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Department of Environment and Natural Resources
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MEMORANDUM CIRCULAR
No. 2005- 019

DEC 05 2005

SUBJECT : **UPDATED RULES AND REGULATIONS ON THE GRANT OF THE YEAR-END BONUS AND CASH GIFT TO DENR PERSONNEL FOR FY 2005 AND YEARS THEREAFTER**

DATE :

A. Purpose

This Circular is issued to consolidate, update, and clarify existing rules and regulations on the grant of the Year-End Bonus and Cash Gift, herein collectively referred to as the Year-End Benefit (YEB), authorized under Republic Act (RA) No. 6686, as amended by RA No. 8441, and the liberalization of the grant thereof pursuant to Section 43 of the General Provisions, RA No. 9336, the FY 2005 General Appropriations Act (GAA).

B. Coverage

All DENR personnel under permanent, temporary, or casual status, and those issued contractual appointments who are under the following instances from January 1 to October 31 of each year:

1. those who have rendered at least a total or an aggregate of 4 months of service including leaves of absence with pay;
2. those who are on approved leave of absence without pay but have rendered at least a total or an aggregate of 4 months of service provided they are not yet dropped from the rolls; and
3. those who have rendered less than 4 months of service

The aggregate service requirement of DENR employees for purposes of the grant of the YEB shall include such services before the termination of their employment during the year under the following modes: resignation, separation not for cause, termination of contract/appointment, or termination of term in office, and such services from the date they were rehired/reappointed during the year to the same or another position in the DENR or another agency.

C. Exemptions

All DENR personnel under the following instances shall not be entitled to the one-half (1/2) YEB of the full YEB:

1. those on absence without leave (AWOL);
2. consultants;
3. those who were formally charged administrative cases as well as criminal cases which relate to acts or omissions in connection with their official duties and functions and found guilty and/or meted penalties.



D. Rules and Regulations

1. Payment of the YEB

- a. DENR personnel who have rendered at least a total of 4 months service including leaves of absence with pay from January 1 to October 31 of a particular year, and who are in the service as of October 31 of the same year, shall be entitled to the full YEB based on the basic monthly salaries as of October 31.
- b. One-half (1/2) of the YEB may be paid to DENR personnel not earlier than May 1 and not later than May 31 of a particular year, based on the basic monthly salaries as of April 30, provided that they have rendered at least 4 months of service including leaves of absence with pay from January 1 to April 30 of the same year, regardless of whether or not they will still be in the service as of October 31 of the same year.
- c. The remaining half or the balance of the full YEBs (due to step increments or promotions) or the full YEBs (for those not granted 1/2 YEBs in May for lack of service requirement) shall be paid not earlier than November 15 but not later than November 30 of each year, provided that the conditions stipulated in D.1.a. are satisfied.
- d. Those who have rendered more than 4 months of service in a given year and are to retire or are to be separated before October 31 of the same year may receive proportionate shares of the remaining balances of their cash gifts in addition to their 1/2 YEBs received earlier, based on the following scheme, to be paid within the month of retirement/separation:

Month of Retirement/Separation from the Service	Percentage of P5,000	Corresponding Amount
May	0%	P 0
June	20%	500
July	40%	1,000
August	60%	1,500
September	80%	2,000
October	100%	2,500

- e. DENR personnel who have rendered less than 4 months of service as of October 31 of a particular year shall be entitled solely to the cash gift pro-rated as follows:

Length of Service	Percentage of P5,000	Corresponding Amount
3 months but less than 4 months	40%	P 2,000
2 months but less than 3 months	30%	1,500
1 month but less than 2 months	20%	1,000
Less than 1 month	10%	500



2. Personnel on Detail or Reassignment

The YEBs of personnel on detail to other agencies or reassigned to other DENR units shall be paid by the DENR mother unit paying their salaries.

3. Transferred Personnel

The YEBs of DENR personnel who transferred to another agency shall be granted by their new offices. If they were granted their ½ YEBs in their former DENR offices, only the remaining balances of their benefits shall be shouldered by their new offices. For this purpose, certifications from the former offices on the grant of the ½ YEBs are necessary.

4. Personnel Charged with Administrative Cases

- a. DENR personnel formally charged with administrative and/or criminal cases and whose cases are still pending for resolution shall be entitled to the YEBs until found guilty and meted penalties.
- b. Those found guilty shall not be entitled to the YEBs in the year the decisions were handed down. If the penalties meted out are only reprimands, such penalties should not be made the bases of disqualification to receive the YEBs.
- c. Those found guilty but later on exonerated by competent authorities upon appeal of the cases shall be entitled to the back YEBs unless decided otherwise by the authorities concerned.

E. Funding Sources

The amounts shall be charged against the appropriations for the purpose in the annual GAA. Deficiencies in appropriations shall be charged against available savings of the Department. The YEBs for casual and contractual personnel shall be charged against their respective lump-sum appropriations.

F. Saving Clause

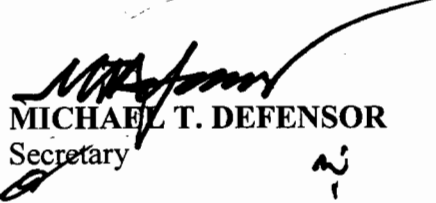
Cases not covered by the provisions of this Circular shall be referred to the Department of Budget and Management for resolution.

G. Repealing Clause

All issuances which are inconsistent with the provisions of this Circular are hereby repealed.

H. Effectivity

This Memorandum Circular shall take effect immediately.


MICHAEL T. DEFENSOR
Secretary

