

[DBM LOCAL BUDGET CIRCULAR NO. 65, March 03, 1997]

GUIDELINES ON THE GRANT OF ANNIVERSARY BONUS IN THE LOCAL GOVERNMENT

1.0

PURPOSE

This Circular is being issued to prescribe the rules and regulations on the grant of Anniversary Bonus in the local government units authorized under Administrative Order No. 316 consistent with the standardized compensation in the government enunciated under R.A. No. 6958 and pursuant to Administrative Order No. 42.

2.0

COVERAGE

All local government personnel employed on a full time or part-time basis whether on permanent, temporary or casual status, and contractual personnel whose employment is in the nature of a regular employee, who have been appointed as such in a specific local government unit by virtue of a valid appointment and continue to be employed in the same government unit as of the occasion of its milestone anniversary, shall be entitled to the anniversary bonus.

3.0

EXEMPTION

3.1 Those with pending cases, viz.:

3.1.1 When under preventive suspension, until exonerated;

3.1.2 When formally charged in administrative cases, and/or meted penalties, i.e., their offices have found, after preliminary investigation, that a prima facie case exists against them and the requisite written formal charge has been issued by the disciplining authority.

3.1.2.1 However, if the penalty meted out to an employee is only a reprimand, such penalty is not one that can be made the basis of disqualification to receive the said benefit.

3.1.3 When they have cases pending before the Office of the Ombudsman, the Prosecutor's Office or of other administrative bodies which relate to acts, omissions

in connections with their official duties or functions and where it has already been resolved by the the Offices concerned that there exist prima facie cases; and

3.1.4 When there is pending criminal information filed against them in Courts which relate to acts or omissions in connection with their official duties or functions.

3.2 Local government personnel who have been found guilty of any offense in connection with their work during the five-year interval between milestone years, as defined in item 4.3 herein, shall not be entitled to the immediately succeeding anniversary bonus.

3.3 Those who are on absence without leave (AWOL) as of the date of the milestone year for which the Anniversary Bonus is being paid.

3.4 Those who are no longer in the service in the particular LGU as of the date of the milestone year.

3.5 Those who, at the time of the initial payment of the Anniversary Bonus under this Circular are no longer in the service of the LGU granting the Bonus.

3.6 Those who are not hired as part of the organic manpower of government entities but as consultants or experts for a limited period to perform specific activities or services with expected outputs; student laborers; apprentices; laborers of contracted projects, mail contractors, including those paid by piecework basis; and others similarly situated.

3.7 Those who are paid on honoraria basis like the barangay officials and personnel.

4.0

RULES AND REGULATIONS

4.1 Local Government Units which are the territorial and political subdivisions of the state refer to Provinces, Cities, Municipalities and Barangays.

4.2 The founding year of LGUs shall be based on authentic documents showing their establishment, or on the enabling act or law creating such localities.

4.2.1 The counting of milestone years shall start from the year the LGU was founded regardless of whether it was subsequently renamed/reclassified/converted from one level to another.

4.2.2 A local government unit created as such or separated/split from another LGU under a distinct enabling act or law and, thus, deemed as an institution in its own right shall be considered a distinct and separate LGU for purposes of this benefit and the counting of milestone years shall begin from the time of the LGU's separation/splitting or creation as a separate entity.

4.2.3 With respect to merged LGUs, the counting of milestone years shall