

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

February 20, 1990

DECS O R D E R
No. 13, s. 1990

DISSEMINATION OF NATIONAL BUDGET CIRCULAR
NO. 410 DATED APRIL 28, 1989

To: Undersecretaries
Assistant Secretaries
Bureau Directors/Cultural Agency Directors
Directors of Services and Heads of Units/Centers
Regional Directors
Schools 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 Budget Circular No. 410 dated April 28, 1989, relative to the rules and regulations implementing Memorandum Order No. 228 on the rendition of overtime services with pay.
2. Particular attention is invited to Item 2.0 of said Circular enumerating the specific activities for which necessary overtime with compensation may be authorized.
3. Strict compliance is enjoined.

(SGD.) ISIDRO D. CARINO
Secretary

Incl.:
As stated

Reference:
None

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

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

BUREAUS & OFFICES
EMPLOYEES
LEGISLATION

OFFICIALS
RULES & REGULATIONS
SERVICE

(Inclosure to DECS Order No. 13, s. 1990)

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

NATIONAL BUDGET CIRCULAR NO. 410
28 April 1989

To : All Heads of Departments, Bureaus, Agencies and Offices and Regional Directors of the National Government, including those of State Universities and Colleges and Government-Owned and/or Controlled Corporations

SUBJECT : Rules and Regulations implementing Memorandum Order No. 228 on the rendition of overtime services with pay

1.0 In general, overtime work should be avoided by adequate planning of work activities. It should not be resorted to in the performance of regular routine work and activities, except in cases when unforeseen events and emergency situations will result in any of the following:

1.1 cause financial loss to the government or its instrumentalities;

1.2 embarrass the government due to its inability to meet its commitments; or

1.3 negate the purposes for which the work or activity was conceived.

2.0 Specific activities for which necessary overtime with compensation may be authorized include the following:

2.1 Completion of infrastructure and other projects with set deadlines when due to unforeseen event(s) the deadline cannot be met without resorting to overtime work;

2.2 Relief, rehabilitation, reconstruction and other related work or services during calamities and disasters;

2.3 Work related to school graduation/registration where the additional work cannot be handled by existing personnel during regular working hours;

2.4 Work involving the preparation for, and administration of, government examinations, including the prompt correction and release of

results thereof where existing personnel are not adequate to handle such work during regular working hours;

- 2.5 Seasonal work such as budget preparation and rendition of annual reports to meet scheduled deadlines;
- 2.6 Preparation of special financial/accountability reports required occasionally by central monitoring agencies like the Congress of the Philippines, Office of the President, Commission on Audit, Department of Budget and Management, National Economic Development Authority;
- 2.7 The provision of essential public services during emergency situations, such as power and energy, water, distribution and control of basic staples, communication and transportation, medical and health services, peace and order and security;
- 2.8 Implementation of special programs/projects embodied in presidential directives and authorizations, and with specific dates to complete which are in the nature of additional work of personnel with other regular duties; and
- 2.9 Services rendered by drivers and other immediate staff of officials authorized to have such staff support when they are required to keep the same working hours as their superior.

3.0 Payment of Overtime Compensation

3.1 Overtime services rendered in all departments, bureaus, offices and agencies of the national government, including state universities and colleges, government-owned and/or controlled corporations and local government units shall be compensated as follows:

3.1.1 As a general rule, total amount of overtime compensation which may be allowed an employee for a given calendar year shall not exceed fifty percent (50%) of his basic salary;

3.1.2 Overtime compensation by the hour shall be computed on the basis of the authorized monthly basic salary of the officer or employee authorized to render overtime services;

3.1.3 Meal Allowance in kind at P20.00 per meal may be granted to officials and employees who have rendered at least three (3) hours of overtime service before meal time;

3.1.4 Availment of the meal allowance in kind herein authorized shall constitute a bar from collecting the overtime compensation authorized under paragraph 3.1.3 above

4.0 Officials and Employees not Entitled to Overtime Pay

4.1 The payment of overtime service contemplated herein shall not apply to officials occupying positions enumerated hereunder:

4.1.1 Department Secretaries

4.1.2 Department Undersecretaries

4.1.3 Department Assistant Secretaries

4.1.4 Bureau Directors and Regional Directors

4.1.5 Assistant Bureau Directors and Assistant Regional Directors

4.1.6 Department Service Chiefs and Assistant Department Service Chiefs

4.1.7 Positions of equivalent category as those above-mentioned in state universities and colleges, local government units and in government owned and/or controlled corporations.

4.2 Additionally, since intermediate positions have been allowed and created in-between the above enumerated positions in the existing organizational structure/staffing pattern of government agencies, government-owned and/or controlled corporations, state universities and colleges and local government units, and inasmuch as these positions involve coordinative and integrative functions and in some cases incumbents of these positions exercise general supervision over line divisions and units, incumbents of said positions are likewise excluded from receiving overtime compensation authorized herein;

4.3 Officials and employees on assignment with special projects and are paid honoraria, allowances and other forms of compensation are also barred from receiving overtime compensation. All such honoraria, allowances and other forms of compensation shall be considered as their full compensation in lieu of overtime pay; provided, that the total amount received by an individual in a given calendar year as additional compensation from special projects shall not exceed 50% of his annual basic salary.

5.0 Authority to Render Overtime Service with Compensation

5.1 Request for authority to render overtime service with additional compensation by the hour shall be submitted and approved by the Department Secretary or equivalent officer concerned and/or his authorized representative. Said requests shall state, among others, the following:

5.1.1 Purpose. - The purpose must be specific and must be supported whenever possible, by a memorandum, instructions or other documents containing the job requisition or order;

5.1.2 Duration. - The duration shall be definite; it shall be directly and reasonably proportional to the scope, magnitude, importance and complexity of the work to be accomplished and shall not extend beyond the scheduled date of completion;

5.1.3 List of Employees. - The names, positions and assigned tasks of those who will render overtime service shall be enumerated. The number shall be justifiable considering the expected output and time allotted to finish the job. The positions of those listed and their assigned duties and responsibilities shall be directly related to the work to be done.

5.1.4 Justification. - It shall show the urgency and necessity of the overtime service and the adverse consequences that may arise if not approved.

5.1.5 Source of Fund. - Only savings from appropriations for personal services (01) to the extent of not more than five percent (5%) of the agency/office actual payroll for personal services may be used for this purpose.

6.0 Funding and Cost Limitation

6.1 The funding source for overtime pay shall be out of savings from personal services appropriation of the agencies concerned;

6.2 Total overtime payments made in any given calendar year shall not exceed five percent (5%) of the agency/office actual payroll for personal services, provided, that allowances drawn for actual official expenses incurred in special projects shall be excluded from the said ceiling.

7.0 All provisions of Circular Letter dated November 18, 1987 on Payment of Overtime Compensation implementing Letter of Instructions (LOI) No. 565 that are inconsistent with the provisions of Memorandum Order No. 228 as implemented by this Circular Letter are hereby repealed or modified accordingly.

8.0 Cases not clearly covered by Memorandum Order No. 228 and this Circular Letter shall be referred to the Commission on Audit for resolution.

9.0 This Circular Letter shall take effect on April 1, 1989.

(SGD.) GUILLERMO N. CARAGUE
Secretary
Department of Budget and Management

A true copy