

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

July 8, 2008

REVENUE MEMORANDUM CIRCULAR NO. 51 - 2008

**SUBJECT : CIRCULARIZING MEMORANDUM CIRCULAR “MC No. 03, s. 2001”
DATED JANUARY 26, 2001 OF THE CIVIL SERVICE COMMISSION
EMBODYING THE REVISED POLICIES ON MERIT PROMOTION PLAN**

TO : ALL REVENUE OFFICIALS, EMPLOYEES AND OTHERS CONCERNED

For the information and guidance of all concerned, circularized hereunder is the full text of Memorandum Circular “MC No. 03, s. 2001” dated January 26, 2001 of the Civil Service Commission embodying the “Revised Policies on Merit Promotion Plan”, quoted as follows:

“MC No. 03, s. 2001

MEMORANDUM CIRCULAR

**TO : ALL HEADS OF DEPARTMENTS, BUREAUS, OFFICES
AND AGENCIES OF THE NATIONAL AND LOCAL
GOVERNMENTS, INCLUDING STATE UNIVERSITIES AND
COLLEGES AND GOVERNMENT-OWNED-AND-
CONTROLLED CORPORATIONS WITH ORIGINAL CHARTER**

SUBJECT : REVISED POLICIES ON MERIT PROMOTION PLAN

Pursuant to CSC Resolution No. 010114 dated January 10, 2001, the Commission hereby adopts the following revised policies on Merit Promotion Plan. These policies, developed and refined in consultation with the different sectors of the government are as follows:

1. Selection of employees for appointment in the government service shall be open to all qualified men and women according to the principle of merit and fitness.

There shall be equal employment opportunity for men and women at all levels of position in the agency, provided they meet the minimum requirements of the position to be filled.

2. The Merit Promotion Plan shall cover positions in the first, second and third level and shall also include original appointments and other related personnel actions.

There shall be no discrimination in the selection of employees on account of gender, civil status, disability, religion, ethnicity, or political affiliation.

3. When a position in the first, second or third level becomes vacant, applicants for employment who are competent, qualified and possess appropriate civil service eligibility shall be considered for permanent appointment.

In addition to the required qualifications, applicants for third level positions must possess executive and managerial competence.

4. Vacant positions marked for filling shall be published in accordance with Republic Act 7041 (Publication Law). The published vacant positions shall also be posted in at least three (3) conspicuous places in the agency for at least ten (10) calendar days. Other appropriate modes of publication shall be considered.

Filling of vacant positions in the national government agencies (NGAs), government-owned-and controlled corporations (GOCCs) and state universities and colleges (SUCs) shall be made after ten (10) calendar days from their publication; in the local government units (LGUs) it shall be made after fifteen (15) calendar days from their publication.

The publication of a particular vacant position shall be valid until filled up but not to extend beyond six (6) months reckoned from the date the vacant position was published.

5. The following positions are exempt from the publication requirement:

- a. Primarily confidential positions;
- b. Positions which are policy determining;
- c. Highly technical positions;
- d. Other non-career positions;
- e. Third level positions (Career Executive Service); and
- f. Positions to be filled by existing regular employees in the agency in case of reorganization

6. A Personnel Selection Board (PSB) for first and second level positions shall be established in every agency, preferably with the following composition:

- a. As Chairperson

- a.1. Agency Head or the authorized representative;
- a.2. Local Chief Executive for LGUs or the authorized

representative;

- a.3. Vice-Governor/Vice-Mayor or the authorized representative if the vacant position is in his/her Office or in the Office of the Sanggunian;
- b. Division Chief or the authorized career service representative of the organizational unit where the vacancy is;
- c. Human Resource Management Officer or the career service employee directly responsible for personnel management; and
- d. Two representatives of the rank-and-file career employees, one from the first level and one from the second level, who shall both be chosen by the duly accredited employee association in the agency.

In case there is no accredited employee association in the agency, the representatives shall be chosen at large by the employees through a general assembly. The candidate who garners the second highest votes shall automatically be the alternate representative. Any other mode of selection may be conducted for the purpose.

The first level representative shall participate during the screening of candidates for vacancies in the first level; the second level representative shall participate in the screening of candidates for vacancies in the second level. Both rank-and-file representatives shall serve for a period of two (2) years. For continuity of operation, the agency accredited employee association may designate an alternate.

7. The PSB members including alternate representatives for first, second and third level positions shall undergo orientation and workshop on the selection/promotion process and CSC policies on appointments.
8. All candidates for appointment to first and second level positions shall be screened by the PSB. Candidates for appointment to third level positions shall be screened by the PSB for third level positions composed of at least three (3) career executive service officials as may be constituted in the agency.

Appointment to the following positions shall no longer be screened by the PSB:

- a. Substitute appointment due to their short duration and emergency nature. However, should the position be filled by regular appointment, candidates for the position should be screened and passed upon by the PSB;

- b. Appointment of faculty members and academic staff of state universities and colleges who belong to the closed career service;
 - c. Appointment to entry laborer positions;
 - d. Appointment to personal and primarily confidential positions; and
 - e. Renewal of temporary appointment issued to the incumbent personnel.
- 9. The agency head shall, as far as practicable, ensure equal opportunity for men and women to be represented in the PSB for all levels.
- 10. For vacancies in the first and second levels, all qualified next-in-rank employees shall be automatically considered candidates for promotion to the next higher position.
- 11. The PSB shall maintain fairness and impartiality in the assessment of candidates for appointment. Towards this end, the PSB may employ the assistance of external or independent resource persons and may initiate innovative schemes in determining the best and most qualified candidate.
- 12. The appointing authority shall assess the merits of the PSB's recommendation for appointment and in the exercise of sound discretion, select, in so far as practicable, from among the top five ranking applicants deemed most qualified for appointment to the vacant position.
- 13. The appointing authority may appoint an applicant who is not next-in-rank but possesses superior qualification and competence, and has undergone selection process.
- 14. The comparative competence and qualification of candidates for appointment shall be determined on the basis of:

14.1 PERFORMANCE

14.1.1 For appointment by promotion, the performance rating of the appointee for the last rating period prior to the effectivity date of the appointment should be at least very satisfactory.

14.1.2 For appointment by transfer, the performance rating for the last rating period immediately preceding the transfer from the former office or agency should be at least very satisfactory.

14.2 EDUCATION and TRAINING

14.3 EXPERIENCE and OUTSTANDING

ACCOMPLISHMENTS

14.4 PSYCHO-SOCIAL ATTRIBUTES and PERSONALITY TRAITS

14.5 POTENTIAL

15. An employee may be promoted or transferred to a position which is not more than three (3) salary, pay or job grades higher than the employee's present position except in very meritorious cases, such as: if the vacant position is next-in-rank as identified in the System of Ranking Positions (SRP) approved by the head of agency, or the lone or entrance position indicated in the agency staffing pattern.
16. An employee should have rendered at least very satisfactory service for the last rating period in the present position before being considered for promotion.
17. An employee who is on local or foreign scholarship or training grant or on maternity leave may be considered for promotion.

For this purpose, performance rating to be considered shall be the rating immediately prior to the scholarship or training grant or maternity leave.

If promoted, the effectivity date of the promotional appointment shall be on the assumption to duty.

18. Promotion within six (6) months prior to the compulsory retirement shall not be allowed except as otherwise provided by law.
19. A notice announcing the appointment of an employee shall be posted in three conspicuous places in the agency a day after the issuance of the appointment for at least fifteen (15) calendar days.
20. The approved agency Merit Promotion Plan shall be used as one of the bases for the expeditious approval of appointments, for attestation and accreditation to take final action on appointments.
21. All government agencies shall submit their Merit Promotion Plan to the Civil Service Commission which shall take effect immediately upon approval. All subsequent amendments shall take effect immediately upon approval by the Civil Service Commission.
22. An Agency is not precluded from adopting a name or title for its **Merit Promotion Plan**.

This Circular repeals all other existing Civil Service Commission issuances which are inconsistent herewith.

Please be guided by the enclosed model* in the preparation of your Agency Merit Promotion Plan which shall be submitted to the Civil Service Commission Regional Office concerned not later than June 30, 2001 for approval.

(Sgd.) CORAZON ALMA G. DE LEON
Chairman

26 January 2001

CSC Resolution No. 010114 "Revised Policies on Merit Promotion Plan",
was published January 16 in the Manila Standard.

*The MPP model can be secured from any CSC regional/field office."

All concerned are hereby enjoined to be guided accordingly and give
this Circular a wide publicity as possible.

(Original Signed)
LILIAN B. HEFTI
Commissioner of Internal Revenue

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Copy furnished:

Civil Service Commission
Secretary of Finance