

Republika ng Pilipinas
(Republic of the Philippines)
MINISTERI NG EDUKASYON, KULTURA AT ISPORTS
(MINISTRY OF EDUCATION, CULTURE AND SPORTS)
Maynila

June 3, 1985

MECS O R D E R
No. 36, s. 1985

STUDY AND REVIEW OF CONTRACTS OF PERSONNEL AND MANAGEMENT
SERVICES AND OF SERVICES OF DETAILED PERSONNEL

To: Deputy Ministers
Assistant Secretaries
Bureau Directors/Cultural Agency Directors
Regional Directors
Schools Superintendents
Chief of Service and Heads of Centers/Units
Presidents, State Colleges and Universities
Vocational School Superintendents/Administrators

1. Inclosed is a copy of Memorandum Circular No. 5, s. 1985 of the Civil Service Commission entitled "Study and Review of Contracts of Personnel and Management Services and of Services of Detailed Personnel," which is self-explanatory.

2. It is desired that the measures prescribed in the said Memorandum Circular to enforce policies in the hiring of contractual personnel including private consultants and the use of detailed personnel be strictly observed. The lists of contractual employees desired therein should be submitted to the appropriate Regional Offices of the Civil Service Commission and the list of detailed personnel to the Office of the Chairman, Civil Service Commission, not later than May 31, 1985.

3. Compliance is requested.

(SGD.) JAIME C. LAYA
Minister

Incl.:
As stated

Reference:
None

Allotment: 1-3-4-(D.O. 1-76)

To be indicated in the Perpetual Index
under the following subjects:
BUREAUS & OFFICES
EMPLOYEES
RULES & REGULATIONS

Republika ng Pilipinas
KOMISYON NG SERBISYO SIBIL
(CIVIL SERVICE COMMISSION)

MC # 5, 1985

MEMORANDUM CIRCULAR

TO : ALL HEADS OF MINISTRIES, BUREAUS AND AGENCIES OF THE NATIONAL GOVERNMENT, INCLUDING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS AND ITS SUBSIDIARIES, AND STATE COLLEGES AND UNIVERSITIES

SUBJECT : STUDY AND REVIEW OF CONTRACTS OF PERSONNEL AND MANAGEMENT SERVICES AND OF SERVICES OF DETAILED PERSONNEL

It has come to the attention of the Commission that a substantial volume of the regular work in government is being performed by contractual personnel, consultants hired from private firms and detailed personnel.

The hiring of contractual personnel including private consultants and the use of detailed personnel are resorted to as short-term measures to meet the exigencies of the service or specific requirements of a special project. However, when these types of personnel are employed and assigned to perform regular or recurring functions, deterioration in the efficiency of in-house capabilities and of the morale of regular employees may result particularly in agencies where there are existing organic units or personnel who are mandated to perform the work or functions assigned to contractual or detailed employees.

Since the above situation has a direct impact on the professional growth, efficiency and morale of permanent employees in government service, the Commission finds it necessary to reiterate its policies on the matter and to prescribe the following measures to enforce said policies:

A. On Contractual Employment

1. A contractual employment is one entered into by a person whose employment in a particular ministry or agency is in accordance with a special contract to undertake a specific work or job requiring special or technical skills not available in the said ministry or agency, to be accomplished within a specific period, which in no case shall exceed one (1) year, and performs or accomplishes the specific work or job under his own responsibility with a minimum of direction or supervision. For purposes of this Circular, contractualemployment shall include the hiring of private consultants and management service contracts with management consultancy firms.

2. Contracts of services shall be issued only to highly skilled scientific and technical personnel whose expertise or technical skill are not available in the ministry or agency concerned. In all cases, there has to be a project or specific job or work to be accomplished for a specific period.
3. In no case shall contractual appointments or contracts of personnel services be issued to non-technical personnel or those whose duties and functions are clerical or administrative in nature or those who will hold positions in the labor or trades and crafts groups. If such services are needed in support of the job or project, the regular staff or personnel may be augmented by hiring on casual or emergency basis.
4. Contractual personnel may be hired only if these are authorized, appropriate, and funds are available to support the payment of their salaries.
5. Contractual employees may be hired only when unavoidable and necessary under the following situations:
 - a. Where the desired expertise is unavailable among the regular staff;
 - b. Where because of unattractive pay or other factors, recruitment on a regular employment status is virtually impossible.
 - c. Where the service to be rendered is of short duration and the service has to be terminated thereafter; and
 - d. Where the work to be accomplished is very urgent, and in utilizing the regular staff, other functions of the organizational unit concerned shall be widely prejudiced.
6. Contractual employees and consultants may be allowed not more than two (2) part-time contracts with two (2) government agencies at one time. In no case should they be designated Officers-in-Charge or Executive Directors of the like wherein they exercise control or supervision over regular personnel in the hiring agency. Attention in this connection is invited to prohibitions on double compensation for elective or appointive public officers or employees unless specifically authorized by law.
7. All contracts of personnel services including contracts for consultancy management services shall be submitted to the Commission for final review and confirmation. Contracts of personnel services shall first be forwarded to the Office

of Compensation and Position Classification, OBM before they are sent to the Commission for appropriate action pursuant to Letter of Implementation No. 29 and, similarly, contracts for consultancy and management services shall first be forwarded to the NEDA Contract Review Board not later than thirty (30) days from the date of execution or signing of the contract. This provision likewise applies to renewal of said contracts.

8. For purposes of determining the effectivity of contracts of services, the date of execution or signing between the two parties shall be the controlling date, or in its absence, the date of notarization. Periods of service in the contract shall be stipulated to take effect not earlier than the date of execution or signing of the contract of both parties concerned. The contract of services issued in accordance with pertinent laws and rules shall take effect immediately upon approval and signing by the head of agency, and if the contractual employee/consultant has started his work, he shall be entitled to receive his salary at once without awaiting approval of his contract by the Commission. The contract shall remain effective until disapproved by the Commission. Should the contract be disapproved by the Commission, the appointing authority shall be liable for the payment of the salary of the employee concerned for actual services rendered.
9. Contracts of services submitted to the Civil Service Commission or OCPC or NEDA, which have already lapsed beyond the 30 day grace period of submission under the law, shall be considered ineffective and shall be returned without action, unless delay in the submission is due to valid and justifiable reasons.
10. The following shall be required by the Commission for confirmation of original contractual appointments:
 - a. One copy of a duly notarized contractual appointment or contract of services.
 - b. One copy of CS Form No. 212 (Revised 1973 Personal Data Sheet) duly accomplished and notarized. All pertinent data on experience and education shall be indicated and all such entries shall be certified by the personnel officer of the contracting agency.
 - c. One copy of BC-CSC Form No. 1 (Position Description Form) duly accomplished and signed by the contractual appointee and the head of agency.

- d. NISA clearance which shall be attached to the contract of services.
 - e. Justification for the hiring of personnel on contractual basis within the context and meaning of Section 6(4) of PD No. 807, including a brief description of the project, job or work to be accomplished and its specific durations.
 - f. A certified true copy of the approval of the Ministry of the Budget relative to the funding or appropriation for the project, job or work to be undertaken for a specific duration.
11. The following shall be required by the Commission for confirmation of contractual appointments for renewal of services:
- a. One copy of a duly notarized contractual appointment or contract of services.
 - b. One copy of CS Form No. 212 (Revised 1973 Personal Data Sheet) duly accomplished and notarized. The previous position and salary must be indicated in the personal data sheet, including the number of the CSC Resolution approving or disapproving the previous contract.
 - c. Brief statement as to why the contract is being renewed, how many times it has been renewed and the duration of said contract, duly certified by the personnel officer of the contracting agency.
12. All ministries and agencies are hereby directed to submit to the Commission a summary list of contractual employees and consultants currently working with them, indicating opposite each name the position designation, present salary, duration of the contract and whether it is a new/original appointment or a renewal contract. Copies of the individual contracts together with the stipulated requirements as enumerated in Section 10 or Section 11 of this circular, whichever is applicable, shall be submitted as supporting documents. All unexpired contracts for consultancy and management services shall likewise be submitted.
13. The reports and documents identified in Section 12 of this Circular shall be submitted to the Commission on or before May 31, 1985. The list of contractual employees based at the regions shall be submitted to the appropriate Regional Office of the CSC. The list of contractual employees based at the head office of the agency

and all contracts for consultancy and management services shall be submitted to the Office of the Chairman of the Commission.

B. On Detail Arrangement

1. A detail is the movement of an employee from one ministry or agency to another without the issuance of an appointment, and shall be allowed only for limited period in case of employees occupying professional, technical and scientific positions. Detail is temporary and employee concerned does not lose his position.
2. No detail shall be allowed outside the original station for more than three (3) months without the consent of the employee concerned.
3. The minister or the head of the agency concerned shall submit a written request to the head of the ministry or agency, under which the personnel sought to be detailed is employed. The request shall state the organizational unit where the personnel is proposed to be detailed, the period of detail and shall specifically explain the reasons for the detail.
4. No request for detail shall be approved, unless the concurrence of the supervisor or the personnel sought to be detailed is obtained in writing.
5. Clearance and approval of the Commission shall be required for details requiring a period exceeding one year and involving the performance of regular and recurring functions in the agency where the personnel is to be detailed. Said request shall be supported by a justification statement, the proposed period of detail or plan and timetable for disengagement or plan for the eventual transfer, if any, of said personnel to the agency.
6. All ministries and agencies shall submit to the Office of the Chairman of the CSC a list of personnel detailed to them for more than one year on or before May 31, 1985.

This Circular shall take effect immediately.

(SGD.) JESUS N. BORROMEO
Chairman

April 12, 1985

A true copy