CPCS CIRCULAR NO. 2021-010

SUBJECT : GRANT OF COMMUNICATION ALLOWANCE TO CERTAIN OFFICERS AND EMPLOYEES

DATE : 12 JAN 2022

1. **LEGAL BASES.** - Executive Order (E.O.) No. 150, s. 2021 approved the Compensation and Position Classification System (CPCS) and the Index of Occupational Services, Position Titles, And Job Grades for GOCCs (IOS-G) Framework.

Section 5 of the said E.O. provides that “[t]he existing compensation granted by GOCCs to its officers and employees shall be standardized in accordance with the CPCS approved under this Order.”

Under Chapter VII of the CPCS, officers and employees of GOCCs may be entitled to certain indirect compensation, including communication allowance, based on the prescribed rates, guidelines and regulations to be promulgated by the GCG based on applicable compensation laws and issuances for National Government Agencies.

This Circular is being issued pursuant to the above directive.

2. **COVERAGE.** - This Circular shall apply to the officers and employees, whether regular, contractual or casual in nature, of GOCCs and their subsidiaries covered under Republic Act (R.A.) No. 10149.1

3. **EXCLUSIONS.** - The following are excluded from the coverage of this Circular:

   3.1. Officers and employees of GOCCs with approved abolition or deactivation orders;2 and

   3.2. Individuals hired by GOCCs without employer-employee relationships and/or those whose compensation is not sourced from Personal Services appropriations/budgets of their respective GOCCs, as follows:

          (a) Members of the Governing Board;
          (b) Consultants and experts hired to perform specific activities or services with expected outputs;
          (c) Laborers hired through job contracts (*pakyaw*) and those paid on piecework basis;
          (d) Student laborers and apprentices; and
          (e) Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

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1 GOCC Governance Act of 2011.
2 Section 1, E.O. No. 150, s.2021.
4. **GRANT OF COMMUNICATION ALLOWANCE.**

4.1. Officers and employees with the following positions may be granted communication allowance for the discharge of their duties and responsibilities:

<table>
<thead>
<tr>
<th>Entitlement (₱)</th>
<th>Position Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Expense</td>
<td>CEO of GOCC</td>
</tr>
<tr>
<td>3,500.00</td>
<td>Executive Band Positions in the GOCC</td>
</tr>
<tr>
<td>2,000.00</td>
<td>Management Band Positions in the GOCC</td>
</tr>
<tr>
<td>1,000.00</td>
<td>Executive Assistants or those with comparable duties and responsibilities</td>
</tr>
<tr>
<td>500.00</td>
<td>Administrative Assistants, Drivers, Messengers, or those with comparable duties and responsibilities</td>
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</tbody>
</table>

4.2. The communication allowance may only be granted to positions with career band below the management band if the duties and responsibilities of the position requires the incumbent to always be able to contact his/her supervisor, and colleagues, and shall be constantly reachable through their mobile phones.

4.3. The grant of communication allowance shall be on reimbursement basis. Reimbursements shall be supported with billing statement or official receipts and shall be subject to auditing rules and regulations.

4.4. The above amounts shall already cover the expenses for the internet and mobile data subscription expenses of the said officers and employees.

5. **FUNDING SOURCES.** – The funding for the payment of the communication allowance shall be charged by GOCCs to their respective approved corporate operating budgets (COBs). However, it shall be prohibited to source the payment of the said incentive from the following:

(a) Loans; and

(b) Sale of the GOCC’s asset(s) for the sole purpose of paying the communication allowance; and

(c) Other schemes analogous to the foregoing.

Furthermore, the GOCCs shall not increase their service fees for the purpose of augmenting any deficiencies in the amounts prescribed herein, and neither shall the grant of communication allowance adversely affect the implementation of programs/projects, as well as the attainment of performance targets.

6. **RESPONSIBILITY OF THE GOCCs.**

6.1. The GOCCs, acting through their Governing Boards, shall be responsible for the proper implementation of this Circular, without prejudice to the refund by the employees concerned of any excess or unauthorized payments.
6.2. For this purpose, they are required to issue their internal implementing rules, guidelines and/or procedures following the general guidelines and limitations prescribed in this Circular.

6.3. GOCCs shall ensure the judicious and prudent use of government funds, and that the payment of communication allowance should not duplicate with any other similar or related expenses for the purpose.

7. REPEALING CLAUSE. — All other GCG orders, circulars, issuances, and decisions, Board resolutions, or parts thereof, which are inconsistent with this Circular are hereby repealed or modified accordingly.

8. RESOLUTION OF CASES. — Cases not covered by this Circular shall be referred to the GCG for resolution.

9. EFFECTIVITY CLAUSE. — This Circular shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation, and upon receipt of a formal copy by the University of the Philippines – Office of the National Administrative Registrar (UP-ONAR).

SAMUEL G. DAGPIN JR.  
Chairman

CARLOS G. DOMINGUEZ  
DOF Secretary

MICHAEL P. CLORIBEL  
Commissioner

TINA ROSE MARIE L. CANDA  
OIC, DBM

MARITES CRUZ-DORAL  
Commissioner