



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

02 FEBRUARY 2000

DEPARTMENT ORDER )  
No. **23** *2.2.2000* )  
Series of 2000 )

Subject: Revised Payment Schedule of  
Arrears on Premiums on Statutory  
Expenditures on Personal Services of  
Contractual Employees

Joint Memorandum Circular No. 99-7 dated 29 December 1999 of the Civil Service Commission (CSC) and the Department of Budget and Management (DBM) provides that, starting 01 January 2000, contractual employees shall no longer receive 20% premium representing their monetized leave credits to which they are already entitled effective on the same date.

To cushion the financial impact of the loss of the 20% premium, the payment schedule of the arrears from January to July 1999 on their personal share premiums on GSIS retirement and life insurance (RLIP), Medicare, employees compensation issuance (ECIP), and PAG-IBIG, set under D.O. No. 166 s, 1999, is hereby extended.

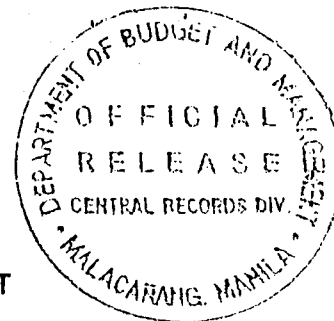
The payment of whatever arrears they have as of 31 January 2000 shall be evenly spread out for a period of twenty three months (starting February 2000 and ending December 2001).

This Order amends Item No. 4 of D. O. No. 166, s. 1999 which provides that the said arrears shall be paid within one year starting August 1999.

The payment of arrears from 24 June 1997, the effectivity date of the GSIS membership of contractual employees, up to 31 December 1998 shall be covered by another Order.

For compliance of concerned offices.

  
GREGORIO R. VIGILAR  
Secretary



**CIVIL SERVICE COMMISSION  
DEPARTMENT OF BUDGET AND MANAGEMENT**

**JOINT CIRCULAR NO. 99-7  
December 29, 1999**

**To :** All Heads of Departments, Agencies, State Universities and Colleges and Other Offices of the National Government, Including Government-Owned and/or -Controlled Corporations, Local Government Units and All Others Concerned

**Subject :** **Guidelines Governing Contractual Employment for Year 2000**

**1.0 Coverage**

This Circular covers the following.

- 1.1 Contractual personnel who are herein referred to as those who are hired in accordance with a specific contract for a specific period and with a definite expected output and are employed to undertake a particular work or project, and whose hiring creates an employee-employer relationship between them and the hiring agency;
- 1.2 Government statutory expenditures on Personal Services which are referred to as the government share of premiums for retirement and life insurance (RLIP), health insurance (Medicare), employees' compensation insurance (ECIP) and PAG-IBIG; and
- 1.3 Leave benefits of contractual personnel pursuant to CSC Memorandum Circular No. 14, s. 1999 (Additional Provisions and Amendments to CSC Memorandum Circular No. 41, s. 1998).

**2.0 Guidelines**

- 2.1 The following guidelines shall apply to contractual personnel starting January 1, 2000:

2.1.1 Contractual personnel shall be paid compensation of an equivalent position as determined by the Department of Budget and Management, but not to exceed the salary of his immediate superior. All contracts of services shall only provide the basic salary of the position.

2.1.2 The government share for RLIP, Medicare, ECIP and PAG-IBIG of contractual employees shall be charged against the lump sum funds of the agency for contractual employees.

2.1.3 The vacation and sick leave credits of contractual employees shall be governed by Rule XVI of the Omnibus Rules Implementing Book V of the Administrative Code of 1987 (Executive Order 292) on Leave of Absence, as amended by CSC Memorandum Circular No. 14, s. 1999. However, to avoid accumulation of vacation leave credits, contractual employees shall be encouraged to use their vacation leave benefits. Agency heads and Personnel Officers shall schedule the vacation leaves of contractual employees in a manner that will not adversely affect the operations of the agency.

2.1.4 Monetization of leave credits and payment of terminal leave benefits of contractual employees, if any, shall be charged against agency savings after taking into consideration the priority in the use of savings as provided under the General Appropriations Act.

2.2 Those personnel whose employment are covered by a contract, but whose nature of employment has features as indicated below, are not covered by the above guidelines:

2.2.1 Student laborers, apprentices, laborers of contracted projects (pakiao), mail contractors, including those paid on piecework basis; and

2.2.2 Those whose positions are not classified/approved by the Department of Budget and Management and the Civil Service Commission.

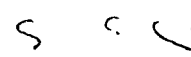
*Corazon Almora*

2.3 All cases not covered by this Joint Circular shall be referred to the DBM for appropriate action.

**3. Effectivity**

This Circular shall take effect January 1, 2000.

  
**CORAZON ALMA G. DE LEON**  
Chairman  
Civil Service Commission

  
**BENJAMIN E. DIOKNO**  
Secretary  
Department of Budget and  
Management

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