

LAMBERTE, Mario B.

Re: Query on Loyalty Award

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RESOLUTION No. 020848

Mario B. Lamberte, President, Philippine Institute for Development Studies, Makati City, requests clarification through a letter-query relative to the loyalty award given to government employees. He seeks clarification as to whether the questions and answers found in the CSC "Primer on Loyalty Award" are still valid and being observed as policy guideline in the conferment of loyalty award. Specifically, Lamberte raised the following issues: *"In the case of permanent employees, is offsetting of gaps of service allowed for purposes of the award? For example, if an employee went on a vacation leave without pay for one (1) or two (2) years, can he/she be granted the loyalty award for ten years of service after working for 12 years (additional two (2) years to compensate for the leave without pay), or do we have to start counting the years of service for purposes of the award after the employee's leave of absence without pay shall have terminated and he/she shall have reported for work?"*

Relevant to the instant query are **Rule X, Section 7 (e) of the Omnibus Rules Implementing Book V of Executive Order No. 292, Section 28 Civil Service Commission Memorandum Circular No. 41, s. 1998 and CSC MC No. 6, s. 2002** which provide, as follows:

"Sec. 7. The incentive awards shall consist of, though not limited to, the following:

X X X

"(e) Loyalty Award which shall be granted to an employee who has completed at least ten (10) years of continuous and satisfactory service in the government. x x x"

"Sec. 28. Actual service defined. – The term 'actual service' refers to the period of continuous service since the appointment of the official or employee concerned, including the period or periods covered by any previously approved leave with pay.

"Leave of absence without pay for any reason other than illness shall not be counted as part of the actual service rendered: Provided, that in computing the length of service of an employee paid on the daily wage basis, Saturdays, Sundays or holidays occurring within a period of service shall be considered as service

although he did not receive pay on those days inasmuch as his service was not then required.

"A fraction of one-fourth or more but less than three-fourth shall be considered as one-half day and a fraction of three-fourths or more shall be counted as one full day for purposes of granting leave of absence."

X X X

MC No. 6, s. 2002

*"3. An official or employee who incurred an aggregate of not more than 50 days authorized vacation leave without pay within the 10-year period shall be considered as having rendered continuous service for purposes of granting the loyalty award.**

"In the same way, an official or employee who incurred an aggregate of not more than twenty (25) days authorized vacation leave without pay within the 5-year period may qualify for the 5-year milestone loyalty award.

"4. Effective January 1, 2002, continuous and satisfactory services in government for purposes of granting loyalty award shall include services in one or more government agencies without any gap.

"Services rendered in other government agencies prior to January 1, 2002 shall not be considered for purposes of granting the loyalty award.

"5. The awardee shall receive a loyalty memorabilia/souvenir as follows:

- 10 and 15 years - bronze service pin*
- 20 and 25 years - silver service ring*
- 30, 35 and 40 years - gold service medallion*

or other memorabilia/souvenir as may be provided in the agency PRAISE.

"6. In addition to the loyalty memorabilia/souvenir, a cash gift which shall not be less than Php500.00 but not more than Php1,000.00 for every year of service shall be given to qualified officials or employees."

The above quoted provisions of MC No. 6, s. 2002 is clear that an official or employee must not incur an aggregate of more than 50 days authorized vacation leave without pay within the 10-year period, to be considered as having rendered continuous service for the entitlement to the loyalty award. Hence, it must follow that the agency concerned should start counting the years of service for purposes of the award after the employee's leave of absence without pay shall have terminated and he/she shall have reported for work.

WHEREFORE, the Commission hereby rules that for purposes of granting the loyalty award, the employee or official who has completed the ten (10) years of continuous and satisfactory service shall be entitled to the award. An aggregate of not more than 50 days authorized vacation leave without pay within the 10-year period shall not be considered as a gap in the service for purposes of granting the loyalty award pursuant to CSC MC No. 6, s. 2002.

Quezon City, **JUN 20 2002**

(Signed)
KARINA CONSTANTINO-DAVID
Chairman

(O.B)
JOSE F. ERESTAIN, JR.
Commissioner

(Signed)
J. WALDEMAR V. VALMORES
Commissioner

Attested by:

(Signed)
ARIEL G. RONQUILLO
Director III

*** (For purposes of computing the ten-year continuous and satisfactory service, the computation of the length of service for the grant of step increment provided for in CSC MC No. 50, s. 1990 shall be adopted. Said Memorandum Circular states that, 'authorized vacation leave without pay for an aggregate of fifteen (15) days, inclusive of Saturdays, Sundays and holidays, shall not interrupt the continuity of the three-year service requirement. . .')*

FPG/KPZ/X2/Y4/vog/volt54/jrl/jca
Lamberte
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