



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila



25 MARCH 1998

SER 1202  
12174

**DEPARTMENT ORDER ) SUBJECT : RENDITION AND PAYMENT OF**  
**NO. 57 ) OVERTIME SERVICES FOR**  
**Series of 1998 ) CALENDAR YEAR 1998.**

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Pursuant ot Section 10, Rules XVII of the Civil Service Omnibus Rules, and Presidential Memorandum Circular No. 111, series of 1995 operationalized through Department Memorandum Circulars Nos. 25 and 26 both dated 10 February 1995, the rendition and payment of overtime services for Calendar Year 1998 is hereby authorized, subject to the following guidelines and conditions :

**I. GENERAL GUIDELINES**

1. Employees of the Department (regular, temporary, contractual and Engineers who are on casual basis assigned to projects) whose salary ranges from Grades 1 to 24, may be paid authorized overtime services.
2. Subject to availability of funds, the following overtime compensation may be paid to the employees who have rendered overtime services as authorized :
  - 2.1 Overtime Pay By the Hour - for employees whose Salary Grades range from Grades 1 - 5.
  - 2.2 Honoraria in lieu of Overtime Pay - for employees with Salary Grades 6 - 24.
  - 2.3 Honoraria in lieu of Overtime Pay - for regular employees of other government agencies on detail to the DPWH at the rates herein authorized for DWPH personnel, or at other rates as may be determined by the Secretary/ Undersecretary concerned.
  - 2.4 Overtime pay for overtime services rendered by Employees and Engineer on casual basis in accordance with the work schedule prescribed in the above-cited issuances shall be based on their daily rates.
  - 2.5 In no case shall the total overtime compensation of an employee for a given calendar year exceed fifty percent (50%) of the total aggregate sum of his basis salary per annum.
  - 2.6 Casual employees who have rendered overtime from January 1 to March 15, 1998 shall be paid their actual services rendered.

## II. GUIDELINES ON THE PAYMENT OF OVERTIME PAY BY THE HOUR

1. Overtime Pay by the Hour is authorized to be given to regular and contractual employees whose Salary Grades range from Grade 1 - 5.
2. Overtime pay rate shall be based on the monthly basic salaries of the employees concerned. As used herein, the term monthly basic salary refers to the salary for the position as prescribed in the Position Allocation List (PAL) including authorized salary increments for permanent employees, and the regular monthly rates less 20% for contractual employees.
3. The hourly rate shall be computed by using the following formula :

$$\frac{\text{Monthly Basic Salary Rate}}{176 \text{ hours}} = \text{Hourly Rate}$$

Hourly rate x No. of overtime hours within the month = Overtime Compensation for the month.

## III. GUIDELINES ON THE PAYMENT OF HONORARIA IN LIEU OF OVERTIME PAY

1. Honoraria in lieu of overtime pay is authorized to be given to regular and contractual employees whose Salary Grades range from Grade 6 to 24, provided a minimum of thirty (30) overtime hours per month is rendered. Payment of honoraria in lieu of overtime pay shall be based on the basic salaries of regular employees, and on the monthly rates less 20% for contractual employees, in accordance with the following percentage rates :

SALARY GRADE	PERCENTAGE
6	35.0%
7	33.4%
8	31.8%
9	30.2%
10	28.6%
11	26.9%
12	25.4%
13	23.7%
14	22.1%
15	20.5%
16	18.9%
17	17.3%
18	15.7%
19	14.1%

20	12.4%
21	10.8%
22	9.2%
23	7.6%
24	6.0%

The above-indicated monthly honoraria are subject to adjustment/increase depending on the actual salary of the employee-beneficiary at the time the overtime service is rendered.

2. For purposes of computing the honoraria to be received by an employee, the following rules shall be observed :

2.1 In all cases, employees holding similar positions irrespective of status of appointment (whether permanent, temporary or contractual) shall receive the same amount of honoraria.

2.2 The total compensation (salary plus honoraria granted herein) shall in no case exceed the total compensation (salary plus honoraria) of the immediate superior of the employees concerned.

2.3 Absence of more than five (5) days within the month subject to overtime compensation shall be deducted and the amount of honoraria shall proportionately reduced.

2.4 The computation of the number of hours of overtime services rendered by an employee for a given month shall start at the first day of the calendar month and end on the last day of such month.

2.5 Vouchers/payrolls covering the payment of honoraria in lieu of overtime pay shall include a certification signed by the Division Chief concerned to the effect that :

2.5.1 Cumulative overtime pay being received by the employee does not exceed 50% of his basic salary; and,

2.5.2 The overtime pay being collected by the employee is in accordance with the prescribed rate and that the employee has rendered the required number of overtime hours.

#### IV. AUTHORITY TO RENDER OVERTIME SERVICE

1. The approved Work Schedule, prescribed under Department Circular Nos. 25 and 26, shall constitute the basis, and shall serve as the authority, for the rendition of overtime service.

V. FUNDING SOURCE

Overtime pay shall be sourced from savings. Employees assigned to special projects shall collect their overtime pay from the said projects.

VI. REPEALING CLAUSE AND EFFECTIVITY

Existing Department authorizations for the grant of honoraria/overtime pay inconsistent herewith are hereby superseded.

This Department Order shall be retroactive as of January 1, 1998 and shall have force and effect until December 31, 1998, unless sooner revoked or superseded.

  
**GREGORIO R. VIGILAR**  
Secretary

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