



University of the Philippines
OFFICE OF THE PRESIDENT

13 December 2022

MEMORANDUM NO. PDLC 22-30

TO : Chancellors
Director, UP PGH

SUBJECT : **Guidelines on the Grant of the Productivity Enhancement Incentive (PEI) for Fiscal Year (FY) 2022**

The DBM Budget Circular No. 2017-4 dated 04 December 2017 prescribes the “rules and regulations on the grant of the Productivity Enhancement Incentive (PEI) to government employees for Fiscal Year (FY) 2017 and years thereafter”¹, and authorizes agencies to issue specific guidelines in this regard. The Circular is pursuant to Executive Order (EO) No. 201, s. 2016, Section 6 of the EO states that:

“Beginning FY 2016, the Productivity Enhancement Incentive shall be given not earlier than December 15 of every year to all qualified government employees at Five Thousand Pesos (Php5,000) each for the purpose of improving the government employees’ productivity.”

1. Coverage

- 1.1 All regular full-time and part-time UP faculty, REPS and administrative employees(whether permanent, temporary, casual, and contractual) with **employer-employee relations with the University:**
- 1.1.1 Who have rendered at least a total or an aggregate of **four (4) months** of **at least satisfactory service** as of 30 November 2022, including leaves of absence with pay; and
 - 1.1.2 Who have remained in the government service as of **30 November 2022.**
 - 1.1.3 Whose remunerations are charged to the budget allocation for Personal Services (PS) under the GAA FY 2022 budget; and
 - 1.1.4 Whose salaries are charged against other funds (Revolving Fund and/or Trust Fund) as determined by the University.

¹ Reference: <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2017/Budget%20Circular/BUDGET%20CIRCULAR%20NO.%202017-4.pdf>

- 1.2 Those whose services have been extended beyond compulsory retirement at age 65 **with the approval of the President** as of 30 November 2022. Provided that Item 1.1.1 and Item 1.1.2 hereof are complied with.
- 1.3 Those formally charged with administrative and/or criminal cases which are still pending for resolution of those found guilty but the penalty imposed is only a reprimand.
- 1.4 Those who have rendered a total or an aggregate of less than four (4) months of service but still in government service as of 30 November 2022 shall be entitled **only** to a prorated PEI, as follows:

Length of Service	Percentage of the PEI	Amount
3 months to less than 4 months	50%	₱2,500
2 months to less than 3 months	40%	₱2,000
1 month to less than 2 months	30%	₱1,500
Less than 1 month	20%	₱1,000

2. Exclusions

- 2.1 Lecturers; visiting; affiliate and adjunct faculty; professors emeriti; clinical faculty; appointments without compensation (WOCs); preceptors and/or equivalent titles; student and graduate assistants; teaching fellows/assistants (TFs/TAs); apprentices, Non-Government Workers (NGWs); appointments under contracts of service (COS); including those paid on piecework basis; and others whose remuneration are not charged to the budget allocation for Personal Services under the GAA FY 2022 budget; and similar cases with no employer-employee relations with the University.
- 2.2 Those formally charged with administrative and/or criminal cases and were found guilty by final and executory judgment shall not be entitled to PEI in the year of finality of the decision. The employee concerned shall return the PEI received for that year.

3. Implementation

- 3.1 All qualified faculty, REPS and administrative employees (based on coverage defined in Section 1; and exclusions in Section 2) shall be paid a PEI of ₱5,000.
- 3.2 The PEI of an employee on part-time basis shall be prorated 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 PEI shall not exceed the authorized amount.




- 3.3 The PEI of the faculty, REPS and administrative employees on detail to another government agency shall be granted by the University of the Philippines.
- 3.4 The PEI of employees who transferred from one agency to another shall be granted by the new agency.

4. Due Diligence

The Chancellors and other University officials with authority over the release of the PEI shall exercise due diligence in the implementation of these guidelines. Responsible officers shall be held liable for any payment not in accordance with the provisions of the DBM Circular 2017-4 and this Memorandum, without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

5. Payment

Payment of the PEI shall be made **not earlier than 15 December 2022**. The funds transferred to the Constituent Universities (CUs) for the December 2022 release already include the PEI for those charged against the PS under GAA FY 2022. For those administrative and academic employees whose salaries are currently charged against Revolving Fund and Trust Fund, their PEI shall be drawn from the same funding source.

 
DANILO L. CONCEPCION
President 

cc: *Vice Presidents and Secretary of the University*