



OFFICE OF THE VICE PRESIDENT FOR ADMINISTRATION
UNIVERSITY OF THE PHILIPPINES

Quezon Hall, UP Diliman, Quezon City, 1101 Philippines
(02)8925-0984; (02)8981-8500 loc. 2525/2527 Telefax: (02)8925-6721 ovpa@up.edu.ph

29 December 2022

MEMORANDUM NO. NGY 22-143

For : Vice Presidents and Secretary of the University
Chancellors
UP PGH Director
Heads of Offices/Units
Project Leaders

Attention : Directors/ Heads of Accounting Offices
Directors/ Heads of Budget Offices
Directors/ Heads of HRDOs

Subject : **Grant of Gratuity Pay for FY 2022 to Contract of Service (COS) and Job Order (JO) Workers in the Government**

The National Government, through Administrative Order No. 03 dated 23 December 2022, signed by President Marcos and the Department of Budget and Management (DBM) Budget Circular (BC) No. 2022-5 dated 28 December 2022, has authorized the **grant of Gratuity Pay to Contract of Service and Job Order Workers** in recognition of their hard work in implementing programs, projects and activities, and pivotal role in the delivery of government services amidst the ongoing COVID-19 pandemic and present socio-economic challenges.

1. Coverage

Workers whose services are engaged through Contracts of Service (COS), Job Orders (JO), and other similar schemes (such as projects), and whose contracts were still effective as of 15 December 2022, provided they have rendered actual satisfactory performance of service, are eligible to receive the gratuity pay.

2. Amount of One-Time Gratuity Pay

- 2.1 Those who have rendered a total or an aggregate of at least four (4) months of actual satisfactory performance of service as of 15 December 2022 shall be given Five Thousand Pesos (PhP5,000) each.
- 2.2 Those who have rendered less than four (4) months of actual satisfactory performance of service shall also be granted the gratuity pay, on a prorated basis, as follows:

Length of Service	Amount
3 months but less than 4 months	Not exceeding PhP4,000.00
2 months but less than 3 months	Not exceeding PhP3,000.00
Less than 2 months	Not exceeding PhP2,000.00

3. Definition of Actual Service

For purposes of this grant, actual service shall refer to services rendered onsite, i.e. the COS and JO workers physically report for work at their designated workplace. However, subject to the discretion of the unit head and availability of funds, services

rendered by the COS and JO workers under any alternative work arrangements prescribed under COA-DBM JC No. 01, s.2022, may also be considered as actual service.

4. Procedure

The Offices/Units shall prepare a disbursement voucher/payroll with a Certification of COS/JOs eligible to gratuity pay, (see *attached format*) that each of the workers listed had valid and effective contract/s as of 15 December 2022 and rendered at least satisfactory service as of the same date. These shall be submitted to their respective Budget Offices for clearance and Accounting Offices for processing.

A copy of the signed certification including the excel file shall be submitted to the CU/UP-PGH/UP System HRDO not later than 03 January 2023 (Tuesday). These submissions will be consolidated by the HRDOs for submission to OVPA on or before 04 January 2023 (Wednesday). OVPA shall then consolidate the HRDO reports for submission to the Office of the Vice President for Planning and Finance (OVPPF) on 05 January 2023 (Thursday).

5. Source of Funds

4.1 For COS and JO workers

The Gratuity Pay shall be charged against the CU's available Maintenance and Other Operating Expenses (MOOE) allotment from the same Program / Activities / Projects (P / A / Ps) from which the compensation of workers engaged is sourced.

In case of deficiency^{1*} in the said source of funds, hence, the need to use savings, a request must be submitted to DBM within five (5) working days from the effectivity of AO 03. To facilitate the request to modify the allotment or to use savings, CUs/UP-PGH/UPSA must submit the following requirements to OVPA not later than 04 January 2023 (Wednesday), for the University's consolidated submission to DBM, through OVPPF:

- a. Consolidated report on the number and names of workers engaged though COS/JO qualified for Gratuity Pay, as certified by the HRDO Head and endorsed by the Vice Chancellor/Deputy Director for Administration and Chancellor/UP-PGH Director (Section 7.1.1)
- b. Certification from the Budget Office that the required amount from the existing MOOE allotment is free from any obligation and may be declared as savings pursuant to Sections 75 and 77 of the General Provisions of the FY 2022 GAA, to cover the funding requirements for the Grant of the Gratuity Pay, endorsed by the Vice Chancellor/Deputy Director for Administration and Chancellor/UP-PGH Director (Section 7.1.2)

¹*Cases of deficiencies in the source of MOOE funds may be defined as:

- a. Deficiency in the sub-object code (i.e. Other MOOE) from where the compensation of the COS or JO are drawn but will be sourced with the same P/A/Ps - will require approval of the Agency Head.
- b. Deficiency in the sub-object code from where the compensation of the COS or JO are drawn but will be sourced from another P/A/P - will require approval from DBM or Malacañang.

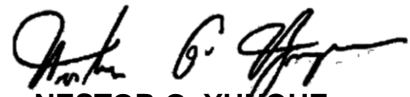
- 4.2 For project-based personnel
Project heads must seek approval of the funding agency first. If approved, disbursements will be charged against the project funds.

6. Due Diligence

Payment of the Gratuity Pay for FY 2022 shall be subject to usual government accounting and auditing rules and regulations. Any unauthorized or excess payment to any COS/JO worker shall be subject to refund. Hence, please observe due diligence in complying with the guidelines for the release of the Gratuity Pay per AO No. 03 and DBM Budget Circular No. 2022-5.

7. Date of Payment

Payment shall be made not earlier than 16 January 2023 (Monday).



NESTOR G. YUNQUE

Vice President for Administration

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Grant of Gratuity Pay to Job Order and Contract of Service Workers 2022

CERTIFICATION

This is to certify that the following workers had valid contracts which were effective as of 15 December 2022 and rendered at least satisfactory service during the period.

Office/Unit: _____

Seq - No.	Name	Non-UP Contractual Title	Duration of the Contract	Amount of Gratuity Pay Entitled to
1				
2				
3				
4				
5				
TOTAL				

Certified by:

Head of Unit
(Signature over Printed Name)

OR

Project Leader*
(Signature over Printed Name)

Date: _____

Date: _____

Note: *For project-based personnel

Verified :

HRDO Head/Director

Budget Clearance:

/ / charged against the available (MOOE) allotment from the same (P/A/Ps) from which the compensation of workers engaged is sourced. (Section 6.1)

/ / for modification of allotment within the P/A/P subject to approval of UP President or DBM (Section 6.1.1.1)

/ / use of savings subject to approval of Malacanang (Section 6.1.1.2).

/ / For project-based personnel - charged against approved Line-item-Budget

Budget Head/Director