

[**ADMINISTRATIVE ORDER NO. 37, December 18, 2020**]

AUTHORIZING THE GRANT OF SERVICE RECOGNITION INCENTIVE TO GOVERNMENT EMPLOYEES FOR FISCAL YEAR (FY) 2020

WHEREAS, under Section (17)(iv) of Congress Joint Resolution (JR) No. 4 dated 17 June 2009, the President, upon recommendation of the Department of Budget and Management (DBM), is authorized to update the Compensation and Position Classification System (CPCS) for civilian personnel and Base Pay Schedule for military and uniformed personnel, as well as the policies on and levels of allowances, benefits and incentives applicable to all government personnel;

WHEREAS, the DBM has recommended updating the policies on and levels of incentives applicable to all government personnel through the grant of a one-time incentive, to recognize and further encourage the unwavering commitment and dedication of government employees in performing their work, their continued support and collaborative efforts in the delivery of services to the public, as well as their diligence in the effective and efficient performance of their respective functions;

WHEREAS, Section (4)(h) of JR No. 4 authorizes the grant of (a) incentives to reward an employee's loyalty to government service and contributions to the agency's continuing viable existence; (b) incentives as rewards for exceeding agency financial and operational performance targets to motivate employee efforts toward higher productivity; and (c) other existing benefits to be categorized by the DBM as incentives; and

WHEREAS, government employees deserve to be rewarded for their collective and unceasing participation in and invaluable contribution to the Administration's continuing efforts toward the establishment of streamlined government processes and more responsive delivery of public services, especially in the midst of the public health emergency caused by the COVID-19 pandemic;

NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Republic 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 Ten Thousand Pesos (P10,000.00) for each of the following personnel in the Executive Department:

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 the government service as of 30 November 2020;
- c. The personnel have rendered at least a total or an aggregate of four (4) months of satisfactory service as of 30 November 2020, 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 2020 shall be entitled to a pro-rated share of the SRI, as follows:

Length of Service	Percentage of the 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 2020 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 Department shall be governed by the following: