



MC No. 14, s. 2004

**MEMORANDUM CIRCULAR**

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

**SUBJECT :** Required Documents for Requests for Exemption from the Policy  
Guidelines on Contracts of Service.

Since the issuance of the Policy Guidelines on Contracts of Service, the Civil Service Commission (CSC) has received numerous requests for exemption. However, the CSC has encountered difficulties in promptly attending to many requests due to the non-availability of pertinent documents.

In CSC Resolution No. 040787 dated July 12, 2004, the CSC has resolved to require all agencies seeking exemption to submit certified copies of the following documents to expedite the processing of their request:

1. Personnel Services Itemization or PSI;
2. Position Description Form or PDF;
3. Contracts of Service or Job Order;
4. Personal Data Sheet of the hiree; and
5. Such other documents which can support the requesting agency's assertion that contracting out the services is for the a) exigency of the service, and b) it is not feasible to hire such services under a casual or a contractual appointment

It has further resolved that the absence of the foregoing documents shall mean the outright denial of the request, without prejudice, however, to its re-filing.

Please be guided accordingly.

  
**KARINA CONSTANTINO-DAVID**  
Chairman

16 July 2004

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**POLICY ON SERVICE CONTRACTS**

Re Requirements for Exemption

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**RESOLUTION NO. 040787**

**WHEREAS**, the practice of hiring people through service contracts or job orders has become so pervasive in the public sector that the need to come up with pertinent policies and guidelines has become pressing;

**WHEREAS**, the Civil Service Commission (CSC) is the central personnel agency of the government responsible for formulating and adopting measures that would promote economical, efficient and effective public personnel administration;

**WHEREAS**, seeing the need to address the gaps and loopholes in government policies on service contracts or job orders, the CSC has promulgated Resolution No. 02-0790, dated June 5, 2002, otherwise known as the Policy Guidelines for Contract of Services, as further amplified by CSC Resolution No. 02-1480, dated November 12, 2002;

**WHEREAS**, the aforementioned Policy Guidelines do not strictly prohibit the practice of service contracting or job order employment but allows exemption therefrom subject to certain conditions as stipulated under Item 8 of CSC Resolution No. 02-1480, dated November 12, 2002;

**WHEREAS**, since the adoption of the said Policy Guidelines, many government agencies have sought exemption from their coverage, but the CSC has encountered some difficulties in promptly resolving their requests due largely to non-availability of pertinent documents;

**NOW, THEREFORE**, to facilitate the processing of requests of this nature, the Commission resolves to adopt the following policy guidelines:

1. A request for exemption from the Policy Guidelines on the Contract of Service shall be filed with the Civil Service Commission Regional Office (CSCRO) having jurisdiction over the agency concerned.
2. The said request must be supported by certified copies of the following documentary evidence:

- a. Personal Services Itemization or PSI;
- b. Position Description Form/s or PDF;
- c. Contract/s of Service or job order
- d. Personal Data Sheet/s of the hiree/s; and
- e. Such other documents, if any, which can support the requesting agency's assertion that contracting out the services is done in the a) exigency of the service and b) that it is not feasible to hire such services under a casual or a contractual appointment.

3. The requesting agency must also present proof of payment of processing fee of P200.00. The fee shall be based on the number of persons in the request for exemption.

4. The absence of any of the above-listed documents, including proof of payment of the processing fee, shall warrant the outright denial of the request, without prejudice to its being re-filed, subject to the submission of all the requisite documents and justifications, and payment of the processing fee.

5. If the request for exemption is submitted through the CSC Field Office, such Field Office shall forward the request to the CSCRO for appropriate action.

6. The regional office concerned shall proceed to evaluate the request for exemption based on the documentary evidence enumerated in Item 2 hereof. Should the regional office find that the service/s being requested involve either teaching, nursing or other allied medical profession, the regional office shall proceed to dispose of the request on its merits, pursuant to Section 8 of CSC Resolution No. 02-1480, dated November 12, 2002. Its decision must be issued within fifteen (15) days from the receipt of the request.

However, if the request for exemption pertains to service/s other than those enumerated in the preceding paragraph, the regional office shall still ascertain the merits of the request based on the evidence presented, but instead of issuing any ruling or decision thereon, it shall forward or transmit the request for exemption with all the supporting documents to the

Commission *en banc*, within ten (10) days, with its appropriate recommendation. The Commission *en banc* shall then act thereon.

7. Should the regional office, after having evaluated the request and its supporting documents, resolve to deny the request, the requesting party may directly appeal the adverse decision before the Commission *en banc* within fifteen (15) days from notice thereof. For this purpose, the party must submit the grounds or justifications for the appeal, the documentary evidence set forth in Item 2 hereof, and a certified copy of the regional office's decision appealed from.

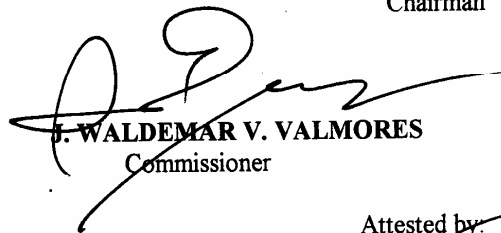
8. If the decision or resolution be the one issued by the Commission *en banc* in accordance with the second paragraph of Item 6 hereof, the aggrieved party may move for reconsideration thereof within fifteen (15) days from receipt of the decision or resolution.

9. The CSCROs shall submit to the Commission *en banc* a monthly report on the number of requests for exemption received and acted upon.

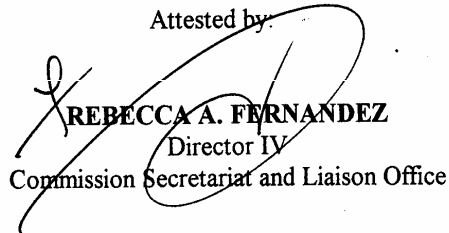
10. This policy guidelines shall take effect after fifteen (15) days from its publication in a newspaper of general circulation.

Quezon City, JUL 12 2004

  
**KARINA CONSTANTINO-DAVID**  
Chairman

  
**J. WALDEMAR V. VALMORES**  
Commissioner

**VACANT**  
Commissioner

Attested by:  
  
**REBECCA A. FERNANDEZ**  
Director IV  
Commission Secretariat and Liaison Office