

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

November 28, 1984

MECS O R D E R
No. 74, s. 1984

YEAR-END BONUS OF NATIONAL GOVERNMENT
OFFICIALS AND EMPLOYEES

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

1. Inclosed is a copy of National Compensation Circular No. 32, dated November 27, 1984, on the subject "Year-End Bonus of National Government Officials and Employees," which is self-explanatory.
2. Please be guided accordingly.

(SGD.) JAIME C. LAYA
Minister

Incl.:
As stated

Reference:
MECS Order: No. 51, s. 1982

Allotment: 1-2-3--(D.O. 1-76)

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

BUREAUS & OFFICES
EMPLOYEES
OFFICIALS
RULES & REGULATIONS

Republic of the Philippines
OFFICE OF BUDGET AND MANAGEMENT
Malacañang, Manila

NATIONAL COMPENSATION CIRCULAR NO. 32
November 27, 1984

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

SUBJECT: YEAR-END BONUS OF NATIONAL GOVERNMENT OFFICIALS AND
EMPLOYEES

1.0 PURPOSE

This Circular is issued in compliance with the President's instruc-
tion under Executive Order No. 997 to grant a year-end bonus equivalent
to two-week basic pay but not less than ₱500 nor more than ₱1,000 to
officials and employees of the National Government in recognition of
their dedication to government service.

2.0 COVERAGE

2.1 All officials and employees of the National Government whether per-
manent, temporary, emergency, casual or contractual, whether employee
is on full-time or part-time basis, including positions whose sala-
ries are fixed in the Constitution, Ministers or equivalent, the
Judiciary, the Career Executive Service, uniformed and civilian per-
sonnel of the Armed Forces of the Philippines and the Integrated
National Police and employees of state universities and colleges.

3.0 EXEMPTION

3.1 Employees and officials already with additional compensation and/or
a year-end bonus or incentive pay or equivalent beyond their basic
pay and duly authorized monthly allowance shall no longer be entitled
to this year-end bonus to preclude the double grant of the same or
similar benefits.

3.1.1 The term additional compensation does not include the duly
authorized monthly compensation benefits such as transporta-
tion/representation allowances authorized in Section 35, Gen-
eral Provisions, BP Blg. 640 monthly incentive allowances/
pay authorized for critical agencies/occupational groups/
classes of positions; cost of living allowances and other
inflation connected allowances; subsistence/quarters/laundry
allowance; hazardous duty pay and other similar allowances.

3.2 An employee who is retired, resigned or separated from the govern-
ment service effective on or before November 30, 1984.

4.0 RULES AND PROCEDURES

4.1 All officials and employees of the National Government who are paid
on an annual or monthly basis, including contractual personnel, who
have rendered a total of 1 month/30 calendar days of service in the
government from January 1, 1984 to November 30, 1984, including leaves
of absence with pay, shall be paid a year-end bonus, which is equiv-
alent to two-week basic pay but not less than ₱500 nor more than
₱1,000.

- 4.2 Employees, laborers and other casual/emergency employees paid on the daily, hourly or part-time basis, who have rendered a total of 1 month/30 calendar days of service in the government from January 1, 1984 to November 30, 1984, including leaves of absence with pay, shall be entitled to a year-end bonus equivalent to fourteen working days basic wage but in no case shall it be less than ₱500 nor more than ₱1,000.
- 4.3 An employee who is on full-time or part-time detail with another government agency or special project shall receive his year-end bonus from his home office and/or from the savings of the same fund source where he draws his basic monthly salary. No one shall receive the year-end bonus from more than one source. Committee or project honoraria shall not be counted in computing the bonus provided herein.
- 4.4 Computation of the year-end bonus shall be based on the actual monthly salary/daily wage/contractual rate of the employee as of November 30, 1984, exclusive of allowances and other compensation benefits.
- 4.5 The year-end bonus specified herein shall not be subject to GSIS premium, medicare, and other similar deductions.
- 4.6 The year-end bonus may be given to the employee through a prepared payroll without the necessity of issuing a notice of salary adjustment.
- 4.7 The bonus of an employee who transferred from one agency to another whose total number of days of service in the government for the year 1984 as shown by his service record is at least 1 month/30 calendar days as of November 30, 1984, shall be paid by his new office.
- 4.8 The year-end bonus of a contractual employee shall not exceed the amount received by his superior nor in any case exceed ₱1,000.

5.0 FUNDING SOURCE

Agency savings from personal services as first priority source of funding shall be drawn/ utilized for the purpose of paying the herein provided year-end bonus. Any shortfall, shall be augmented from savings from allotments released for maintenance and operating expenses the realignment of which to personal services shall first be approved by this Office. Savings and any additional shortfalls shall be certified to for augmentation from the General Fund.

6.0 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 year-end bonus not in accordance with provisions of this Circular without prejudice, however, to the refund of any excess payments of the employee concerned.

7.0 PAYMENT AND ALLOTMENT AND ACCOUNTING PROCEDURES

- 7.1 The year-end bonus authorized in this Circular may be paid out of the savings of the regular operating allotment of the agency. No charges shall be made against any lump-sum appropriation from the salary adjustment fund. The agency shall submit the usual work and financial plan as basis for issuing the authority to use savings.

7.2 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 December 1984, a statement of actual payments of the year-end bonus made.

8.0 SAVING CLAUSE

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

9.0. EFFECTIVITY

The year-end bonus provided herein shall take effect immediately.

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

A true copy

###