



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF EDUCATION, CULTURE AND SPORTS  
Manila, Luzon, P.O. Box 703

OFFICE OF THE SECRETARY


May 28, 1998

DECS ORDER  
No. 48, s. 1998

AMENDING FURTHER BUDGET CIRCULAR NO. 11 DATED OCTOBER 31, 1996  
RELATIVE TO THE GRANT OF YEAR-END BONUS AND CASH GIFT  
AND ADVANCE PAYMENT OF ONE-HALF (1/2) THEREOF  
FOR FY 1996 AND YEARS THEREAFTER

To: Undersecretaries  
Assistant Secretaries  
Bureau/Center and Cultural Agency Directors  
Directors of Services/Centers and Heads of Units  
Regional Directors  
Schools Superintendents

1. Inclosed is a copy of DBM Budget Circular No. 11-B dated March 30, 1998, Amending Further Budget Circular No. 11 dated October 31, 1996 Relative to the Grant of Year-End Bonus and Cash Gift and Advance Payment of One-Half (1/2) Thereof for FY 1996 and Years Thereafter.
2. For the information and guidance of all concerned.

  
ERLINDA C. PEVANCO  
Secretary

Incl.:

As stated

Reference: DECS Order No. 67, s. 1995

Allowment: 1 (D.O. 50-97)

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

ALLOWANCE  
EMPLOYEES



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



**BUDGET CIRCULAR**

No. 11-B  
 March 30, 1998

**TO** Heads of Departments, Bureaus, Offices and Agencies of the National Government, State Universities and Colleges, Government-Owned and -Controlled Corporations, Government Financial Institutions, and All Others Concerned

**SUBJECT** Amending Further Budget Circular No. 11 dated October 31, 1996 Relative to the Grant of Year-end Bonus and Cash Gift and Advance Payment of One-Half (1/2) Thereof for FY 1996 and Years Thereafter.

1. Purpose

This Circular is issued to amend further Budget Circular (BC) No. 11 dated October 31, 1996 in accordance to Republic Act (RA) No. 8441 increasing the cash gift authorized under RA No. 6686 from one thousand pesos to five thousand pesos to be implemented over a period of three years, for all personnel of the national government, government-owned and -controlled corporations and government financial institutions and local government units.

2. Paragraphs 4.1, 4.2 and 4.3 of the BC No. 11 are hereby amended to read as follows:

"4.1 The benefits of government personnel covered under Items 2.1.1 and 2.1.2 hereof shall consist of a bonus equivalent to their actual basic monthly salaries/daily wages as of October 31 of each year, exclusive of allowances and other forms of compensation usually paid in addition to their basic pay, and a cash gift of P2,000 for the Christmas Year 1997; P3,000 for the Christmas Year 1998; and P5,000 for the Christmas Year 1999 and years thereafter."

"4.2 The benefits of contractual personnel shall consist of a bonus equivalent to their monthly contractual rates as of October 31 of each year, exclusive of the twenty per cent (20%) premium, if any, and all allowances and other forms of compensation usually paid in addition to their basic pay, and a cash gift of P2,000 for the Christmas Year 1997; P3,000 for the Christmas Year 1998; and P5,000 for the Christmas Year 1999 and years thereafter."



"Tuloy-tuloy sa pagulong!"

- "4.8. Government personnel who have rendered less than four (4) months of service as of October 31 of the same year as covered under sub-paragraph 2.1.1 hereof shall be entitled solely to the cash gift pro-rated as follows:

<u>Length of Service</u>	<u>Percentage</u>
3 months but less than 4 months	40 %
2 months but less than 3 months	30 %
1 month but less than 2 months	20 %
Less than 1 month	10 %"

3. The following provision is hereby added to the said Circular which shall be known as Paragraph 4.12.

"4.12. No official or employee shall receive Christmas bonus from any and all sources in excess of the one month basic salary and cash gift as provided under paragraphs 4.1, 4.2 and 4.8 hereof. The special allowance in the amount of P1,000 authorized under Executive Order No. 438 dated November 17, 1997 and implemented by EC No. 14 dated November 19, 1997 shall be considered as advanced implementation of the P1,000 increase in the cash gift for FY 1997 under RA 8441. Only those agencies which have not yet paid said special allowance may grant the P1,000 increase in cash gift for FY 1997."

4. Paragraphs 5.1, 5.3 and 5.4 of the same Circular are hereby amended to read as follows:

"5.1 For national government agencies (NGAs), the amounts required shall be charged against the approved appropriations for the purpose under the annual General Appropriations Act (GAA). The additional cash gift authorized herein for FY 1997 for NGAs which have not granted special allowance and for FY 1998 shall be charged against their available savings. In case of deficiency, they shall submit a request to the DBM for release of funds for the purpose indicating the computed actual requirements and accompanied by a certification by the Accountant as to non-availability of savings. For the succeeding years, the amount shall be included in the annual GAA."

"5.3 For local government units (LGUs), the amounts required shall be charged fully from their respective local funds. For the additional cash gift authorized herein for FY 1997, LGUs which have not granted special allowance may realign their budgets to give priority to the funding requirements for this benefit and any deficiency may be booked as accounts payable to be paid on a first priority basis in succeeding years."

5.4 In the case of Barangays, the amounts required shall be charged against the Internal Revenue Allotment (IRA) released directly by the Department of Budget and Management (DBM) to Barangays.

5.4.1 The additional cash gift authorized herein for FY 1997 for Barangay Chairmen of Barangays which have not granted special allowance shall be paid directly by the National Government. The DBM shall release such funds directly to the LGUs where the Barangays belong. The LGU shall be responsible for paying each Barangay Chairman through its city or municipal treasurer concerned subject to existing budgeting policies and the usual accounting and auditing rules and regulations.

5.4.2 The additional cash gift authorized herein for the other Barangay officials and Barangay personnel paid on salary basis of Barangays which have not granted special allowances shall be charged against their available appropriation savings.

5.4.3 For the succeeding years, the amount shall form part of the IRA.\*

6. Paragraph 6 of the above-cited Circular is hereby amended to read as follows:

"6. Responsibility of the Head of Entity

The head of concerned government entities shall be held responsible and personally liable for any grant of benefits not in accordance with the provisions of this Circular without prejudice, however, to refund of any excess payment by the official or employee concerned."

  
EMILIA T. BONCODIN  
Secretary