



REPUBLIC OF THE PHILIPPINES

## Department of Budget and Management

Building I, General Solano Street, San Miguel, Manila



### BUDGET CIRCULAR

No. 2009 - 4  
Sept. 29, 2009

**TO :** Heads of Departments, Bureaus, Offices, and Agencies of the National Government, Including State Universities and Colleges, Government-Owned or Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), and Local Government Units (LGUs)

**SUBJECT :** Advance Payment of the Remaining Half or Balance of the Year-End Bonus and/or Cash Gift to National Government Personnel for FY 2009

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#### 1.0 Background

National Government personnel were already granted the first half of their Year-End Bonus and Cash Gift in May 2009 pursuant to Section 42, General Provisions of Republic Act (R.A.) No. 9524 or the FY 2009 General Appropriations Act and the rules and regulations under Budget Circular (BC) No. 2005-6 dated October 28, 2005 and BC No. 2008-4 dated July 10, 2008. The remaining half or balance of the Year-End Bonus and/or Cash Gift shall be granted not earlier than November 15, 2009.

However, to provide financial assistance and to alleviate the plight of calamity stricken government personnel brought about by Tropical Storm "Ondoy," President Gloria Macapagal Arroyo directed the advance payment of the remaining half or balance of the Year-End Bonus and/or Cash Gift even before November 15, 2009, upon request of the personnel concerned.

#### 2.0 Advance Payment of the Remaining Half or Balance of the FY 2009 Year-End Bonus and/or Cash Gift for National Government Personnel

2.1 National Government personnel who opts to avail of this advance payment must comply with all the requirements prescribed under BC No. 2005-6 and is understood to remain in government service until October 31, 2009.

2.2 National Government personnel qualified under BC No. 2005-6 to the remaining half or balance of the full Year-End Bonus and Cash Gift may request their agency for the advance payment thereof.

- 2.3 Those who will not complete the four months service requirement as of October 31, 2009 and who will comply with the other conditions provided under BC No. 2005-6 may also request their agency for the advance payment of their pro-rated Cash Gift, as follows:

Length of Service	Percentage of P5,000	Corresponding Amount
3 months but less than 4 months	40%	P2,000
2 months but less than 3 months	30%	1,500
1 month but less than 2 months	20%	1,000
Less than 1 month	10%	500

- 2.4 Those with a total or an aggregate of four (4) months of service, including leaves of absence with pay, and who will retire or separate without cause before October 31, 2009, shall be granted ninety percent (90%) of the remaining balance of the Year-End Bonus and Cash Gift. The basic pay immediately prior to retirement/separation shall be the basis for the remaining balance of the Year-End Bonus.

- 2.5 National Government personnel who requested and received the advance Year-End Bonus and/or Cash Gift but failed to comply with the requirements prescribed in the grant of said benefits under BC No. 2005-6 and BC 2008-4, as the case may be, by October 31, 2009 shall be required to refund the amount unduly received.

### 3.0 Fund Sources

- 3.1 Funds for the payment of the foregoing benefits shall be charged against the allotment for Personal Services (PS) inclusive of the requirements for Year-End Bonus and/or Cash Gift for filled positions which was released in full to the agencies under the Agency Budget Matrix pursuant to National Budget Circular No. 519 dated March 27, 2009.
- 3.2 Any deficiency shall initially be charged against available allotment of agencies under PS. A report on the additional requirements for the Year-End Bonus as a result of the first tranche implementation of Senate and House of Representatives Joint Resolution No. 4, s. 2009, shall be submitted to the Department of Budget and Management (DBM) as basis for the release of additional allotment.

### 4.0 GOCCs, GFIs and LGUs

GOCCs, GFIs, and LGUs are hereby encouraged to adopt and implement the advance payment of Year-End Bonus and/or Cash Gift chargeable against their respective funds for the purpose.

**5.0 Saving Clause**

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

**6.0 Effectivity**

This Circular shall take effect immediately.

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