



# 20<sup>th</sup> City Council CAGAYAN DE ORO CITY

# AGENDA



**HON. JOCELYN B. RODRIGUEZ**  
*City Vice Mayor*



**4<sup>th</sup> SPECIAL SESSION**  
**Thursday / 21 December 2023 / 1:30 PM**  
**Session Hall, City Hall, Cagayan de Oro City**

Copy of:

**FILE**

## CAGAYAN DE ORO MARCH

CAGAYAN DE ORO OUR PRIDE  
OUR BELOVED CITY  
THY MOUNTAINS, RIVERS, PLAINS AND SEAS  
THY PEOPLE CONTENTED HAPPY

CAGAYAN DE ORO OUR PRIDE  
OUR BELOVED CITY  
WE ARE SINGING PRAISES IN LOUD VOICE  
FOREVER TO THEE TO THEE

THE GATEWAY TO THE LAND OF PROMISE  
BRAVE MEN OF OLD FOUGHT FOR THY SAKE  
INSPIRATION THEY HAVE LEFT FOR US  
TO SERVE YOU FOREVER FREE

THE GOLD IN BRILLIANT GLITTERING  
YOU'LL FIND NOT IN VERDANT MOUNTAIN VALES  
BUT DEEP IN HOMES AND HEARTS DIVINE  
HERITAGE FOR YOU AND MANKIND, AH!

THE BEAUTIFUL, THE PLACE OF GOLD  
OUR BELOVED CITY  
THE NAME WE PRIDE WE ALL ENDEAR  
THY BANNER UP HIGH TO FLUTTER FREE

THE BEAUTIFUL, THE PLACE OF GOLD  
OUR BELOVED CITY  
TILL FOREVER AND FOREVER  
FOR THY GLORY THY GLORY BE...



**cagayan  
de Oro**  
city of golden friendship

Republic of the Philippines  
CITY OF CAGAYAN DE ORO

**OFFICE OF THE CITY COUNCIL**

(088) 857-2258; 857-4029; 857-4032; 857-4035 / www.cdeo-sanggunian.online



19 December 2023

**THE HONORABLE MEMBERS**  
**20<sup>TH</sup> CITY COUNCIL (SANGGUNIANG PANLUNGSOD)**  
CAGAYAN DE ORO CITY

Gentlemen and Ladies:

Please be notified of the **Special Session** of the 20th City Council (*Sangguniang Panlungsod*) of Cagayan de Oro on **Thursday, 21<sup>st</sup> December 2023 at 1:30 PM** at the Session Hall, Legislative Bldg., City Hall, this City, pursuant to the Call by His Honor, City Mayor Rolando A. Uy for the purpose of enacting:

- (1) **PROPOSED ORDINANCE NO. 2023-348** - granting Service Recognition Incentive (SRI) to City Government employees and Gratuity Pay to Contract of Service and Job Order Workers in government for FY 2023, the funds necessary therefor chargeable against the allocation under SB 5 of the General Fund & SB 2 of the Special Account: LEE/Us.

In accordance with the Internal Rules of Procedure (IRP) of the august body, you may join the Special Session via Zoom (*Meeting ID 9801749646 / Password 121720*). Likewise, the Dress Code for the said session is suspended.

Thank you very much.

Very truly yours,

**ARTURO S. DE SAN MIGUEL**  
CITY SECRETARY

**THE HONORABLE MEMBERS**  
20<sup>TH</sup> CITY COUNCIL (SANGGUNIANG PANLUNGSOD)  
CAGAYAN DE ORO CITY

**HON. JOCELYN B. RODRIGUEZ**  
CITY VICE MAYOR

*First District*

*Second District*

**HON. AGAPITO ERIBERTO G. SUAN**  
CITY COUNCILOR

**HON. YEVONNA YACINE B. EMANO**  
CITY COUNCILOR

**HON. ROGER G. ABADAY**  
CITY COUNCILOR

**HON. MARIA LOURDES S. GAANE**  
CITY COUNCILOR

**HON. JAY R. PASCUAL**  
CITY COUNCILOR

**HON. JOYLEEN MERCEDES L. BALABA**  
CITY COUNCILOR

**HON. IMEE ROSE P. MORENO**  
CITY COUNCILOR

**HON. JAMES K. JUDITH II**  
CITY COUNCILOR

**HON. ROMEO V. CALIZO**  
CITY COUNCILOR

**HON. IAN MARK O. NACAYA**  
CITY COUNCILOR

**HON. GEORGE S. GOKING**  
CITY COUNCILOR

**HON. EDGAR S. CABANLAS**  
CITY COUNCILOR

**HON. JOSE PEPE S. ABBU, JR.**  
CITY COUNCILOR

**HON. CHRISTIAN RUSTICO M. ACHAS**  
CITY COUNCILOR

**HON. MALVERN A. ESPARCIA**  
CITY COUNCILOR

**HON. SUZETTE G. MAGTAJAS-DABA**  
CITY COUNCILOR

*Ex-Officio Members*

**HON. YAN LAM S. LIM**  
CITY COUNCILOR / LIGA NG MGA BARANGAY PRESIDENT

**HON. KENNETH JOHN D. SACALA**  
CITY COUNCILOR / CITY SK FEDERATION PRESIDENT

**AGENDA OF THE 4<sup>TH</sup> SPECIAL SESSION  
OF THE 20<sup>TH</sup> CITY COUNCIL (SANGGUNIANG PANLUNGSOD) OF  
CAGAYAN DE ORO, THURSDAY, 21 DECEMBER 2023**

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## **Order of Business**

- A. CALL TO ORDER BY THE PRESIDING OFFICER, HONORABLE CITY COUNCILOR ROMEO V. CALIZO, PRESIDING OFFICER PRO TEMPORE**
- B. INVOCATION**
- C. SINGING OF THE LUPANG HINIRANG**
- D. SINGING OF THE CAGAYAN DE ORO MARCH**
- E. ROLL CALL AND DETERMINATION OF QUORUM BY THE SANGGUNIANG PANLUNGSOD SECRETARY**
- F. AGENDA:**
  - 1) PROPOSED ORDINANCE NO. 2023-348** – granting Service Recognition Incentive (SRI) to City Government employees and Gratuity Pay to Contract of Service and Job Order Workers in government for FY 2023 at the rate of ₱20,000.00 and ₱5,000.00 each, respectively, or on a *pro rata* basis for those who have rendered less than 4 months of service per Administrative Order No. 12 and Administrative Order No. 13 of the Office of the President; the funds necessary therefor chargeable against the items: *Non-Office: Personal Services-Other Personnel Benefits* and *MOOE-Other Maintenance & Operating Expenses*, as the case maybe, in the Supplemental Budget No. 5 of the General Fund and Supplemental Budget No. 2 of the Special Account: Local Economic Enterprises/Utilities, both for Calendar Year 2023.  
**(SEE APPENDIX "A" / Pages 1-23)**

NOTE: CERTIFIED URGENT BY **HONORABLE CITY MAYOOR ROLANDO A. UY**



December 18, 2023

**The Honorable Sanggunian Panlungsod Members**

Thru: **Hon. Jocelyn B. Rodriguez**  
 City Vice Mayor  
 Cagayan de Oro City

**Ladies and Gentlemen:**

This pertains to the Administrative Orders No. 12 and 13, authorizing the Grant of **Service Recognition Incentive** to Government Employees and **Gratuity Pay** to Contract of Service and Job Order Workers in Government for Fiscal Year 2023, respectively, which was recently issued by the President of the Philippines.

We are earnestly requesting your appropriate legislative measures to ensure the timely and fair provision of Service Recognition Incentive and Gratuity Pay for the City Hall employees through an ordinance authorizing the use of existing appropriations under Supplemental Budget No. 5 and 2, of the General Fund and Special Account; LEE/Us, respectively, as embodied in the recently enacted Ordinance No. 14673-2023, to wit:

**SB 5 - GENERAL FUND:**

Non-Office-General Public Services

Other Personnel Benefits	PhP	59,780,000.00
Other Maintenance & Operating Exp.		14,355,000.00

**SB 2 – SPECIAL ACCOUNT-LEE/Us:**

Non-Office-SA/LEEs

Other Personnel Benefits	PhP	14,160,000.00
Other Maintenance & Operating Exp.		5,150,000.00

I am therefore certifying to the urgency this matter for inclusion in the regular/special session.

Thank you.

Very truly yours,

**ROLANDO A. UY**  
 City Mayor





MALACAÑAN PALACE  
MANILA

**BY THE PRESIDENT OF THE PHILIPPINES**

**ADMINISTRATIVE ORDER NO. 12**

**AUTHORIZING THE GRANT OF SERVICE RECOGNITION INCENTIVE  
TO GOVERNMENT EMPLOYEES FOR FISCAL YEAR 2023**

**WHEREAS**, Section (4)(h) of Congressional Joint Resolution (JR) No. 4 (s. 2009) authorizes the grant of: (i) incentives to reward an employee's loyalty to government service and their contributions to the agency's continuing viable existence; (ii) incentives as reward for exceeding agency financial and operational performance targets to motivate employee efforts toward higher productivity; and (iii) other existing benefits to be categorized by the Department of Budget and Management (DBM) as incentives;

**WHEREAS**, Section (17)(iv) of JR No. 4 authorizes the President, upon the recommendation of the DBM, to update the Compensation and Position Classification System for civilian personnel, Base Pay Schedule for military and uniformed personnel, and policies on and levels of allowances, benefits, and incentives applicable to all government personnel;

**WHEREAS**, Administrative Order (AO) Nos. 19 (s. 2019), 37 (s. 2020), 45 (s. 2021), and 1 (s. 2022) authorized the grant of Service Recognition Incentive to government employees for Fiscal Years (FYs) 2019, 2020, 2021, and 2022, respectively, in recognition of the hard work, commitment, and dedication to public service of government personnel; and

**WHEREAS**, the Administration recognizes all government employees for their collective and invaluable contribution to the government's continuing efforts in pursuing the objectives, commitments, targets and deliverables under the Philippine Development Plan 2023-2028 and the President's 8-Point Socioeconomic Agenda;

**NOW, THEREFORE, I, FERDINAND R. MARCOS, JR.**, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**Section 1. Service Recognition Incentive for Employees in the Executive Department.** This Order authorizes the grant of a one-time Service Recognition Incentive (SRI) at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000.00) for each of the following personnel in the Executive branch:

- a. Civilian personnel in national government agencies (NGAs), including those in state universities and colleges (SUCs) and government-owned or -controlled corporations (GOCCs), occupying regular, contractual or casual positions; and
- b. Military personnel of the Armed Forces of the Philippines under the Department of National Defense, and uniformed personnel of the Philippine National Police, Bureau of Fire Protection, and Bureau of Jail Management and Penology under the Department of the Interior and Local Government, the Bureau of Corrections under the Department of Justice, the Philippine Coast Guard under the Department of Transportation, and the National Mapping and Resource Information Authority under the Department of Environment and Natural Resources.

**Section 2. Conditions on the Grant of the SRI.** The grant of the SRI shall be subject to the following conditions:

- a. The civilian personnel are occupying regular, contractual or casual positions;
- b. The personnel are still in government service as of 30 November 2023;
- c. The personnel have rendered at least a total or an aggregate of four (4) months of satisfactory service as of 30 November 2023, inclusive of services rendered under any of the alternative work arrangements prescribed by the Civil Service Commission;
- d. Those who have rendered less than a total or an aggregate of four (4) months of satisfactory service as of 30 November 2023 shall be entitled to a pro-rated SRI, as follows:

LENGTH OF SERVICE	PERCENTAGE OF INCENTIVE
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 %

and;

- e. The employees have not received any additional year-end benefit in FY 2023 over and above the benefit authorized under Republic Act (RA) No. 6686, as amended by RA No. 8441.

**Section 3. Exclusion from the Grant of the SRI.** Those engaged without employer-employee relationship and whose compensation are funded from non-Personnel Services (PS) appropriations/budgets are excluded from the grant of the SRI, such as:

- a. Consultants and experts engaged for a limited period to perform specific activities or services with expected outputs;

- b. Laborers engaged through job contracts (*pakyaw*) and those paid on piecework basis;
- c. Student workers and apprentices; and
- d. Individuals and groups of people whose services are engaged through job orders, contracts of service or others similarly situated.

**Section 4. Funding Source of the SRI for Employees in the Executive Department.** The funding source for the grant of the SRI to employees in the Executive branch shall be governed by the following:

- a. For NGAs, including SUCs, and military and uniformed personnel, the amount required shall be charged against the available PS allotments of the respective agencies under RA No. 11936 or the "General Appropriations Act (GAA) for FY 2023."

In case of deficiency, the amount required may be charged against the Maintenance and Other Operating Expenses allotment of the concerned government agency, subject to the rules on modification in allotments under Section 80 of the General Provisions of RA No. 11936, and other pertinent budgeting, accounting and auditing rules and regulations;

- b. For GOCCs, the amount required shall be charged against their respective approved corporate operating budgets (COBs) for FY 2023 only; and
- c. Should the identified funding sources be insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the NGA, SUC or GOCC.

**Section 5. SRI for Employees in the Legislative and Judicial Departments and Other Offices Vested with Fiscal Autonomy.** Employees of the Senate, House of Representatives, Judiciary, Office of the Ombudsman and Constitutional Offices vested with fiscal autonomy may likewise be granted a one-time SRI by their respective heads of office at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000.00) each, chargeable against the available PS allotment of their respective agencies, subject to the conditions set forth in Section 2 hereof.

Should the identified funding source be insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the concerned office.

**Section 6. SRI for Employees in Local Government Units (LGUs).** The grant of the one-time SRI to employees in LGUs, including those in the *barangays*, shall be determined by their respective *sanggunians* depending on the LGU's financial capability, subject to the PS limitation in LGU budgets under RA No. 7160 or the "Local Government Code of 1991," and the conditions set forth in Section 2 hereof, at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000.00), chargeable against their respective FY 2023 local government funds. Should the identified funding source



be insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the LGU.

In determining the amount of the SRI, the *sanggunians* shall exercise prudence and judicious use of government funds, ensuring that the expenditure is reasonable and will not, in any way, prejudice the delivery of services to the public.

The amount required shall be chargeable against the available FY 2023 appropriations or surplus, upon the enactment by the local *sanggunian* of the corresponding supplemental budget (SB) for the purpose. In case the LGU fails to enact an SB within FY 2023, the LGU concerned may enact an SB for FY 2024, provided that the: (i) SB shall be charged against the LGU's reverted and unused surplus for prior years, subject to compliance with pertinent provisions of RA No. 7160, and other existing laws, rules and regulations; (ii) prior year's surplus is backed by cash; and (iii) annual budget for FY 2024 is already approved.

**Section 7. SRI for Employees in Local Water Districts (LWDs).** LWDs may also grant the SRI to their employees at a uniform rate to be determined by their Boards of Directors (BOD), which shall not exceed Twenty Thousand Pesos (₱20,000.00) each, chargeable only against their respective BOD-approved FY 2023 COBs, subject to the conditions set forth in Section 2 hereof.

Should the identified funding source be insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the LWD.

**Section 8. SRI for Employees in Agencies Exempted from the Coverage of RA No. 6758, as amended.** NGAs and GOCCs exempted from the coverage of RA No. 6758, as amended, may also grant the SRI to their employees at a uniform rate to be determined by their agency heads or governing boards, which shall not exceed Twenty Thousand Pesos (₱20,000.00) each, chargeable against the NGA's available funds and the GOCC's FY 2023 COB, subject to the conditions set forth in Section 2 hereof.

Should the identified funding source be insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the concerned agency.

**Section 9. Payment Date.** The payment of the SRI to all qualified government employees shall not be earlier than 15 December 2023.

**Section 10. Supplemental Guidelines.** As may be necessary, the DBM shall issue supplemental guidelines to effectively implement this Order.

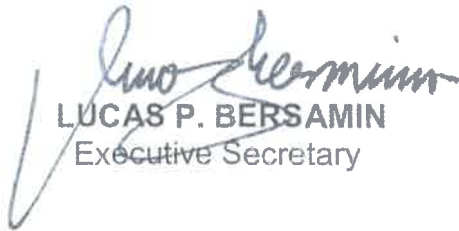
**Section 11. Separability.** If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

**Section 12. Repeal.** All issuances, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Order are hereby repealed or modified accordingly.

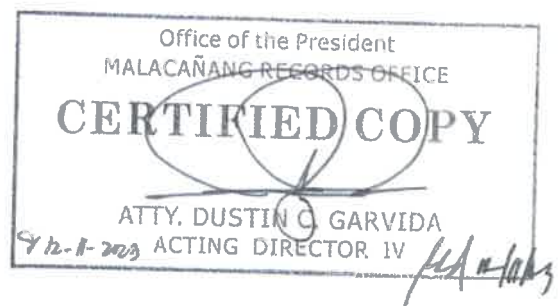
**Section 13. Effectivity.** This Order shall take effect immediately.

**DONE**, in the City of Manila, this 7<sup>th</sup> day of December, in the year of our Lord, Two Thousand and Twenty-Three.

By the President:



**LUCAS P. BERSAMIN**  
Executive Secretary



PBBM003449



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



**BUDGET CIRCULAR**

No. 2023 - 2  
December 13, 2023

- 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 2023

## 1.0 Background

- 1.1 Administrative Order (AO) No. 12<sup>1</sup> dated December 7, 2023 authorizes the grant of a one-time Service Recognition Incentive (SRI) for FY 2023 at a uniform rate not exceeding **Twenty Thousand Pesos (P20,000)** for each qualified government employee.
- 1.2 The issuance of AO No. 12, s. 2023 is in accordance with **Section 17(iv)** of **Congress Joint Resolution No. 4<sup>2</sup>** 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, Base Pay Schedule for military and uniformed personnel, and policies on and levels of allowances, benefits, and incentives applicable to all government personnel.
- 1.3 The one-time SRI for FY 2023 is being granted to qualified government personnel in recognition of their collective and invaluable contribution to the government's continuing efforts in pursuing the objectives, commitments, targets, and deliverables under the Philippine Development Plan 2023-2028 and the President's 8-Point Socioeconomic Agenda.

<sup>1</sup> Authorizing the Grant of Service Recognition Incentive to Government Employees for Fiscal Year 2023

<sup>2</sup> 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

## **2.0 Purpose**

This Circular is issued to prescribe the guidelines on the grant and the funding of the SRI for FY 2023 pursuant to AO No. 12, s. 2023.

## **3.0 Coverage**

The guidelines in this Circular cover the following employees:

- 3.1 Civilian personnel in national government agencies (NGAs), including those in SUCs and GOCCs, occupying regular, contractual or casual positions;
- 3.2 Military personnel of the Armed Forces of the Philippines, Department of National Defense, and uniformed personnel of the Philippine National Police, Bureau of Fire Protection, and Bureau of Jail Management and Penology under the Department of the Interior and Local Government, the Bureau of Corrections under the Department of Justice, the Philippine Coast Guard under the Department of Transportation, and the National Mapping and Resource Information Authority under the Department of Environment and Natural Resources;
- 3.3 Employees in the Legislative and Judicial Departments and other offices vested with fiscal autonomy;
- 3.4 Employees in LGUs; and
- 3.5 Employees in LWDs.

## **4.0 Exclusions**

Those engaged without an employer-employee relationship and whose compensation are funded from non-Personnel Services (PS) appropriations/budgets are excluded from the grant of the SRI, such as:

- 4.1 Consultants and experts engaged for a limited period to perform specific activities or services with expected outputs;
- 4.2 Laborers engaged through job contracts (*pakyaw*) and those paid on piecework basis;
- 4.3 Student-workers and apprentices; and
- 4.4 Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

## **5.0 Conditions and Guidelines on the Grant of the One-Time SRI**

The grant of the SRI shall be subject to the following conditions and guidelines:

- 5.1 The civilian personnel are occupying regular, contractual or casual positions.

- 5.2 The personnel are still in government service as of November 30, 2023.
- 5.3 The personnel have rendered at least a total or an aggregate of four (4) months of satisfactory service as of November 30, 2023, inclusive of services rendered under any of the alternative work arrangements prescribed by the Civil Service Commission.
- 5.4 Those who have rendered less than a total or an aggregate of four (4) months of service as of November 30, 2023 shall be entitled to a pro-rated SRI, as follows:

Length of Service	Percentage of Incentive
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%

- 5.5 The employees have not received any additional year-end benefit in FY 2023 over and above the benefits authorized under Republic Act (RA) No. 6686, as amended by RA No. 8441.
- 5.6 The personnel have not been found guilty of any administrative or criminal cases by final and executory judgment in FY 2023. If the penalty imposed is only a reprimand, the personnel concerned shall be entitled to the SRI.
- 5.7 The SRI of an employee on part-time basis shall be pro-rated corresponding to the services rendered. If employed on part-time basis with two (2) or more agencies, an employee shall be entitled to proportionate amounts corresponding to the services in each agency, provided that the total SRI shall not exceed the authorized amount.
- 5.8 The SRI of an employee who transferred from one agency to another shall be granted by the new agency.
- 5.9 The SRI of an employee on detail to another government agency shall be granted by the parent agency.
- 5.10 A compulsory retiree, on service extension as of November 30, 2023, may be granted the SRI, subject to the pertinent conditions and guidelines under this Circular.

## **6.0 Funding Source of the SRI for Employees in the Executive Department**

- 6.1 For NGAs, including SUCs and military and uniformed personnel, the amount required shall be charged against the available PS allotments of the respective agencies under RA No. 11936 or the General Appropriations Act (GAA) for FY 2023.

In case of deficiency, the amount required may be charged against the Maintenance and Other Operating Expenses allotment of the concerned government agency, subject to the rules on modification in allotments

under Section 80 of the General Provisions of RA No. 11936, and other pertinent budgeting, accounting, and auditing rules and regulations.

- 6.2 For GOCCs, the amount required shall be charged against their respective approved corporate operating budgets (COBs) for FY 2023 only; and
- 6.3 Should the identified funding source prove insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the NGA, SUC or GOCC.

## **7.0 SRI for Employees in the Legislative and Judicial Departments and Other Offices Vested with Fiscal Autonomy**

Employees of the Senate, House of Representatives, Judiciary, Office of the Ombudsman, and Constitutional Offices vested with fiscal autonomy may likewise be granted a one-time SRI by their respective heads of offices at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000) each, chargeable against the available PS allotment of their respective agencies, subject to the conditions and guidelines set in Item 5.0 of this Circular.

Should the identified funding source prove insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the concerned office.

## **8.0 SRI for Employees in LGUs**

The grant of the one-time SRI to employees in LGUs, including those in the barangays, shall be determined by their respective *sanggunians* depending on the LGU's financial capability, at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000) each, subject to the following conditions:

- 8.1 The SRI shall be charged against their respective local government funds, subject to the PS limitation in LGU budgets pursuant to Sections 325(a) and 331(b) of RA No. 7160 or the Local Government Code of 1991;
- 8.2 The guidelines on the grant of the SRI under Item 5.0 of this Circular shall be adhered to; and
- 8.3 In determining the amount of the SRI, the *sanggunians* shall exercise prudence and judicious use of government funds, ensuring that the expenditure is reasonable and will not, in any way, adversely affect the delivery of services to the public.

Should the identified funding source prove insufficient to cover the maximum allowable rate of the SRI, a lower but uniform amount shall be granted to all qualified employees of the LGU.

The amount required shall be chargeable against the available FY 2023 appropriations or surplus upon the enactment by the local *sanggunian* of the corresponding supplemental budget (SB) for the purpose. In case the LGU fails to enact an SB within FY 2023, the LGU concerned may enact an SB for FY

2024, provided that the (i) SB shall be charged against the LGUs' reverted and unused surplus for prior years, subject to compliance with pertinent provisions of RA No. 7160, and other existing laws, rules, and regulations; (ii) prior year's surplus is backed by cash; and (iii) annual budget for FY 2024 is already approved.

Further, consistent with Sections 325(a) and 331(b) of RA No. 7160 and the existing local government budgeting rules and regulations, in the enactment of an SB, the LGU concerned shall be further guided by the following in the determination of PS limitation for the grant of the SRI: (i) SBs passed in 2023 shall be subject to compliance with the PS limitation for FY 2023; and (ii) SBs passed in 2024 shall be subject to compliance with the PS limitation for FY 2024.

#### **9.0 SRI for Employees in LWDs**

LWDs may also grant the SRI to their employees at a uniform rate to be determined by their Boards of Directors (BOD), which shall not exceed Twenty Thousand Pesos (₱20,000) each, chargeable only against their respective BOD-approved FY 2023 COBs, subject to the conditions and guidelines set in Item 5.0 of this Circular.

Should the identified funding source be insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the LWD.

#### **10.0 SRI for Employees in Agencies Exempted from the Coverage of RA No. 6758, as Amended**

NGAs and GOCCs exempted from the coverage of RA No. 6758, as amended, may also grant the SRI to their employees at a uniform rate to be determined by their agency heads or governing boards, which shall not exceed Twenty Thousand Pesos (₱20,000) each, chargeable against the NGA's available funds and the GOCC's FY 2023 COB, subject to the conditions and guidelines set in Item 5.0 of this Circular.

Should the identified funding source be insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified personnel of the concerned agency/GOCC.

#### **11.0 Payment of the SRI**

The payment of the SRI to all qualified government employees shall not be earlier than December 15, 2023.

#### **12.0 Reportorial Requirements**

Each NGA, SUC, GOCC, LWD shall submit online to the DBM's Budget and Management Bureau (BMB) or Regional Office (RO) concerned not later than January 31, 2024, the annual report on the grant of the FY 2023 SRI by following the template in Annex "A."

In this regard, the NGAs and SUCs shall encode the required details/information, as well as upload the scanned copy of the report using the following link: <https://forms.dbm.gov.ph/index.php/sri-report>.

Agencies are enjoined to fully abide by the aforementioned reportorial requirement. The BMBs or ROs concerned shall ensure compliance of the agencies with the reportorial requirement set forth in this Circular.

### **13.0 Responsibilities of Agencies**

Agencies shall be responsible for the proper implementation of the provisions of this Circular. The responsible officers shall be held liable for any payment not in accordance with the provisions hereof without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

### **14.0 Resolution of Cases**

Cases not covered by the provisions of this Circular shall be referred to the DBM for resolution.

### **15.0 Effectivity**

This Circular shall take effect immediately.

  
**AMENAH F. PANGANDAMAN**  
Secretary





Report on the Payment of SRI for FY 2023

Department/Agency: \_\_\_\_\_

I. If SRI was Granted

Total Amount Paid for the SRI:

Number of Qualified Personnel	
Civilian	XXX
Military/Uniformed Personnel	XXX
Contractual	XXX
Casual	XXX
<b>Total No. of Qualified Personnel</b>	<b>XXXX</b>

Rate of SRI \_\_\_\_\_

Total Amount Paid \_\_\_\_\_

Fund Sources:

Total Amount Charged Against Personnel Services (PS) Allotments XXXX

Amount Charged Against Maintenance and Other Operating Expenses (MOOE)

Object of Expenditure	
_____	XXX
_____	XXX
_____	XXX
_____	XXX

Total Charges Against MOOE XXXX

Grand Total (PS+MOOE [if any]) \_\_\_\_\_

II. If the SRI was Not Granted

Please state reason/s for non-grant

\_\_\_\_\_  
\_\_\_\_\_

Submitted by:

Certified Correct:

Head, Finance/Administrative Unit

Agency Head



MALACAÑAN PALACE  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 13

**AUTHORIZING THE GRANT OF GRATUITY PAY TO CONTRACT OF SERVICE AND JOB ORDER WORKERS IN GOVERNMENT FOR FISCAL YEAR 2023**

**WHEREAS**, various government agencies are engaging the services of individual workers under contract of service (COS) and job order (JO) schemes to support the implementation of their respective programs, activities, and projects (P/A/Ps), especially the priority items under the Philippine Development Plan 2023-2028 and the President's 8-point Socioeconomic Agenda;

**WHEREAS**, under the Commission on Audit (COA)-Department of Budget and Management (DBM) Joint Circular (JC) No. 2 (s. 2022), government agencies may engage the services of new COS and JO workers through individual contracts, and renew the individual contracts of their existing COS and JO workers until 31 December 2024;

**WHEREAS**, while COS and JO workers in the government are paid salaries or wages equivalent to those received by personnel occupying comparable positions in government and a premium of up to 20% of such salary or wage, they do not enjoy the benefits accorded to regular government employees such as Mid-Year and Year-End Bonuses, Performance-Based Bonus, and Personnel Economic Relief Allowance;

**WHEREAS**, granting a year-end Gratuity Pay to COS and JO workers is a well-deserved recognition of their hard work and valuable participation in the implementation of various P/A/Ps of the government, and pivotal role in the delivery of government services amidst the present socio-economic challenges;

**WHEREAS**, Administrative Order No. 3 (s. 2022) authorized the grant of Gratuity Pay to COS and JO workers in government for Fiscal Year (FY) 2022; and

**WHEREAS**, Section 17, Article VII of the Constitution vests in the President the power of control over all Executive departments, bureaus and offices;

**NOW, THEREFORE, I, FERDINAND R. MARCOS, JR.**, President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

**Section 1. Grant of Gratuity Pay in National Government Agencies and Instrumentalities.** All workers whose services are engaged through COS and JO, who have rendered a total or an aggregate of at least four (4) months of actual satisfactory

performance of service, as stipulated in their respective contracts, as of 15 December 2023, and whose contracts are still effective as of the same date, may be granted a one-time Gratuity Pay not exceeding Five Thousand Pesos (₱5,000.00) each.

Those who have rendered less than four (4) months of actual satisfactory performance of service, as stipulated in their respective contracts, as of 15 December 2023, and whose contracts are still effective as of same date, may also be granted the one-time Gratuity Pay, on a *pro rata* basis, as follows:

Length of Service	Amount of Gratuity Pay
3 months but less than 4 months	Not exceeding ₱4,000.00
2 months but less than 3 months	Not exceeding ₱3,000.00
Less than 2 months	Not exceeding ₱2,000.00

For this purpose, actual service shall refer to services rendered on-site. However, subject to the discretion of the Agency Head and the availability of funds, services rendered by COS and JO workers under any alternative work arrangements prescribed under Section 6.1 COA-DBM JC No. 1 (s. 2022) may also be considered as actual service.

**Section 2. Coverage.** This Order shall cover workers whose services are directly engaged through COS and JO by national government agencies (NGAs), state universities and colleges (SUCs), government-owned or -controlled corporations (GOCCs) and local water districts (LWDs).

**Section 3. Funding Sources.** The funding source for the implementation of this Order shall be governed by the following:

- a. For NGAs and SUCs, the amount required shall be charged against their respective available Maintenance and Other Operating Expenses (MOOE) allotment for the same P/A/P where the compensation of workers engaged through COS and JO are sourced, subject to approval of the Agency Head.

In case of deficiency, agencies may modify the allotment issued within a P/A/P, subject to approval of the Agency Head or the DBM, as the case may be, pursuant to the rules on the modification in allotments under Section 80 of the General Provisions of Republic Act (RA) No. 11936 or the "General Appropriations Act for FY 2023," and existing laws, rules and regulations, and other issuances, or submit a request to augment actual deficiencies from savings in other P/A/Ps, subject to approval of the President, in accordance with rules on use of savings and augmentation under Sections 77, 78, and 79 of the General Provisions of RA No. 11936, and existing laws and issuances; and

- b. For GOCCs and LWDs, the amount required shall be charged against their respective approved corporate operating budgets.

**Section 4. Use of Savings.** Requests for the use of savings under Section 3(a) hereof shall be submitted by NGAs and SUCs to the DBM not later than five (5) working days from the effectivity of this Order, for endorsement to the Office of the President. All such requests shall be supported by the following documents:

- a. Report on the number and names of workers directly engaged through COS and JO schemes who are qualified for Gratuity Pay, as certified by the head of the human resource management unit and endorsed by the Department Secretary or Agency Head concerned; and

- b. Certification from the budget officer that the required amount from the existing MOOE allotment is free from any obligation and may be declared as savings, pursuant to Sections 77 and 79 of the General Provisions of RA No. 11936, to cover the funding requirements for the grant of Gratuity Pay, likewise endorsed by the Department Secretary or Agency Head concerned.

The DBM shall release the corresponding Special Allotment Release Order and Notice of Cash Allocation, as needed, upon approval of the President.

**Section 5. Grant of Gratuity Pay in Local Government Units (LGUs).** LGUs are encouraged to adopt in their respective offices the grant of Gratuity Pay to workers whose services are engaged through COS and JO, utilizing appropriate and available funding sources from their respective local government funds.

The corresponding supplemental budget (SB) for the purpose shall be enacted by the local *sanggunian* concerned chargeable against the available FY 2023 appropriations or surplus. In case the LGU fails to enact an SB within FY 2023, the LGU concerned may enact an SB for FY 2024, provided that the: (i) SB shall be charged against the LGU's reverted and unused prior year's surplus, subject to compliance with the provisions of RA No. 7160 or the "Local Government Code of 1991," and pertinent laws, rules and regulations; (ii) prior year's surplus is backed by cash; and (iii) annual budget for FY 2024 is already approved.

**Section 6. Payment Date.** The payment of Gratuity Pay to qualified COS and JO workers in government for FY 2023 shall be made not earlier than 15 December 2023.

**Section 7. Supplemental Guidelines.** As may be necessary, the DBM shall issue supplemental guidelines for the effective implementation of this Order.

**Section 8. Repeal.** All orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Order, are hereby revoked, amended, or modified accordingly.

**Section 9. Separability.** If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

**Section 10. Effectivity.** This Order shall take effect immediately following its complete publication in the Official Gazette or in a newspaper of general circulation.

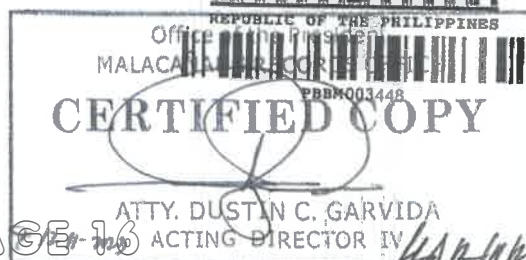
**DONE**, in the City of Manila, this 7<sup>th</sup> day of December, in the year of our Lord, Two Thousand and Twenty-Three.

By the President:

  
LUCAS P. BERSAMIN  
Executive Secretary

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



**BUDGET CIRCULAR**

No. 2023 - 3  
December 14, 2023

**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 Gratuity Pay to Contract of Service (COS) and Job Order (JO) Workers in Government for FY 2023

**1.0 Background**

1.1 Administrative Order (AO) No. 13, s. 2023<sup>1</sup> authorizes the grant of a one-time Gratuity Pay not exceeding Five Thousand Pesos (P5,000) for each qualified worker whose services are directly engaged through COS and JO.

For this purpose, the Department of Budget and Management (DBM) is directed to issue the necessary supplemental guidelines for the effective implementation of said Order.

1.2 While COS and JO workers in the government are paid salaries or wages equivalent to those received by personnel occupying comparable positions in government and a premium of up to 20% of such salary or wage, they do not enjoy the benefits accorded to regular government employees such as Mid-Year and Year-End Bonuses, Performance-Based Bonus, and Personnel Economic Relief Allowance.

For that reason, granting a year-end Gratuity Pay to COS and JO workers is a well-deserved recognition of their hard work and valuable participation in the implementation of various programs, activities, and projects (P/A/Ps), and pivotal role in the delivery of government services amidst the present socio-economic challenges.

<sup>1</sup> Authorizing the Grant of Gratuity Pay to Contract of Service and Job Order Workers in Government for Fiscal Year 2023

## 2.0 Purpose

This Circular is issued to provide the policy and procedural guidelines on the grant of the Gratuity Pay for FY 2023 pursuant to AO No. 13, s. 2023.

## 3.0 Coverage

This Circular covers all COS and JO workers whose services are directly engaged by departments, bureaus, offices, and agencies of the National Government, including Constitutional Offices enjoying fiscal autonomy, SUCs, GOCCs, and LWDs.

## 4.0 Exclusions

Institutional COS workers assigned in government agencies are excluded from the coverage of the Circular.

Consistent with the existing guidelines, the contractor or service provider shall be responsible for providing the institutional COS workers with compensation and benefits compliant with existing labor law, including the necessary social security and other benefits mandated by law.

## 5.0 Guidelines on the Grant of Gratuity Pay

5.1 The grant of the one-time **Gratuity Pay** to COS and JO workers, not exceeding **₱5,000.00** per person, shall be subject to the following conditions:

5.1.1 The COS and JO workers have rendered a total or an aggregate of at least four (4) months of actual satisfactory performance of service, as stipulated in their respective contracts, as of December 15, 2023; and

5.1.2 The contracts of the COS and JO workers are still effective as of December 15, 2023.

5.2 Those who have rendered less than four (4) months of actual satisfactory performance of service, as stipulated in their respective contracts, as of December 15, 2023, and whose contracts are still effective as of same date, shall be granted the Gratuity Pay, on a *pro rata* basis, as follows:

<b>Length of Service</b>	<b>Amount of Gratuity Pay</b>
3 months but less than 4 months	Not exceeding ₱4,000
2 months but less than 3 months	Not exceeding ₱3,000
Less than 2 months	Not exceeding ₱2,000

5.3 For purposes of this Circular, actual service shall refer to services rendered on-site, i.e., the COS and JO workers are physically reporting for work at their respective work stations.

However, subject to the discretion of the Agency Head and the availability of funds, services rendered by the COS and JO workers under any of the alternative work arrangements prescribed under Section 6.1 of Commission on Audit-DBM Joint Circular No. 1, s. 2022<sup>2</sup> may also be considered as actual service.

## 6.0 Fund Sources

6.1 For national government agencies (NGAs) and SUCs, the amount required shall be charged against their respective available Maintenance and Other Operating Expenses (MOOE) allotment for the same P/A/P where the compensation of workers engaged through COS and JO are sourced, subject to approval of the Agency Head.

6.1.1 In case of deficiency, agencies may:

6.1.1.1 Modify the allotment issued within a P/A/P subject to approval of the Agency Head or the DBM, as the case may be, pursuant to the rules on the modification in allotments under Section 80 of the General Provisions of Republic Act (RA) No. 11936 or the "General Appropriations Act (GAA) for FY 2023", and existing laws, rules and regulations, and other issuances; or

6.1.1.2 Submit a request to augment actual deficiencies from savings in other P/A/Ps, subject to approval of the President, in accordance with rules on use of savings and augmentation under Sections 77, 78, and 79 of the General Provisions of RA No. 11936, and existing laws and issuances.

6.2 For GOCCs and LWDs, the amount required shall be charged against their respective approved corporate operating budgets.

## 7.0 Use of Savings

7.1 Requests for use of savings under Item 6.1.1 of this Circular shall be submitted by the NGAs and SUCs to the DBM not later than five (5) working days from the effectivity of the AO, for endorsement to the Office of the President, together with the following supporting documents:

7.1.1 Report on the number and names of workers engaged through COS and JO schemes who are qualified for Gratuity Pay, as certified by the head of the human resource management unit and endorsed by the Department Secretary or Agency Head concerned; and

7.1.2 Certification from the budget officer that the required amount from the existing MOOE allotment is free from any obligation and may be declared as savings, pursuant to Sections 77 and 79 of the

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<sup>2</sup> Policies on the adoption of Flexible Work Arrangements for Contract of Service (COS) and Job Order (JO) Workers in the Government



General Provisions of RA No. 11936, to cover the funding requirements for the grant of the Gratuity Pay, likewise endorsed by the Department Secretary or Agency Head concerned.

- 7.2 The DBM shall release the corresponding Special Allotment Release Order and Notice of Cash Allocation, as needed, upon approval of the President.

## **8.0 Grant of Gratuity Pay in Local Government Units (LGUs)**

LGUs are encouraged to adopt in their respective offices the grant of Gratuity Pay to workers whose services are engaged through COS and JO, utilizing appropriate and available funding sources from their respective local government funds.

The corresponding supplemental budget (SB) for the purpose shall be enacted by the local *sanggunian* concerned, chargeable against the available FY 2023 appropriations or surplus. In case the LGU fails to enact an SB within FY 2023, the LGU concerned may enact an SB for FY 2024, provided that the (i) SB shall be charged against the LGU's reverted unused prior year's surplus, subject to compliance with the provisions of RA No. 7160 or the Local Government Code of 1991, and pertinent laws, rules and regulations, (ii) prior year's surplus is backed by cash, and (iii) annual budget for FY 2024 is already approved.

## **9.0 Payment**

The payment of Gratuity Pay to qualified COS and JO workers in government for FY 2023 shall be made not earlier than December 15, 2023.

## **10.0 Reportorial Requirements**

Each NGA and SUC shall submit not later than January 31, 2024 the report on the grant of the Gratuity Pay by following the template in Annex "A."

In this regard, the NGAs and SUCs shall encode the required details/information, as well as upload the scanned copy of the report using the following link <https://forms.dbm.gov.ph/index.php/gratuity-pay-report>.

Agencies are enjoined to fully abide by the aforementioned reportorial requirements. The DBM Budget and Management Bureaus/Regional Offices concerned shall ensure strict compliance of the agencies with the reportorial requirements set forth in this Circular.

## **11.0 Responsibility of Agency Heads**

Agency heads and accountable officers shall be responsible for the proper implementation of the provisions of this Circular in their respective offices. They shall be held administratively, civilly, and/or criminally liable, as the case may be, for any payment of the Gratuity Pay not in accordance with the provisions of this Circular, without prejudice to refund by the employees concerned of any unauthorized or excess payment thereof.

## 12.0 Repealing Clause

All existing circulars or issuances on the grant of the Gratuity Pay, which are inconsistent herewith, are hereby repealed or modified accordingly.

## 13.0 Effectivity

This Circular shall take effect immediately.

  
**AMENAH F. PANGANDAMAN**  
Secretary



**Report on the Payment  
of Gratuity Pay For FY 2023**

**Department/Agency:** \_\_\_\_\_

**I. If Gratuity Pay Was Granted**

**Number of Qualified Workers:**

Number of Qualified Workers			
Contract of Service			xxx
Job Order			xxx
Total Number of Qualified Workers		_____	xxxx

**Amount Paid for the Gratuity Pay:**

Program/Activity/Project	Object of Expenditure		
_____	_____		xxx
_____	_____		xxx
_____	_____		xxx
_____	_____		xxx
_____	_____		xxx
Total Amount Paid		_____	xxxx

**II. If the Gratuity Pay Was Not Granted**

Please state reason/s for non-grant

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Submitted by:**

**Certified Correct:**

\_\_\_\_\_  
Head, Finance/Administrative Unit

\_\_\_\_\_  
Agency Head

*For inclusion as item/s:*

- 2) **PROPOSED RESOLUTION NO. 2023-564** – approving and/or adopting the Cagayan de Oro City Contingency Plan on COVID-19.
- 3) **PROPOSED RESOLUTION NO. 2023-565** – adopting the Qualification Criteria for the Accreditation of Volunteer Mobilizing Organizations (VMOs).
- 4) **PROPOSED ORDINANCE NO. 2023-349** – creating the Barangay Disaster Risk Reduction and Management Plan (BDRRMP) Review Team.
- 5) **PROPOSED ORDINANCE NO. 2023-350** – creating the Camp Management Committee.
- 6) **PROPOSED RESOLUTION NO. 2023-566** – approving and/or adopting the Updated City Disaster Risk Reduction and Management Council (CDRRMC) Alert Protocol and Hydromet (Flooding) Evacuation and Communication Protocol.
- 7) **PROPOSED RESOLUTION NO. 2023-567** – approving and/or adopting the Standard Operating Procedure of the Cagayan de Oro City Disaster Risk Reduction and Management Department Operation Center (OPCEN).
- 8) **PROPOSED ORDINANCE NO. 2023-351** – authorizing the Honorable City Mayor Rolando A. Uy to enter into and sign the Memorandum of Agreement with the respective Municipal Governments of Baungon, Talakag, Libona, Manolo Fortich, all of the Province of Bukidnon, and the respective Municipal Governments of Tagoloan and Opol, both of the Province of Misamis Oriental, covering the Institutionalization of the Inter-LGU Collaboration on Disaster Response, Information Sharing, and Watershed Management among the parties, under the terms and conditions stipulated therein.
- 9) **PROPOSED RESOLUTION NO. 2023-568** – designating the Oro Rescue 911 EMS and USAR as Volunteer Mobilizing Organization in Cagayan de Oro City.
- 10) **PROPOSED RESOLUTION NO. 2023-569** – approving and/or adopting the Updated Cagayan de Oro City Contingency Plan on Drought.
- 11) **PROPOSED RESOLUTION NO. 2023-570** – approving and/or adopting the Cagayan de Oro City Public Service Continuity Plan (PSCP).
- 12) **PROPOSED RESOLUTION NO. 2023-571** – approving and/or adopting the Cagayan de Oro City Camp Management Plan 2023-2025.
- 13) **PROPOSED RESOLUTION NO. 2023-572** – institutionalizing the use of the 54 Evacuation Centers in Cagayan de Oro City.

*For inclusion as item/s:*

- 14) PROPOSED ORDINANCE NO. 2023-352** – authorizing the Honorable City Mayor Rolando A. Uy, representing the City Government of Cagayan de Oro, to enter into and sign the Memorandum of Agreement (MOA) with the Balay Mindanaw Foundation, Inc., collaboration of the parties in strengthening the City's Disaster Risk Reduction, Preparedness, and Post-Disaster Adaptation.
- 15) PROPOSED ORDINANCE NO. 2023-353** – authorizing the Honorable City Mayor Rolando A. Uy, representing the City Government of Cagayan de Oro, to enter into and sign the Memorandum of Agreement (MOA) with the Kagayan Evangelical Disaster Response Network (KDERN) in assisting the City during Disaster Response and the use of the KDERN Multi-purpose Centers in Barangay Canitoan and Barangay Pagatpat as temporary shelters to internally displaced persons (IDPs) during disasters and calamities.

*Note: All certified urgent by the Honorable City Mayor Rolando A. Uy.*



# 20<sup>th</sup> City Council

CAGAYAN DE ORO CITY



HON. JOCELYN B. RODRIGUEZ  
CITY VICE MAYOR

## DISTRICT 1 CITY COUNCILORS



HON. AGA C. SUAN



HON. ROGER C. ABADAY



HON. JAY R. PASCUAL



HON. IMEE ROSE P. MORENO



HON. ROMEO V. CALIZO



HON. GEORGE S. COKING



HON. JOSE PEPE S. ABBU JR.



HON. MALVERN A. ESPARCIA

## DISTRICT 2 CITY COUNCILORS



HON. YEVONNA YACINE B. EMAMO



HON. MARIA LOURDES S. GAANE



HON. JOYLEEN MERCEDES L. BALABA



HON. JAMES K. JUDITH II



HON. IAN MARK Q. NACAYA



HON. EDGAR S. CABANLAS



HON. CHRISTIAN RUSTICO M. ACHAS



HON. SUZETTE G. MAGTAJAS DABA

## EX-OFFICIO MEMBERS



HON. YAN LAM S. LIM  
ABC PRESIDENT



HON. JOHN MICHAEL L. SENO  
SK FEDERATION PRESIDENT