



Republic of the Philippines

DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT  
DILG-NAPOLCOM Center, EDSA corner Quezon Avenue, West Triangle, Quezon City  
<http://www.dilg.gov.ph>



October 11, 2017

**CIRCULAR**  
**NO. 2017- 22**

**SUBJECT: GUIDELINES ON THE GRANT OF ANNIVERSARY BONUS**

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**1.0 LEGAL BASIS**

- 1.1 Pursuant to Administrative Order No. 263, s. 1996, authorizing the grant of anniversary bonus to officials and employees of government entities on the occasion of their milestone anniversaries, it is imperative that the organization/creation of the office be established as basis for reckoning its milestone year.
- 1.2 Based on Letter of Instructions No. 7 dated November 1, 1972 implementing the Reorganization Plan of the Executive Branch of National Government under Presidential Decree No. 1, the Department traces its beginning from its establishment as the Department of Local Government and Community Development to the date of the promulgation of LOI No. 7. Since the time of its creation, it continued to retain its legal personality as a government entity, it being a national agency, pursuing its continuing mandate of supervision / development of local government units throughout the country. Hence, notwithstanding the fact that the entity has gone thru several reorganization and changes of name, its milestone year of 15 years should be reckoned from the time of its creation, i.e. on November 1, 1972.
- 1.3 Premises considered, pursuant to S. 2.4 of A.O. 263, the milestone years of the Department are as follows:
  - November 1, 1987 – first milestone year;
  - November 1, 1992 – second milestone year and every five years thereafter.

**2.0 COVERAGE**

- 2.1 DILG officials and employees whether permanent, temporary or coterminous, and contractual personnel whose employment is in the nature of a regular employee, who have been appointed as such by

virtue of a valid appointment and continue to be employed in the Department as of the occasion of its milestone anniversary, shall be entitled to the Anniversary Bonus; provided, that they are still in the service as of **October 31, 2017**.

- 2.2. Officials/employees who are found guilty of an administrative offense shall not be entitled to the Anniversary Bonus. However, if the penalty imposed is only a reprimand, the personnel concerned shall be entitled to the said bonus.

### 3.0 RULES AND REGULATIONS

- 3.1 Payment of the DILG Anniversary Bonus in 2017 shall be in an amount not exceeding **P3,000.00** each employee provided that the employee has rendered at least one (1) year service in the Department as of the date of the milestone year.
- 3.2 Cases of employees who may not be paid their Anniversary Bonus due to the need for further legal interpretation or clarification of the provisions of Administrative Order No. 263 shall be immediately referred to the Department of Budget and Management.
- 3.3 Moreover, the Anniversary Bonus shall be paid not earlier than October 30, 2017.

### 4.0 FUNDING SOURCE

- 4.1 The amount required shall be chargeable against Other Personnel Benefits (OPB) comprehensively released through the FY 2017 General Appropriations Act (GAA) or Republic Act (RA) 10924.

  
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OIC- DILG



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