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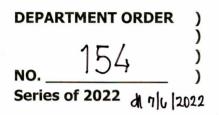


Republic of the Philippines DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

CENTRAL OFFICE

Manila

JUN 2 9 2022



SUBJECT: Guidelines on the Payment of Honoraria for Outsourced Resource Speakers

In order to engage competent External Subject Matter Experts as Resource Speakers in Learning and Development programs in this Department and provide a standard computation for their honoraria, the herein guidelines pursuant to the provisions of DBM Budget Circular No. 2007-1 dated April 23, 2007 are hereby provided:

1. Payment for services rendered by Outsourced Resource Speakers from the public and private sector shall be computed using the formula below:

Honorarium = (0.023) (MSR) (T)

Where:

(0.023)	= constant	
MSR	= monthly salary rate	
Т	= number of actual lecture/training hours + prep	aration hours

- 2. For Outsourced Resource Speakers from the public sector, the MSR shall be based on their current Salary Grade and Step increment but not exceeding SG 29, Step 1.
- 3. For Outsourced Resource Speakers from the private sector, the MSR shall be based on their highest qualification and Resource Speaker Evaluation as follows:

Qualification	Evaluation	MSR Equivalent •
Doctorate/*Consultant	Excellent	SG 29 Step 1 (Professor VI)
Doctorate, Consultant	Very Satisfactory and below	SG 28 Step 1 (Professor V)
Master's Degree/Lawyer	Excellent	SG 26 Step 1 (Professor III)
Haster's Degree/Lawyer	Very Satisfactory and below	SG 25 Step 1 (Professor II)
Bachelor's Degree	Excellent	SG 23 Step 1 (Associate Professor V)
	Very Satisfactory and below	SG 22 Step 1 (Associate Professor IV)

*has minimum of three (3) years of work experience as Consultant in a private or public organization, company or institution, supported by a certification from the organization.

- 4. The number of actual lecture/training hours may include the number of hours spent in checking or grading course assignments and activities but not to exceed two (2) hours. This should be supported with the approved course design and required output/s from the Resource Speaker.
- 5. Preparation hours refer to any of but not limited to the following: conduct of learning needs assessment; planning and preparation of learning activities and materials; and preparation of presentation materials. The preparation hours to be credited for total lecture/training hours that are four (4) hours or less is **one (1) hour** while for lecture/training hours that are more than four (4) hours is **two (2) hours**.
- 6. A 10% withholding tax shall be deducted from the honorarium, in conformity with the Bureau of Internal Revenue Memorandum Circular No. 5 2006.
- 7. Sample computation for honoraria for Outsourced Resource Speakers from the **public sector** based on the present year salary schedule is provided below:
 - a. Position: Director IV with monthly salary rate of SG 28, Step 2
 - b. Resource Speaker Evaluation: Excellent
 - c. Actual lecture hours: 12

Honorarium = (0.023) (MSR) (T) = (0.023) (Php 147,800) (14) Honorarium = Php 47,591.60 Net (Less 10% tax) = Php 42,832.44

- 8. Sample computation for honoraria for outsourced resource speakers from the **private sector** based on the present year salary schedule is provided below:
 - a. Qualification: Master's Degree Holder
 - b. Resource Speaker Evaluation: Excellent
 - c. Actual lecture hours: 2

Honorarium = (0.023) (MSR) (T) = (0.023) (Php 113,891) (3) Honorarium = Php 7,858.48 Net (Less 10% tax) = Php 7,072.63

This order supersedes all issuances inconsistent herewith and shall take effect immediately.

ROGER G. MERCADO RAFAEL C. VABUT Senior Undersecretary Acting Secretary Officer-In-Charge