



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management
Malacañang, Manila

LEGAL OPINION NO. L-C-2001-04

SUBJECT : Local Government Compensation

ISSUE : Whether or not an employee and in a co-terminous capacity under the Office of the Municipal Mayor, is entitled to the advance payment of one-half (1/2) bonus and cash gift.

FACTS : Mr. Arsenio S. Razon, Private Secretary III, in a co-terminous capacity under the Office of the Municipal Mayor, is requesting opinion on whether or not he is entitled to the advance payment of one-half (1/2) bonus and cash gift for FY 2001 under Budget Circular (BC) No. 2000-18 dated September 6, 2000.

OPINION : Mr. Razon is not entitled to the bonus and cash gift for FY 2001.

Paragraph 3.2 of BC No. 2000-18, provides:

"All government personnel under the following instances as of October 31 of each year shall not be entitled to the benefits authorized herein:

xxx

xxx

3.2 those who are no longer in the service due to retirement/ resignation/separation/death or for whatever reasons;

xxx

xxx."

Since the nature of the office of Mr. Razon is co-terminous with the term of the incumbent mayor, the termination of his official service will be upon the expiration of the term of office of the latter, in this case, by June 30, 2001. Accordingly, it would have been premature to pay his ½ bonus and cash gift for CY 2001 in advance if it was obviously probable that he may be separated from service before October 31, 2001, if the incumbent mayor lose in the 2001 local election, which indeed happened

that he may be separated from service before October 31, 2001, if the incumbent mayor lose in the 2001 local election, which indeed happened in this case.

On the other hand, granting for the sake of argument, that Mr. Razon was paid in advance, he should now be required to refund the same amount he has received as he falls under the disqualification from the grant of the subject benefit as above-explained.

REFERENCE: Letter dated 27 August 2001 to Ms. Ligaya B. Gatoc, MBO of Lemery, Batangas

Recommended:


JANET B. ABUEL
Director, LLS

Approved:


EMILIA T. BONCODIN
Secretary