



MEMORANDUM ORDER NO. 2014-16

AUTHORIZING THE GRANT OF OVERTIME PAY TO SOCIAL SECURITY SYSTEM PERSONNEL ASSIGNED IN BRANCH OFFICES

WHEREAS, the SSS has requested for authority to grant overtime pay for actual services rendered by SSS employees assigned in branch offices during Saturdays to accommodate the working public and as a measure to enhance SSS service delivery;

WHEREAS, A.O. No. 103, S. 2004, does not absolutely prohibit the payment of Overtime Pay but directs the reduction of the overall costs of the same, particularly through the Compensatory Time-Off policy offered in lieu of overtime pay as prescribed by Joint Circular No. 2, s. 2004, of the Civil Service Commission (CSC) and the Department of Budget and Management (DBM);

WHEREAS, consistent with the reduction of costs for overtime pay, Section 2(c) of Memorandum Order (M.O.) No. 228, s. 1989, provides that the "overtime pay shall be out of savings from [personnel] services and/or current operating expenditures" and "[t]otal overtime payments made in a given calendar year shall not exceed five (5%) percent of the agency/office actual expenditures for current operating expenditures."

WHEREAS, evaluation of all matters pertaining to compensation in GOCCs has been effectively transferred to the Governance Commission for GOCCs (GCG) under the "GOCC Governance Act of 2011" (R.A. No. 10149);

WHEREAS, the Commission has determined that it is in the best interest of the State and the public to allow monetary overtime pay to qualified SSS personnel.

NOW, BE IT –

RESOLVED, the grant of monetary overtime pay to qualified employees of the SSS for FY 2013, in the amount of ₱4.2 Million to be taken from savings in Personnel Services 2013 budget is hereby **APPROVED**.

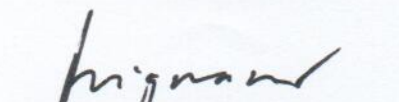
RESOLVED FURTHER, that the authorization of the grant of monetary overtime pay is **SUBJECT TO THE FOLLOWING**:


1. The rendition of overtime and the computation of the overtime pay shall follow the Government-prescribed rates, as stated in DBM Budget Circular No. 10, s. 1996;
2. The amount necessary for payment of overtime pay shall be sourced from the savings or balances of the DBM-approved SSS corporate operating budget free from any obligation or encumbrances which are:

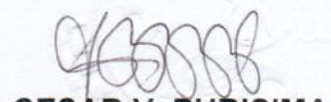
- a. Still available after the completion or final discontinuance or abandonment of the work, activity or purpose for which the appropriation is authorized;
 - b. Arising from unpaid compensation and related costs pertaining to vacant positions and leaves of absences without pay; and
 - c. Realized from the implementation of collective negotiation agreements, which resulted in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs and services at lesser cost.
3. The use of such savings shall be made only after satisfying mandatory expenditure items provided under the General Provisions of the General Appropriations Act (GAA);
 4. The grant of overtime pay in CY 2015 onwards must conform with the policies discussed herein, as well any applicable regulations that may be promulgated hereafter; and
 5. SSS shall promulgate the necessary policies for ensuring the continued implementation of Joint Circular No. 2, s. 2004, towards offering Compensatory Time-Off as an alternative to overtime pay;
 6. The pertinent civil service, budgetary, accounting, auditing and other applicable laws, rules and regulations shall be complied with.

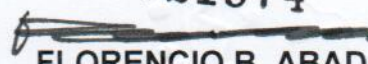
DONE, in the City of Makati, this 27th day of June 2014.


CESAR L. VILLANUEVA
Chairman


MA. ANGELA E. IGNACIO
Commissioner


RAINIER B. BUTALID
Commissioner


CESAR V. PURISIMA
DOF Secretary

021374

FLORENCIO B. ABAD
DBM Secretary

