

SISON, Maricon

Re: Query; Step Increment

x-----x

RESOLUTION NO. 02-1479

Maricon M. Sison, Division Manager A, National Electrification Administration (NEA), NIA Road Government Center, Diliman, Quezon City requests clarification relative to her claim for the grant of step increment.

In her request, Sison represents, as follows:

"3. My Service Record x x x shows that my last promotion was in April 1991. Following the provisions of the Joint Resolution and Joint Circular mentioned in No. 2 above and the 'Very Satisfactory' ratings I got every rating period since the implementation of the system, I am entitled to one step increment under Section 1 Merit Schedule and another step under Section 2 Length of Service of Rule III of the 'Rules and Regulations Governing the Grant of Step Increments to Deserving Officials and Employees of the Government' every three years i.e. in 1994, 1997, 2000.

"4. The NEA HRM allegedly granted me one step increment in 1996 and another in 1999 (still unverified) based on their reckoning date of 1993. The 1993 reckoning date was based on the reorganization made in that year by the newly installed NEA Administrator. When the Court of Appeals declared the 1988 reorganization (during the term of former Administrator Rodrigo Cabrera) null and void due to some technicalities, the new Administrator Teodorico Santos instead of appealing the C.A. ruling opted to conduct a reorganization. This was the subject of my protest/appeal to the Civil Service Commission.

"5. The CSC rules in my favor thus the issuance of Resolution Nos. 93-4903, 94-1454, 95-4774 and 96-2724, the relevant portion of which states that 'on the matter of Sison's entitlement to the basic salary and RATA pertaining to the position of Division Manager A, she is entitled to the same continuously without any interruption'. x x x

"6. Therefore, the reckoning date of 1993 applied by the NEA HRM in my case is out of order and has no legal basis in fact and in law, but only defeating the purpose of the Resolutions mentioned x x x and the implementing rules on the grant of step increments.

"7. If my claim for reinstatement of step increments in 1994 and every 3 years thereafter until I am promoted will be granted will be granted, my basic salary had to be adjusted to reflect the step increments in 1994 and not in

1996 x x x."

When requested to comment, Diana M. San Luis, Manager for Human Resource Management Department, said agency, claimed, as follows:

"It was during the assumption of the undersigned as HRM Manager in late 1993 that Joint CSC-DBM Circular No. 1, s. 1990 was reviewed and, later applied to all qualified employees, three (3) years after (1996), based on length of service. This was anchored on the 1993 'reorganization appointments' which became the reference of granting the same, due to the nullification of the 1988 reorganization, Ms. Sison being one of the beneficiaries.

"As to step increment based on Merit, the same was immediately implemented and adopted for Model Employees who were given awards during the anniversary of NEA, since they were considered NEA's outstanding employees. The scheme also covered CES-related circulars. Eventually, merit increment was superseded by Joint House Resolution No. 1 or what is termed as Salary Standardization Law II (SSL II) x x x.

X X X

"The continuous allegation on harassment is without basis as her claims cannot be decided unilaterally by this agency, less (sic) it could be accused of selective decision or favoritism. The appropriate agency is the CSC and perhaps the DBM who can interpret the framing and intention of the issue on step increment. The NEA can only present the event that transpired and on why the application of benefits was such."

Records disclose that NEA granted Sison one (1) step increment (length of service) each in 1996 and 1999 reckoned from calendar year 1993. However, Sison asserted that since she was last promoted in April, 1991 she should have been entitled to the said benefits as early as 1994. In support of her claim, Sison submitted her service record issued by the Manager of the Personnel Division on March 9, 2001. Moreover, Sison stressed that she should likewise be entitled to the grant of step increment on the basis of merit for consistently obtaining very satisfactory in her performance ratings.

A cursory reading of the instant query reveals that the focal issue that needs to be clarified is whether Sison is entitled to the grant of step increments effective 1994, instead of 1996.

In point are **Section 1(b), Rule II and Section 2, Rule III of Joint Circular No. 1, s. 1990** which provide, as follows:

"Rule II. Selection Criteria

"Section 1. Step increments shall be granted to all deserving officials and employees x x x

X X X

'(b) Length of Service – For those who have rendered continuous satisfactory service in a particular position for at least three (3) years.'

"Rule III. Step Increments

X X X

"Section 2. Length of Service – A one (1) step increment shall be granted officials and employees for every three (3) years of continuous satisfactory service in the position. Years of service in the position shall include the following:

'(a) Those rendered before the position was reclassified to a position title with a lower or the same salary grade allocation; and

'(b) Those rendered before the incumbent was transferred to another position within the same agency or to another agency without a change in position title and salary grade allocation.'

"In the initial implementation of step increments in 1990, an incumbent shall be granted step increments equivalent to one (1) step for every three (3) years of continuous satisfactory service in a given position occupied as of January 1, 1990."

A thorough scrutiny of the aforequoted provisions reveals that the grant of step increment on the basis of length of service requires that an employee must have rendered at least three (3) years of continuous and satisfactory service in the same position to which he/she is an incumbent.

To determine whether or not service is continuous, it is necessary to define what actual service is. "Actual service" refers to the period of continuous service since the appointment of the official or employee concerned, including the period or periods covered by any previously approved leave with pay (**Section 28, CSC Memorandum Circular No. 41, s. 1998**).

Upon scrutiny of Sison's service record, it is clear that she has been continuously occupying her present position of Division Manager A since April 1, 1991. This being so, reckoned from the year 1991, she should be entitled to the grant of one (1) step increment each for the years 1994, 1997 and 2000, provided that services rendered during the inclusive years were rated at least satisfactory.

On the other hand, the grant of step increment based on merit under Joint CSC-DBM Circular No, 1, s. 1990 has long been repealed by **Item (8) of Joint Resolution No. 01** of the Congress of the Philippines and approved by then President Fidel V. Ramos on March 7, 1994. The legislative resolution provides that step increment be based only on length of service.

WHEREFORE, the Commission resolves to rule that Maricon M. Sison is entitled to the grant of three (3) step

increments based on length of service reckoned from 1991 provided she has met the other requirements set forth in Joint CSC-DBM Circular No. 1, s. 1990.

Quezon City, November 08, 2002

(Signed)
KARINA CONSTANTINO-DAVID
Chairman

(Signed)
J. WALDEMAR V. VALMORES
Commissioner

O.B.
JOSE F. ERESTAIN, JR.
Commissioner

Attested by:

(Signed)
ARIEL G. RONQUILLO
Director III

*CPS/mgmr/11042002
fpg/rtm/x4/y8/rco(fuji25)
sison/O-01-0133*