



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

June 23, 2014

CUSTOMS MEMORANDUM ORDER

No. 14-2014

**TO: All Deputy Commissioners
All Service Directors
All District Collectors
All Division Chiefs, Administrative Officers
All Others Concerned**

**SUBJECT: AUTHORITY TO RENDER OVERTIME SERVICES WITH PAY
FOR THE RANK AND FILE OF THE BUREAU OF CUSTOMS (BOC)**

1.0 Purpose

This Customs Memorandum Order (CMO) is being issued to prescribe the guidelines in the rendition of overtime services and payment thereof in accordance with the authority issued by the Office of the President (OP) as an exemption from Section 1(d) of Administrative Order No. 103, s. 2004.

2.0 Coverage

2.1 This CMO covers the units and personnel included in the authority for payment of overtime services for the period January to December 2014, issued by the Office of the President on March 7, 2014¹ and May 20, 2014², and such other authority that may subsequently be issued by the OP.

¹ For certain BOC offices due to the "Truck Ban Policy" of the City of Manila

² Offices/Divisions authorized: BOC Central Office: Financial Management Office, Accounting Division, Budget Division, Central Records Management Division, Human Resource Management Division, General Services Division, Revenue Accounting Division, Statistical Analysis Division, Management Information System & Technology Group, Customs Intelligence and Investigation Service; Port of Manila : Administrative Division, Piers Inspection Division, Export Division, Bonds Division, Collection Division, Auction & Cargo Disposal Division, Container Control Division, Rosario Customs Office; Manila International Container Port (MICP): Piers Inspection Division, Customs Container Control Division, Export Division, Formal Entry Division, Laguna Customs Office; Port of Cagayan de Oro : Piers & Inspection Section, Cargo Control Section; Port of Cebu: Airport Operations Section, District Office-Enforcement and Security Service, Mactan Passenger Service; Iloilo International Airport & Kalibo International Airport; Port of Davao: International Airport, Piers Inspection Division, Wharf Operations Unit, Airport Operations Section, Export Section, Export Section-Stuffing Unit, Customs Bonded Warehouse; Ninoy Aquino International Airport: Arrival Operations Division, Baggage Assistance Division, Departure Operations Division, Aircraft Operations Division

- 2.2 This CMO covers the rank and file employees, as well as casual employees of the BOC. Rank and file refers to those occupying plantilla positions of division chief and below.

3.0 Policies and Guidelines

- 3.1 Overtime service with pay shall be allowed only for rank and file employees, and for casual employees.
- 3.2 Employees shall render not less than eight (8) hours of work a day for five (5) days a week or a total of forty (40) hours a week, exclusive of lunch time. As a general rule, such hours shall be from eight o'clock in the morning to twelve o'clock noon, and from one o'clock to five o'clock in the afternoon on all days, except Saturdays, Sundays and holidays.
- 3.3 Overtime services shall include those rendered beyond eight (8) hours of work on a regular work day (Monday to Friday); those rendered on rest days, such as Saturday and Sunday; and those rendered on holidays.
- 3.4 As a general rule, regular or recurring functions shall be done and accomplished during regular work hours.
- 3.5 Overtime services shall be rendered only when extremely necessary in the performance of functions and delivery of services. It should be limited to:
- a. urgent work that cannot be reasonably completed within the regular work hours;
 - b. work rendered to meet deadlines set by management or oversight agencies, or to comply with important commitments; and,
 - c. necessary services to clients and stakeholders beyond the regular work hours.

4.0 Procedure

- 4.1 Rendition of overtime service shall be called upon or determined by the Commissioner, Deputy Commissioners, Service Directors, or District Collectors. They shall determine the units and personnel who will be authorized to render overtime service and the duration thereof.
- 4.2 A daily authority for personnel to render overtime service shall be issued by the officials concerned, indicating the specific work to be done in a given day, using the template attached as Form A.

- 4.3 The Daily Time Record (DTR) of each employee shall be faithfully and honestly accomplished. The time entries appearing therein shall be the basis for determining the number of hours of actual overtime services.
- 4.4 At the end of each month, each employee shall prepare a summary statement of overtime services rendered, using the template attached as Form B.

5.0 Submission of Claims for Payment of Overtime Services

- 5.1 The office or collection district shall prepare its claim for overtime pay at the end of each month and submit the same to the Deputy Commissioner, Internal Administration Group (IAG) through the Accounting Division, Financial Management Office, with the following attachments:

- a. Individual Daily Time Record for the applicable month;
- b. Authority to render overtime service (Form A);
- c. Summary statement of overtime services rendered (Form B);
and,
- d. Payroll.

- 5.2 The computation of overtime pay shall be in accordance with Items 5.2, 5.3, and 5.4 of DBM Budget Circular No. 10 s. 1996, entitled, *Prescribing and Updating the Guidelines and Procedures on the Rendition of Overtime Services with Pay of Government Personnel*, quoted hereunder:

- "5.2 Personnel rendering overtime services shall be entitled to overtime pay by the hour which shall be based on his/her actual hourly rate, computed as follows:

$$\text{Actual Hourly Rate (H.R.)} = \frac{\text{Actual Salary Per Month}}{22 \times 8}$$

- 5.3 Overtime pay shall be computed as follows:

- A. For ordinary working days: Plus 25% of the hourly rate
(0.25 x H.R.)

$$\text{Overtime Pay} = 1.25 \times \text{H.R.} \times \text{No. of Hours Rendered}$$

- B. For rest days and holidays: Plus 50% of the hourly rate
(0.50 x H.R.)

$$\text{Overtime Pay} = 1.50 \times \text{H.R.} \times \text{No. of Hours Rendered}$$

5.4 The total overtime pay of the employee for the year shall not exceed fifty percent (50%) of his annual basic salary."

6.0 Funding and Payment

6.1 Payment for overtime services shall be charged against savings of the BOC which may be determined at the end of every quarter based on the quarterly Statement of Appropriations, Allotments, Obligations, Disbursements and Balances (SAAODB) prepared by the Budget Division.

6.2 Hence, payment for overtime services duly supported by the required documents shall be processed by the IAG at the end of each quarter.

7.0 Responsibility

The Deputy Commissioners, Service Directors, District Collectors, Deputy Collectors for Administration and the Unit Heads shall be responsible for the proper implementation of this CMO.

8.0 Resolution of Cases

Cases not covered by this CMO shall be referred to and resolved by the Deputy Commissioner, IAG.

9.0 Effectivity

This CMO shall be effective January 1, 2014 and shall last until revoked.


JOHN P. SEVILLA
Commissioner



JUN 25 2014

Form A

DAILY AUTHORITY TO RENDER OVERTIME SERVICES

This is to authorize:

Name of Employee Position/Designation Office/Port/Division

To render overtime work/services on: _____

Specific work to be done/expected output:

Recommending Approval

Approved:

Division Chief/Deputy Collector for
Administration

Deputy Commissioner/Service Director/
District Collector

Note: This should be accomplished in two (2) copies prior to rendering overtime work. Please submit the duplicate copy a day after the rendition of overtime to the HRMD in the case of OCOM, and to the Deputy Collector for Administration, in case of the Collection Districts

DAILY AUTHORITY TO RENDER OVERTIME SERVICES

This is to authorize:

Name of Employee Position/Designation Office/Port/Division

To render overtime work/services on: _____

Specific work to be done/expected output:

Recommending Approval

Approved:

Division Chief/Deputy Collector for
Administration

Deputy Commissioner/Service Director/
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Note: This should be accomplished in two (2) copies prior to rendering overtime work. Please submit the duplicate copy a day after the rendition of overtime to the HRMD in the case of OCOM, and to the Deputy Collector for Administration, in case of the Collection Districts

