



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA



BUDGET CIRCULAR

No. 2021 - 4
December 28, 2021

TO : Heads of Departments, Bureaus, Offices, and Agencies of the National Government, Including Constitutional Offices Enjoying Fiscal Autonomy, State Universities and Colleges (SUCs), and Government-Owned or -Controlled Corporations (GOCCs); Local Water Districts (LWDs); Local Government Units (LGUs); and All Others Concerned

SUBJECT : Guidelines on the Grant of Service Recognition Incentive to Government Employees for FY 2021

1.0 Background

- 1.1 Administrative Order (AO) No. 45¹ dated December 24, 2021 authorizes the grant of a one-time Service Recognition Incentive (SRI) for FY 2021 at a uniform amount not exceeding **Ten Thousand Pesos (P10,000)** for each qualified government employee.
- 1.2 The issuance of AO No. 45 is in accordance with **Section 17(iv) of Congress Joint Resolution (JR) No. 4**² dated June 17, 2009, which authorizes the President, upon the recommendation of the Department of Budget and Management (DBM), to update the Compensation and Position Classification System for civilian personnel and Base Pay Schedule for military and uniformed personnel, as well as the policies and levels of allowances, benefits, and incentives applicable to all government employees.
- 1.3 The one-time SRI for FY 2021 is being granted to acknowledge all public servants for their collective and unceasing participation in and invaluable contribution to the establishment of streamlined government processes and responsive delivery of services to the public, especially in the midst of the prevailing public health emergency due to the COVID-19 pandemic.

¹ Authorizing the Grant of Service Recognition Incentive to Government Employees for Fiscal Year (FY) 2021

² Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes