

**RABE, Fe A.**

Re: Entitlement To Year-End Bonus

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### **RESOLUTION NO. 01-1744**

Fe A. Rabe, Senior Personnel Specialist, Personnel Inspection and Audit Division, Civil Service Commission Regional Office (CSCRO) No. X, Cagayan de Oro City seeks authority from the Commission that she be entitled to the grant of Year-End Bonus pursuant to Department of Budget and Management (DBM) Budget Circular No. 2000-18 dated September 6, 2000.

Rabe represented, as follows:

*“xxx. I have been serving the Commission since 1976 and I am due for compulsory retirement come September 30, 2001.*

*“In this regard, I am humbly requesting the Commission for the entitlement of the Mid-year Bonus. But please be informed that I am fully aware of DBM Budget Circular No. 2000-18 dated September 6, 2000 where said circular states that an employee is entitled to the grant of year-end bonus provided that he/she shall still be in the service as of October 31 of the same year.*

*“However, my request is premised on the fact that I am presently faced with dire financial constraints due to the unexpected accident met by my grandson that required major operation. If only I can avail of the mid-year bonus then I could at least extend my financial help to my son and his family. Hence, I am appealing to the Commission for human consideration and equity that I may be allowed to avail of the mid-year bonus.*

*“Be that as it may, if the Commission is constrained to deny this humble request, can I at least claim the said mid-year bonus and have the amount refunded charge to my retirement benefits which I may claim upon my retirement on September 30, 2001.”*

We grant the present request.

At the outset, it must be noted that Rabe's services have been extended until December 31, 2001, pursuant to CSC Resolution No. 01-1286 dated July 31, 2001.

Under *Department of Budget and Management (DBM) Budget Circular No. 2000-18 dated September 6, 2000, specifically Paragraph 2.1. thereof*, it is provided that:

“2.0. Coverage

‘2.1. All government personnel, whether appointive or elective, under regular, temporary or casual status, and contractual personnel whose employment is in the nature of a regular employee who are under the following instances from January 1 to October 31 of each year and are still in the service as of October 31, of the same year:”

It is explicit that the grant of Year-End Bonus is subject to an employee's incumbency in government service until October 31 of any given year. Stated otherwise, a government employee, irrespective of his employment status, should be in the service as of October 31 of a given year, in order that he be entitled to the grant of the mandated Year-End Bonus abovementioned.

It is thus logical that if for any cause as enumerated under Paragraph 3.0 hereunder of the same DBM Budget Circular, a government employee's ties with the government was severed before October 31 of any given year, his privilege for the grant of the said Year-End Bonus *ipso facto* lapses, thus:

“3.0 Exemptions

‘All government personnel under the following instances as of October 31 of each year shall not be entitled to the benefits authorized herein:

‘3.1 those who are absent without leave (AWOL);

‘3.2 those who are no longer in the service due to retirement/resignation/separation/death or for whatever reasons; and

‘3.3 those who are hired not as part of the organic manpower of agencies but as consultants or experts, for a limited period to perform specific activities or services with expected outputs; student laborers: apprentices: laborers of contracted projects (bakiao): mail contractors including those paid

*on piecework basis; and others similarly situated.*

*3.4 Those who are formally charged administrative cases as well as criminal cases which relate to acts of omissions in connection with their official duties and functions and found guilty and/or meted penalties shall not be entitled to the benefits authorized herein in the year the decision was handed down.*

*3.4.1 In this regard, if the penalty meted out is only a reprimand, such penalty is not one that can be made the basis of disqualification to receive the said benefits.” (emphasis ours)*

There is no dispute that as represented in her present request, Rabe can be deemed officially compulsorily retired from the service as of September 30, 2001. Ordinarily then, Rabe becomes disqualified to receive the Year-End Bonus, pursuant to the aforequoted proviso of the same DBM Budget Circular abovementioned which thereunder qualifies that a government official or employee should be in the service as of October 31, 2001.

However, since her service had been extended to December 31, 2001, Rabe, for all intents and purposes, is in the service as of October 31, 2001 within the contemplation of the abovequoted DBM Circular. Hence, Rabe is entitled among others, to the Year-End Benefit as granted to other regular employees, following the ruling of this Commission in ***CSC Resolution No. 97-4643 dated December 18, 1997***, as follows:

*“With regard to the other benefits, i.e., year end benefits, productivity incentive bonus (PIB), loyalty cash bonus, anniversary bonus, the Commission also rules that Supremo is entitled to receive the same, these being in the nature of awards or incentives.*

*“Considering that his service has been extended due to the exigencies of his work, and upon the request of the head of office, it would be the height of inequity and injustice to deny him these incentives if he meets the required qualifications. In this respect, it becomes inconsequential if an employee like Supremo, qualifies for a certain privilege or benefit during the six month extension.(e.g., 10 years continuous service in case of Loyalty Award).*

*“It bears stressing, however, that Supremo is no longer entitled to salary increases, step increments and clothing allowance during the six-month extension period since he already officially retired as of July 9, 1997.*

*“The above-mentioned privileges are contemplated to benefit an employee in the long term and not within a predetermined period of six-months. The fact that he is still actually rendering service beyond the compulsory age of retirement is deemed an exception to the rule.*

*x x x*

*“WHEREFORE, the Commission hereby resolves that Briccio D. Supremo is entitled to receive during the six(6)-month period of his extended services, the following:*

- “1. Salary for actual services rendered; and*
- “2. PERA/RATA*

*“For Benefits and Incentive including year-end benefits, productivity incentive bonus, loyalty cash bonus and anniversary bonus his privilege to receive the same shall be subject to the rules implementing the receipt of said benefits.*

*x x x”*

**WHEREFORE**, the Commission resolves that Fe A. Rabe is entitled to Year-End Bonus for FY 2001 under DBM Budget Circular No. 2000-18 dated September 6, 2000.

Quezon City, October 29, 2001

(Signed)

**J. WALDEMAR V. VALMORES**

Commissioner

(Signed)

**KARINA CONSTANTINO-DAVID**

Chairman

(Signed)

**JOSE F. ERESTAIN, JR.**

Commissioner

Attested by:

(Signed)

**ARIEL G. RONQUILLO**

Director III

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