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08 November 2022

MEMORANDUM NO. NGY 22 – 126

TO : The Chancellors
Director, UP PGH

SUBJECT : **Guidelines on the Grant of the Year-End Bonus and Cash Gift for FY 2022**

The DBM Budget Circular No. 2016-4 prescribes the “Updated Rules and Regulations on the Grant of the Year-End Bonus and Cash Gift for FY 2016 and Years Thereafter”¹, and authorizes agencies to issue specific guidelines in this regard.

1. Coverage

- 1.1 All full-time and part-time UP faculty and staff (whether regular or permanent, temporary, substitute, casual, and contractual)
 - 1.1.1 Who have rendered at least a total or an aggregate of four (4) months of service, including leaves of absence with pay within the period 01 January 2022 to 31 October 2022; and
 - 1.1.2 Who have remained in the government service as of 31 October 2022.
- 1.2 Those whose services have been extended beyond compulsory retirement at age 65 **with the approval of the President** . Provided that Item 1.1.1 and Item 1.1.2 hereof are complied with.
- 1.3 Those formally charged with administrative cases and/or criminal cases which are still pending for resolution, or those found guilty but the penalty imposed is only a reprimand.
- 1.4 Those who have rendered at least a total or an aggregate of four (4) months of service from 01 January 2022 but who have retired or separated from government service before 31 October 2022 shall be granted within the month of retirement or separation, a prorated share of both the **Year-End Bonus and the Cash Gift, based on the percentages below:**

¹ Source: Please download the full copy of the guidelines from the DBM website:
<https://www.dbm.gov.ph/wp-content/uploads/issuances/2016/Budget%20Circular/BUDGET%20CIRCULAR%20NO.%202016%20-%204.pdf>

| Length of Service | Percentage of the Year-End Bonus and Cash Gift |
|----------------------------------|--|
| 4 months but less than 5 months | 50% |
| 5 months but less than 6 months | 60% |
| 6 months but less than 7 months | 70% |
| 7 months but less than 8 months | 80% |
| 8 months but less than 9 months | 90% |
| 9 months but less than 10 months | 95% |

- 1.5 Those who have rendered a total or an aggregate of less than four (4) months of service from 01 January to 31 October 2022 and are still in government service as of 31 October 2022 shall be entitled **only** to a pro-rated Cash Gift as follows:

| Length of Service | Percentage of Php 5,000 | Corresponding Amount (in Php) |
|---------------------------------|-------------------------|-------------------------------|
| 3 months but less than 4 months | 40% | 2,000.00 |
| 2 months but less than 3 months | 30% | 1,500.00 |
| 1 month but less than 2 months | 20% | 1,000.00 |
| Less than one month | 10% | 500.00 |

2. Exclusions

- 2.1 **Those hired without employer-employee relations and funded from non-Personnel Services (PS) appropriations**, such as those covered by contract of services and job orders, including lecturers, consultants or experts, performing specific duties or services with expected outputs; student assistants, graduate assistants, teaching fellows, teaching assistants/associates, residence assistants, apprentices, laborers of projects under contract; and others with similar conditions.
- 2.2 Those formally charged with administrative and/or criminal cases and were found guilty by final and executory judgment in the year of finality of the decision. The Year-End Bonus and Cash Gift shall be refunded by the personnel if received within the period.

3. Implementation

- 3.1 All qualified faculty and staff (based on coverage defined in Section 1; and exclusions in Section 2) shall be paid a Year-End Bonus equivalent to one (1) month basic salary as of 31 October 2022 and Cash Gift of Php5,000, exclusive of allowances and other forms of compensation.
- 3.2 The Year-End Bonus and Cash Gift of the faculty and staff on detail to another government agency shall be paid by the University of the Philippines, while those on secondment shall be paid by the recipient agency.

- 3.3 Part-time faculty and staff shall be paid a Year-End Bonus equivalent to 50% of the monthly basic salary as of 31 October 2022 and 50% of the Cash Gift.
- 3.4 The Year-End Bonus and Cash Gift of personnel who transferred from one agency to another shall be paid by the new agency.

4. Due Diligence

The Chancellors and other University officials with authority over the release of the Year-End Bonus and Cash Gift 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 2016-4 and this Memorandum, without prejudice to the refund by the employees concerned of any excess or unauthorized payments. *(Reference: Section 10.0 DBM BC 2016-4)*

5. Funding Source

The Year-End Bonus and Cash Gift of personnel occupying regular positions (permanent and temporary) shall be charged against agency appropriations in the annual General Appropriations Act (GAA). *(Reference: Section 8.1 DBM BC 2016-4)*

The Year-End Bonus and Cash Gift of casual and contractual personnel shall be charged against agency lump sum appropriations in the annual GAA. *(Reference: Section 8.2 DBM BC 2016-4)*

The Year-End Bonus and Cash Gift of personnel whose salaries are charged against the Revolving Fund, Trust Fund or other fund other than the General Fund shall be funded from where their salaries are drawn, subject to their approved Line-Item Budget (LIB). *(Reference: Section 52 of the General Provisions of the GAA FY 2022)*

6. Schedule of Payment

The payment of Year-End Bonus and Cash Gift shall be given to entitled personnel **not earlier than 15 November 2022**. Funds to cover these will be included in the release to Constituent Universities for their November 2022 requirements.


NESTOR G. YUNQUE
Vice President for Administration

cc: Mr. President
Vice Presidents, Secretary of the University