. *Penalties for Violations of Section 7 - Subparagraph (i) by Heads of Government Agencies or Officers of Private Entities/Institutions.* - Any head of a government agency or officer(s) of a private firm/institution who violates Section 7 - subpar. (i) of this Act shall be punished by imprisonment of not less than six (6) months and one (1) day to not more than six (6) years, or a fine of not less than Fifty thousand pesos (P50,000.00) to not more than Five hundred thousand pesos (P500,000.00) or both at the discretion of the court.

SEC. 17. *Implementing Rules and Regulations.* - Within ninety (90) days after the approval of this Act, the Professional Regulation Commission, together with representatives of the various Professional Regulatory Boards and accredited professional organizations, the DBM, and the CHED shall prepare and promulgate the necessary rules and regulations needed to implement the provisions of this Act.

SEC. 18. *Transitory Provisions.* - The incumbent Commissioner and two (2) incumbent Associate Commissioners shall serve as Chairperson and Commissioners respectively under the terms for which they have been appointed without need of new appointments. The incumbent Executive Director shall likewise serve as Assistant Commissioner without need of new appointment.

SEC. 19. *Separability Clause.* - If any provision of this Act or the application of such provision to any person or circumstances is declared invalid or unconstitutional, the remainder of this Act or application of such provisions to other persons or circumstance shall not be affected by such declaration.

SEC. 20. *Repealing Clause.* - Republic Act No. 546, Presidential Decree No. 223, as amended by Presidential Decree No. 657, Republic Act No. 5181, and Executive Order No. 266, Series of 1995 are hereby repealed. Section 23 (b) of Republic Act No. 7836, Section 4 (m & s), Section 23 of Republic Act No. 7920, and Section 29 of Republic Act No. 8050, insofar as it requires completion of the requirements of the Continuing Professional Education (CPE) as a condition for the renewal of the license are hereby repealed. All other laws, orders, rules and regulations or resolutions and all parts thereof inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

Commission. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the succeeding General Appropriations Act.

SEC. 14. *Authority to Use Income.* - In addition to the annual appropriations of the Commission provided under the annual General Appropriations Act, the Commission is hereby authorized to use its income not exceeding the amount of Forty -five million pesos (P45,000,000.00) a year for a period of five (5) years after the effectivity of this Act to implement the program for full computerization of the operations of the Commission, subject to the usual accounting and auditing requirements.

SEC. 15. *Penalties for Manipulation and Other Corrupt Practices in the Conduct of Professional Examinations.* - (a) Any person who manipulates or rigs licensure examination results, secretly informs or makes known licensure examination questions prior to the conduct of the examination or tampers with the grades in professional licensure examinations shall, upon conviction, be punished by imprisonment of not less than six (6) years and one (1) day to not more than twelve (12) years or a fine of not less than Fifty thousand pesos (P 50,000.00) to not more than One hundred thousand pesos (P 100,000.00) or both such imprisonment and fine at the discretion of the court;

(b) In case the offender is an officer or employee of the Commission or a member of the regulatory board, he/she shall be removed from office and shall suffer the penalty of perpetual absolute disqualification from public office in addition to the penalties prescribed in the preceding section of this Act;

c) The penalty of imprisonment ranging from four (4) years and one (1) day to six (6) years or a fine ranging from Twenty thousand pesos (P 20,000.00) to not more than Forty-nine thousand pesos (P 49,000.00), or both imprisonment and fine at the discretion of the court, shall be imposed upon the accomplices. The penalty of imprisonment ranging from two (2) years and one (1) day to four (4) years or a fine ranging from Five thousand pesos (P 5,000.00) to not more than Nineteen thousand pesos (P 19,000.00), or both imprisonment and fine at the discretion of the court, shall be imposed upon the accessories.

deck and marine engineer officers shall also be issued endorsement certificates exclusively by the Commission pursuant to the 1978 and 1995 Standards of Training, Certification and Watchkeeping (STCW) Convention, to the exclusion of any other government agency, Section 1(2) of Executive Order No. 149, Series of 1999 and provisions of other existing laws, executive orders, administrative issuances/regulations to the contrary notwithstanding: *Provided, further,* That, once a certificate of registration/professional license, or certificate of competency, in the case of marine deck and engine officers are issued, this cannot be withdrawn, cancelled, revoked, or suspended except for just cause as may be provided by law after due notice and hearing;

(f) To have custody of all the records of the various Boards, including examination papers, minutes of deliberation, records of administrative cases and investigations and examination results for control and disposition;

(g) To determine and fix the amount of fees to be charged and collected for examination, registration, registration without examination, professional identification card, certification, docket, appeal, replacement, accreditation, including surcharges and other fees not specified under the provisions of Republic Act Numbered Four Hundred Sixty-Five as amended by Republic Act Numbered Sixty-Five Hundred and Eleven or to charge and collect reasonable fees at the rates higher than the rates provided thereunder subject to the approval by the Office of the President;

(h) To appoint subject to the Civil Service laws, rules, and regulations, officials and employees of the Commission necessary for the effective performance of its functions and responsibilities; prescribe their duties and fix their compensation subject to the provisions of Republic Act Numbered Six Thousand Seven Hundred and Fifty-Eight and allowances including other fringe benefits; and to assign and/or reassign personnel as the exigency of the service requires subject to the Civil Service laws, rules and regulations; and to organize or reorganize the structure of the Commission; and create or abolish positions or change the designation of existing positions in accordance with a staffing pattern prepared by it and approved by the Office of the President upon the recommendation of the Department of Budget and Management (DBM) to meet the changing conditions or as the

need arises: *Provided*, That, such changes shall not affect the employment status of the incumbents, reduce their ranks and/or salaries nor shall result in their separation from the service;

(i) To submit and recommend to the President of the Philippines the names of licensed/registered professionals for appointment as members of the various Professional Regulatory Boards from among those nominated to fill up vacancies pursuant to the provisions of Executive Order No. 496, Series of 1991;

(j) Upon recommendation of the Professional Regulatory Board concerned, to approve the registration of and authorize the issuance of a certificate of registration/license and professional identification card with or without examination to a foreigner who is registered under the laws of his state or country and whose certificate of registration issued therein has not been suspended or revoked: *Provided*, That, the requirements for the registration or licensing in said foreign state or country are substantially the same as those required and contemplated by the laws of the Philippines and that the laws of such foreign state or country allow the citizens of the Philippines to practice the profession on the same basis and grant the same privileges as those enjoyed by the subjects or citizens of such foreign state or country: *Provided, further*, That, the Commission may, upon recommendation of the Board concerned, authorize the issuance of a certificate of registration/license or a special temporary permit to foreign professionals who desire to practice their professions in the country under reciprocity and other international agreements, consultants in foreign-funded, joint venture or foreign-assisted projects of the government, employees of Philippine or foreign private firms or institutions pursuant to law, or health professionals engaged in humanitarian mission for a limited period of time: *Provided, finally*, That agencies, organizations or individuals whether public or private, who secure the services of a foreign professional authorized by law to practice in the Philippines for reasons aforementioned, shall be responsible for securing a special permit from the Professional Regulation Commission (PRC) and the Department of Labor and Employment (DOLE) pursuant to PRC and DOLE rules;

(k) To authorize any officer of the Commission to administer oaths;

rate the examination papers with the name and signature of the Board member concerned appearing thereon and submit the results in all subjects duly signed by the members of the Board to the Commission within ten (10) days from the last day of examination unless extended by the Commission for justifiable cause/s; and subject to the approval by the Commission, determine the appropriate passing general average rating in an examination if not provided for in the law regulating the profession; and

(l) To prepare an annual report of accomplishments on programs, projects and activities of the Board during the year for submission to the Commission after the close of each calendar year and make appropriate recommendations on issues or problems affecting the profession to the Commission.

SEC. 10. Compensation of the Members of the Professional Regulatory Boards. - The members of the Professional Regulatory Boards shall receive compensation equivalent to, at least, two salary grades lower than the salary grade of the Commissioners: *Provided*, That the Chairperson of the Regulatory Board shall receive a monthly compensation of two steps higher than the members of the Board, and: *Provided, further*, That they shall be entitled to other allowances and benefits provided under existing laws.

SEC. 11. Persons to Teach Subjects for Licensure Examination on all Professions. - All subjects for licensure examinations shall be taught by persons who are holders of valid certificates of registration and valid professional licenses of the profession and who comply with the other requirements of the CHED.

SEC. 12. Assistance of Law Enforcement Agency. - Any law enforcement agency shall, upon call or request of the Commission or of any Professional Regulatory Board, render assistance in enforcing the regulatory law of the profession including the rules and regulations promulgated thereunder by prosecuting the violators thereof in accordance with law and the rules of court.

SEC. 13. Appropriations. - The amount necessary to carry out the initial implementation of this Act shall be charged against the current year's appropriations of the Professional Regulation

(q) To implement the program for the full computerization of all licensure examinations given by the various professional regulatory boards including the registration of professionals not later than the year 2003 and other operations of the Commission;

(r) To investigate and decide administrative matters involving officers and employees under the jurisdiction of the Commission;

(s) To investigate *motu proprio* or upon the filing of a verified complaint, any member of the Professional Regulatory Boards for neglect of duty, incompetence, unprofessional, unethical, immoral or dishonorable conduct, commission of irregularities in the licensure examinations which taint or impugn the integrity and authenticity of the results of the said examinations and, if found guilty, to revoke or suspend their certificates of registration and professional licenses/identification cards and to recommend to the President of the Philippines their suspension or removal from office as the case may be;

(t) To issue summons, *subpoena* and *subpoena duces tecum* in connection with the investigation of cases against officials and employees of the Commission and the members of the Professional Regulatory Boards;

(u) To hold in contempt an erring party or person only upon application with a court of competent jurisdiction;

(v) To call upon or request any department, instrumentality, office, bureau, institution or agency of the government including local government units to render such assistance as it may require, or to coordinate or cooperate in order to carry out, enforce or implement the professional regulatory policies of the government or any program or activity it may undertake pursuant to the provisions of this Act;

(w) To initiate an investigation, upon complaint under oath by an aggrieved party, of any person, whether a private individual or professional, local or foreign, who practices the regulated profession or occupation without being authorized by law, or without being registered with and licensed by the concerned regulatory board and issued the corresponding license/professional identification card or temporary or special permit, or who commits

any of the prohibited acts provided in the regulatory laws of the various professions, which acts are criminal in nature, and, if the evidence so warrants, to forward the records of the case to the office of the city or provincial prosecutor for the filing of the corresponding information in court by the lawyers of the legal services of the Commission who may prosecute said case/s upon being deputized by the Secretary of Justice;

(x) To prepare an annual report of accomplishments on the programs, projects and activities of the Commission during the year for submission to Congress after the close of its calendar year and make appropriate recommendations on issues and/or problems affecting the Commission, the Professional Regulatory Board, and the various professions under its jurisdiction; and

(y) To perform such other functions and duties as may be necessary to carry out the provisions of this Act, the various professional regulatory laws, decrees, executive orders and other administrative issuances.

SEC. 8. Regional Offices. - The Commission is hereby authorized to create regional offices as may be necessary to carry out their functions mandated under this Act.

SEC. 9. Powers, Functions and Responsibilities of the Various Professional Regulatory Boards. - The various professional regulatory boards shall retain the following powers, functions and responsibilities:

(a) To regulate the practice of the professions in accordance with the provisions of their respective professional regulatory laws;

(b) To monitor the conditions affecting the practice of the profession or occupation under their respective jurisdictions and whenever necessary, adopt such measures as may be deemed proper for the enhancement of the profession or occupation and/or the maintenance of high professional, ethical and technical standards, and for this purpose the members of the Board duly authorized by the Commission with deputized employees of the Commission, may conduct ocular inspections in industrial, mechanical, electrical or chemical plants or establishments, hospitals, clinics, laboratories, testing facilities, mines and quarries, other engineering facilities

(c) To hear and investigate cases arising from violations of their respective laws, the rules and regulations promulgated thereunder and their Codes of Ethics and, for this purpose, may issue summons, *subpoena* and *subpoena duces tecum* to alleged violators and/or witnesses to compel their attendance in such investigations or hearings: *Provided*, That, the decision of the Professional Regulatory Board shall, unless appealed to the Commission, become final and executory after fifteen (15) days from receipt of notice of judgment or decision;

(d) To delegate the hearing or investigation of administrative cases filed before them except in cases where the issue or question involved strictly concerns the practice of the profession or occupation, in which case, the hearing shall be presided over by at least one (1) member of the Board concerned assisted by a Legal or Hearing Officer of the Commission;

(e) To conduct, through the Legal Officers of the Commission, summary proceedings on minor violations of their respective regulatory laws, violations of the rules and regulations issued by the boards to implement their respective laws, including violations of the general instructions to examinees committed by examinees, and render summary judgment thereon which shall, unless appealed to the Commission, become final and executory after fifteen (15) days from receipt of notice of judgment or decision;

(f) Subject to final approval by the Commission, to recommend registration without examination and the issuance of corresponding certificate of registration and professional identification card;

(g) After due process, to suspend, revoke or reissue, re-instate certificate of registration or licenses for causes provided by law;

(h) To prepare, adopt and issue the syllabi or tables of specifications of the subjects for examinations in consultation with the academe, determine and prepare the questions for the licensure examinations which shall strictly be within the scope of the syllabus or table of specifications of the subject for examination; score and

(i) To supervise foreign nationals who are authorized by existing laws to practice their professions either as holders of a certificate of registration and a professional identification card or a temporary special permit in the Philippines; to ensure that the terms and conditions for their practice or of their employment are strictly complied with; to require the hiring or employing government agency or private entity/institution to secure a temporary special permit from the concerned Board subject to approval by the Commission and to file a criminal complaint against the head of the government agency or officers of the said private entity/institution, who shall be liable under the penalty provided for in the concerned professional regulatory law or the penalty imposed pursuant to this Act, when the professional was hired and allowed to practice his/her profession without permit; to file upon due process request for deportation with the Bureau of Immigration and Deportation (BID); and to supervise professionals who were former citizens of the Philippines and who had been registered and issued a certificate of registration and a professional identification card prior to their naturalization as foreign citizens, who may, while in the country on a visit, sojourn or permanent residence, practice their profession: *Provided*, That, prior to the practice of their profession they shall have first been issued a special permit and updated professional identification card by the Board concerned subject to approval by the Commission and upon payment of the permit and annual registration fees;

(m) To monitor the performance of schools in licensure examinations and publish the results thereof in a newspaper of national circulation;

(n) To adopt and institute a comprehensive rating system for universities, colleges, and training institutes based on the passing ratio and overall performance of students in board examinations;

(o) To exercise administrative supervision over the various professional regulatory boards and its members;

(p) To adopt and promulgate such rules and regulations as may be necessary to effectively implement policies with respect to the regulation and practice of the professions;

EXECUTIVE ORDER NO. 200

INSTITUTIONALIZATION OF THE FULL COMPUTERIZATION OF THE LICENSURE EXAMINATIONS ADMINISTERED BY THE VARIOUS REGULATORY BOARDS UNDER THE SUPERVISION OF THE PROFESSIONAL REGULATION COMMISSION

WHEREAS, various professions have a crucial role to play in nation-building;

WHEREAS, the quality of the members of a profession and the confidence of the public in their competence depend to a significant extent on the adequacy and integrity of the professional licensure examination; ...

WHEREAS, the utilization of computers and information technology can considerably enhance the efficient and effective administration of licensure examinations, including measures to protect the integrity of the examination process and the expeditious release of results;

WHEREAS, under Section 5 of Presidential Decree No. 223, as amended, and other professional regulatory laws, the licensure examination is a function carried out jointly by the Professional Regulation Commission and the various Professional Regulatory Boards and is the most vital means of initially certifying the technical fitness or competence of an aspirant for the practice of a profession; and

WHEREAS, pursuant to Executive Order No. 56, dated February 9, 1993, the administrative supervision over the Professional Regulation Commission pertains to the Office of the President; ...

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The Professional Regulation Commission shall undertake measures toward the full computerization of the licensure examinations of all Professional Regulatory Boards under the supervision of that Commission.

SECTION 2. The Professional Regulation Commission, in coordination with the various Professional Regulatory Boards, shall issue the necessary guidelines to implement the full computerization of licensure examinations to cover the following matters:

- A. Examination Objective, Standards, and Nature;
- B. Establishment and Operation of a Computerized Test Bank; and
- C. Correction of Test Papers and Grading, Deliberating, Decoding, and Release of Test Results through Computers.

SECTION 3. This Executive Order shall take effect immediately. ...