



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

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Department Order)

NO. **28**)

SUBJECT: REVISED GUIDELINES ON RENDITION
AND PAYMENT OF OVERTIME SERVICE

Series of 1992)
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Pursuant to Memorandum Order No. 228 dated March 29, 1989 of the President, as implemented by NBC No. 410 dated April 28, 1989, the rendition and payment of overtime services in this Department, which had been authorized in Department Order No. 32, s. 1991, are hereby reauthorized, subject to the following revised conditions, rules and guidelines.

I. GENERAL GUIDELINES

1. In general, all officials and employees of the Department may be authorized to render overtime services in the interest of public service. However, only the following employees of the Department may be paid overtime services:
 - 1.1 Regular, temporary, casual and contractual employees, whose salary grades range from Grades 1 - 24.
 - 1.2 Regular officials and employees of other government agencies on special assignment with/detail to DPWH who are holding positions in the first and second levels of the career service.
2. Subject to availability of funds, the following overtime compensation shall be paid to the following employees who have rendered overtime services as authorized:
 - 2.1 Overtime Pay By the hours - for employees whose salary grades range from Grades 1 - 5.
 - 2.2 Honoraria in lieu of Overtime Pay - for employees with salary grades 6 - 24.
 - 2.3 Honoraria in lieu of Overtime Pay for regular officials and employees of other government agencies on detail to DPWH who are holding positions in the first and second levels of the career service at the rates herein authorized for DPWH personnel, or as may be determined by the Secretary.

3. Division Chiefs shall continually review and evaluate the functions and work priorities of their respective Divisions, and to identify the work activities which cannot be accomplished within the regular working hours and which will require the rendition of overtime service.
4. Overtime service must be in accordance with a program of work identified by the Division Chief and approved by the Project Manager/Regional Director/Bureau Director/Assistant Secretary concerned.

II. SPECIFIC GUIDELINES

1. Rendition of Overtime Services may be authorized where:
 - 1.1 The work or activity has to be completed on a fixed date, and the scheduled date of completion cannot be met within the regular work days and hours:
 - 1.2 Although there is no fixed date of completion, the prolonged delay in, or non-completion of, the work or activity will:
 - 1.2.1 Cause financial loss to the government or its instrumentalities;
 - 1.2.2 Embarrass the government due to its inability to meet local or international commitments; or
 - 1.2.3 Negate the purpose for which the work or activity was conceived.
 - 1.3 The work is classified under specific activities which include:
 - 1.3.1 Completion of infrastructure and other project with set deadlines;
 - 1.3.2 Emergency and urgent work during calamities and disasters;
 - 1.3.3 Budget preparation to meet scheduled deadlines; and
 - 1.3.4 Annual closing of books of accounts and preparation of financial statements and reports.
 - 1.4 The work involves a special project to be completed within a specified time.

2. Who are Authorized to Collect Overtime Pay

In view of funding constraints and the limitation under Section 4.0 of NCC 410 dated April 28, 1989, only permanent, temporary, casual and contractual employees of the Department whose salary grades range from Grades 1 - 24, and regular officials and employees of other government agencies on detail to DPWH who are holding positions in the first and second levels of the career service, are authorized to collect overtime pay.

III. GUIDELINES ON PAYMENT OF OVERTIME PAY BY THE HOUR

1. Overtime Pay by the hour is authorized to be given to regular and contractual employees whose salary grades range from Grade 1- 5.
2. Overtime rate shall be based on the monthly basic salary of the employees concerned. As used herein, the term monthly basic salary refers to the salary for the position as prescribed in the position Allocation List (PAL) for permanent employees and the regular monthly rates less 20% for contractual employees.
3. The hourly rate shall be computed by using the following formula:

$$\frac{\text{Monthly Basic Salary}}{176 \text{ hours}} = \text{Hourly Rate}$$

Hourly Rate X No. of overtime hours within the month = Overtime Compensation for the month.

IV. GUIDELINES ON PAYMENT OF HONORARIA IN LIEU OF OVERTIME PAY

1. Subject to the provisions of Section 1-(2.2) hereof and provided a minimum of thirty (30) overtime hours per month is rendered, payment of honoraria in lieu of overtime pay shall be based on the basic salary of permanent employees and on the regular monthly rates less 20% for contractual employees, in accordance with the following rates:

SALARY GRADE	BASIC SALARY	PERCENTAGE	MONTHLY HONORARIA
6	P 2,473	35.0%	P 865.55
7	2,604	33.4%	869.45
8	2,752	31.8%	874.52
9	2,917	30.2%	879.96
10	3,102	28.6%	885.79
11	3,309	26.9%	891.59
12	3,540	25.3%	896.80
13	3,800	23.7%	901.44
14	4,091	22.1%	904.57
15	4,418	20.5%	905.69
16	4,786	18.9%	904.02
17	5,201	17.3%	898.62
18	5,670	15.7%	888.30
19	6,199	14.1%	871.30
20	6,789	12.4%	844.85
21	7,478	10.8%	810.12
22	8,250	9.2%	760.83
23	9,131	7.6%	694.97
24	10,135	6.0%	608.10

The above-indicated monthly honoraria are subject to adjustment/increase depending on the actual salary of the employee-beneficiary at the time the overtime service is rendered.

2. For purposes of computing the honoraria to be received by an employee, the following rules shall be observed:

2.1 The term basic salary refers to the amount of salary under the standardized Salary Rates (PAL) as prescribed under NCC No. 56.

2.2 In all cases, employees holding the same position irrespective of status of appointment (whether permanent, temporary or contractual) shall receive the same amount of honoraria.

2.3 The total compensation (salary plus honoraria granted herein) shall in no case exceed the total compensation of the immediate superior of the employee concerned.

2.4 Absence of more than five (5) days within the month subject to overtime compensation shall be deducted and the amount of honoraria shall be proportionately reduced.

3. Honoraria in lieu of overtime pay may be granted to regular officials and employees of other government agencies on detail to DPWH who are holding positions in the first and second levels of the career service, at the rates herein prescribed for DPWH officials and employees, or as may be determined by the Secretary.

V. GUIDELINES ON PAYMENT OF OVERTIME PAY FOR CASUAL/DAILY WAGE EMPLOYEES

Casual/daily wage employees may be authorized to collect overtime pay for overtime services rendered on Saturdays and none-working Holidays, except for Security Guards and Maintenance personnel who may be authorized to collect overtime pay for overtime services rendered during workdays, Saturdays and Holidays, based on their daily rates.

VI. ADDITIONAL GUIDELINES ON PAYMENT OF OVERTIME SERVICES

1. In no case shall the total overtime compensation of a monthly employee for a given calendar year exceed 50% of the total aggregate sum of his basic salary per annum.
2. For purposes of determining the number of hours of overtime service rendered by an employee, the following rules shall be observed:
 - 2.1 The computation of the number of hours of overtime service rendered by an employee for a given month shall start at the first day of the calendar month and ends on the last day of such month.
 - 2.2 Overtime services may be rendered by a monthly employee for not more than two hours a day after regular working hours, except as may be authorized by the Secretary or the Undersecretary concerned. Overtime services during Saturdays and Holidays, if authorized, shall be from 8:00 a.m. - 5:00 p.m.
3. Only the following overtime services rendered by an employee shall be considered in computing the number of compensable overtime hours:
 - a. Overtime services rendered during weekdays provided the employee did not incur any undertime on the day he rendered his overtime service.
 - b. Overtime services rendered during Saturdays and Holidays provided he was not absent during the immediately preceding work day and the immediately following work day.
4. Vouchers/payrols covering the payment of honoraria in lieu of overtime pay shall include a certification signed by the Division Chief concerned to the effect that:
 - 4.1 Cumulative overtime pay being received by the employee does not exceed 50% of his basic salary; and

4.2 The overtime pay being collected by the employee is in accordance with the prescribed rate and that the employee has rendered the required number of overtime hours.

4.3 Approved program of work as provided in No. 4 of page 2.

VII. AUTHORITY TO RENDER OVERTIME SERVICE

1. No employee shall be allowed to collect payment for overtime service without being authorized to render overtime services.
2. The authority to render overtime service must be based on a program of work activities to be done by the employees during overtime. It shall show the urgency and necessity of the overtime service and the adverse consequences that may arise if not approved. The program of work shall be prepared by the Division Chief concerned.
3. The authority to render overtime service shall state the specific period within which such service is to be performed, provided that no authorization in any single instance shall be made for a period longer than 3 months which may, however, be renewed for like or shorter period and provided, further, that the authorization for the overtime service shall in no case extend beyond the end of the calendar year during which the same was granted.
4. Request for authority to render overtime service may be approved by the Undersecretary concerned in the Central Office, Bureaus and Project Management Offices and by the Regional Directors in the Regional and other Field Offices.

VIII. FUNDING SOURCE

Employees assigned to special projects shall collect their overtime pay from the said projects.

IX. REPEALING CLAUSE AND EFFECTIVITY

All existing authorizations for the grant of honoraria/overtime pay inconsistent herewith are hereby modified accordingly.

This Department Order supersedes Department Order No. 32 dated 08 February 1991, and shall be retroactive as of as of January 1, 1992.


JOSE P. DE JESUS
Secretary