



Republic of the Philippines
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
Visayas Avenue, Diliman, Quezon City

DEC 29 2022

MEMORANDUM CIRCULAR

No. 2022- 14

**SUBJECT : GUIDELINES ON THE GRANT OF SERVICE
RECOGNITION INCENTIVE TO DENR EMPLOYEES
FOR FISCAL YEAR 2022**

Pursuant to the provisions of Administrative Order No. 1, series of 2022, issued by the Office of the President, Authorizing the Grant of Service Recognition Incentive (SRI) to Government Employees for Fiscal Year (FY) 2022 and Department of Budget and Management (DBM) Circular No. 2022-4 dated 20 December 2022, the following guidelines is hereby issued on the payment of FY 2022 Service Recognition Incentive (SRI):

I. CONDITIONS ON THE GRANT OF THE ONE-TIME SRI

- a. Personnel who are occupying regular, contractual (Personnel Services) or casual positions;
- b. The personnel are still in the service as of November 30, 2022;
- c. The personnel have rendered at least a total or an aggregate of four (4) months of satisfactory service as of November 30, 2022, inclusive of services rendered under of the alternative work arrangements prescribed by the Civil Service Commission;
- d. Those who have rendered less than or an aggregate of four (4) months of satisfactory service as of November 30, 2022 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%

- e. The employees have not received any additional year-end benefit in FY 2022 over and above the benefits authorized under Republic Act (R.A.) No. 6686, as amended by R.A. No. 8441;
- f. The personnel have not been found guilty of any administrative or criminal cases by final and executory judgment in FY 2022. If the penalty imposed is only reprimand, the personnel concerned shall be entitled to the SRI;
- g. The SRI of an employee who transferred from one agency to another shall be granted by the new agency;

- h. The SRI of an employee on detail to another government agency shall be granted by the parent agency;
- i. A compulsory retiree, on service extension as of November 30, 2022, may be granted the SRI, subject to the pertinent conditions and guidelines of the above-stated DBM Budget Circular.

II. EXCLUSIONS

Those engaged without an 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 and those paid on piecework basis;
- c. Student-workers and apprentices; and
- d. Individual and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

III. FUND SOURCES OF THE SRI

- a. The amount required shall be charged against the available released Personnel Services (PS) allotments of the respective agencies under R.A. No. 11639 or the FY 2022 General Appropriations Act (GAA);
- b. In case of deficiency, the amount required may be charged against the Maintenance and Other Operating Expenses allotment of the concerned government agency, subject to the rules on modification of allotment under Section 78 of the General Provisions of the FY 2022 GAA, and other pertinent budgeting, accounting, and auditing rules and regulations.
- c. The Financial and Management Service (FMS) shall issue supplemental advisory in relation to this Memorandum Circular.

IV. PAYMENT OF SRI

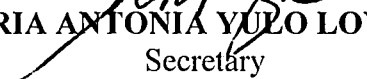
The payment of SRI to all qualified government employees shall not be earlier than December 20, 2022.

V. REPORTORIAL REQUIREMENTS

DENR Central Office, Regional and Bureau Offices shall submit online to the DBM's Budget and Management Bureau (BMB) or Regional Office (RO) concerned not later than January 31, 2023, the annual report on the grant of the FY 2022 SRI by following the template in Annex "A" of the above-stated DBM Budget Circular.

In this regard, the National Government Agencies shall encode the required details/information, as well as upload the scanned copy of the report using the following link <https://www.dbm.gov.ph/add-sri-report>.

VI. This Circular shall take effect immediately.


MARIA ANTONIA YULO LOYZAGA
Secretary





Annex "A11"

MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 01

**AUTHORIZING THE GRANT OF SERVICE RECOGNITION INCENTIVE TO
GOVERNMENT EMPLOYEES FOR FISCAL YEAR 2022**

WHEREAS, Section (4)(h) of Congressional Joint Resolution (JR) No. 4 (s. 2009) authorizes the grant of (i) incentives to reward an employee's loyalty to government service and contributions to the agency's continuing viable existence; (ii) incentives as rewards for exceeding agency financial and operational performance targets to motivate employee efforts toward higher productivity; and (iii) other existing benefits to be categorized by the Department of Budget and Management (DBM) as incentives;

WHEREAS, Section (17)(iv) of JR No. 4 provides that the President, upon the recommendation of the DBM, is authorized to update the Compensation and Position Classification System for civilian personnel and the Base Pay Schedule for military and uniformed personnel, as well as policies on and levels of allowances, benefits, and incentives applicable to all government personnel;

WHEREAS, Administrative Order (AO) Nos. 19 (s. 2019), 37 (s. 2020), and 45 (s. 2021) authorized the grant of Service Recognition Incentive to government employees for Fiscal Years (FYs) 2019, 2020 and 2021, respectively, in recognition of the hardwork, commitment, and dedication to public service of government personnel; and

WHEREAS, the Administration recognizes all government employees for their collective and invaluable contribution to the government's continuing efforts to ensure responsive delivery of services to the public, especially in the midst of the continuing public health emergency due to the COVID-19 pandemic and other socio-economic challenges;

NOW, THEREFORE, I, FERDINAND R. MARCOS, JR., President 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 Twenty Thousand Pesos (₱20,000.00) 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

THE PRESIDENT OF THE PHILIPPINES

- 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 government service as of 30 November 2022;
- c. The personnel have rendered at least a total or an aggregate of four (4) months of satisfactory service as of 30 November 2022, 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 2022 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 2022 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:

- a. For NGAs, including SUCs, and military and uniformed personnel, the amount required shall be charged against the available released Personnel Services (PS) allotments of the respective agencies under RA No. 11639 or the "FY 2022 General Appropriations Act (GAA)";
- b. In case of deficiency, the amount required may be charged against the Maintenance and Other Operating Expenses allotment of the concerned government agency, subject to the rules on modification in allotments under Section 78 of the General Provisions of the FY 2022 GAA, and other pertinent budgeting, accounting and auditing rules and regulations;
- c. For GOCCs, the amount required shall be charged against their respective approved corporate operating budgets (COBs) for FY 2022 only; and
- d. Should the identified funding source prove insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the NGA or GOCC.

Section 5. SRI for Employees in the Legislative and Judicial Departments and Other Offices Vested with Fiscal Autonomy. Employees of the Senate, House of Representatives, Judiciary, Office of the Ombudsman and Constitutional Offices vested with fiscal autonomy may likewise be granted a one-time SRI by their respective heads of office at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000.00) each, chargeable against the available released allotment of their respective agencies, subject to the conditions set forth in Section 2 hereof. Should the identified funding source prove insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the concerned office.

Section 6. SRI for Employees in Local Government Units (LGUs).

- a. The grant of the one-time SRI to employees in LGUs, including those in the *barangays*, shall be determined by their respective *sanggunians* depending on the LGU's financial capability, subject to the PS limitation in LGU budgets under RA No. 7160 or the "Local Government Code of 1991," and the conditions set forth in Section 2 hereof, at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000.00), chargeable against their respective FY 2022 local government funds. Should the identified funding source prove insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the LGU; and
- b. In determining the amount of the SRI, the *sanggunians* shall exercise prudence and judicious use of government funds, ensuring that the expenditure is reasonable and will not, in any way, prejudice the delivery of services to the public.

The corresponding supplemental budget for the purpose shall be enacted by the local *sanggunian* concerned within FY 2022.

Section 7. SRI for Employees in Local Water Districts (LWDs). LWDs may also grant the SRI to their employees at a uniform rate to be determined by their Boards of Directors (BOD), which shall not exceed Twenty Thousand Pesos (₱20,000.00) each, chargeable only against their respective BOD-approved FY 2022 COBs, subject to the conditions set forth in Section 2 hereof. Should the identified funding source prove insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the LWD.

Section 8. SRI for Employees in Agencies Exempted from the Coverage of RA No. 6758, as amended. NGAs and GOCCs exempted from the coverage of RA No. 6758, as amended, may also grant the SRI to their employees at a uniform rate to be determined by their agency heads or governing boards, which shall not exceed Twenty Thousand Pesos (₱20,000.00) each, chargeable against the NGA's available funds and the GOCC's FY 2022 COB, subject to the conditions set forth in Section 2 hereof. Should the identified funding source prove insufficient to cover the full amount of the SRI, a lower but uniform amount shall be paid to all qualified employees of the concerned agency.

Section 9. Payment Date. The payment of the SRI to all qualified government employees shall not be earlier than 20 December 2022.

Section 10. Supplemental Guidelines. As may be necessary, the DBM shall issue supplemental guidelines to effectively implement this Order.

Section 11. Separability. If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

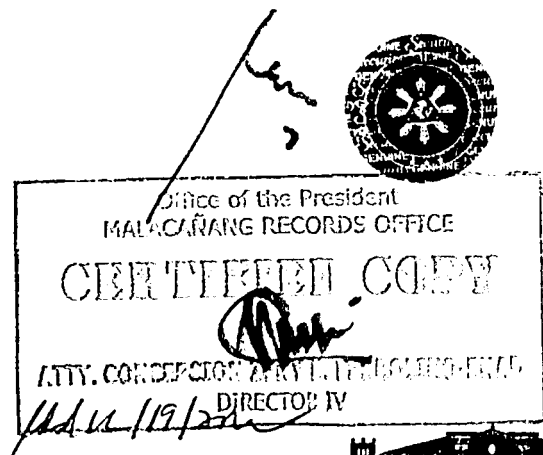
Section 12. Repeal. All issuances, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Order are hereby repealed or modified accordingly.

Section 13. Effectivity. This Order shall take effect immediately.

DONE, in the City of Manila, this 16th day of December, in the year of our Lord, Two Thousand and Twenty-Two.

By the President:


LUCAS P. BERSAMIN
Executive Secretary





REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA

Annex "B" 11



BUDGET CIRCULAR

No. 2022 - 4
December 20, 2022

TO : Heads of Departments, Bureaus, Offices, and Agencies of the National Government, Including Constitutional Offices Enjoying Fiscal Autonomy, State Universities and Colleges (SUCs), and Government-Owned or -Controlled Corporations (GOCCs); Local Water Districts (LWDs); Local Government Units (LGUs); and All Others Concerned

SUBJECT : Guidelines on the Grant of Service Recognition Incentive to Government Employees for FY 2022

1.0 Background

- 1.1 Administrative Order (AO) No. 1¹ dated December 16, 2022 authorizes the grant of a one-time Service Recognition Incentive (SRI) for FY 2022 at a uniform amount not exceeding **Twenty Thousand Pesos (P20,000)** for each qualified government employee.
- 1.2 The issuance of AO No. 1, s. 2022 is in accordance with **Section 17(iv) of Congress Joint Resolution No. 4**² dated June 17, 2009, which authorizes the President, upon the recommendation of the Department of Budget and Management (DBM), to update the Compensation and Position Classification System for civilian personnel and the Base Pay Schedule for military and uniformed personnel, as well as the policies and levels of allowances, benefits, and incentives applicable to all government employees.
- 1.3 The one-time SRI for FY 2022 is granted to government employees in recognition of their collective and invaluable contribution to the government's continuing efforts to ensure the responsive delivery of services to the public, especially in the midst of the continuing public health emergency due to the COVID-19 pandemic and other socio-economic challenges.

¹ Authorizing the Grant of Service Recognition Incentive to Government Employees for Fiscal Year (FY) 2022

² Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes

2.0 Purpose

This Circular is issued to prescribe the guidelines on the grant and the funding of the SRI for FY 2022 pursuant to AO No. 1, s. 2022.

3.0 Coverage

The guidelines in this Circular cover the following employees:

- 3.1 Civilian personnel in national government agencies (NGAs), including those in SUCs and GOCCs, occupying regular, contractual or casual positions;
- 3.2 Military personnel of the Armed Forces of the Philippines, 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;
- 3.3 Employees in the Legislative and Judicial Departments and other offices vested with fiscal autonomy;
- 3.4 Employees in LGUs; and
- 3.5 Employees in LWDs.

4.0 Exclusions

Those engaged without an 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:

- 4.1 Consultants and experts engaged for a limited period to perform specific activities or services with expected outputs;
- 4.2 Laborers engaged through job contracts (*pakyaw*) and those paid on piecework basis;
- 4.3 Student-workers and apprentices; and
- 4.4 Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

5.0 Conditions and Guidelines on the Grant of the One-Time SRI

The grant of the SRI shall be subject to the following conditions and guidelines:

- 5.1 The civilian personnel are occupying regular, contractual or casual positions.
- 5.2 The personnel are still in the service as of November 30, 2022.

- 5.3 The personnel have rendered at least a total or an aggregate of four (4) months of satisfactory service as of November 30, 2022, inclusive of services rendered under any of the alternative work arrangements prescribed by the Civil Service Commission.
- 5.4 Those who have rendered less than a total or an aggregate of four (4) months of satisfactory service as of November 30, 2022 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%

- 5.5 The employees have not received any additional year-end benefit in FY 2022 over and above the benefits authorized under Republic Act (RA) No. 6686, as amended by RA No. 8441.
- 5.6 The personnel have not been found guilty of any administrative or criminal cases by final and executory judgment in FY 2022. If the penalty imposed is only a reprimand, the personnel concerned shall be entitled to the SRI.
- 5.7 The SRI of an employee on part-time basis shall be pro-rated 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 SRI shall not exceed the authorized amount.
- 5.8 The SRI of an employee who transferred from one agency to another shall be granted by the new agency.
- 5.9 The SRI of an employee on detail to another government agency shall be granted by the parent agency.
- 5.10 A compulsory retiree, on service extension as of November 30, 2022, may be granted the SRI, subject to the pertinent conditions and guidelines under this Circular.

6.0 Funding Source of the SRI for Employees in the Executive Department

- 6.1 For NGAs, including SUCs and the military and uniformed personnel, the amount required shall be charged against the available released PS allotments of the respective agencies under RA No. 11639 or the FY 2022 General Appropriations Act (GAA).

In case of deficiency, the amount required may be charged against the Maintenance and Other Operating Expenses allotment of the concerned government agency, subject to the rules on modification of allotment under Section 78 of the General Provisions of the FY 2022 GAA, and other pertinent budgeting, accounting, and auditing rules and regulations.

- 6.2 For GOCCs, the amount required shall be charged against their respective approved corporate operating budgets (COBs) for FY 2022 only.
- 6.3 Should the identified funding source prove insufficient to cover the maximum allowable rate of the SRI, a lower but uniform amount shall be paid to all qualified employees of the NGA or GOCC.

7.0 SRI for Employees in the Legislative and Judicial Departments and Other Offices Vested with Fiscal Autonomy

Employees of the Senate, House of Representatives, Judiciary, Office of the Ombudsman, and Constitutional Offices vested with fiscal autonomy may likewise be granted a one-time SRI by their respective heads of offices at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000) each, chargeable against the available released allotment of their respective agencies, subject to the conditions and guidelines set in Item 5.0 of this Circular.

Should the identified funding source prove insufficient to cover the maximum allowable rate of the SRI, a lower but uniform amount shall be paid to all qualified employees of the agency concerned.

8.0 SRI for Employees in LGUs

The grant of the one-time SRI to employees in LGUs, including those in the barangays, shall be determined by their respective *sanggunian* depending on the LGU's financial capability, at a uniform rate not exceeding Twenty Thousand Pesos (₱20,000) each, subject to the following conditions:

- 8.1 The SRI shall be charged against their respective local government funds, subject to the PS limitation in LGU budgets pursuant to Sections 325(a) and 331(b) of RA No. 7160 or the Local Government Code of 1991;
- 8.2 The guidelines on the grant of the SRI under Item 5.0 of this Circular shall be adhered to; and
- 8.3 In determining the amount of the SRI, the *sanggunian* shall exercise prudence and judicious use of government funds, ensuring that the expenditure is reasonable and will not, in any way, adversely affect the delivery of services to the public.

Should the identified funding source prove insufficient to cover the maximum allowable rate of the SRI, a lower but uniform amount shall be granted for all qualified personnel in the LGU concerned.

Since the funding source is the FY 2022 local budget, the corresponding supplemental budget for the purpose shall be enacted by the local *Sanggunian* within FY 2022.

9.0 SRI for Employees in LWDs

LWDs may also grant the SRI to their employees at a uniform rate to be determined by their Boards of Directors (BOD), which shall not exceed Twenty Thousand Pesos (₱20,000) each, chargeable against their respective BOD-approved FY 2022 COBs only, subject to the conditions and guidelines set in Item 5.0 of this Circular.

Should the identified funding source prove insufficient to cover the maximum allowable rate of the SRI, a lower but uniform amount shall be granted for all qualified employees in the LWD concerned.

10.0 SRI for Employees in Agencies Exempted from the Coverage of RA No. 6758, as Amended

NGAs and GOCCs exempted from the coverage of RA No. 6758, as amended, may also grant the SRI to their employees at a uniform rate to be determined by their governing boards or agency heads, which shall not exceed Twenty Thousand Pesos (₱20,000) each, chargeable against the NGA's available funds and the GOCCs' FY 2022 COBs only, subject to the conditions and guidelines set in Item 5.0 of this Circular.

Should the identified funding source prove insufficient to cover the maximum allowable rate of the SRI, a lower but uniform amount shall be granted for all qualified personnel in the agency concerned.

11.0 Payment of the SRI

The payment of the SRI to all qualified government employees shall not be earlier than December 20, 2022.

12.0 Reportorial Requirements

Each NGA and SUC shall submit online to the DBM's Budget and Management Bureau (BMB) or Regional Office (RO) concerned not later than January 31, 2023, the annual report on the grant of the FY 2022 SRI by following the template in Annex "A."

In this regard, the NGAs and SUCs shall encode the required details/information, as well as upload the scanned copy of the report using the following link <https://www.dbm.gov.ph/add-sri-report>.

Agencies are enjoined to fully abide by the aforementioned reportorial requirements. The BMBs or ROs concerned shall ensure compliance of the agencies with the reportorial requirement set forth in this Circular.

13.0 Responsibilities of Agencies

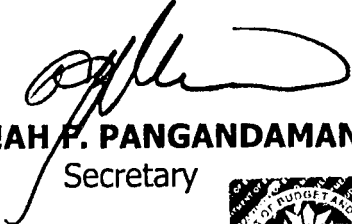
Agencies shall be responsible for the proper implementation of the provisions of this Circular. The responsible officers shall be held liable for any payment not in accordance with the provisions hereof without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

14.0 Resolution of Cases

Cases not covered by the provisions of this Circular shall be referred to the DBM for resolution.

15.0 Effectivity

This Circular shall take effect immediately.


AMENAH F. PANGANDAMAN
Secretary



**Report on the Payment
of SRI for FY 2022**

Department/Agency: _____

I. If SRI was Granted

Total Amount Paid for the SRI:

Number of Qualified Personnel	
Regular	
Civilian	xxx
Military/Uniformed Personnel	xxx
Contractual	xxx
Casual	xxx
Total No. of Qualified Personnel	xxxx
Rate of SRI	_____
Total Amount Paid	_____

Fund Sources:

Total Amount Charged Against Personnel Services (PS) Allotments	xxxx
Amount Charged Against Maintenance and Other Operating Expenses (MOOE)	
Object of Expenditure	
_____	xxx
_____	xxx
_____	xxx
_____	xxx
Total Charges Against MOOE	xxxx
Grand Total (PS+MOOE [if any])	_____

II. If the SRI was Not Granted

Please state reason/s for non-grant

Submitted by:

Certified Correct:

Head, Finance/Administrative Unit

Agency Head