

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

September 27, 1984

MECS ORDER
No. 55, s. 1984

ADDITIONAL COST-OF-LIVING ALLOWANCE

To: Bureau Directors
Cultural Agency Directors
Regional Directors
Chiefs of Services and Heads of Units
Presidents, State Colleges and Universities
Schools Superintendents
Vocational School Superintendents/Administrators

1. Inclosed is a copy of National Compensation Circular No. 31, dated September 19, 1984 on the subject "Additional Cost-of-Living Allowance of National Government Officials and Employees Including Those of State Universities and Colleges," which is self-explanatory.
2. Please be guided accordingly.

(SGD.) JAIME C. LAYA
Minister

Incl.:
As stated

Reference:

MECS Order: No. 52, s. 1983

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

To be indicated in the Perpetual Index under the following subjects:

ALLOWANCE
EMPLOYEES
OFFICIALS
RULES and REGULATIONS
TEACHERS
UNIVERSITIES and COLLEGES

(Inclosure to MECS Order No. 55, s. 1984)

Republic of the Philippines
OFFICE OF BUDGET AND MANAGEMENT
Malacanan, Manila
NATIONAL COMPENSATION CIRCULAR NO. 31
September 19, 1984

TO : HEADS OF MINISTRIES, BUREAUS, OFFICES AND AGENCIES OF THE NATIONAL GOVERNMENT, HEADS OF STATE UNIVERSITIES AND COLLEGES AND ALL OTHERS CONCERNED

SUBJECT : ADDITIONAL COST-OF-LIVING ALLOWANCE OF NATIONAL GOVERNMENT OFFICIALS AND EMPLOYEES INCLUDING THOSE OF STATE UNIVERSITIES AND COLLEGES

1.0 PURPOSE

This Circular is being issued in compliance with the Executive Order No. 985, dated September 18, 1984 authorizing an additional cost-of-living allowance of ₱150.00 to officials and employees receiving a basic monthly salary of ₱1,500 and below; and ₱100.00 to those receiving a basic monthly salary of ₱1,501 and above, effective June 16, 1984.

2.0 COVERAGE AND EXEMPTION

- 2.1 All positions of the National Government whether permanent, temporary, emergency, casual or contractual, whether employed on full-time or part-time basis are covered by this Circular, including positions whose salaries are fixed by the Constitution, Ministers or equivalent, Career Executive Service, the Judiciary, uniformed personnel of the Armed Forces of the Philippines and the Integrated National Police.
- 2.2 Foreign Service personnel and service attaches stationed abroad are not entitled to receive the cost-of-living allowance authorized herein.
- 2.3 Student-laborers, apprentices and other similar positions are not entitled to receive the cost-of-living allowance authorized herein.

3.0 RULES AND PROCEDURES

- 3.1 Officials and employees of the National Government who are paid on an annual or monthly basis shall be paid cost-of-living allowance as follows:
 - 3.1.1 ₱150.00 per month to officials and employees receiving a basic monthly salary of ₱1,500 and below;
 - 3.1.2 ₱100.00 per month to officials and employees receiving a basic monthly salary of ₱1,501 and above.in addition to the cost-of-living allowance of ₱200.00 authorized under LOImp No. 116, as implemented by NBC No. 329 and Executive Order No. 922 as implemented by NBC No. 374.
- 3.2 Daily-paid workers and laborers receiving ₱50 per day or below shall be entitled to a cost-of-living allowance of ₱6.35 per day but not to exceed ₱150.00 per month. Those receiving a daily wage of more than ₱50.00 per day shall receive a cost-of-living allowance of ₱4.55 per day.

This is in addition to the cost-of-living allowances of ₱9.10 per day as authorized under LOImp. No. 116, as implemented by NBC No. 329 and Executive Order No. 922 as implemented by NBC Nos. 374 and 374-A.

A daily-paid worker who subsequently received a daily wage in excess of ₱50.00 per day shall receive the cost-of-living allowance of ₱4.55 per day.

- 3.3 The cost-of-living allowance of an employee who is paid on the hourly, daily or part-time basis, and who is entitled to only a portion thereof, shall be computed on the basis of actual service rendered during the month.
- 3.4 Teachers/Instructors/Professors and other teaching positions shall be entitled to the cost-of-living allowance provided herein during summer vacation. For those who did not render the required number of working hours/days for the school year, the herein authorized allowance shall be proportional to the vacation leave credit earned by the regular teacher and/or his substitute concerned.
- 3.5 Leave of absence with pay shall be considered actual service for purposes of computing cost-of-living allowance.
- 3.6 Personnel on full-time or part-time detail with another agency of government or with government-owned or controlled corporations shall receive the cost-of-living allowance from their home office. No official or employee shall receive the cost-of-living allowance from more than one source.
- 3.7 The cost-of-living allowance of an employee who is promoted on or after June 17, 1984, to a position with a basic monthly salary of ₱1,501 and above shall be reduced to ₱100.00 per month effective the date of promotion.

4.0 FUNDING SOURCE

- 4.1 Salary lapses and other personal services savings of the ministry/bureau/office/agency concerned shall first be utilized to fund the emergency cost-of-living allowance authorized under this Circular.
- 4.2 The amounts appropriated for salary increase which are incorporated in the budgets of national government offices shall then be utilized if savings from personal services are inadequate to cover the funding requirement.
- 4.3 Any remaining deficiency in the amount needed for the herein provided cost-of-living allowance shall be charged to the Salary Adjustment Fund in the CY 1984 General Appropriations Act and additional income to be generated from the new revenue measures.
- 4.4 Funding from Item 4.2 shall be resorted to only if the fund source under Item 4.1 is inadequate; similarly, funding from Item 4.3 shall be resorted to only, if the fund source under Item 4.2 is exhausted.
- 4.5 No action shall be subsequently taken on the use of personal services savings for agencies which have been authorized to draw against the Salary Adjustment Fund.

- 4.6 In the case of state universities and colleges, the cost-of-living allowance granted to employees whose compensation is paid from the Special Accounts in the General Fund shall likewise be charged to the same Special Accounts in the General Fund.

5.0 RESPONSIBILITY OF HEAD OF AGENCY

The head of ministry, bureau, office, regional office, agency or other entity of the National Government concerned shall be held personally liable for any payment of cost-of-living allowance not in accordance with the provisions of this Circular, and for the non-submission of the required reports, without prejudice, however, to the refund of any excess payments of the employees concerned.

6.0 PAYMENT, ALLOTMENT AND ACCOUNTING PROCEDURES

- 6.1 Payment of the cost-of-living allowance authorized in this Circular shall be advanced from salary lapses, other 01 savings and the 3rd and 4th quarterly releases for personal services (01). The remaining balance which cannot be supported by salary lapses and other 01 savings shall be charged against the Salary Adjustment Fund. The additional amount necessary shall be reported not earlier than the start of the 4th quarter to the Office of Budget and Management for issuance of the appropriate Advice of Allotment and Cash Disbursement Ceiling (See Annex "A")
- 6.2 The Chief Accountant of each ministry, bureau, regional office, office, agency or other entity of the National Government shall accomplish and submit to the Office of Budget and Management not later than fifteen (15) days from the end of a preceding month a statement of source of funds and actual payment of the allowances made during the preceding month duly certified.

7.0 SAVING CLAUSE

Cases not covered by the provisions of this Circular shall be submitted to the Minister of the Budget for appropriate action and/or recommendation.

8.0 EFFECTIVITY

This shall take effect June 16, 1984.

(SGD.) MANUEL S. ALBA
Minister of the Budget

A true copy