



MC No. 03, s. 2014

MEMORANDUM CIRCULAR

TO : ALL HEADS OF CONSTITUTIONAL BODIES; DEPARTMENTS, BUREAUS AND AGENCIES OF THE NATIONAL GOVERNMENT; LOCAL GOVERNMENT UNITS; GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS WITH ORIGINAL CHARTERS; AND STATE UNIVERSITIES AND COLLEGES

SUBJECT : Clarification on the Guidelines on the Placement of Personnel Relative to the Implementation of Approved Rationalization Plans of Agencies

Pursuant to CSC Resolution No. 1400147 promulgated on January 28, 2014, the Commission adopts the following policies clarifying the guidelines on the placement of personnel relative to the implementation of approved Rationalization Plans of agencies:

1. Upon receipt of the approved Rationalization Plan from the Department of Budget and Management or the Governance Commission for Government Owned and/or Controlled Corporations (GCG), the agency, through the Placement Committee, as provided under CSC MC No. 13, s. 1988, shall place the incumbents to the same or comparable positions in the approved rationalized staffing pattern.

Comparable position is determined based not solely on salary grade but also on the duties and responsibilities of the positions and level of position in the organizational structure or plantilla of the agency. Positions may be considered to be comparable if they belong to the same occupational grouping and the duties and responsibilities of the positions are similar and/or related to each other. These positions may not necessarily be of the same salary grade but may be a grade higher than that of the old position. To illustrate, the position of Senior Manpower Development Officer (SG 18) is comparable to the position of Senior Labor and Employment Officer (SG 19).

The DBM and GCG shall settle any controversy arising from the determination whether a new position is considered comparable to the old position.

Incumbents to positions under permanent status who are placed to the same or comparable positions during the implementation of the approved agency rationalization plan are considered to have met the qualification standards for the position.

An appointment shall be issued to an incumbent who is placed to a comparable position which has a different position title than the previous item held. On the other hand, a Notice of Change of Item Number shall be issued to an incumbent placed to a position with the same position title. A plantilla-type of Notice may be prepared by an agency instead of individual notices. A copy of the Notice shall be submitted to the CSC Field Office concerned for record purposes.

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2. In the event that the number of incumbents exceeds the number of retained positions in the approved rationalized staffing pattern, then the order of separation and preference established under Sections 3 and 4 of RA 6656 (An Act to Protect the Security of Tenure of Civil Service Officers and Employees in the Implementation of Government Reorganization) shall apply.

To illustrate, if a section with five (5) Administrative Aide IV (SG- 4) positions is to be merged with another section and only three (3) Administrative Aide IV positions are retained in the approved rationalized staffing pattern, the incumbents to the Administrative Aide IV position who are most qualified in terms of performance and merit shall be given preference, length of service notwithstanding. All things being equal, seniority may be considered as an additional criterion.

For the two (2) incumbents to subject position who are not placed in said section, the agency could look for comparable positions in other units which match their skills and competencies.

If subject employees will not be placed in comparable positions in other units, they shall be considered "Affected Personnel".

3. All efforts shall be exhausted to place incumbents holding permanent appointments to the approved rationalized staffing pattern. Placement of incumbent personnel to higher positions which constitutes promotion shall **not** be allowed while placement to same or comparable is not yet completed.

Regular recruitment and placement shall commence when all incumbents are placed to the same or comparable positions in the approved rationalized staffing pattern. The Affected Personnel may apply to the remaining vacant positions and shall vie for the position together with other internal and external applicants. Personnel placed to the same or comparable positions as a result of the rationalization may also vie for promotion to higher position subject to existing QS, using the results of their latest performance ratings.

The agency may perform the preliminary processes of screening and assessment prior to the issuance of the Notice of Organization, Staffing and Compensation Action (NOSCA) by the DBM. The agency shall use the Indicative Staffing Pattern included in the approved Rationalization Plan as reference for placement of personnel to comparable positions.

The agency may also conduct the screening and assessment processes for residual vacant positions after placement to comparable positions. However, the agency shall wait for the issuance of the NOSCA by the DBM prior to issuance of appointment for said positions.

4. Incumbents to positions with functions which have been declared redundant or non-core services/activities of the units/agencies in the departments/agencies and could no longer be accommodated in the agency's approved staffing pattern are also considered "Affected Personnel".

5. Affected Personnel have to decide within two (2) months from the date of approval of the Agency Rationalization Plan on any of the following options to take:

- 5.1 Retire with the applicable incentives;
- 5.2 Transfer to other agencies needing additional personnel, to be handled by the CSC, without reduction in salary; or
- 5.3 Remain in their respective mother agency and their positions shall be marked as coterminus with the incumbent (CTI), to be abolished once vacated, except those personnel occupying medical items who have to be transferred to a Department of Health (DOH)-supervised hospital of their choice, if they will not opt to retire/be separated.

Affected Personnel who would opt to remain in government service but would later decide to retire after the expiration of the two-month deciding period would be allowed to retire under any of the regular retirement schemes, as applicable.

A Summary Report on employees who retired and/or transferred to other agencies, if any, pursuant to EO 366 shall be submitted by the agency concerned to its corresponding CSC Field Office for record purposes.

6. The originating agency of the Affected Personnel is termed as the Mother Agency while the agency where the Affected Personnel will be transferred and placed is termed as the Recipient Agency. The List of Recipient Agencies will be provided by the DBM to the Mother Agencies to help Affected Personnel in choosing their preferred Recipient Agencies.
7. The Mother Agency shall provide the CSC with the list of names of all Affected Personnel who opted to be transferred to other agencies and their preferred three (3) Recipient Agencies.
8. The CSC shall match the position, qualifications and skills of the Affected Personnel with the needs of the identified Recipient Agencies within a period of two months.
9. If after the two-month period has elapsed and the CSC has not found a match in the preferred Recipient Agencies and other agencies within the present province/region of assignment of the Affected Personnel, then the employee shall be transferred to the CSC pool and shall remain therein until a match can be found. The DBM shall likewise transfer the corresponding Personnel Services (PS) budget to the CSC.
10. The Transfer Order (TO), a document which is signed by the CSC Regional Director indicating the place of assignment of the Affected Personnel, shall legitimize the transfer and formal integration of the Affected Personnel to the Recipient Agency. The TO is issued to Affected Personnel concerned, copy furnished the DBM.

Upon receipt by the DBM of the TO, it will prepare and issue the NOSCA, and the necessary Special Allotment Release Order and Notice of Cash Allocation for the PS requirements of the transferred personnel.

11. There shall be no diminution in the salary of the placed personnel. They shall have the full rights to all the benefits which may be available to other government employees, including the Collective Negotiation Agreement (CNA) incentives of the recipient agencies.

In case there is a difference between the benefits enjoyed by employees in the mother agency and in the recipient agency of the placed personnel, the placed personnel shall enjoy the larger benefits for a period of one (1) year. However, placed personnel shall no longer be entitled to certain allowances such as those that are given corresponding to the performance of specific functions which would no longer form part of their new functions.

12. If a match has been found by the CSC but the Affected Personnel objects to be placed in the Recipient Agency or does not accept the offer for placement, the Affected Personnel shall be deemed separated/retired, and shall be paid separation/retirement/unemployment benefit, whichever is applicable under existing laws, without the corresponding incentives.
13. The placed personnel shall enjoy security of tenure in the agency where they have been assigned in accordance with Civil Service rules and regulations. The positions of the placed personnel in the recipient agency shall be co-terminus with the incumbent, i.e., the item shall be abolished only upon vacancy due to appointment to a position in the absorbing agency, transfer to another government agency, retirement, separation, at which time the funds corresponding to the vacated position shall revert to the General Fund.

This Memorandum Circular shall take effect immediately.


ROBERT S. MARTINEZ
Commissioner

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