

Republika ng Filipinas
(Republic of the Philippines)
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)
Manila

November 23, 1989

DECS ORDER
No. 110, s. 1989

YEAR-END BONUS OF NATIONAL GOVERNMENT OFFICIALS
AND EMPLOYEES PURSUANT TO N.C.C. NO. 60

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

1. For the information and guidance of all concerned, inclosed is a copy of National Compensation Circular No. 60, dated November 16, 1989 on the subject "CY 1989 Year-End Bonus and Cash Gift to National Government Officials and Employees."
2. Immediate compliance with this Order is desired.

(SOD-) LOURDES R. QUISUMBING
Secretary

Incl.:
As stated

References:
MECS Orders Nos. 63 and 67, s. 1986

Allotment: 1-2-3--(M.O. 1-87)

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

AMENDMENT
BUREAUS & OFFICES
EMPLOYEES
OFFICIALS
RULES & REGULATIONS
SERVICE

(Inclosure to DECS Order No. 110, s. 1989)

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
MALACANANG, MANILA

NATIONAL COMPENSATION CIRCULAR NO. 50
November 16, 1989

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

SUBJECT * CY 1989 YEAR-END BONUS AND CASH GIFT TO NATIONAL GOVERNMENT OFFICIALS AND EMPLOYEES

1.0 PURPOSE

This Circular is issued in compliance with Republic Act No. 6656 dated December 14, 1988, authorizing an annual Christmas bonus equivalent to one (1) month basic salary and an additional Cash Gift of P1,000 to National Government officials and employees in recognition of their dedication to government service and in keeping with the spirit of Christmas.

2.0 COVERAGE

2.1 All National Government officials and employees regardless of appointment status (regular, temporary, casual or contractual) who have rendered at least four (4) months of service within the period January 1, 1989 to October 31, 1989 are covered by this Circular.

2.2 Officials and employees of the National Government who have rendered less than four (4) months of service from January 1 to October 31 and who are employed in the government service as of October 31, 1989 shall be entitled solely to the following cash gift:

<u>Length of Service</u>	<u>Amount</u>
3 months but less than 4 months	P 400
2 months but less than 3 months	300
1 month but less than 2 months	200
Less than 1 month	100

2.3 The "year-end bonus and cash gift" herein granted shall hereinafter be referred to as "year-end benefits."

2.4 For purposes of this Circular, "basic salary" shall refer to the basic salary as standardized pursuant to RA 6700, plus transition allowance, if any, as defined under Section 4.3 of National Compensation Circular No. 56.

3.0 EXEMPTION

- 3.1 An employee under preventive suspension without pay is not entitled to these year-end benefits. However, when exonerated, he shall be entitled to the same.
- 3.2 An employee who is absent without official leave (AWOL) as of October 31, 1989 shall not be entitled to the benefits granted herein.
- 3.3 An official or employee who may have four (4) months or more of government service in 1989 but is no longer in the service as of October 31, 1989 due to retirement/resignation/separation shall not be entitled to year-end benefits referred to 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 to October 31 in 1989 including leaves of absence with pay, shall be entitled to the year-end benefits equivalent to one (1) month basic salary plus an additional cash gift of P1,000 each.
- 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 benefits from his home office, or in the case of personnel paid from project funds, from the same source where he draws his basic salary. No one shall receive the year-end benefits from more than one source. Committee or project honoraria shall not be considered in computing the benefits provided herein.
- 4.3 Officials and employees who are employed on a part-time basis are entitled to the year-end benefits corresponding to the basic salary he is actually receiving and a pro-rata share of the P1,000 cash gift. Those who by the nature of their employment, are on part-time service to two (2) different agencies, where part-time service to one agency is equivalent to one-half day service, shall be entitled to claim payment for the corresponding service in each agency, provided, that the total benefits shall not exceed the equivalent of one month basic salary and P1,000 cash gift.
- 4.4 Officials and employees already receiving Christmas or year-end bonus or its equivalent shall only receive such amount as shall be necessary to bring such Christmas, year-end or equivalent bonuses equal to the amount provided under paragraphs 4.1 and 4.2 hereof.
- 4.5 Any official or employee who is on approved leave of absence without pay but has rendered a total of four (4) months service, excluding such leave without pay,

in the government within the period from January 1 to October 31 shall be entitled to the year-end benefits.

- 4.6 Computation of the year-end benefits shall be based on the actual basic monthly salary/daily wage/contractual rate of the employee as of October 31 consistent with the Planilla of Position Allocation and Salary Adjustment (PPASA) exclusive of all allowances, hazard pay and other forms of compensation usually in addition to the basic salary.
- 4.7 The year-end benefits of an employee who transferred from one agency to another, whose total service in the government, whether national or local, as of October 31 entitling him to the year-end benefits shall be paid by his new office. Service previously rendered in a government corporation or in a regular government agency before October 31 shall be considered government service for purposes of this Circular.
- 4.8 The year-end benefits granted shall not be subject to COIG premium, Medicare, withholding tax and other similar deductions. However, these year-end benefits shall be reported as taxable income in filing income tax returns.
- 4.9 All payment made pursuant to this Circular shall be subject to the usual accounting and auditing rules and regulations.

5.0 FUNDING SOURCE

- 5.1 For national government employees, funding for the 1989 year-end benefits shall be sourced from appropriations provided for the purpose under the 1989 General Appropriations Act (RA 6683). Any deficiency shall be charged against savings in agency appropriations under RA 6683. Any further deficiency shall be charged against overall savings of the government pursuant to Administrative Order No. 137.

6.0 RELEASE OF FUNDS

- 6.1 Immediately after the issuance of this Circular, DBM shall start releasing the necessary Advice of Allotment and the corresponding funding warrant based on the agency's PPASA or Position Allocation List (PAL). In the absence of the PPASA or the PAL, the release of funds shall be based on the old planilla subject to adjustment after the release of the PAL.
- 6.2 For the cash gift, each agency shall immediately submit to DBM a request for funding using the attached form (Annex A) which shall be the basis for the release of funds to cover this benefit.

8.3 Agencies are hereby authorized to use whatever cash available from their Common Fund to pay the year-end benefits immediately while awaiting for the receipt of funds from DBM.

7.0 REPORTING REQUIREMENTS

7.1 The Chief Accountant of each department, bureau, regional office, agency or other entity of the National Government shall accomplish and submit to the National Accounting and Finance Bureau of the DBM not later than January 15, 1990, a certified statement of actual payments of the year-end benefits duly verified by the Auditor concerned.

8.0 RESPONSIBILITY OF HEAD OF AGENCY

8.1 The Head of the department, bureau, office, regional office, agency or any other entity of the National Government concerned shall be held personally liable for any payment of year-end benefits not in accordance with the provisions of this Circular, without prejudice, however, to the liability of the employee concerned to refund any invalid payment received by him.

9.0 SAVING CLAUSE

Cases not covered by this Circular, including provisions which require further clarification prior to implementation shall be referred to the Department of Budget and Management for resolution.

10.0 REPEALING CLAUSE

National Compensation Circulars No. 54 and 54-A are hereby repealed.

11.0 EFFECTIVITY

This Circular shall take effect immediately.

(SGD.) GUILLERMO N. CARAGUE
Secretary

AGENCY _____

FUNDING REQUIREMENT FOR YEAR-END CASH GIFT
For Employees In the Service As of October 31, _____

<u>Authorized Rate</u>	<u>No. of Employees</u>	<u>Total Amount</u>
P 1,000	_____	P _____
400	_____	_____
300	_____	_____
200	_____	_____
100	_____	_____
	Total Amount Required . . .	P _____

Certified correct:

Chief Accountant

Approved:

Head of Agency

Date Submitted:
