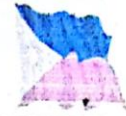




Republic of the Philippines
PROVINCE OF ZAMBOANGA DEL NORTE
Municipality of Siayan



OFFICE OF THE SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE SANGGUNIANG BAYAN OF
SIAYAN, ZAMBOANGA DEL NORTE HELD AT THE MUNICIPAL SESSION HALL ON THE 13TH DAY OF
DECEMBER, 2012.

PRESENT:

Hon. Daisy A. Limbang, Presiding Officer,
Hon. Estrella S. Zapatos, Presiding Officer Pro-Tempore,
Hon. Nilo T. Pollescas, Majority Floor Leader,
Hon. Liberato P. Nalzar,
Hon. Samuel G. Baculpo, Sr.,
Hon. Ephraim O. Melindo,
Hon. Raymund Jay P. Slasico,
Hon. Victoria S. Ko, Minority Floor Leader,
Hon. Norma R. Labastida,
Hon. Alberto J. Bongcawel, ABC President,
ABSENT:
Hon. Jazel G. Limbang, SK Fed. President,

Municipal Vice Mayor
Sangguniang Bayan Member

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**"APPROPRIATION ORDINANCE NO. 12-07
Series of 2012**

PREFATORY STATEMENT

WHEREAS, Budget Circular 2012-3 has been issued by the DBM as guidelines in the grant of PEI for the national government agencies;

WHEREAS, the same circular authorized for the grant of PEI to employees in the LGUs at the rates to be determined by the Sanggunian, depending on the financial capability subject to conditions;

WHEREAS, the amount of grant shall be reasonable and that the expenditure will not adversely affect the delivery of services to the public and the funds to be utilized shall be taken from any available savings of the departments which has been obligated but not utilized.

BE IT ORDAINED by the Sanggunian in session assembled:

SECTION I. TITLE - This Ordinance shall be known as "AN ORDINANCE GRANTING OF PRODUCTIVITY ENHANCEMENT INCENTIVE (PEI) FOR PERSONNEL OF THE LOCAL GOVERNMENT UNIT (LGU) OF SIAYAN, ZAMBOANGA DEL NORTE IN THE AMOUNT OF TWENTY THOUSAND PESOS (P20,000.00) FOR FISCAL YEAR 2012."

SECTION II. FUNDING SOURCE - The available savings of the departments which has been obligated but not utilized as certified available by the Local Finance Committee.

SECTION III. PAYMENT - The payment shall be made not earlier than December 14, 2012.

SECTION V. EFFECTIVITY. - This ordinance shall take effect immediately.

APPROVED this 13th day of December, 2012.

I HEREBY CERTIFY to the correctness of the above-quoted ordinance.

CERTIFIED CORRECT
AS TO ITS PASSAGE:

DAISY A. LIMBANG
Municipal Vice Mayor
(Presiding Officer)

WILFREDO Q. DOMPALES
Sangguniang Bayan Secretary

APPROVED:

FLORA L. VILLAROSA
Municipal Mayor

Date: 12/14/2012



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
Boncodin Hall, General Solano Street, San Miguel, Manila



BUDGET CIRCULAR

No. 2012-3
November 29, 2012

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

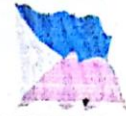
SUBJECT : Guidelines on the Grant of the Productivity Enhancement Incentive (PEI) to Government Employees for Fiscal Year (FY) 2012

1.0 Background

- 1.1 Items (4)(h)(ii) of the Senate and House of Representatives Joint Resolution (JR) No. 4, series of 2009, "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," approved on June 17, 2009, provides that incentives for government personnel shall include rewards for exceeding agency financial and operational performance targets, and to motivate employee efforts toward higher productivity. Item (4)(h)(ii)(bb) thereof lists the PEI as among the incentives; to be authorized by the President of the Philippines for those in the Executive Branch and in LGUs.
- 1.2 Executive Order (EO) No. 80, "Directing the Adoption of a Performance-Based Incentive System for Government Employees," was issued by President Benigno S. Aquino III on July 20, 2012, to motivate higher performance and greater accountability in the public sector and ensure the accomplishment of commitments and targets under the 5 Key Result Areas (KRAs) laid down in EO No. 43 and in the Philippine Development Plan 2011-2016.
- 1.3 Section 1 of EO No. 80 provides that a Performance-Based Incentive System, consisting of the Productivity Enhancement Incentive (PEI) and the Performance-Based Bonus (PBB), shall be adopted in the national government beginning FY 2012.



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Hon. Norma R. Labastida,	-do-
Hon. Alberto J. Bongcawel, ABC President,	-do-
ABSENT:	-do-
Hon. Jazel G. Limbang, SK Fed. President,	-do-

**"APPROPRIATION ORDINANCE NO. 12-07
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PREFATORY STATEMENT

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WHEREAS, the same circular authorized for the grant of PEI to employees in the LGUs at the rates to be determined by the Sanggunian, depending on the financial capability subject to conditions;

WHEREAS, the amount of grant shall be reasonable and that the expenditure will not adversely affect the delivery of services to the public and the funds to be utilized shall be taken from any available savings of the departments which has been obligated but not utilized.

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WILFREDO Q. DOMPALES
Sangguniang Bayan Secretary

APPROVED:

FLORA L. VILLAROSA
Municipal Mayor

Date: 12/14/2012

1.3.1 The PEI, in the amount of P5,000.00 shall continually be granted across-the-board, in accordance with the guidelines to be issued by the Department of Budget and Management (DBM).

1.3.2 The PBB, which is a top-up bonus, shall be given to personnel of bureaus or delivery units in accordance with their contribution to the accomplishment of their Department's over-all targets and commitments, subject to the achievement by the Departments of performance targets under their respective Major Final Outputs and Priority Program/Project commitments as agreed with the President under the 5 KRAs in EO No. 43; and accomplishment of good governance conditions set by the Inter-Agency Task Force created under Administrative Order No. 25.

2.0 Purpose

This Circular is issued to prescribe the guidelines on the grant of the PEI for FY 2012.

3.0 Coverage

The following are covered by this Circular:

3.1 Civilian government employees occupying regular, contractual, or casual positions; appointive or elective; rendering services on full-time or part-time basis;

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; Philippine Coast Guard; and National Mapping and Resource Information Authority; and

3.3 Local government employees.

4.0 Exclusions

The following are excluded from the coverage of this Circular:

4.1 Personnel in GOCCs and Government Financial Institutions (GFIs) under the jurisdiction of the Governance Commission on GOCCs; and

4.2 Those hired without employer-employee relationships and paid from non-Personal Services appropriations/budgets, as follows;

4.2.1 Consultants and experts hired to perform specific activities or services with expected outputs;

4.2.2 Laborers hired through job contracts (pakyaw) and those paid on piecework basis;

4.2.3 Student laborers and apprentices; and

4.2.4 Individuals and groups whose services are engaged through job orders, contracts of service, or others similarly situated.

5.0 Grant of PEI to Employees in the Executive Branch

5.1 Civilian employees in national government agencies (NGAs) in the Executive Branch, whether or not covered by Republic Act (R.A.) No. 6758, "Compensation and Position Classification Act of 1989," as amended, including those in GOCCs under the jurisdiction of the DBM, and military and uniformed personnel shall be entitled to the one-time PEI for FY 2012 at the maximum amount of P5,000.00 each.

5.2 The grant of the PEI shall be subject to the following conditions/guidelines:

5.2.1 The employees are still in the service as of November 30, 2012.

5.2.2 The employees have rendered at least a total or an aggregate of four (4) months of service for the year as of November 30, 2012, including leaves of absence with pay, to be entitled to the full amount of the PEI. Those who have rendered less than the total or aggregate of four (4) months of service shall be entitled to pro-rated PEI, as follows:

Length of Service	Percentage of the PEI
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%

5.2.3 The PEI 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 PEI shall not exceed the authorized amount.

5.2.4 The PEI of an employee who transferred from one agency to another shall be granted by the new agency.

5.2.5 The PEI of an employee on detail with another government agency shall be granted by the mother agency.

5.2.6 A compulsory retiree, on service extension as of November 30, 2012, may be granted the PEI, subject to the pertinent conditions/guidelines under this Circular.

5.2.7 Personnel Charged With Administrative and/or Criminal Cases

5.2.7.1 Personnel found guilty of administrative and/or criminal charges filed against him/her and meted penalty in FY 2012 shall not be entitled to the FY 2012 PEI.

5.2.7.2 If the penalty meted out is only a reprimand, such penalty shall not disqualify the employee concerned to the grant of the PEI.

6.0 Grant of PEI to Employees in the Legislative and Judicial Branches, and Other Offices Vested With Fiscal Autonomy

Pursuant to item (4)(h)(ii)(bb) of JR No. 4, employees in the Senate, House of Representatives, Judiciary, Office of the Ombudsman, and Constitutional Offices vested with fiscal autonomy, may also be granted the one-time PEI by their respective heads of offices, at rates not exceeding P5,000.00 each, subject to the conditions/guidelines under sub-item 5.2 of this Circular.

7.0 Fund Source of the PEI for Employees in the National Government

7.1 National Government Agencies (NGAs) with Built-in Regular Appropriations under R.A. No. 10155

7.1.1 To fund the PEI at P5,000.00 per employee, the DBM shall release the Special Allotment Release Order (SARO) chargeable against the Miscellaneous Personnel Benefits Fund in R.A. No. 10155, the FY 2012 General Appropriations Act. The SARO and the corresponding Notice of Cash Allocation (NCA) shall be released without need for submission of agency requests.

7.1.2 Pending receipt of the SARO/NCA from the DBM, agencies may use their available Personal Services allotments (comprehensive allotments per Agency Budget Matrix and allotments for the compensation adjustments under JR No. 4) and cash allocation balances under the regular Modified Disbursement System Account following the Common Fund System.

7.2 GOCCs and GFIs

The PEI for employees of GOCCs under the jurisdiction of the DBM shall be charged against the respective approved corporate operating budgets for FY 2012. In case of insufficient funds, the PEI shall be granted at a lower amount but at uniform percentage of the PEI rates in sub-items 5.1 and 5.2.2 of this Circular.