



REPUBLIC OF THE PHILIPPINES

## Department of Budget and Management

Malacañang, Manila



### BUDGET CIRCULAR

No. 2008-5  
December 11, 2008

**TO :** HEADS OF NATIONAL GOVERNMENT AGENCIES (NGAs), STATE UNIVERSITIES AND COLLEGES (SUCs), GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS (GOCCs), GOVERNMENT FINANCIAL INSTITUTIONS (GFIs); AND ALL OTHERS CONCERNED

**SUBJECT :** GRANT OF PERFORMANCE BONUS FOR FY 2008

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#### 1.0 PURPOSE

This Circular is issued to implement Administrative Order (AO) No. 250 dated December 10, 2008 on the grant of Performance Bonus (PerB) to all government employees.

#### 2.0 GENERAL GUIDELINES

- 2.1 Pursuant to AO No. 250, all personnel of the government are entitled to receive a one-time reward of a maximum of **Ten Thousand Pesos (P10,000)** each as **PerB**, in recognition of their commendable effort in attaining efficiency in government operations, despite the economic difficulties which may arise as a result of the global financial crisis.
- 2.2 All permanent, temporary, casual or contractual personnel of national government agencies (NGAs) including government-owned or controlled corporations (GOCCs) and government financial institutions (GFIs) whose salaries/wages are charged against their Personal Services allocation and **who are still in the service as of November 30, 2008** are entitled to receive the **PerB**.
- 2.3 The **PerB** shall not be granted to personnel of NGAs, GOCCs and GFIs who have already received extra cash gift or additional benefit in FY 2008 over and above the year-end benefit (YEB) authorized under RA 6686, as amended by RA 8441 as implemented by Budget Circular No. 2005-6 dated October 28, 2005.

## 2.4 Funding Sources

### 2.4.1 Savings in Appropriations

- 2.4.1.1 The Department of Budget and Management (DBM) shall release the amount needed to cover the requirements for the P7,000 per employee of **NGAs not belonging** to the Constitutional Offices/Fiscal Autonomy Group (CFAG), chargeable against the unreleased appropriations under the FY 2008 budget which was pooled by DBM for the purpose. The release shall not require the submission of any request from the agency.
- 2.4.1.2 The corresponding cash allocation for the allotment to be issued shall likewise be issued by DBM without need for agency request.

### 2.4.2 Savings in allotment

- 2.4.2.1 The remaining PerB requirements of **P3,000** per employee of NGAs **not belonging to the CFAG** shall be charged against their respective savings in allotment. In the event that the agency savings is insufficient to cover in full the remaining P3,000 per employee, payment thereof shall be subject to the amount available as savings provided that a uniform amount shall be given to all employees, subject to the limitations provided under Section 2 of A.O. No. 250, as reiterated under Section 3.2 of this Circular.
- 2.4.2.2 The total PerB requirements of **P10,000** per employee of NGAs **belonging** to the CFAG (*i.e., Congress, Judiciary, Civil Service Commission-Proper, Commission on Audit, Commission on Elections, Commission on Human Rights and Ombudsman*), shall be charged against their available savings in allotment. In the event that the CFAG does not have sufficient savings to cover in full the P10,000 per employee, payment thereof shall be subject to the amount available as savings provided that a uniform amount shall be given

to all employees, subject to the limitations provided under Section 2 of A.O. No. 250, as reiterated under Section 3.2 of this Circular.

2.4.2.3 The corresponding cash allocation for the PerB requirements chargeable against savings in allotment shall be paid by the NGAs out of their Common Fund (i.e., free portion of NCA balance under the regular MDS Sub-Accounts). In case of insufficient NCA balance, the NGAs concerned shall submit a request to DBM for the issuance of additional cash allocation for the purpose.

2.4.3 For GOCCs and GFIs, the amount needed shall be charged against their respective corporate funds.

GOCCs and GFIs which do not have adequate or sufficient resources may partially implement the benefit herein authorized, provided that the partial implementation shall be uniform for all positions.

### 3.0 SPECIFIC GUIDELINES

3.1 Government personnel as defined under Item no. 2.2 of this Circular shall be entitled to the full amount of the **PerB** provided they are still in the service as of November 30, 2008 and have rendered at least a total or an aggregate of four (4) months of service, including leaves of absence with pay.

3.2 Government personnel who are still in the service as of November 30, 2008 and have rendered less than the aggregate four (4) months of service as of same date shall also be entitled to partial **PerB** on a pro-rated basis, as follows:

Length of Service	Percentage
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%

3.3 Government personnel falling under the following cases/circumstances as of November 30, 2008 **are not** entitled to the PerB:

3.3.1 Those who are absent without leave (AWOL);

- 3.3.2 Those who have been hired not as part of the organic manpower of agencies but as consultants or experts, to perform specific activities or services with expected outputs; student laborers, apprentices; laborers of contracted projects (pakiao); mail contractors, including those paid on piecework basis; and others whose remuneration are not taken from the budgetary allocation for Personal Services under the agencies' FY 2008 budget; and,
- 3.3.3 Those who were formally charged administrative cases as well as criminal cases, which relate to acts or omissions in connection with their official duties and functions **and** found guilty and/or meted penalties in FY 2008, except when the penalty is a mere reprimand.
- 3.4 The PerB of government personnel employed on full-time basis but detailed with another government agency or special project shall be drawn from their respective mother agency. In the case of those paid from project funds, the PerB shall be drawn from the same source where they draw their salaries.
- 3.5 The PerB of government personnel employed on a part-time basis shall be pro-rated corresponding to the services rendered. Those who are employed on part-time basis with two (2) or more agencies, shall be entitled to a proportionate amount corresponding to the service in each agency, provided that the total PerB shall not exceed the amount herein authorized.
- 3.6 The PerB of government personnel who transferred from one agency to another shall be granted by their new office. For this purpose, a certification from the former office that the personnel has not availed of the PerB, additional bonus or benefit over and above the YEB in FY 2008, is necessary.
- 3.7 Government personnel who have received any unauthorized extra cash gift or additional benefit/allowance prior to the issuance of this Circular charged against the FY 2008 budget, shall:
- 3.7.1 Refund any excess of the amount herein authorized; or,
- 3.7.2 Be entitled to the difference, if they received less than the amount herein authorized.

#### **4.0 RESPONSIBILITY OF THE HEAD OF AGENCY**


The Head of the NGA/GOCC/GFI concerned shall be personally liable for any payment of benefit not in accordance with the provisions of this Circular without prejudice, however, to the refund thereof by the employee concerned.

#### **5.0 SAVING CLAUSE**

Cases not covered by this Circular shall be referred to the Department of Budget and Management for resolution.

#### **6.0 EFFECTIVITY**

Payment of the PerB shall be made not earlier than **December 15, 2008**.

  
**ROLANDO G. ANDAYA, JR.**  
Secretary