



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

*Handwritten signature*  
**MASTER COPY**

19 December 2019

**CUSTOMS MEMORANDUM CIRCULAR**  
**NO. 280-2019**

To: The Assistant Commissioner  
All Deputy Commissioners  
All Directors and Division Chiefs  
All District/Port Collectors  
And Others Concerned

**SUBJECT: Administrative Order No. 19**

Attached is the Memorandum dated 13 December 2019 from Mr. ALVIN P. DIAZ, Director IV, Central Administration Office, Department of Finance endorsing a copy of Administrative Order No. 19 entitled:

***"Authorizing the Grant of Service Recognition Incentive to Government Employees for Fiscal Year (FY) 2019".***

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

*Handwritten signature*  
**REY LEONARDO B. GUERRERO**

Commissioner

DEC 26 2019



BOC-09-09672

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97-805  
Internal Admin. Group

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Received by: VICKY REYES

Date: 12/16/19

Time: 4/41



Republic of the Philippines  
**DEPARTMENT OF FINANCE**  
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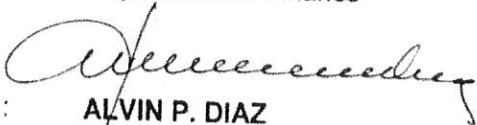


**MEMORANDUM**

FOR : **HEADS OF OFFICES**  
This Department



**HEADS OF BUREAUS/ATTACHED AGENCIES**  
Department of Finance

FROM :   
**ALVIN P. DIAZ**  
Director IV  
Central Administration Office

SUBJECT : **Administrative Order No. 19** entitled "AUTHORIZING THE GRANT OF SERVICE RECOGNITION INCENTIVE TO GOVERNMENT EMPLOYEES FOR FISCAL YEAR (FY) 2019"

DATE : December 13, 2019

Attached for information and guidance is a copy of Administrative Order No. 19 dated 02 December 2019 from Executive Secretary Salvador C. Medialdea, Office of the President on the above-captioned subject.



MALACAÑAN PALACE  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 19

**AUTHORIZING THE GRANT OF SERVICE RECOGNITION INCENTIVE  
TO GOVERNMENT EMPLOYEES FOR FISCAL YEAR (FY) 2019**

**WHEREAS**, under Section (17)(iv) of Congress Joint Resolution (JR) No. 4 dated 17 June 2009, the President, upon recommendation of the Department of Budget and Management (DBM), is authorized to update the Compensation and Position Classification System (CPCS) for civilian personnel and Base Pay Schedule for military and uniformed personnel, as well as the policies on and levels of allowances, benefits and incentives applicable to all government personnel;

**WHEREAS**, the DBM has recommended updating the policies on and levels of incentives applicable to all government personnel through the grant of a one-time incentive, to recognize and further encourage the unwavering commitment and dedication of government employees in performing their work, their continued support and collaborative efforts in the delivery of services to the public, as well as their diligence in the effective and efficient performance of their respective functions;

**WHEREAS**, Section (4)(h) of JR No. 4 authorizes the grant of (a) incentives to reward an employee's loyalty to government service and contributions to the agency's continuing viable existence; (b) incentives as rewards for exceeding agency financial and operational performance targets to motivate employee efforts toward higher productivity; and (c) other existing benefits to be categorized by the DBM as incentives; and

**WHEREAS**, government employees deserve to be rewarded to recognize their collective and unceasing participation in and invaluable contribution to the Administration's continuing efforts toward the establishment of streamlined government processes and more responsive delivery of public services;

**NOW, THEREFORE, I, RODRIGO ROA DUTERTE**, President of the Republic 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 amount not exceeding Ten Thousand Pesos (₱10,000) 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

- 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 the government service as of 30 November 2019;
- c. The personnel have rendered at least four (4) months of service as of 30 November 2019;
- d. Employees who have rendered less than four (4) months of service as of 30 November 2019 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 2019 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 an employer-employee relationship and whose compensation are not funded from 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.** Funds needed for the grant of the SRI to employees in the Executive Department shall be sourced, as follows:

- a. For NGAs, including SUCs and military and uniformed personnel, the amount required shall be charged against the:
  - i. Miscellaneous Personnel Benefits Fund under the FY 2019 General Appropriations Act to fund a portion of the SRI in the amount of Seven Thousand Pesos (₱7,000) for each employee; and
  - ii. Available released PS allotments of the respective agencies for the remaining Three Thousand Pesos (₱3,000) for each employee. In the event that the available released PS allotments are insufficient to fully cover the remaining Three Thousand Pesos (₱3,000) per employee, a lower but uniform amount shall be paid to all qualified employees of that agency.
- b. For GOCCs, the amount required shall be charged against their respective approved corporate operating budgets (COBs) for FY 2019 only. A GOCC which does not have sufficient funds to cover the maximum amount of Ten Thousand Pesos (₱10,000) may grant the SRI at a lower but uniform rate for all qualified personnel in that GOCC.

**SECTION 5. SRI for Employees in the Legislative and Judicial Departments and Other Offices Vested with Fiscal Autonomy.** Employees in 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 Ten Thousand Pesos (₱10,000) each, chargeable against the available released allotment of their respective agencies, subject to the conditions set in Section 2 hereof.

**SECTION 6. SRI for Employees in Local Government Units (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, subject to the PS limitation in LGU budgets under RA No. 7160 or the "Local Government Code of 1991," and the conditions set in Section 2 hereof, at a uniform rate not exceeding Ten Thousand Pesos (₱10,000), chargeable against their respective FY 2019 local government funds.

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.

**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 Ten Thousand Pesos (₱10,000) each, chargeable against their respective BOD-approved FY 2019 COBs only, subject to the conditions set in Section 2 hereof.

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**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 governing boards or agency heads, which shall not exceed Ten Thousand Pesos (P10,000) each, chargeable against the NGAs' respective available funds and the GOCCs' FY 2019 COBs only, subject to the conditions set in Section 2 hereof.

**SECTION 9. Payment of the SRI.** The payment of the SRI to all qualified government employees shall not be earlier than 20 December 2019.

**SECTION 10. Guidelines on the Grant of the SRI.** The DBM shall issue supplemental guidelines to implement this Order, as may be necessary.


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

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

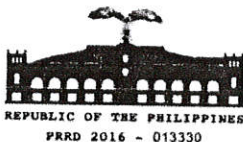
**SECTION 13. Effectivity.** This Order shall take effect immediately following its complete publication in the Official Gazette or in a newspaper of general circulation.

**DONE**, in the City of Manila, this **2nd** of **December**, in the year of our Lord, Two Thousand and Nineteen.

By the President:

  
**SALVADOR C. MEDIALDEA**  
Executive Secretary





Office of the President

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OFFICE OF THE PRESIDENT  
MALACAÑANG RECORDS OFFICE  
**CERTIFIED COPY**  
*[Signature]*  
ATTY. CONCEPCION E. TERROLINO-ERAD  
12-3-2019 DIRECTOR IV-9