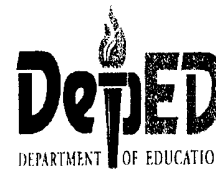




REPUBLIKA NG PILIPINAS
REPUBLIC OF THE PHILIPPINES
KAGAWARAN NG EDUKASYON
DEPARTMENT OF EDUCATION
DepED Complex, Meralco Avenue, Pasig City, Philippines



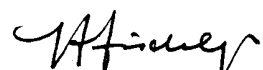
MAR 16 2006

DepED ORDER
No. **12**, s. 2006

DISSEMINATION OF THE DBM BUDGET CIRCULAR NO. 2006-2
(Rules and Regulations on the Increase in the Additional
Compensation of Government Employees)

- To: Undersecretaries
 Assistant Secretaries
 Bureau Directors
 Directors of Services/Centers and Heads of Units
 Regional Directors
 Schools Division/City Superintendents
 Chiefs of Divisions
 All Others Concerned

1. For the information and guidance of all concerned, enclosed is a copy of Department of Budget and Management (DBM) Budget Circular No. 2006-2 dated March 2, 2006 entitled ***“Rules and Regulations on the Increase in the Additional Compensation of Government Employees”***.
2. Wide dissemination of this Order is directed.


FE A. HIDALGO
 Undersecretary
 Officer-in-Charge

Encl.: As stated

References: DECS Order: No. 77, s. 1991
MECS Order: No. 55, s. 1984

Allotment: 1—(D.O. 50-97)

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

ALLOWANCE
EMPLOYEES
LEGISLATIONS
OFFICIALS

(Enclosure to DepED Order No. 12, s. 2006)



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
 Building 1, General Solano Street, San Miguel, Manila



BUDGET CIRCULAR

No. 2006-2

March 2, 2006

TO

Heads of Departments, Bureaus, Offices and Agencies of the National Government, including State Universities and Colleges (SUCs); Government-Owned and/or -Controlled Corporations (GOCCs); Government Financial Institutions (GFIs); Local Government Units (LGUs); and All Others Concerned

SUBJECT:

Rules and Regulations on the Increase in the Additional Compensation of Government Employees

1.0 Purpose

This Circular is issued to prescribe the rules and regulations on the increase in the Additional Compensation (ADCOM) of government employees authorized under Administrative Order (AO) No. 144, dated February 28, 2006.

2.0 Coverage

- 2.1 All civilian appointive personnel under permanent, temporary, contractual, casual or substitute status, on full-time or part-time basis, in departments, bureaus, offices and agencies of the national government, including SUCs, GOCCs and GFIs created by law, which are covered by or following RA No. 6758 (Compensation and Position Classification Act of 1989), popularly known as the Salary Standardization Law (SSL), as amended;
- 2.2 All military personnel of the Armed Forces of the Philippines, and uniformed personnel under the Philippine National Police, Bureau of Fire Protection and Bureau of Jail Management and Penology, all under the Department of the Interior and Local Government, the Philippine Coast Guard under the Department of Transportation and Communications, and the National Mapping and Resource Information Authority under the Department of Environment and Natural Resources, and
- 2.3 All officials and employees of LGUs.

3.0 Exemption

- 3.1 Government officials and employees in national government agencies and GOCCs/GFIs exempt from the coverage of RA No. 6758 (SSL); and
- 3.2 Consultants and experts hired by government entities for a limited period to perform specific activities or services with expected outputs; student laborers; apprentices; laborers of contracted projects (pakyaw); mail contractors, those paid on piecework basis, and others similarly situated.

4.0 Rules and Regulations

- 4.1 The existing ADCOM of P500.00 per month of government personnel paid on a monthly basis shall be increased by P1,000.00 per month, thus resulting to a total of P1,500.00 per month.
 - 4.2 The total ADCOM of government personnel paid on hourly, daily or part-time basis shall be computed on the basis of actual services rendered on an eight-hour-working day, 22 working day-month, regardless of the number of working days in a month. The total resulting ADCOM shall not exceed P1,500.00 per month.
 - 4.3 The ADCOM of government personnel who were on absence without leave and/or who were on leave without pay during the month shall be computed on the basis of actual services rendered with pay during the month.
 - 4.4 Government personnel who are on full-time or part-time detail with other government agencies shall be paid the ADCOM by their mother agencies. Those on full-time or part-time detail with projects shall be paid ADCOM from project funds if they draw their basic salaries therefrom. No one shall receive ADCOM from more than one (1) fund source.
 - 4.5 The ADCOM of government personnel with pending cases shall continue to be paid for as long as they render services and are paid their basic salaries.
 - 4.6 The ADCOM of government personnel under preventive suspension shall not be paid during the period of their suspension. If they are exonerated and if decided upon by the authorities concerned, they shall be entitled to the full amount of the ADCOM starting from the day of suspension. If they were meted penalties and not paid their salaries, they shall not be entitled to the ADCOM until they have served their penalties.
 - 4.6.1 In this regard, if the penalty meted out is only a reprimand, such penalty shall not be a basis for the disqualification to receive said benefit.
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- 4.7 In cases where GOCC/GFI/LGU funds are not sufficient to implement fully the increase in ADCOM, the payment thereof may only be partially but uniformly applied to all personnel.

5.0 Funding Sources

- 5.1 For national government agencies, the amounts required shall be charged against the Miscellaneous Personnel Benefits Fund.

5.1.1 The release of funds for the purpose shall be based on the number of filled positions.

5.1.2 The allotment and corresponding cash allocation for payment of the increase in the ADCOM of P1,000.00 per employee shall be issued by the Department of Budget and Management (DBM).

5.1.3 Initially, DBM shall release the amount required for payment of the additional ADCOM for the months of January to March 2006 not later than March 15, 2006, based on the number of filled positions as generated from the DBM's Government Manpower Information System database as of February 28, 2006.

- 5.2 For GOCCs and GFIs, the amounts shall be charged against their respective corporate funds.

- 5.3 For LGUs, the amounts shall be charged against their respective local government funds.

6.0 Responsibility of the Agency Head


The agency head shall be held responsible and personally liable for any payment of the ADCOM not in accordance with the provisions of this Circular, without prejudice, however, to the refund by the employee concerned of any undue payment.

7.0 Saving Clause

Cases not covered by the provisions of this Circular shall be submitted to the DBM for resolution.

8.0 Effectivity

The increase in ADCOM shall take effect January 1, 2006 and shall cease upon the implementation of a legislated compensation adjustment in lieu thereof.


ROLANDO G. ANDAYA, JR.
Secretary