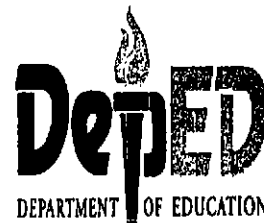




REPUBLIKA NG PILIPINAS
REPUBLIC OF THE PHILIPPINES
KAGAWARAN NG EDUKASYON
DEPARTMENT OF EDUCATION
DepED Complex, Meralco Avenue, Pasig City



Office of the Secretary

MAR 15 2004

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DepED MEMORANDUM
No. 129 , s. 2004

DISSEMINATION OF DBM CIRCULAR NOS. 2004-4 AND 2004-5

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

1. For the information and guidance of all concerned, enclosed are copies of the new Department of Budget and Management (DBM) Circulars, as follows:
 - a. DBM Circular No. 2004-4 dated February 26, 2004 entitled "Step Increment and Longevity Pay of Public Health Workers"; and
 - b. DBM Circular No. 2004-5 dated March 5, 2004 entitled "Premium Payments of Government Employees to the GSIS".
2. Immediate and wide dissemination of this Memorandum is desired.

EDILBERTO C. DE JESUS
Secretary

Sheila, MPPD, DM DBM Circular
March 10, 2004

Encls.:
As stated

Reference:
None

Allotment: 1—(D.O. 50-97)

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

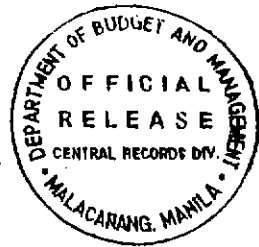
BUREAUS & OFFICES
EMPLOYEES
OFFICIALS
SALARY



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Bldg. I, Gen. Solano Street, San Miguel, Manila



CIRCULAR LETTER

No. 2004 - 4
February 26, 2004

TO : HEADS OF NATIONAL GOVERNMENT AGENCIES (NGAs); STATE UNIVERSITIES AND COLLEGES (SUCs); GOVERNMENT OWNED AND / OR CONTROLLED CORPORATIONS (GOCCs); AND GOVERNMENT FINANCIAL INSTITUTIONS (GFIs); CHIEF EXECUTIVES OF LOCAL GOVERNMENT UNITS (LGUs); AND ALL OTHERS CONCERNED

SUBJECT : STEP INCREMENT AND LONGEVITY PAY OF PUBLIC HEALTH WORKERS (PHWS)

1.0 Under Section 15 (c) of Presidential Decree No. 985 as amended by RA No. 6758 or the Salary Standardization Law (SSL), it is provided that:

"Step Increment. Effective January 1, 1990 step increment shall be granted based on ... length of service in accordance with the rules and regulations that will be promulgated jointly by the DBM and the Civil Service Commission."

2.0 To implement the above provision, the Civil Service Commission and Department of Budget and Management promulgated Joint Circular No. 1, s. 1990 which provides that a one (1) step increment shall be granted to officials and employees for every three (3) years of satisfactory service in their present positions.

3.0 Section 23 of RA No. 7305 or the Magna Carta of Public Health Workers (PHWs) likewise provides a similar benefit to PHWs, to wit:

"Section 23. Longevity Pay. A monthly longevity pay equivalent to five percent (5%) of the monthly basic pay shall be paid to a health worker for every five (5) years of continuous, efficient and meritorious services rendered as certified by the Chief of Office

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concerned, commencing with the service after the approval of this Act."

4.0 However, Section 36 of the said Magna Carta provides that:

"Section 36. Prohibition Against Double Recovery of Benefits. Whenever other laws provided for the same benefits covered by this Act, the public health workers shall have the option to choose which benefits will be paid to him/her. However, in the event that the benefits chosen are less than that provided under this Act, the worker shall be paid only the difference."

5.0 Although the incentives given and the years of service required differ, the nature and purpose for the grant thereof are essentially the same.

6.0 In view thereof, public health workers shall either be entitled to step increment or longevity pay, but not to both benefits. Payment thereof shall be subject to existing rules and regulations on the matter.

7.0 For the guidance of all concerned.



EMILIA T. BONCODIN
Secretary



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Malacañang, Manila

CIRCULAR LETTER

NO. 2004 - 5
March 5, 2004

FOR : All Heads of Departments/Agencies; Finance Directors; Budget Officers; Heads of Accounting Units and All Others Concerned

SUBJECT : Premium Payments of Government Employees to the GSIS

- 1.0 To facilitate the reconciliation of premium payment records with the GSIS, all National Government Agencies, Government Owned and Controlled Corporations and Local Government Units are enjoined to immediately submit the following documents to the GSIS:
 - 1.1 Service records of their employees, for purposes of determining creditable premium contributions; and,
 - 1.2 Record of consolidated remittances to GSIS for payment of outstanding loans, duly certified by the responsible agency official.
- 2.0 In the course of the reconciliation procedures, the GSIS records may reflect the unpaid 1997-98 premium increase for which no appropriation cover was provided. In such a case, please make the corresponding computation and necessary disclosure so that the magnitude of the amount being claimed by the GSIS can be verified subsequently.
- 3.0 For compliance.


EMILIA T. BONCODIN
Secretary