



REPUBLIKA NG PILIPINAS
REPUBLIC OF THE PHILIPPINES
KAGAWARAN NG EDUKASYON
DEPARTMENT OF EDUCATION
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JUN 18 2003

DepEd MEMORANDUM
No. 185, s. 2003

UPDATED RULES ON THE PAYMENT OF YEAR-END BONUS AND CASH GIFT

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

1. For the information and guidance of all concerned, enclosed is a copy of Department of Budget and Management Budget Circular No. 2003-2 dated May 9, 2003, entitled "Liberalization of the Rules and Regulations on the Payment of Year-End Bonus and Cash Gift".
2. In this connection, payment of one-half of the amount of the year-end bonus and cash gift to the officials and employees specified in said Circular shall be immediately implemented out of authorized sources therein.
3. Wide dissemination of this Memorandum is desired.


EDILBERTO C. DE JESUS
Secretary

MPPD, DM Year-End Bonus
08-10-03

Encl.:
As stated

Reference:
DepEd Order. No. 15, s. 2002

Allotment: 1—(D.O. 50-97)

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

**ALLOWANCE
EMPLOYEES
OFFICIALS
RULES & REGULATIONS**



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Malacañang, Manila



BUDGET CIRCULAR

No. 2003-2
May 9, 2003

TO : HEADS OF DEPARTMENTS, BUREAUS, OFFICES AND AGENCIES OF NATIONAL GOVERNMENT AGENCIES (NGAS), GOVERNMENT-OWNED OR -CONTROLLED CORPORATIONS (GOCCS), INCLUDING STATE UNIVERSITIES AND COLLEGES (SUCS) AND GOVERNMENT FINANCIAL INSTITUTIONS (GFIS); CHIEF EXECUTIVES OF LOCAL GOVERNMENT UNITS (LGUS); AND ALL OTHERS CONCERNED

SUBJECT : LIBERALIZATION OF THE RULES AND REGULATIONS ON THE PAYMENT OF YEAR-END BONUS AND CASH GIFT

1.0 PURPOSE

To liberalize the rules and regulations on the payment of year-end bonus and cash gift authorized under Republic Act (RA) No. 6686 as amended by RA No. 8441 in consonance with the principle of equitable compensation and in the spirit of altruism.

2.0 COVERAGE

All officials and employees whether permanent, temporary or emergency in nature, and contractual personnel whose employment is in the nature of a regular employee, appointive or elective, now existing or hereafter created in all national government agencies, state universities and colleges, government owned and controlled corporations, government financial institutions and local government units.

3.0 Updated Rules on the Advance Payment of One-half (1/2) of the Amount of Year-end Bonus and Cash Gift covering 2003 and onwards.

3.1 All elective and appointive officials and employees may receive one half (1/2) of the amount of year-end bonus and cash gift in May, provided that they have rendered at least four (4) months of service, including leaves of absence with pay, from January 1 to April 30 of the given year, regardless of whether or not they will still be in service as of October 31 of the same year.

3.2 Payment of the authorized benefits shall be made not earlier than May 1, and should be paid not later than May 31 of the particular year.

4.0 Pro-rated Share of the Remaining Balance of Cash Gift

4.1 All government personnel who have rendered more than four (4) months of service in a given year before their retirement/separation from the service may receive a proportionate share of the remaining balance of the cash gift in addition to the benefit provided under Item 3 hereof.

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4.2 The pro-rated share of the cash gift shall follow a twenty percent (20%) gradation for every month of service, in excess of the four months service requirement as follows:

Month of Retirement/Separation from the Service	Percentage	Amount
May	0 %	P 0
June	20 %	500
July	40 %	1,000
August	60 %	1,500
September	80 %	2,000
October	100 %	2,500

4.1 Payment of the herein benefit shall be made within the month of retirement/separation from the service of the employee concerned.

5.0 Applicability of the Benefits

The benefit authorized herein shall not be applicable to services rendered prior to 2003.

6.0 FUNDING SOURCE

6.1 The funding source for the implementation of the benefit authorized herein shall be as follows:

6.1.1 For NGAs, the amount required shall be charged against the approved appropriations for the purpose under the annual General Appropriations Act and any deficiency thereof shall be charged against available savings of the agency;

6.1.2 For GOCCs/GFIs, the amount required shall be charged wholly from their respective corporate funds; and

6.1.3 For LGUs, the amount required shall be charged wholly from their respective local funds.

7.0 SAVING CLAUSE

Cases not covered by the provisions of this Circular shall be submitted to the Secretary of Budget and Management for resolution.

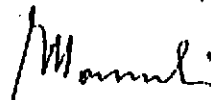
8.0 RESCINDING CLAUSE

All circulars and other issuances that are inconsistent with the provisions of this Circular are hereby rescinded or superseded accordingly.

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9.0 EFFECTIVITY

The provisions of this Circular shall take effect January 1, 2003.



EMILIA T. BONCODIN
Secretary