

**[ DBM BUDGET CIRCULAR NO. 17, February 24, 1999 ]**

**EXTENDING THE GRANT OF P500 PER MONTH ADDITIONAL COMPENSATION (ADCOM) TO GOVERNMENT PERSONNEL ALLOCATED TO SALARY GRADE 26 AND ABOVE**

*1.0 Purpose*

The purpose of this Circular is to formalize the existing policies and rules governing the grant of P500 monthly ADCOM pursuant to Administrative Order (AO) 53 and to extend its grant to the rest of the personnel of the national government, government-owned and -controlled corporations, government financial institutions, and local government units as authorized under Section 49 of the General Provisions of RA No. 8745, the 1999 General Appropriations Act.

*2.0 Coverage*

2.1 All civilian appointive personnel under permanent, temporary, contractual, casual, substitute or emergency status, regardless of salary grade assignment, whether full- time or part-time basis;

2.2 All uniformed personnel, regardless of rank, of the Department of Interior and Local Government, Armed Forces of the Philippines, National Mapping Resource and Information Authority and Department of Transportation and Communications;

2.3 Officials and employees of Local Government Units:

2.4 Officials and employees of Government-Owned and/ or Controlled Corporations; and

2.5 National and Local elective officials.

*3.0 Exemption*

3.1 Those who have been declared absent without leave (AWOL) by competent authority; and

3.2 Those under service contracts such as consultants and experts who are hired for a limited period to perform specific activities or services with expected outputs including student laborers; apprentices; laborers of contracted projects (pakiao); mail contractors, those paid by piecework basis and those who are not hired as part of the organic manpower of government entities.

*4.0 Rules and Regulations*

The ADCOM herein authorized shall be paid in accordance with the following rules and regulations.

4.1 Government personnel who are paid on annual or monthly basis shall be paid ADCOM of P500 per month.

4.2 The ADCOM of government personnel paid on an hourly, daily or part-time basis shall be computed on the basis of actual services rendered during the month but not to exceed P500 per month as shown in Annex A.

4.3 The ADCOM of government personnel who incurred absences without pay including those on leave without pay during the month shall be computed on the basis of actual services rendered with pay during the same month as shown in Annex B.

4.4 Government personnel who are on full-time or part-time detail with another government agency or special project shall receive the ADCOM from their home office, or in the case of those paid from project funds, from the same source where they draw their basic salaries. No one shall receive ADCOM from more than one source.

4.5 The ADCOM of government personnel with pending cases shall continue to be paid for as long as they are paid their basic pay.

4.6 The ADCOM of government personnel under preventive suspension or have been meted suspension without pay shall not be paid during the period of their suspension.

#### *5.0 Funding Source*

The ADCOM authorized herein shall be taken from the following funds:

5.1 For national government agencies, it shall be taken from the amount appropriated for ADCOM. In case of deficiency, the same shall be charged against savings from released allotment for personnel services.

5.2 For government-owned and -controlled corporations, including government financial institutions, it shall be taken from their respective corporate funds, subject to the approval by their respective governing boards.

5.3 For local government units (LGUs), it shall be taken from their respective local funds subject to the availability of the same. In the event that focal funds are not sufficient to grant the full rate of P500 per month, implementation thereof may be made partially at a uniform rate for all positions in the concerned LGU, subject to PS limitation as provided under Section 325 of RA 7160.

#### *6.0 Responsibility of the Head of Agency/LGU*

The head of the agency/LGU shall be held responsible and personally liable for any payment of ADCOM not in accordance with the provisions of this Circular, without prejudice, however, to the fund of any excess payment by the employee concerned.