

[ **ADMINISTRATIVE ORDER No. 250, December 10, 2008** ]

**AUTHORIZING THE GRANT OF PERFORMANCE BONUS FOR FY 2008**

**WHEREAS**, the government is cognizant of the economic difficulties which may arise as a result of the global financial crisis;

**WHEREAS**, despite these economic challenges, government personnel have discharged their duties with dispatch and provided quality service to the Filipino people;

**WHEREAS**, their commendable effort enabled government agencies to attain efficiency in government operations which contributed to the generation of savings;

**WHEREAS**, it is the policy of the government to improve the economic welfare of government personnel;

**NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO**, President of the Republic Philippines, by virtue of the powers vested in me by law do hereby order:

**SECTION 1.** All personnel of the government who are employed by National Government Agencies (NGAs) and Government Owned or Controlled Corporations (GOCCs) including Government Financial Institutions (GFIs), whether hired on permanent, temporary, casual or contractual basis, and who have rendered at least four (4) months of service as of November 30, 2008, are entitled to receive a one time grant of a maximum of **Ten Thousand Pesos (P10,000,00)** each as Performance Bonus (PerB)

**SECTION 2.** Government personnel who have rendered less than four (4) months of service as of November 30, 2008 shall also be entitled to PerB on a pro-rated basis as follows:

<b>Length of Service</b>	<b>Percentage</b>
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%

**SECTION 3.** The PerB shall be granted to all government personnel who have not received any additional year-end benefit in FY 2008 over and above the benefit authorized under R.A. No. 6686, as amended by R.A. No. 8441.

**SECTION 4.** Funds needed to implement this Order shall be charged against the following:

- a. For national government agencies except the Constitutional Offices/Fiscal Autonomy Group (CFAG), the amount required shall be charged against:
- 1) Additional funds to be released by the DBM to cover P7,000.00 for each government personnel, chargeable against savings from unreleased appropriations under the FY 2008 budget which shall be pooled by DBM for the purpose; and
  - 2) Savings in the respective agency allotment for the remaining P3,000.00 for each government personnel. In the event that the agency savings is insufficient to cover in full the remaining P3,000.00 per employee, partial implementation of the benefit herein authorized shall be made, provided that said partial implementation shall be uniform for all positions, subject to the limitations set forth under Section 2 of this Order.
- b. For agencies belonging to the CFAG, the amount required shall be charged against their available savings; and
- c. For GOCCs and GFIs, the amount needed shall be charged against savings from their respective approved corporate budget. 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.

**SECTION 5.** Payment of benefit shall be made not earlier than December 15, 2008.

**SECTION 6.** The implementing rules and regulations covering this Order shall be issued by the DBM.

**SECTION 7.** This Order shall take effect immediately.

**DONE** in the City of Manila, this 10th day of December in the year of Our Lord, Two Thousand and Eight.

**(Sgd.) H.E. GLORIA MACAPAGAL-ARROYO**

By the President:

**EDUARDO R. ERMITA**

*Executive Secretary*

**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**

## 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.