

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

November 5, 1990

DECS O R D E R  
No. 121, s. 1990

GRANT OF YEAR-END BONUS AND CASH GIFT FOR CALENDAR YEAR 1990  
AND FOR SUCCEEDING YEARS TO NATIONAL GOVERNMENT  
OFFICIALS AND EMPLOYEES

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

1. Inclosed is a copy of the National Compensation Circular No. 63 dated October 17, 1990 authorizing the grant of annual Christmas bonus equivalent to one (1) month basic salary and additional cash gift of ₱1,000.00 to national government officials and employees.
2. Please be guided accordingly.

(SGD.) ISIDRO D. CARINO  
Secretary

Incl.:  
As stated

Reference:  
DECS Order: No. 110, s. 1989

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

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

BUREAUS & OFFICES  
EMPLOYEES  
OFFICIALS

RULES & REGULATIONS  
SERVICE

(Inclosure to DECS Order No. 121, s. 1990)

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

NATIONAL COMPENSATION CIRCULAR NO. 63  
October 17, 1990

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

SUBJECT : GRANT OF YEAR-END BONUS AND CASH GIFT FOR CALENDAR YEAR 1990 AND FOR SUCCEEDING YEARS TO NATIONAL GOVERNMENT OFFICIALS AND EMPLOYEES

1.0 PURPOSE

This Circular is issued to prescribe rules and regulations for the implementation of Republic Act No. 6686 authorizing the grant of annual Christmas Bonus equivalent to one (1) month basic salary and additional Cash Gift of P1,000.00 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, whether under regular, temporary, casual or contractual status, on full-time or part-time basis, who have rendered at least a total of four (4) months of service including leaves of absence with pay in the government, whether in GOCCs/GFIs, or in another national and local government agency/office and SUCs from January 1 to October 31, of each year and who are still in the service as of October 31 of the same year.

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 of the same year shall be entitled solely to Cash Gift pro-rated as follows:

Length of Service	Amount
3 months but less than 4 months	P400.00
2 months but less than 3 months	300.00
1 month but less than 2 months	200.00
Less than 1 month	100.00

### 3.0 EXEMPTION

- 3.1 An official or employee under preventive suspension without pay is not entitled to these year-end benefits. However, when exonerated, he shall be entitled to same.
- 3.2 An official or employee who is absent without official leave (AWOL) as of October 31 of the same year 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 a particular year but is no longer in the service as of October 31 of the same year due to retirement/resignation/separation or for what other reasons shall not be entitled to year-end benefits referred to herein.

### 4.0 RULES AND REGULATIONS

- 4.1 The "year-end bonus and cash gift" herein granted shall hereinafter be referred to as "year-end benefits" and the amount herein authorized shall be considered the maximum. Payment of year-end benefits other than that authorized under this Circular shall be considered illegal disbursement of public funds.
- 4.2 The monthly "basic salary" shall correspond to the basic salary as defined under Section 4.3 of National Compensation Circular No. 56, implementing Republic Act No. 6758 which includes transition allowance and the "over and above" amount considered as part of the basic salary in the case of Metro Manila public school teachers, if any.
- 4.3 An official or employee who is on full-time or part-time detail with another government office/agency or special project shall receive his year-end benefits from his mother agency. In the case of personnel paid from project funds, year-end benefits shall be drawn from the same source where he draws his 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.
- 4.4 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.

- 4.5 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 this Circular.
- 4.6 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.
- 4.7 Computation of the year-end benefits shall be based on the actual basic monthly salary/daily wage/contractual rate of the employees as of October 31 consistent with the Plantilla of Position Allocation Appointment and Salary Adjustment (PPAASA) exclusive of allowances, hazard pay and other forms of compensation usually paid in addition to the basic salary.
- 4.8 The year-end benefits of an employee who transferred from one agency to another, whose total service in the government, whether national, local; in SUCs or GOCCs/GFIs, as of October 31 entitling him to the year-end benefits shall be paid by his new Office.
- 4.9 The year-end benefits herein authorized shall be subject to withholding tax but not subject to GSIS, Medicare and other similar deductions.
- 4.10 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 Funding for the 1990 year-end benefits shall be sourced from the appropriations provided for the purpose under Republic Act No. 6831, the CY 1990 General Appropriations Act. Any deficiency shall be charged against the savings in the agency

appropriations under R.A. No. 6831. Any further deficiency shall be charged against overall savings of the government pursuant to Administrative Order No. 177. Unless a new policy is issued for the purpose, same funding procedure shall likewise apply for the year-end benefits for the succeeding years.

## 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 for CY 1990 based on the agency's PPAASA or Position Allocation List (PAL). In case of changes in the DBM approved PPAASA/PAL for the agency due to grant of merit/longevity pay pursuant to Joint CSC-DBM Circular No. 1, s. 1990, and action taken in the appeal submitted by the agency on salary standardization, adjustment shall be made only upon submission by the agency of such changes. For year-end benefits for the succeeding years, the DBM shall start releasing the necessary Advice of Allotment and the corresponding Funding Warrant, based on the DBM duly certified Plantilla of Personnel for each agency, on the first month of the last quarter of each year.

6.2 For the Cash Gift for CY 1990, each agency shall immediately submit to the DBM a request for funding using the attached form (Annex A) which shall be the basis for the release of funds to cover the benefit. For the succeeding years, request shall be submitted first month of the last quarter of each year.

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

## 7.0 REPORTING REQUIREMENTS

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 of each year a certified statement of actual payments of the year-end benefits duly verified and certified by the Auditor concerned.

8.0 RESPONSIBILITY OF HEAD OF AGENCY

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 Circular No. 60 is hereby repealed.

11.0 EFFECTIVITY

Payment of the year-end benefits herein authorized shall be made not earlier than November 15 of each year.

(SGD.) GUILLERMO N. CARAGUE  
Secretary

(AGENCY)

FUNDING REQUIREMENT FOR YEAR-END CASH GIFT  
For Employees In the Service as of October 31, \_\_\_\_\_

Authorized Rate	No. of Employees	Total Amount
\$1,000		
400		
300		
200		
100		
Total Amount Required		

Certified Correct:

Approved:

Chief Accountant

Head of Agency

Date Submitted: