

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

October 26, 2009

REVENUE MEMORANDUM ORDER NO. 38-2009

**SUBJECT : Adoption of the Revised Policies on the Settlement of
Grievance in the Bureau of Internal Revenue**

T O : All Internal Revenue Officials and Employees

In line with the Revised Policies on the Settlement of Grievance in the Public Sector contained in CSC Resolution No. 010113, dated January 10, 2001 and implemented through CSC Memorandum Circular No. 02, s. 2001, the Bureau of Internal Revenue (BIR) hereby adopts the herein Grievance Machinery for the guidance of all BIR officials and employees.

I. POLICIES

1. A grievance shall be resolved expeditiously at all times at the lowest level possible in the Bureau. However, if not settled at the lowest level possible, an aggrieved party shall present his or her grievance step by step following the hierarchy of positions.
2. The aggrieved party shall be assured freedom from coercion, discrimination, reprisal and biased action on the grievance.
3. Grievance proceedings shall not be bound by legal rules and technicalities. Even verbal grievance must be acted upon expeditiously. The services of a legal counsel shall not be allowed.
4. Only permanent officials and employees, whenever applicable, shall be appointed or elected as members of the grievance committee.

5. The Personnel Division, in collaboration with the Grievance Committee, shall conduct a continuing information drive on grievance machinery among its officials and employees.
6. Supervisors or officials who refuse to take action on a grievance brought to their attention shall be liable for neglect of duty in accordance with existing civil service law, rules and regulations.

II. OBJECTIVES

1. General

Create a work atmosphere conducive to good supervisor-employee relations and improved employee morale.

2. Specific

- a. Activate and strengthen the bureau's existing grievance machinery;
- b. Settle grievances expeditiously at the lowest level possible in the organization; and
- c. Serve as a catalyst for the development of capabilities of personnel on dispute settlement, especially among supervisors in the Bureau.

III. SCOPE

The Grievance Machinery applies to all levels of officials and employees in the bureau. It may also apply to non-career employees whenever applicable.

IV. DEFINITION OF TERMS

1. **Accredited or Recognized Employee Union** – an employee union accredited pursuant to Executive Order No. 180 and its implementing rules and regulations.
2. **Bilis Aksyon Partner** - is the counterpart Action Officer of the Civil Service Commission under the Mamamayan Muna Program in every agency pursuant to CSC MC No. 3, s. 1994.

3. **Grievance** – a work-related discontentment or dissatisfaction which had been expressed verbally or in writing and which, in the aggrieved employee's opinion, has been ignored or dropped without due consideration.
4. **Grievance Machinery** – a system or method of determining and finding the best way to address the specific cause or causes of a grievance.
5. **Public Sector Labor-Management Council (PSLMC)** - the Council responsible for the promulgation, implementation and administration of the guidelines for the exercise of the right of government employees to organize pursuant to Executive Order No. 180.

V. APPLICATION OF THE GRIEVANCE MACHINERY

1. The following cases shall be acted upon through the grievance machinery;
 - a. Non-implementation of policies, practices and procedures on economic and financial issues and other terms and conditions of employment fixed by law including salaries, incentives, working hours, leave benefits, such as delay in the processing of overtime pay, unreasonable withholding of salaries and inaction on application of leave;
 - b. Non-implementation of policies, practices and procedures which affect employees from recruitment to promotion, detail, transfer, retirement, termination, lay-offs, and other related issues that affect them such as failure to observe selection process in appointment and undue delay in the processing of retirement papers;
 - c. Inadequate physical working conditions such as lack of proper ventilation in the workplace, and insufficient facilities and equipment necessary for the safety and protection of employees whose nature and place of work are classified as high risk or hazardous;
 - d. Poor interpersonal relationships and linkages such as unreasonable refusal to give official information by one employee to another;

- e. Protest on appointments and other personnel actions; and
 - f. All other matters giving rise to employee dissatisfaction and discontentment outside of those cases enumerated above.
2. The following cases shall not be acted upon through the Grievance Machinery:
- a. Disciplinary cases which shall be resolved pursuant to the Uniform Rules on Administrative Cases;
 - b. Sexual harassment cases as provided for in RA 7877; and,
 - c. Union-related issues and concerns.

VI. GRIEVANCE PROCEDURES

The procedures for seeking redress of grievances shall be as follows:

1. **Discussion with immediate Supervisor.** At the first instance, a grievance shall be presented verbally or in writing using the prescribed form (Annex A) by the aggrieved party to his or her immediate supervisor.

The Supervisor shall inform the aggrieved party of the corresponding action within three (3) working days from the date of presentation. Provided, however, that where the object of the grievance is the immediate supervisor, the aggrieved party may bring the grievance to the next higher supervisor.
2. **Appeal to the Higher Supervisor.** If the aggrieved party is not satisfied with the verbal decision, he or she may submit the grievance in writing within five (5) days to the next higher supervisor who shall render his or her decision within five (5) working days from receipt of the grievance.
3. **Appeal to the National/Regional Grievance Committee.** The decision of the next higher supervisor may be elevated to the National/Regional Grievance Committee within five (5) working days from receipt of the decision of the next higher supervisor. However, the decision of the Regional Grievance Committee may be elevated to the National Grievance Committee.

The National/Regional Grievance Committee upon receipt of decision may 1.) Assign/refer the matter to a mediator/conciliator which will use all possible alternative modes of dispute resolution such as but not limited to, mediation, conciliation and arbitration in resolving disputes assigned to them¹. 2.) They may conduct an investigation and hearing within ten (10) working days from receipt of the grievance and render a decision (Annex B) within five (5) working days after the investigation. Provided, however, that where the object of the grievance is the Grievance Committee, the aggrieved party may submit the grievance to the Management Committee (MANCOM).

4. **Appeal to Management Committee (MANCOM).** If the aggrieved party is not satisfied with the decision of the Grievance Committee, he or she may elevate his or her grievance within five (5) working days from receipt of the decision through the committee to the Management Committee who shall make the decision within ten (10) working days after the receipt of the grievance. Provided, however, that where the object of the grievance is the MANCOM, the aggrieved party may bring his or her grievance directly to the Civil Service Commission Field / Regional Office.
5. **Appeal to the Civil Service Commission Field / Regional Office.** If the aggrieved party is not satisfied with the decision of top management committee, he or she may appeal or elevate his or her grievance to the Civil Service Commission Field / Regional Office concerned within fifteen (15) working days from the receipt of such decision. Together with the appeal, the aggrieved party shall submit a Certification on the Final Action on the Grievance (CFAG). The CFAG (Annex C) shall contain, among other things, the following information: history and final action taken by the Bureau on the grievance. The Civil Service Commission Field / Regional Office shall rule on the appeal in accordance with existing civil service law, rules and regulations.

VII. GRIEVANCE COMMITTEE

1. Composition

a. National Grievance Committee

Chairman : Deputy Commissioner of Internal Revenue
(DCIR), Resource Management Group

Vice-Chairman : Assistant Commissioner of Internal Revenue
(ACIR), Human Resource Development Service

Members : ACIR, Operations Group as designated by its DCIR
ACIR, Information Systems Group as designated by its DCIR
ACIR, Legal Service
ACIR concerned
Two (2) Rank and file Representatives
(1 member each from 1st and 2nd level who shall serve for a term of two (2) years)
Bilis Aksyon Partner duly designated

Secretariat:

Head : Chief, Personnel Division
Members: Technical Assistant, RMG as designated by its DCIR
Selected staff designated by the Committee

b. Regional Grievance Committee

Chairman : Assistant Regional Director
Vice-Chairman: Chief, Administrative Division
Members : Chief, Legal Division
Head, Human Resource Management Unit
Two (2) Rank and file Representatives
(1 member each from 1st and 2nd level who shall serve for a term of two (2) years)
Bilis Aksyon Partner duly designated

Secretariat :

Head : Asst. Head, Human Resource Management Unit
Members : Selected staff designated by the Committee

2. Responsibilities

In addition to finding the best way to address specific grievance, the Committee shall have the following responsibilities:

- a. Establish its own internal procedures and strategies. Membership in the Grievance Committee shall be considered part of the member's regular duties;
- b. Develop and implement pro-active measures or activities to prevent grievance such as employee assembly which shall be conducted at least once every quarter, "talakayan", counseling and other HRD interventions. Minutes of the proceeding of these activities shall be documented for audit purposes;
- c. Conduct continuing information drive on Grievance Machinery among officials and employees in collaboration with the Personnel Division;
- d. Conduct dialogue between and among the parties involved;
- e. Conduct an investigation and hearing within ten (10) working days from receipt of the grievance and render a decision within five (5) working days after the investigation. Provided, however, that where the object of the grievance is the Grievance Committee itself, the aggrieved party may submit the grievance to MANCOM;
- f. Direct the documentation of the grievance including the preparation and signing of written agreements reached by the parties involved;
- g. Issue Certification on the Final Action on the Grievance (CFAG) which shall contain, among other things, the following information: history and final action taken by the bureau on the grievance; and
- h. Submit a quarterly report of its accomplishments and status of unresolved grievances to the Civil Service Commission Field / Regional Office concerned.

VIII. EFFECTIVITY

This Grievance Machinery shall take effect immediately upon approval by the Civil Service Commission and shall repeal any and all BIR issuances, or provisions thereof, that are inconsistent herewith.

IX. COMMITMENT

I hereby commit to implement the provisions of this Grievance Machinery and take necessary action in accordance with existing civil service law and rules against supervisors or officials who refuse to act on a grievance brought before their attention.

(Original Signed)

SIXTO S. ESQUIVIAS IV

Commissioner of Internal Revenue

Date: _____

APPROVED BY:

(Original Signed)

ATTY. ANICIA MARASIGAN – DE LIMA

Assistant Commissioner

Civil Service Commission – NCR

November 10, 2009

DATE