

**[DBM NATIONAL COMPENSATION CIRCULAR NO.
75, March 01, 1995]**

**PRESCRIBING THE GUIDELINES AND PROCEDURES FOR THE
GRANT OF HONORARIA TO GOVERNMENT OFFICIALS AND
EMPLOYEES**

1

Purpose

This Circular is being issued to prescribe rules and regulations to implement the pertinent provisions honoraria under Letter of Instructions No. 565 and the annual General Appropriations Act.

2.0

Concept of Honoraria

Honoraria is a form of compensation or reward paid over and above the regular pay in recognition of gratuitous services rendered by government personnel covered under this Circular. In general, honoraria is paid to government personnel for additional work rendered which is not among his regular functions, but may also be paid to non-government personnel for special services or for membership in projects.

3.0

Coverage and Exemptions

3.1 This Circular shall cover the following:

- 3.1.1 agency personnel performing or discharging duties in agency activities or special projects in addition to or over and above their regular functions regardless of the source of fund;
- 3.1.2 researchers, experts and specialist who are acknowledged authorities in their field of specialization, other than those paid consultancy fees; and
- 3.1.3 military personnel who are rendering security services to the Congress of the Philippines including its committees.

3.2 The following are not covered by this Circular but shall continue to be paid honoraria at rates prescribed by existing rules and regulations:

- 3.2.1 teaching personnel of the Department of Education, Culture and Sports (DECS) and State Universities and Colleges (SUCs) engaged

in actual classroom teaching whose teaching load is outside regular office hours and/or excess of regular load;

3.2.2 teaching personnel of SUCs designated as heads of department;

3.2.3 government personnel acting as lecturers, resource persons, coordinators and facilitators in seminars, training programs and other similar activities; and

3.2.4 members of governing boards of government collegial bodies or committees.

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Definition of Terms

For purposes of this Circular, the following terms shall be defined as follows:

4.1 Agency Activity/Special Project - an undertaking by a composite group of officials/employees from one or more bureaus/offices of a department/agency or from one or more departments/agencies which is not among their regular functions. An agency activity/special project which shall hereinafter be referred to as project shall have a specific timeframe of not less than one month, and shall result in an output or sets of outputs which are not part of the regular outputs of the departments or agencies concerned.

4.2 Project Component - a specific group undertaking within the scope of the entire project which has distinct set of outputs, accomplishments of which require independent internal planning and development.

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General Guidelines

5.1 Heads of national government agencies, including government-owned and/or controlled corporations. May grant honoraria to government officials and employees in accordance with the rules prescribed in this Circular, without need for approval by the DBM.

5.2 The grant of honoraria shall be subject to availability of appropriations for the purpose and shall not require additional funding from the national government.

5.3 Any official may be permitted to participate in more than one project, provided that the total honoraria received shall in no case exceed fifty percent (50%) of his annual salary.

5.4 The grant of honoraria shall be subject to compliance monitoring by the DBM and may be revoked or modified upon verification of non-compliance of this Circular, without prejudice to sanctions that may be imposed under existing accounting and auditing rules and regulations.

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Honoraria for Project Personnel

6.1 Personnel assigned to projects shall be entitled to honoraria based on the level of responsibility and the nature of work assigned. For this purpose, the following hierarchical levels, duties and responsibilities of positions shall serve as the basis for assignment and determination of honorarium rates of personnel assigned to projects:

Level I - Project Management Committee Chairperson Vice-Chairperson or equivalent Project Manager/Director or equivalent

Plans, directs and coordinates the activities of the project, and the efficient allocation and utilization of the project's physical, financial, manpower and technological resources, to ensure that its objectives and targets are accomplished in accordance with prescribed priorities, scheduled, timeframe and budgetary allocation.

Or is directly responsible and accountable to the agency head for the effective performance and accomplishment of the project.

Or participates in the overall project planning, policy and strategy formulation and supervision.

Level II - Project Management Committee Member or equivalent Assistant Project Manager or equivalent Project Consultant/Researcher/Expert/ Specialist

Assists project head in carrying out his duties and responsibilities. Acts as Project Manager in the absence of the superior. May undertake the management of specifically assigned group of project components.

Or participates in the overall project planning, policy and strategy formulation and supervision.

Or provides advice on or performs highly specialized research and development work along professional, scientific, technical, creative and artistic matters vital to the successful attainment of the objectives and targets of the project/agency.

Level III - Technical Staff Team Leader/Coordinator Senior Technical Staff/Team Leader

Heads a group of Technical Staff/Team Members who are assigned to a specific project component or groups of components. May formulate own plans, methods of approach, guidelines or procedures subject to the overall project objectives.

Or performs the difficult phases of a specific project component or group of components which may not be subject to technical review but is responsible for its correctness, technical adequacy and reliability.

Level IV - Technical Staff/Team Member

Performs the simple phases of a specific project component or group of components which is subject to technical review and is answerable for its correctness, technical adequacy and reliability.

Level V - Administrative Staff