



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS & HIGHWAYS
OFFICE OF THE SECRETARY
Bonifacio Drive, Port Area, Manila

097.13 DPWH
03.10.2021

MAR 10 2021

DEPARTMENT ORDER

NO. 27)
Series of 2021)
At 3/10/2021

**SUBJECT : Guidelines on the Rendition and
Payment of Overtime Services by
the Hour for CY 2021**

Pursuant to CSC-DBM Joint Circular No. 1, dated November 25, 2015, agency heads are granted the flexibility to authorize rendition of overtime services and the payment thereof, either through Compensatory Time Off (CTO) or Overtime Pay, subject to certain conditions and limitations.

In view thereof, the following guidelines on the rendition and payment of overtime services by the hour are hereby prescribed in this Department for CY 2021:

I. GENERAL GUIDELINES

1. The rendition of overtime services with pay may be authorized beyond 8 work hours of regular workdays and during rest days and non-working holidays for the following activities only:
 - 1.1 Implementation of special or priority programs and projects embodied in Presidential directives with specific dates of completion;
 - 1.2 Completion of infrastructure and other projects with set deadlines when due to unforeseen events the deadline cannot be met without resorting to OT work;
 - 1.3 Essential public services during emergency or critical situations that would require immediate or quick response;
 - 1.4 Relief, rehabilitation, reconstruction, and other work or services during calamities and disasters;
 - 1.5 Seasonal work, such as but not limited to, preparation of budgets and annual reports, in order to meet scheduled deadlines;
 - 1.6 Preparation of financial and accountability reports required by oversight agencies like Congress of the Philippines, Office of the President, Commission on Audit, Department of Budget and Management, and National Economic and Development Authority;
 - 1.7 Deployment, maintenance and other related activities pertaining to the management of the Information and Communication Technology (ICT) that must be done after office hours in order not to disrupt the operations of the Department;

- 1.8 Services rendered by Drivers and other immediate staff of officials when they are required to keep the same working hours as these officials; and
- 1.9 Such other activities as are needed to meet performance targets or deliver services to the public as may be determined by the agency head.
2. Subject to availability of funds, the following personnel may be paid overtime services as authorized:
 - 2.1 Personnel of this Department (regular/temporary/CTO/CTI) whose Salary Grades range from 1 to 25.
 - 2.2 Regular employees of other government agencies on detail to the DPWH at the rates herein authorized for DPWH personnel.
3. In case funds are not enough, low ranking employees with Salary Grades 1-6 shall be given priority in payment of their overtime services.
4. Overtime services rendered by the employees who are on temporary reassignment/detail shall be paid by the offices where they are presently reassigned/detailed.
5. Employees shall not be allowed to render overtime services without their respective supervisors (at least Section Chief) who are likewise tasked to monitor their works/activities.
6. Employees who are not late on regular working days are allowed to render no less than the prescribed two (2) hours of overtime services with pay per day. Only authorized official drivers and maintenance personnel may be paid more than 2 hours overtime services per day, subject to limitation prescribed under Section III.4 hereof.
7. Employees who incurred accumulated absences, tardiness and undertimes for at least three (3) times in a week shall not be authorized to render OT services on their rest day. This is to ensure that employees are not rendering OT services for the primary reason to finish their backlog due to their absences, tardiness or undertimes on regular days.
8. Only a minimum of four (4) hours and a maximum of eight (8) hours of overtime services on a rest day and non-working holidays shall be compensated through Overtime Pay. Any excess of the 8 hours shall be compensated through CTO. The period 12:00 noon to 1:00 p.m. is considered non-working hour for the purpose of payment of OT. For Central Office and other Metro Manila-based offices observing 7:00 a.m. to 4:00 p.m. office hours, the non-working hour is 11:00 a.m. to 12:00 noon.
9. Finance Service (for Central Office) and Finance Division (for Regional Offices) shall be responsible for monitoring/ensuring that total overtime pay does not exceed 5% of the total Personnel Services (PS) budget of CO/ROs for FY 2021. Annual Report on Overtime Services with Pay shall likewise be prepared by the FS/FD, using the attached form, and shall be submitted to the DBM/Regional DBM on or before March 31, 2021.

II. REQUEST FOR AUTHORITY TO RENDER OVERTIME SERVICES

1. As a general rule, authority to render overtime services shall be requested on a monthly basis by the supervisors concerned (at least Section Chief), recommended by the Division Chiefs/District Engineers and approved by higher authority specified in the Section II.3 of this D.O. In no instance shall an employee request or demand to render overtime service for the purpose of augmenting his take-home pay or to compensate for and anticipated absence.
2. Requests for authority to render overtime services shall indicate the names of the personnel involved, the expected output indicator, actual output and the corresponding justification (See Annex A), and subject to the following conditions:
 - 2.1 Authority to render OT services shall be requested prior to the period the OT services will be rendered. Overtime services rendered without an approved authority shall not be paid or be credited for compensatory time-off.
 - 2.2 In no case shall the tasks to be accomplished overlap with those assigned to Job Order employees.
 - 2.3 Two (2) original Daily Time Records (DTRs) shall be accomplished and submitted at the end of every month, i.e., one (1) for the Regular Payroll and One (1) for the Overtime Payroll, indicating the total number of hours rendered for overtime work.
 - 2.4 Requests for Authority to Render OT Services for the following month shall be supported by the Actual Output Report for overtime services rendered on the immediately preceding month before the same can be acted upon.
3. The said requests shall be approved by the following:
 - 3.1 Director concerned (i.e., Service Director, Bureau Director, Project Director or Assistant Regional Director) for overtime services to be rendered after official working hours; and
 - 3.2 Assistant Secretary/Regional Director concerned for overtime services to be rendered during rest days and non-working holidays. Rendition of overtime services on these days shall be strictly authorized only on extreme cases.
4. The approving officials concerned shall be held responsible for any payment of overtime services rendered by the employees not in accordance with the prescribed guidelines.

III. COMPUTATION OF OVERTIME SERVICES WITH PAY

1. Payment of overtime services shall cover those rendered beyond 8 work hours of a regular day; and those rendered on rest days and non-working holidays.
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:

$$\text{Actual Hourly Rate (H.R.)} = \text{Actual Salary per Month} / 22 / 8$$

3. Overtime pay shall be computed as follows:

3.1 For ordinary working days: Plus 25% of the hourly rate.

$$\text{Overtime Pay} = 1.25 \times \text{H.R.} \times \text{No. of hours rendered}$$

3.2 For rest days and non-working holidays:
 Plus 50% of the hourly rate.

$$\text{Overtime Pay} = 1.50 \times \text{H.R.} \times \text{No. of hours rendered}$$

4. For employees with Salary Grades 1-6, the total overtime compensation for a given month shall not exceed fifty percent (50%) of their respective monthly basic salaries. For employees with Salary Grades ranging from 7-25, total overtime pay per month shall be limited to the percentage rates as agreed upon by the DPWH Management Committee (MANCOM) as follows:

SALARY GRADE	PERCENTAGE (%)
7	48
8	46
9	44
10	42
11	40
12	38
13	36
14	34
15	32
16	30

SALARY GRADE	PERCENTAGE (%)
17	28
18	26
19	24
20	22
21	20
22	18
23	16
24	14
25	12
(Division Chief)	

5. Subject to availability of funds, the MANCOM is hereby authorized to review and make corresponding percentage rates adjustments, if necessary. Percentage rates adjustments shall, however, be subject to the condition that the overall take home pay of a supervisor shall not exceed the overall take home pay of the next higher supervisor (e.g. Section Chief against Division Chief; Division Chief against Director).
6. Vouchers/payrolls covering the payment of overtime pay shall be supported by duly approved Request for Authority to Render Overtime Services, Daily Time Records and Monthly Actual Output Reports. They shall include certifications signed by the Division Chiefs concerned to the effect that:
- 6.1 Cumulative overtime pay being received by the employees concerned do not exceed the limitations prescribed under Section III.4; and
- 6.2 The conditions under Section II.1 hereof have been complied with.

IV. FUNDING SOURCE

Funds for the purpose shall be charged against the savings from Personal Services (PS), Maintenance & Other Operating Expenses (MOOE), and Engineering & Administrative Overhead (EAO) for both Central Office and Regional Offices.

V. REPEALING CLAUSE AND EFFECTIVITY

Existing Department authorizations for the grant of overtime pay inconsistent herewith are hereby repealed.

This Department Order shall be retroactive as of **January 1, 2021** until **December 31, 2021**.



MARK A. VILLAR
Secretary

Department of Public Works and Highways
Office of the Secretary



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