



COMMISSION ON AUDIT  
DEPARTMENT OF BUDGET AND MANAGEMENT

**JOINT CIRCULAR NO. 1, s. 2022**  
September 13, 2022

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

Subject : **POLICIES ON THE ADOPTION OF FLEXIBLE WORK ARRANGEMENTS FOR CONTRACT OF SERVICE (COS) AND JOB ORDER (JO) WORKERS IN GOVERNMENT**

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### 1.0 Background

The Civil Service Commission (CSC) issued *Memorandum Circular No. 06, s. 2022* on 06 June 2022 pursuant to Resolution No. 2200209 promulgated on 18 May 2022<sup>1</sup>, which institutionalizes the policies on flexible work arrangements that shall provide adaptable and considerate work schemes for government officials and employees to manage any current or emergent situations caused either by natural and man-made calamities and any other situations that may affect the delivery of public services.

Flexible work arrangements provide opportunities for government agencies to enhance operational efficiency and effectiveness, and support work-life balance of government workers while providing high level and continuing public service for the Filipinos. As clarified in pertinent CSC policies, COS and JO workers are not covered by Civil Service laws, rules and regulations, and thus, are not considered as government employees albeit their deployment in government agencies. Hence, as government agencies begin to adopt flexible work arrangements, there is a need to integrate work requirements and welfare of workers engaged on a COS and JO basis, subject to the internal guidelines of government agencies that are engaging their services.

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<sup>1</sup> *Policies on Flexible Work Arrangements in the Government*, effective 15 June 2022

## **2.0 Policy Statement**

Government agencies are authorized to develop their own policies and guidelines in the adoption or implementation of flexible work arrangements in their respective agencies to institutionalize relevant and appropriate work arrangements; ensure efficient and effective performance of governmental functions and delivery of public services; and ensure protection of the government workers' health, safety and welfare under CSC MC No. 06, s. 2022. Likewise, they are also authorized to enter into service contracts with other government agencies, private firms, non-government agencies, or individuals for services related or incidental to their respective functions and operations, whether on a part-time or full-time basis pursuant to Commission on Audit (COA)-Department of Budget and Management (DBM) Joint Circular (JC) No. 2, s. 2020<sup>2</sup>.

## **3.0 Purpose**

This JC is being issued to provide an inclusive policy on flexible work arrangements in the government by ensuring that the needs and expectations of other workers in the government are addressed in view of the circumstances brought about by natural and man-made calamities, disasters, and other similar situations.

## **4.0 Scope and Coverage**

This JC shall cover all COS and JO workers whose services are directly engaged by Departments, Bureaus, Offices, and Agencies of the National Government, including Constitutional Offices, SUCs, GOCCs, and LWDs. The LGUs are also encouraged to adopt this JC.

Institutional COS<sup>3</sup> workers deployed/assigned in government agencies to provide services such as janitorial, security, consultancy and other support services are excluded from the coverage of this JC. However, contractors or service providers, as employers of institutional COS workers, must ensure that the latter's work schedules are aligned with the policies on flexible work arrangements set forth by government agencies.

## **5.0 Definition of Terms**

- 5.1 Combination of Flexible Work Arrangements – refers to a work arrangement whereby the agency may adopt a combination of any of the allowable flexible work arrangements instituted by the CSC that is appropriate or applicable to the mandate/functions of the agency.
- 5.2 Compressed Workweek – refers to a work arrangement whereby the forty (40) hours workweek for five (5) days of the government officials or employees is compressed to four (4) days or less, as may be applicable.

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<sup>2</sup> *Updated Rules and Regulations Governing COS and JO Workers in the Government*

<sup>3</sup> Institutional contract refers to the agreement between the government agency and contractor or service provider duly-registered and recognized by authorized government agencies to provide services covering lump sum work or services to perform janitorial, security, consultancy, and other support functions, subject to the provisions of Republic Act No. 9184 and its Implementing Rules and Regulations, and pertinent budgeting, accounting, and auditing rules and regulations (Sections 5.3 and 6.1.1. of COA-DBM JC No. 2, s. 2020)

- 5.3 Contract of Service – refers to the engagement of the services of an individual, private firm, other government agency, non-governmental agency, or international organization as consultant, learning service provider or technical expert to undertake special project or job within a specific period.
- 5.4 Flexiplace – refers to an output-oriented work arrangement that authorizes government officials or employees to render service at a location away from their office, either in the home/residence of the official or employee, agency satellite office, or another fixed place, on a temporary basis duly approved by the head of office/agency.
- 5.5 Flexitime – refers to a work arrangement where the agency is allowed to adopt flexible time for its government officials and employees from 7:00 AM to 7:00 PM on a daily basis, provided that the required forty (40) hours workweek is complied with.
- 5.6 Job Order – refers to piece work (*pakyaw*) or intermittent or emergency jobs such as clearing of debris on the roads, canals, waterways, etc. after natural/man-made disasters/occurrences and other manual/trades and crafts services such as carpentry, plumbing, electrical and the like. These jobs are of short duration and for a specific piece of work.
- 5.7 Skeleton Workforce – refers to a work arrangement where a minimum number of government officials or employees is required to man the office to render service when full staffing is not possible.
- 5.8 Work from home – is a type of flexiplace work arrangement where the government officials or employees work at home or their residence.
- 5.9 Work from satellite office – is a type of flexiplace work arrangement where the government officials or employees, instead of reporting to their office, report for work at their agency satellite office near their place of residence (e.g., central/other regional office/field office).
- 5.10 Work from another fixed place – is a type of flexiplace work arrangement where the government officials and employees render service within the Philippines, at a place conducive for productive work and efficient performance of official duties and responsibilities, other than their home or residence and satellite office.
- 5.11 Work Shifting – refers to a work arrangement applicable to offices/agencies mandated by law to operate 24-hour continuous service delivery on a daily basis, or to agencies required to observe workplace health and safety protocols. This is also applicable to occupational groups that provide security and safety to agency personnel and/or property.

## 6.0 General Guidelines

- 6.1 Agencies may cover the COS and JO workers in their respective agencies, with due consideration of their functions and tasks, in the internal guidelines formulated for the adoption or implementation of flexible work arrangements in their agencies. Specifically, COS and JO workers, whose services are engaged by government agencies in the Philippines, may be considered for any of the following flexible work arrangements:
- a. Skeleton Workforce;
  - b. Flexiplace;
  - c. Compressed Workweek;
  - d. Work Shifting;
  - e. Flexitime; and
  - f. Combination of Flexible Work Arrangements.

For reference in evaluating which appropriate flexible work arrangement is applicable to the nature of the functions or tasks of the COS and JO workers, agencies may refer to Annex A of CSC MC No. 06, s. 2022.

- 6.2 The COS and JO workers and their immediate supervisor shall arrive at an agreeable work arrangement in consideration of the written agreements and the tasks assigned, and of its complementarity to the flexible work arrangement adopted by government employees and officials. Approval of the same shall be subject to the provisions of the policies on flexible work arrangements set forth by the agencies.
- 6.3 The COS and JO workers who will be under any of the flexible work arrangements shall be paid corresponding wages/salaries upon submission of appropriate accomplishment reports for the period.
- The payment of services under individual COS and JO shall be covered by Items 8.0, 9.0, and 11.5 of COA-DBM JC No. 2, s. 2020 and such other guidelines that may be issued by agencies concerned.
- 6.4 The COS and JO workers who will be part of the agency skeleton workforce and are able to physically report onsite in cases when full staffing is not possible may be granted appropriate additional benefit, subject to separate authorization by the Office of the President, and availability of funds.
- 6.5 The COS and JO workers shall abide by the prescribed working hours and schedule of work as may be stated in the agreement or contract with the government agency concerned.
- 6.6 The COS and JO workers under flexible work arrangement shall not be entitled to Compensatory Overtime Credit/Overtime Pay pursuant to the provisions of CSC-DBM JC No. 2, s. 2015<sup>4</sup>, as amended, and other related civil service, budgeting, accounting and auditing rules and regulations.

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<sup>4</sup> Policies and Guidelines on Overtime Services and Overtime Pay for Government Employees

Exemptions to subject prohibition are: (1) when it is explicitly stated in the contract between the agency and the COS/JO workers, provided, that the activities which may warrant the rendition of overtime services and the corresponding remuneration thereof, as well as any adjustment on the same, shall be clearly stipulated in the contract as basis for any payment; and (2) the enactment of national government policy in times of national emergencies where it particularly allows overtime pay for JO and COS.

- 6.7 The COS and JO workers shall subscribe to performance standards and timelines set forth by the agency in accordance with Republic Act (RA) No. 11032, s. 2018<sup>5</sup> or as agreed upon by both parties, as may be applicable. On the other hand, the agencies shall ensure that mechanisms to monitor, evaluate, and report the performance of COS and JO workers are in place to ensure timely, effective, and efficient delivery of service agreements and other planned arrangements.
- 6.8 The COS and JO workers shall ensure confidentiality of official documents and records and abide by the rules and regulations set forth under RA No. 10173, s. 2012 or the Data Privacy Act and the corresponding policy issued by the Agency.
- 6.9 The policy or written agreements produced in the formulation of appropriate flexible work arrangements shall contain provisions for dispute settlement in case of any differences in the interpretation thereof.
- 6.10 The agency may reserve the option of suspending the implementation of flexible work arrangement when necessitated by the demands of government service or other extraordinary circumstances to ensure effective operations of the agency.
- 6.11 There shall be mandatory review by the government agencies of the flexible work arrangements applicable to COS and JO workers after a year from its date of effectivity and in such review frequency as may be adopted by the agency concerned.

## **7.0 Support Mechanisms**

- 7.1 Agencies shall ensure that COS and JO workers under flexible work arrangements are provided with support mechanisms during the duration of their contract, such as the following:
  - a. Appropriate personal protective equipment to frontline service providers who are required to physically report to work during a pandemic and other calamities;
  - b. Health/psycho-social interventions like stress debriefing in the workplace;

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<sup>5</sup> *An Act Promoting Ease of Doing Business and Efficient Delivery of Government Services, amending for the Purpose RA No. 9485, otherwise known as the Anti-Red Tape Act of 2007, and for Other Purposes*

- c. Safe and conducive workplace in accordance with CSC-DOH-DOLE Joint Memorandum Circular No. 1, s. 2020<sup>6</sup>; and
  - d. Appropriate technologies and office supplies needed to perform their day-to-day tasks.
- 7.2 The COS and JO workers shall be held responsible for ensuring the security and safety of government resources provided to them and shall ensure that the same will be used solely for the purpose of performing their work/tasks under flexible work arrangements.
- 7.3 To ensure that the flexiplace work arrangement is cost-neutral to the government, the COS and JO workers under the said work arrangement shall be responsible for the following costs:
- a. Mobile device/landline and broadband services, including all corresponding costs for communication used to perform flexiplace work;
  - b. Cost of utilities used to perform home-based work, such as electricity and water; and
  - c. Transportation cost to and from home, satellite office, or other fixed places.
- 7.4 The support mechanisms shall be included in the internal guidelines to be issued by the agency, and shall be limited to the benefits enjoyed by regular employees, subject to availability of funds and the applicable budgeting, accounting and auditing rules and regulations.

## **8.0 Repealing Clause**

All issuances, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this JC are hereby revised, modified, and/or repealed accordingly.

## **9.0 Resolution of Issues**

Issues and concerns that may arise in the implementation of this JC shall be resolved by the COA and the DBM, as appropriate.

## **10.0 Separability Clause**

If any provision of this JC is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

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<sup>6</sup> *Occupational Safety and Health (OSH) Standards for the Public Sector*

## 11.0 Effectivity

This JC shall take effect immediately upon publication in the Official Gazette or a newspaper of general circulation. Three (3) certified true copies of this JC shall be filed with the University of the Philippines Law Center – Office of the National Administrative Register.



**JOSE C. CALIDA**  
Chairperson  
Commission on Audit

A handwritten signature in black ink, appearing to read "Amehah F. Pangandaman".

**AMENAH F. PANGANDAMAN**  
Secretary

Department of Budget and Management

