

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

December 12, 1985

MECS ORDER
No. 76, s. 1985

1985 YEAR-END BONUS OF NATIONAL GOVERNMENT OFFICIALS AND EMPLOYEES

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

1. Inclosed is a copy of the National Compensation Circular No. 37 dated December 4, 1985, relative to the granting of a year-end bonus equivalent to one (1) month basic salary for officials and employees of the national government in recognition of their dedication to government service.
2. Please be guided accordingly.

(SGD.) JAIME C. LAYA
Minister

Incl.:
As stated

References

MECS Order: No. 74, s. 1984

Allotment: 1-2-3--- (D.O. 1-70)

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

BUREAUS & OFFICES
EMPLOYEES
OFFICIALS
RULES & REGULATIONS
SALARY

(Inclosure to MECS Order No. 76, s. 1985)

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

NATIONAL COMPENSATION CIRCULAR NO. 37

December 4, 1985

TO : HEADS OF MINISTRIES, BUREAUS, OFFICES AND AGENCIES
OF THE NATIONAL GOVERNMENT, HEADS OF STATE UNI-
VERSITIES 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 Executive Order No. 1070 dated November 26, 1985 to grant a year-end bonus equivalent to one (1) month basic salary for 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 permanent, temporary, emergency, casual or contractual, whether employee is on full-time or part-time basis, including positions whose salaries are fixed in the Constitution, Ministers of equivalent, the Judiciary, the Career Executive Service, uniformed and civilian personnel 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 one (1) month basic salary 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 transportation/representation allowances authorized in Section 31, General Provisions, BP Blg. 866, monthly incentive allowances/pay authorized for critical agencies/occupational groups/classes of positions, cost of living allowances; subsistence/quarters/laundry allowance, hazardous duty pay and other similar allowances.

3.2 An employee who is under preventive suspension or has a pending administrative case/charge or has been separated for cause.

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 four (4) months of service in the government from January 1, 1985 to November 30, 1985, including leaves of absence with pay, shall be paid a year-end bonus, which is equivalent to one (1) month basic salary.
- 4.2 Employees, laborers and other casual/emergency employees paid on the daily, hourly or part-time basis, who have rendered a total of four (4) months of service in the government from January 1, 1985 to November 30, 1985, including leaves of absence with pay, shall be entitled to a year-end bonus equivalent to one (1) month basic salary.
- 4.3 An employee, who has rendered three (3) months only of service in the government from January 1, 1985 to November 30, 1985, shall be entitled to the equivalent of three (3) weeks basic salary. Those who have rendered two (2) months service; two (2) weeks and those with one (1) month service the equivalent of one (1) week basic salary.
- 4.4 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.
- 4.5 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, 1985, or at the time of retirement/separation other than for cause, exclusive of allowances and other compensation benefits. Also excluded in the computation are cost of living allowance, hazard pay and the like.
- 4.6 The year-end bonus specified herein shall not be subject to GSIS premium, medicare, and other similar deductions.
- 4.7 The year-end bonus may be given to the employee through a prepared payroll without the necessity of issuing a notice of salary adjustment.
- 4.8 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 1985 as shown by his service record is at least four (4) months as of November 30, 1985, shall be paid by his new office.
- 4.9 The year-end bonus of a contractual employee shall not exceed the amount received by his superior nor in any case exceed one (1) month basic salary.

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. Any further shortfalls shall be charged from the Salary Adjustment Fund for CY 1985.

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 allotments subject to the constraints as provided for in Section 5.0. 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, 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 1985 a statement of actual payments of the year-end bonus made.

8.0 SAVING CLAUSE

Cases not covered by the provisions of this Circular shall be submitted to the Office of Budget and Management 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: