



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

DPWH-13 DPWH

DB-53-2011

MAR 22 2011

DEPARTMENT ORDER)

No. **17**)
Series of 2011)


SUBJECT : **POLICY ON THE THREE (3) SALARY GRADE LIMITATION ON PROMOTIONS**

Item No. 15 of Civil Service Commission (CSC) Memorandum Circular No. 3, series of 2001, on the subject: Revised Policies On Merit Promotion Plan, and the CSC-approved DPWH Merit Selection Plan and System of Ranking Positions provide, among others, that an employee may be promoted to a position which is not more than three (3) Salary Grades higher than his present position, except in very meritorious cases. For clarity, the CSC has later issued several Office Memoranda to further expand and clarify the same, particularly on what would constitute *meritorious cases*.

Thus, to have a common understanding and uniform interpretation and application of the said CSC ruling, and to further promote morale, efficiency and integrity in the civil service, the following guidelines in the three (3) salary grade limitation on promotion in the DPWH are hereby prescribed:

1. The policy on the three (3) Salary Grade (SG) limitation applies to promotional appointments to 1st, 2nd and 3rd level positions, except presidential appointments.
2. Such promotional appointment may be considered meritorious if it falls under any of the following situations:
 - a. When the vacant position is a lone or entry-level position as indicated in the staffing pattern of the concerned office;
 - b. When the candidate is the lone applicant and/or when the next-in-rank employee(s) is/are not qualified;
 - c. When the next-in-rank position/s, as indicated in the DPWH System of Ranking Positions, is/are vacant; or,
 - d. When the qualified next-in-rank employee(s) waived, in writing, his(their) right over the vacant position.
3. Exemption to the 3-SG limitation shall only be allowed if the concerned candidate possesses superior qualification. The candidate should pass through a deep selection process, taking into consideration his superior qualifications with regards to: a) educational achievements, b) highly specialized trainings, c) relevant work experience, and d) consistent high performance rating.
4. Notwithstanding the authority delegated to approve/issue appointments under Department Order No. 24, series of 2007, all proposed promotional appointments for exemption from the 3-SG limitation rule shall be subject to clearance from the DPWH Secretary.

This Order supplements, amends and/or modifies related issuances and shall take effect immediately.


ROGELIO L. SINGSON
Secretary



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- 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 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.



Republic of the Philippines
Civil Service Commission
Constitution Hills, Batasang Pambansa Complex, Diliman 1126 Quezon City

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Mananayon Muna

OM No. 06, s. 2006

OFFICE MEMORANDUM

TO : CSC REGIONAL AND FIELD OFFICE DIRECTORS

SUBJECT : Advisory on the Application of the Policy on the Three-Salary Grade Limitation on Promotion

The Commission has observed that despite the issuance of CSC OM No. 6, s. 2003 and OM No. 38, s. 2004, which clarify the policy on the three-salary grade limitation on promotion, there are still many CSC Regional Offices and Field Offices that automatically disapprove appointments covered by the said policy without studying further the reasons for such appointments.

To put the policy in its proper perspective, the Commission further clarifies that the three-salary grade limitation on promotion is not a hard and fast rule and, therefore, should not be made the sole basis for the disapproval of an appointment, but should be taken as an indicator of possible abuse of discretion in the appointment process.

If the appointment involves more than the salary grade limit, make a thorough evaluation of the manner and merit of the issuance of the appointment vis-à-vis the reasons or justifications of the appointing authority. If the issuance of the appointment falls under any of the meritorious cases or is based on meritorious consideration, approve the appointment if all the other requirements have been complied with.

Aside from the meritorious cases enumerated in the two previous OMs, the Commission has also considered the following situations as falling within the exception from the 3-salary grade limitation on promotion:

- a) when the appointee is the lone applicant
- b) when the qualified next-in-rank employees waived their right over the vacant position in writing
- c) when the next-in-rank position, as identified in the agency System of Ranking Positions (SRP), is vacant
- d) when next-in-rank is not qualified
- e) when the qualified next-in-rank did not apply

f) when protestant's position is also more than 3-SG lower than the protested position.

Please be guided accordingly.


KARINA CONSTANTINO-DAVID
Chairman

January 18 2005

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Mamamayan Muna

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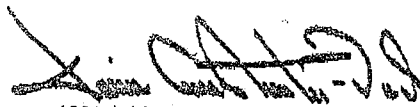
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f) when protestant's position is also more than 3-SG lower than the protested position.

Please be guided accordingly.



KARINA CONSTANTINO-DAVID
Chairman

January 18 2005

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OM No. 38, s. 2004

OFFICE MEMORANDUM

CSC REGIONAL OFFICE AND FIELD OFFICE

Clarification of the Policy on the Three-Salary Grade Limitation on Promotion

The Commission has noted that despite the issuance of CSC OM No. 6, s. 2003 on the three-salary grade limitation on promotion, the Regional and Field Offices have varied actions on appointments involving the promotion of employees to more than three salary grades higher than their present positions.

In CSC OM No. 6, s. 2003, the three-salary grade limitation on promotion is intended to limit the situation wherein a favored employee may be promoted to a higher position in the organization, to the disadvantage of qualified employees. It also covers situations where the selection of candidates for promotion is limited to a specific organizational unit or agency, thereby preventing the infusion of fresh blood into the government service. Thus, the three-salary grade limitation should be a deterrent of possible favoritism or abuse of discretion rather than as an

impediment to action, the Commission deems it proper to further clarify the above as follows:

The three-salary grade limitation shall apply only to promotion. This shall not apply to the following personnel actions which involve issuance of an

- Transfer
- Reemployment
- Reappointment
- Reclassification

Employees who are appointed in the government service for the first time, either to a career or a non-career service position, shall also be exempted from this

as defined in Section 4 (c), Rule III of the Omnibus Rules on Appointments and Personnel Actions, "is the advancement of an employee from one position to another with an increase in duties and responsibilities as authorized by law, and accompanied by an increase in salary. Promotion may be from one position in one agency to another or from one organizational unit to another within the same department or agency."

On the other hand, as defined in Section 4 (d), Rule III of the Omnibus Rules on Appointments and Personnel Actions, "is the movement of employee from one position to another which is

The position belongs to the dearth category, such as Medical Officer Specialist and Attorney positions;

A position is deemed to be in the dearth category if it is hard to fill because qualified applicants, per approved qualification standards, are difficult to find.

The position is unique and/or highly specialized, such as Actuarial and Airways Communicator positions;

Unique and/or highly specialized positions are those with highly specialized and unique duties requiring specialized education, training or skills, which may not be acquired through formal education, training programs, or experience gained from service-wide positions.

The candidates passed through a deep selection process, taking into consideration the candidates' superior qualifications in regard to:

- Educational achievements
- Highly specialized trainings
- Relevant work experience
- Consistent high performance rating/ranking

The vacant position belongs to the closed career system.

In the evaluation of appointments, which involve promotion to a position that is more than one salary grade higher than the appointee's present position, the CSC Regional and Field Offices are enjoined to exert effort to further evaluate them before disapproving the

In addition, to facilitate review and evaluation of appointments, the CSC Regional and Field Offices are likewise enjoined to require agencies under their jurisdiction to submit an SRP. The agency SRP shall be used as one of the bases for determining whether agencies observe the policy on the three-salary grade limitation on promotion as provided for under CSC MC No. 1, s. 2001.

Please be guided accordingly.


KARINA CONSTANTINO-DAVID
Chairman

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100 Years
Civil Service of
Mamamayan Muna

OM No. 06 s. 2003

OFFICE MEMORANDUM

**TO : ALL CSC REGIONAL OFFICES, FIELD OFFICERS,
AND ALL CONCERNED**

**SUBJECT : Exceptions from the Three-Salary Grade Limitation on
Promotion and Transfer**

This has reference to Policy No. 15 of the Revised Policies on Merit Promotion P. 11 CSC MC 3, s. 2001. The provision sought to be clarified provides, as follows:

"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."

The main objective of the above provision is to limit the situation wherein favored employees may be promoted to a very high position in the organization, to the disadvantage of qualified employees. It also aims to prevent situations wherein the selection of candidates for promotion is limited to employees within the organizational unit or agency, thereby preventing the infusion of fresh, young blood into the government service.

It has been observed that the provision works against employees who are qualified for the vacant position, but who were previously appointed to a low position. In the meantime that outsiders can get high positions through lateral entry, insiders, however, cannot. They have to go step by step, in accordance with the above provisions.

This memorandum is thereby issued because of the need to expand and clarify the provisions of CSC MC 4, on what would constitute as a meritorious case. The CSC Regional and Field Offices, in regard to their review and evaluation of appointments, should therefore take note of the following guidelines as provided in CSC Resolution No. 12-0105 dated January 24, 2003:

Any or all of the following would constitute as a meritorious case, excepted from salary grade limitation on promotion and transfer:

1. The position occupied by the person is next-in-rank to the vacant position, as identified in Merit Promotion Plan and the System of Ranking Positions (SRP) of the agency;
2. The position is a lone, or entrance position, as indicated in the agency staffing pattern;
3. The position belongs to the doarth category, such as Medical Officers/Specialist positions and Attorney positions;
4. The position is unique and/or highly specialized, such as Actuarial positions and Airways Communicator;
5. The candidates passed through a deep selection process, taking into consideration the candidates' superior qualifications in regard to:
 - Educational achievements
 - Highly specialized trainings
 - Relevant work experience
 - Consistent high performance rating/ranking
6. The vacant position belongs to the closed career system.

For your information and guidance.


KARINA CONSTANTINO-DAVID
Chairman

04 February 2003

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OW 3-Salary Grade