



SECRETARY'S CORNER

# **Spreading Positivity**

The first three months of the year saw the world reeling from a series of heavy blows. Billions of people across the globe suffered from the effects of extreme natural disasters – from destructive earthquakes, raging bushfires, massive flooding, pest invasions, and volcanic eruptions.

On top of these disasters, an even more devastating disease is sweeping through continents, decimating populations and crippling economies worldwide, including the Philippines. The Coronavirus Disease 2019 (COVID-19) outbreak, already declared a pandemic by the World Health Organization, has forced countries to go on a lockdown to control the spread of the virus. In the Philippines, first the National Capital Region, and then the entire Island of Luzon, have been put under an "enhanced community quarantine and the entire country under a state of calamity." Work and school are suspended; public transportation has ceased operation; and people have been ordered to stay at home.

In the midst of this crisis, however, the Filipino bayanihan spirit has once again



come forth, shining through the dark and troubled days. It is a spirit that manifests in the many selfless acts of our countrymen: businessmen donating protective equipment for frontline workers; restaurant

owners providing meals for healthcare workers; and hotel establishments providing accommodation for healthcare personnel.

In times as trying as these, leadership and public service are needed. Government officials have



strengthened their faith and have shown that they are ready for this challenge, as stringent policies and social distancing measures have been put in place to protect the public. The country's economic team has

country's economic team has also conceptualized and provided economic relief packages to alleviate the plight of those severely affected by the economic slowdown due to the virus. Some local officials have even provided grocery and hygienic items and medical supplements for their constituents. Filipino ingenuity and brilliance have likewise stepped up, with local scientists and researchers developing COVID-19 test kits and



introducing a local version of ethyl alcohol to prevent the virus from spreading. And creativity continues to stand out, as Filipinos have designed improvised but practical face masks and protective gear to make up

for the scarcity of these much-needed medical aids.

Especially noteworthy is the heroism displayed by the frontliners – doctors, nurses, and other health professionals – who continue to treat



COVID-19-infected patients, at the risk of their and their families' lives. And no less than this, the dedication and efforts of other public service providers such as the media, security and sales forces, who hold up society and the economy.

Indeed, freedom from the rage and fury of this new pandemic may not yet be at hand. We may still be waiting for the dawn, a light breaking through the darkness. But we continue to search for the bright side of this global problem, hoping a clearer vision will lead us to the best solutions and help people embrace hope rather than fear.

It may be hard to immediately contain the pandemic, but we can always help control the panic and paranoia in these challenging times. What the world needs at this time are people who can spread – not the virus – but solutions and who can make positivity go viral. And you could be one of them.

God bless us all.

WENDEL E. AVISADO Secretary

## JUST AND EQUITABLE PAY FOR GOVERNMENT WORKERS

By: Joy S. Almazan and Emil John T. Manguerra with inputs from the Office of Assistant Secretary Myrna Chua

The Duterte Administration has always been proactive in seeking ways to provide better compensation for government employees and to help promote excellence and competence in the public sector. For the past years, it has assured the implementation of the salary adjustments provided for under Executive Order (EO) No. 201 (Modifying the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of Additional Benefits for Both Civilian and Military and Uniformed Personnel) by funding the second, third, and fourth (final) tranches of the salary adjustments, from 2017 to 2019. This year, with the passage of Republic Act (RA) No. 11466 or the Salary Standardization Law (SSL) of 2019 last January 8, 2020, civilian government employees will benefit from another round of salary increases starting January 2020 until 2023. With the implementation of SSL 5, the salaries, particularly of those in the rank-and-file, will be brought closer to, if not higher than, market-rate levels. The SSL 5 likewise institutionalized the grant of the Mid-Year Bonus, which is equivalent to one month basic salary.

## **SALIENT FEATURES OF SSL OF 2019**

#### Coverage

All civilian government personnel (regular, contractual, casual, appointive, elective, full-time, or part-time) in the:









Government-owned or -Controlled Corporations (GOCCs) not covered by GOCC Governance Act of 2011 Local Government Units

## Increases for Various Salary Grades After Full Implementation



Minimum pay (basic salary of PhP13,000 + PhP2,000 Personnel Economic Relief Allowance) in government will be 27% higher than the monthly minimum wage in the private sector (National Capital Region)



Salaries of sub-professionals (SG 1-10) will be at 97% of market on average



Salaries of professionals (SG 11-24) will be at 96% of the market on average



Salaries of middle managers (SG 25-28) will increase to 94% of the market on average



Salaries of executives (SG 29-31) will be at 48% of the market on the average



Salaries of top leaders (SG 32-33) will be at 33% of the market on the average

Salaries of public school teachers will continue<br/>to exceed the pay of their private sector<br/>counterparts:Market MedianImage: Content of the content of

Compared with the 2019 level, salaries of Teachers I, II, and III will increase by 30.1%, 27.1%, and 24.1%, respectively, upon full implementation of the new salary rates in 2023.





In the afternoon of January 12, a Sunday, Roxanna Anatalio and her husband were on their way back to Cavite after having completed some errands in her hometown of Lemery, Batangas. They noticed that people were alighting from their cars and gazing in the direction of Taal Volcano, which was then emitting thick white plumes of smoke.

"It's beautiful!" she remembers thinking. But their awe was soon replaced with fear as the smoke grew thicker and darker. In that moment, Roxanna knew it was bad.

As ashfall descended and quickly enveloped the nearby areas, the once vibrant tourist hub turned into a "ghost town." The locals began to flee – some rushed to the homes of relatives, and others to evacuation centers. Later on, the provinces of Batangas and Cavite declared a State of Calamity.



"Tatlong araw din akong umiyak dahil dito. Ang talagang kawawa ay yung malalapit sa bulkan tulad ng sa bayan ng Agoncillo na halos 20% na lamang ang puwedeng tirahan," she said. "Pero nakakatuwa rin na may bumalik daw doon sa may mismong crater at nag-pala. Nakita pa niyang buhay yung aso niya na mahigit 15 days ding natabunan," she added.

Roxanna's relatives have since returned to their homes in Lemery. While the anxiety over the volcano erupting at any moment still lingers, for now their priority is to clear out the ash that has blanketed their homes and streets. It's a difficult task.

"Ang taas na ng araw tapos kada hangin, liliparin ulit," she exclaimed. Fortunately, Roxanna had been able to avail of the five-day special emergency leave, which gave her time with the family, to literally dust off and rise from the ashes of this tragedy that none of them had ever imagined nor wished for.

Meanwhile, Josephine Mendoza and her family had just come from church and were heading to a mall when her sister got a call from one of her clients. *"Tumawag yung isang* client *ng kapatid ko and nangangamusta since alam niyang taga Taal kami,"* she said. Expectedly, the news came like a bolt out of the blue.

"Hindi na po namin maintindihan ang gagawin kasi lahat po ng pamilya at kamag-anak namin, nandoon sa Taal," she shared. It didn't help that her relatives live within the danger zone around the volcano. "Sobrang nagpapanic na po sila sa dami ng lindol. Kaya kami pong mga nandito eh hindi matahimik at walang tigil sa pagtawag at monitor sa kanila," she recalled.

They were helpless on that first evening, and they spent the rest of the night restless and sleepless. The next morning, they hired a vehicle to evacuate her relatives out of Taal. It was for her the longest night and day of their lives.



But in any disaster, there is always a silver lining if one seeks to find it. "Ang maganda naman sa Batangueño, calamity na nagagawa pang magbirobiro," said Roxanna. "Kahit nahihirapan na, dapat masaya pa rin. Wala po sa bokabularyo namin ang sumuko," shared Josephine. Indeed, the bayanihan spirit flourishes in times of need, and was truly alive and present in the collective community response to the Taal Volcano eruption. "Everyone was ready and willing to give a helping hand to anyone, even if they themselves were affected too," Roxanne added.

Affirming this spirit of *bayanihan*, the DBM's Budget Union for the Declaration of Genuine Employees' Thrusts (B.U.D.G.E.T) initiated a donation campaign for the Taal Eruption victims. Around PhP200,000 in cash, in addition to donations-in-kind such as clothing, canned goods, medicines and medical equipment, were received from the DBM's Central (CO) and Regional Offices (RO).

Last February 8, 2020, 30 personnel from the CO and RO IV-A, in collaboration with the Philippine National Police, distributed 1,250 individual relief packages to those staying in the evacuation centers in Batangas, most of whom no longer have any homes to return to.

"Nang namimigay kami sa evacuation centers, ang nasa isip naming lahat, magkasya kaya? But then, parang hindi nauubusan kaya apat na evacuation centers ang napuntahan namin," shared Sheryl Aromin, B.U.D.G.E.T. president.



## **GAD CORNER**



passionate and committed public servant, who ran the full career track from Organization and Methods Evaluator, to a Supervising Management Specialist, to Assistant Secretary of the Department of Budget and Management (DBM) is now ready to end the lap and move on to a new path.

For Asec. Myrna S. Chua, it's been a sometimesdifficult, often-exhilarating course – this pursuit of excellence and success by advocating for efficiency in government operations, helping ensure fair and reasonable compensation for government workers, and putting a premium on commitment to public service.

### Her Journey of Heartfelt Service

Her journey is a story of commitment and empowerment, from humble beginnings to becoming one of the country's recognized experts in Organization, Position Classification, Compensation and an inspiration to the DBM community.

Asec. Myrna started her government career in 1975 as a Project Assistant for the Development Academy of the Philippines. Only a year after, she joined the agency to which she would devote the next 43 years of her life.

She did not know this then, though. "Initially, I planned to stay for five years only, because I wanted to try

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JANUARY - MARCH 2020







# FY 2020 FUND RELEASE

## BY: EMIL JOHN T. MANGUERRA

## COVERAGE

All departments, agencies and operating units (OUs) of the National Government

Constitutional Fiscal Autonomy Group (CFAG)



State Universities and Colleges (SUCs)

Government-Owned or –Controlled Corporations (GOCCs) and Local Government Units receiving budgetary support from the national government from all sources of appropriations in FY 2020

## TRANSITION PERIOD FOR THE CASH BUDGETING SYSTEM

o provide policies, procedures, rules and regulations on the release, utilization of funds, and monitoring of items as prescribed by the law and other legal orders, among others, agencies concerned must adhere to the following guidelines:

## SALIENT GUIDELINES

The FY 2020 General Appropriations Act takes effect on January 1, 2020.

The maximum allotment that can be issued to an agency shall be equal to the aggregate of the:

RA No. 11465, FY 2020 GAA; and

Automatic Appropriations, e.g., Retirement and Life Insurance Premiums (RLIP), Special Accounts in the General Fund (SAGF), among others

With the adoption of the Cash Budgeting System and consistent with Section 60, General Provisions of the FY 2020 GAA, all appropriations authorized under the FY 2020 GAA, including budgetary support to GOCCs and SAGF, shall be available for release and disbursement for the purpose specified, and under the same General and Special Provisions of said GAA applicable thereto until December 31, 2020.



After the end of the validity period, all unreleased appropriations or unexpended or undisbursed funds shall revert to the unappropriated surplus of the General Fund.

8

Modification of Allotments Any change within an activity or project without increasing the total appropriated amount	Agencies are no longer authorized to avail of excess income since the annual financial requirements of their programs and projects have been fully provided.		
Use of PS Appropriation for any PS Deficiency Available PS allotment may be used for payment of deficiencies in authorized personnel benefits	Use of Savings to Augment any Deficient Item of Appropriation Constitutional officers (i.e., The President, President of the Senate and Speaker of the		

Unobligated PS allotments may be used by agencies for newly filled positions or staffing modifications and other benefits not provided in their PS levels

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resident, Senate and Speaker of the House, Chief Justice of the Supreme Court, and Heads of Constitutional Commissions) are authorized to use savings to cover a deficiency in any existing P/A/P within their offices.

#### **RELEASE OF OBLIGATIONAL AUTHORITIES** GAAAO For Comprehensive Release (FCR) Items П GARO/SARO For Later Release (FCR) Items

Expenditure Items	2019		2020		
	FCR	FLR	FCR	FLR	
PS					
Filled Positions					
Lump-sum for PS under agency specific budget -Unfilled positions -Equivalent Record Forms -Conversion to Master positions, among others					
Terminal Leave/Retirement Gratuity of compulsory retirees					
RLIP					
MOOE and CO					
Lump-sum Appropriations or CMIs					
Farm-to-Market Roads					
Quick Response Fund					
Research and Development Projects					
Budgetary Support to GOCCs					
IRA including block grant of BARMM					
SAGF					
Interest payments					
Congress-introduced increases in appropriations and new budgetary items					

## **FLEXIBILITIES ALLOWED TO AGENCIES**

### ... From Page 5

other jobs in the private sector," she admits. "My dream then was to be part of a small business organization where I could participate in various aspects like operations management, financial management, and human resource management."

This was the future she had originally designed. But the eagerness to learn more kept her on the path as she maneuvered her own journey in the DBM. "I stayed in the DBM due to the opportunities for learning and advancement presented by the Department," she recalls.

In all her 43 years in the DBM, Asec. Myrna feels her greatest achievement and contribution is the passage of three Salary Standardization Laws (SSLs).

"There have been five SSLs so far since 1989, three of them were approved under my watch. The SSL 3, passed by Congress as Joint Resolution No. 4, s. 2009, embodied significant compensation reforms that rationalized the grant of certain allowances and incentives," she explains.

It was not always a walk in the park, Asec. Chua readily shares. Along the way, there were tough challenges, the biggest of which was her assignment at the Organization, Position Classification, and Compensation Bureau (OPCCB).

"When former Secretary (Emilia) Boncodin asked me to head the OPCCB, I was not familiar with Compensation and Position Classification since my work revolved around Organization and Staffing. Since Compensation and Position Classification are very specialized, there are a lot of rules and policies to be observed to ensure fairness and equity in granting salaries, allowances, and benefits," she recounts.

But with commitment as her main formula and approach to work, she persevered and learned fast while studying the policies and practices involved. "It took me around two years to gain fairly sufficient knowledge," she adds.

And with these efforts bearing fruit, Asec. Chua was recognized and conferred the Presidential Gawad Career Executive Service Award in 2018 – an honor that did not diminish, but in fact intensified her determination in improving public service delivery and in the field of government compensation.

#### At the End of a Wonderful Journey

"I am thankful for having been part of the DBM. It has been my second home for 43 years, a place where I practically grew up professionally," Asec. Chua shares, reminiscing the exciting years she had in the DBM. And now that she has reached the end, or perhaps just a bend on this path, Asec. Chua is keen to express her thoughts on the DBM and the DBM family. "I express my gratitude for the opportunity to have worked with the DBM personnel, particularly the Secretary and the Senior Officials and the officials and staff



of the bureaus I have been assigned to."

And her colleagues are just as grateful, as they have shared nothing but good words about her, noting especially her leadership style – meticulous as to the accuracy and quality of outputs, yet with a calm and motherly demeanor.

When asked what she would miss the most in her stint at the DBM, Asec. Chua is quick to mention the people she had worked and developed friendships with. "The work at the DBM was challenging, even stressful at times, but the supportive atmosphere within the organization made it easier to cope," she adds.

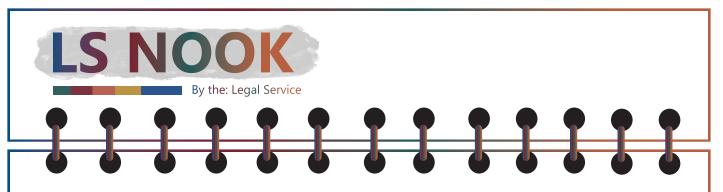
She also advises the younger generation of the DBM to build their careers in the organization. "As I have experienced, you will have many opportunities to learn about government operations."

#### And Onto a New Path

Looking forward to the coming years on a new path, Asec Chua shares what she hopes it will be. "After retiring, I need to sort some personal stuff and attend to family affairs, which I didn't have the time to do while working."

She also hopes to reconnect with relatives here and abroad and be more active in community activities. She is likewise eyeing to pursue hobbies she had missed while working including gardening, flower arrangement, and origami.

While the path ahead is hardly ever always crystal clear, one thing is certain for Asec. Chua – family and self will now always be at the center. And whatever new paths may lie ahead, she aims to forge on, armed with the same intelligence, integrity and commitment that she had always equipped herself with.



## COMPUTATION OF GOVERNMENT SERVICE<sup>1</sup>

A former prosecutor who retired due to permanent disability while in government service had previously applied for a 10-year lump-sum retirement gratuity (RG).

Pursuant to Section 25 of Republic Act (RA) No. 10071 in relation to Sections 1 and 3 of RA No. 910, as amended, an employee who retires by reason of permanent disability contracted during his or her incumbency of office and prior to the date of retirement shall receive a gratuity equivalent to a 10-year salary provided he or she has rendered at least 15 years of government service.

Based on the initial service record submitted, the former prosecutor was short of four (4) years, two (2) months, and 21 days to qualify for the 10-year lump-sum RG. Accordingly, the Department of Budget and Management (DBM) released the RG differential corresponding only to five (5) years.

Subsequently, he requested for reconsideration, this time submitting his service record from the Bureau of Internal Revenue (BIR), which is equivalent to eight (8) years and nine (9) months, to comply with the service requirement under RA No. 910, as amended. However, the said record showed a two-year gap between his employment with the BIR and the DOJ.

It is noteworthy that Section 1 of RA No. 910, as amended, is silent as to the requirement of continuous rendition of government service. There is nothing in the law which disqualifies a retiree with a gap in the government service for availing of the benefits provided therein. Section 21 of RA 10071 does not prohibit the same, as it merely provides for the 15-year requirement either in the National Prosecution Service or in any branch of government without making any distinction in respect to the continuity of service.

Thus, it may be inferred that it is the totality of government service rendered that is material, regardless of a gap in the service. This is, however, subject to the validation of the BIR service record before the same may be considered for the purpose of computing the total creditable government service.

In addition, the former prosecutor must show that he has not received any separation or retirement benefits for his government service with the BIR. This is in consonance with Section 8, Article IX-B of the Constitution which prohibits the grant of additional or double compensation, which includes retirement benefits. In one case,<sup>2</sup> the Supreme Court (SC) ruled that "if a retiree is being credited with his years of service under his first retirement in computing his gratuity under his second retirement, it is but just that the retirement gratuity received by him under his first retirement should also be charged to his account. The claims for double retirement or pension would run roughshod over the well-settled rule that in the absence of an express legal exception, pension and gratuity laws should be so construed as to preclude any person from receiving double pension."

In sum, the BIR service record may be considered to comply with the required government service for the entitlement of retirement gratuity under RA No. 910, as amended, upon validation that the same has not been used to claim separation or retirement benefits for the same period of government service, consistent with the rule on double compensation.

<sup>2</sup> The Supreme Court in the case of Tiburcio Chaves, Sr. vs. Auditor General Ismael Mathay (37 SCRA 776, 1971) cited the rule enunciated in Fortunato V. Borromeo vs. GSIS (L-11011, November 23, 1960) that, in the absence of an express legal exception, pension and gratuity laws should be so construed as to preclude any person from receiving double pension.

<sup>&</sup>lt;sup>1</sup> Based on LS Opinion No. 7, s. 2018

## Compensation Compedium By the: Organization, Position Classification and Compensation Bureau **ISSUE:**



Whether or not the contract of service (COS)/job order (JO) workers being engaged by Agency X should be paid equivalent to the salary/wage of comparable permanent positions, e.g., those allocated to Salary Grades 15 and **16**, performing similar functions.

## **DBM RESPONSE:**

Civil Service Commission (CSC)-Commission on Audit (COA)-DBM Joint Circular (JC) No. 1, s. 2018<sup>1</sup> amended the transitory provisions of CSC-COA-DBM JC No. 1, s. 2017<sup>2</sup> to stipulate that the salary/wage of COS/JO workers to be engaged by a government agency shall be equivalent to the daily salary/wage of comparable positions in the government and a premium of up to 20% of such salary/wage.

This provision serves as a guide in determining the pay of COS/JO workers, and promotes fairness and equity in the remuneration for their services. However, the agency concerned shall be in the best position to determine the comparable positions based on the terms of engagement of such COS/JO workers.

Hence, for guidance, Agency X could refer to the DBM's Index of Occupational Services, Occupational Groups, Classes, and Salary Grades, CY 2018 Edition, which can be found in the DBM website.

The premium on the salaries/wages of the COS/ JO workers to be engaged by Agency X will be determined by the Agency depending on its financial capability but not to exceed 20% of the daily salary/wage of comparable positions in the government, in accordance with CSC-COA-DBM JC No. 1, s. 2018. The purpose of the premium of up to 20% of the salary/wage of comparable position is to recompense the COS/JO workers for the benefits which are not granted to them.

Moreover, the payment of services of COS/JO workers is dependent, among others, on the specific agreements on the nature of work/ job to be performed, services to be provided/ rendered, expected outputs/accomplishments of said COS/JO workers, and the payment scheme, which should be stipulated in the written contract entered into between the individual worker and the agency concerned.

1 Amendment to the CSC-COA-DBM Joint Circular No.1, s. 2017 2 Rules and Regulations Governing Contract of Service and Job Order Workers in the Government

## The DBM Bulletin

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