

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

December 3, 1986

MECS O R D E R
No. 63, s. 1986

YEAR-END BONUS OF NATIONAL GOVERNMENT
OFFICIALS AND EMPLOYEES

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

1. Inclosed is a copy of National Compensation Circular No. 43 dated November 26, 1986 granting year-end bonus to National Government officials and employees which is self-explanatory.
2. Please be guided accordingly.

(SGD.) LOURDES R. QUISUMBING
Minister

Incl.:
As stated

Reference:
None

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
MINISTRY OF BUDGET AND MANAGEMENT
Malacañang, Manila

NATIONAL COMPENSATION CIRCULAR NO. 43
November 26, 1986

TO : HEADS OF MINISTRIES, BUREAUS, OFFICES AND AGENCIES OF THE NATIONAL GOVERNMENT, STATE UNIVERSITIES 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. 74 dated November 26, 1986 authorizing a year-end bonus equivalent to one (1) month basic salary and an additional Cash Gift of ₱1,000 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 employed on a permanent, temporary, emergency, casual, contractual, full-time, part-time or consultancy basis, including those of state universities and colleges, are covered by this Circular.
- 2.2 The personnel benefits herein granted shall hereinafter be referred to as "year-end bonus".

3.0 EXEMPTION

- 3.1 Officials and employees who have received additional compensation and/or a mid-year or year-end bonus/incentive pay or equivalent beyond their one (1) month basic salary and the additional Cash Gift of ₱1,000 shall no longer be entitled to this year-end bonus.
- 3.1.1 The term additional compensation does not include the duly authorized monthly compensation benefits such as transportation/representation allowances authorized in Section 32, General Provisions, B.P. Blg. 879, 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 Payment of this year-end bonus to any official/employee with pending administrative charge is suspended. If the official/employee is subsequently found guilty, he shall not be entitled to this year-end bonus. However, when exonerated he shall be entitled to the same.
- 3.3 An employee who is retired/resigned/separated from the government service effective before October 31, 1986 shall not be entitled to the benefits granted herein.

- 3.4 An employee who is absent without official leave (AWOL) as of October 31, 1986 shall not be entitled to the benefits granted herein.

4.0 RULES AND REGULATIONS

- 4.1 Officials and employees of the National Government who have rendered a total of four (4) months service in the government from January 1, 1986 to October 31, 1986, including leaves of absence with pay, shall be entitled to this year-end bonus.
- 4.2 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 or in the case of personnel paid from project funds, from the same fund source where he draws his basic salary. No one shall receive the year-end bonus from more than one source. Committee or project honoraria shall not be considered in computing the bonus provided herein.
- 4.3 Any official or employee who is on approved leave of absence without pay but has rendered a total of four (4) months service in the government from January 1, 1986 to October 31, 1986 shall be entitled to this year-end bonus.
- 4.4 Computation of the year-end bonus shall be based on the actual basic monthly salary/daily wage/contractual rate of the employees as of October 31, 1986, exclusive of all allowances, hazard pay and other compensation benefits.
- 4.5 This year-end bonus shall be paid to the employee through a payroll without the need to issue a notice of salary adjustment.
- 4.6 The year-end bonus of an employee who transferred from one agency to another, whose total service in the government, whether national or local, as of October 31, 1986 entitles him to this year-end bonus, shall be paid by the agency where he rendered his service previously rendered in a government corporation after January 1, 1986 shall be considered government service for purposes of this Circular.
- 4.7 The year-end bonus of any recipient shall not exceed the amount received by his superior.
- 4.8 The year-end bonus granted herein shall not be subject to GSIS premium, medicare and other similar deductions.
- 4.9 All payments made pursuant to this Circular shall be subject to the usual accounting and auditing rules and regulations.

5.0 FUNDING SOURCE

- 5.1 Additional allotments and cash disbursement ceilings for this purpose shall be issued to all agencies concerned by the Ministry of Budget and Management. In the meantime, all agencies may pay the year-end bonus out of their respective unutilized cash disbursement ceilings in order to expedite payment.

5.2 For ministries/agencies falling under the new cash disbursement system (Agency Treasury Warrant Funding Scheme), additional Treasury Warrants shall likewise be issued by the Ministry of Budget and Management. In the meantime, they may pay this year-end bonus out of available balances in their respective bank accounts in order to expedite payment.

6.0 REPORTING REQUIREMENTS

6.1 The Chief Accountant of each ministry, bureau, regional office, agency or other entity of the National Government shall accomplish and submit to the National Accounting Office of the Ministry of Budget and Management not later than January 15, 1987 a statement of actual payments of the year-end bonus, attaching thereto the corresponding payroll sheet(s) referred to under paragraph 4.5 of this Circular.

7.0 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 the provisions of this Circular, without prejudice, however, to the liability of the employee concerned to refund any such payment received by him.

8.0 EFFECTIVITY

This Circular shall take effect immediately.

(SGD.) ALBERTO G. ROMULO
Minister of the Budget

A true copy