

Republika ng Pilipinas
PAMBANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
Lungsod ng Quezon

MC No. 39, s. 2007


MEMORANDUM CIRCULAR

**TO : THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS,
DEPARTMENT/ REGIONAL / OPERATIONS / PROJECT
MANAGERS, PROVINCIAL IRRIGATION OFFICERS, IRRIGATION
SUPERINTENDENTS AND ALL OTHERS CONCERNED.**

**SUBJECT : DBM National Budget Circular No. 2007-510 dated May 8, 2007, re:
Guidelines on the Grant of Honoraria to the Governing Boards of Collegial
Bodies**

Enclosed is a copy of DBM National Budget Circular No. 2007-510 dated May 8, 2007 which was issued to prescribe the guidelines on the grant of honoraria to the governing boards of commissions, boards, councils, and other similar entities who are compensated in the form of honoraria as provided for by laws, pursuant to Section 46 (c), General Provisions of RA No. 9401, the FY 2007 General Appropriations Act (GAA).

For your information and guidance.


MARCELINO V. TUGAOEN JR.
Administrator

July 6, 2007



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
Building 1, General Solano Street, San Miguel, Manila



NATIONAL BUDGET CIRCULAR

No. 2007-510

Date: May 8, 2007

TO : Heads of Departments, Bureaus, Offices and Agencies of the National Government including Government-Owned and/or -Controlled Corporations (GOCCs) and Government Financial Institutions (GFIs); and All Others Concerned

SUBJECT : Guidelines on the Grant of Honoraria to the Governing Boards of Collegial Bodies

1.0 Purpose

This Circular is issued to prescribe the guidelines on the grant of honoraria to the governing boards of commissions, boards, councils and other similar entities who are compensated in the form of honoraria as provided for by laws, pursuant to Section 46 (c), General Provisions of RA No. 9401, the FY. 2007 General Appropriations Act (GAA).

2.0 Definition of Honorarium

An honorarium is a form of compensation given as a token of appreciation or reward for gratuitous services on account of one's broad and superior knowledge or expertise in a specific field for which, going by custom, tradition or propriety, no fixed price is set.

3.0 Coverage

This Circular covers ex-officio chairs, vice-chairs and members, and private sector representatives of governing boards of commissions, boards, councils and other similar entities of national government agencies (NGAs), GOCCs and GFIs, hereinafter referred to as collegial bodies, which are covered by RA No. 6758, as amended.

4.0 Exemptions

This Circular does not cover the following:

- 4.1 Department Secretaries, Department Undersecretaries and Department Assistant Secretaries who occupy ex-officio positions in collegial bodies;

- 4.2 Chairs, vice-chairs and members who are appointees to regular positions in the governing boards of collegial bodies who receive salaries, regular allowances and other benefits; and
- 4.3 Chairs, vice-chairs and members of governing boards of collegial bodies who are granted per diems or other forms of compensation under existing laws.

5.0 Guidelines

- 5.1 Chairs, vice-chairs and members of governing boards of collegial bodies who hold such positions in ex-officio capacities, and are neither paid salaries nor per diems, or any other form of compensation, may be granted honoraria if provided for by laws.
- 5.2 They may be granted honoraria at rates not exceeding the following:
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|--------------------|--|
| Chair | : 25% of the monthly representation and transportation allowances (RATA) of the chief operating officer of the collegial body for every meeting actually attended but not exceeding four (4) paid meetings per month |
| Vice-Chair/Member: | 25% of the monthly RATA of the deputy chief operating officer of the collegial body for every meeting actually attended but not exceeding four (4) paid meetings per month |
- 5.3 They shall not be allowed other benefits, whether in cash or in kind, on top of the honoraria, except when specifically provided for by law.
- 5.4 Department Secretaries, Department Undersecretaries and Department Assistant Secretaries who are ex-officio members of governing boards of collegial bodies shall not be granted honoraria authorized for such governing boards in line with the Supreme Court ruling in G.R. No. 83896 and G.R. No. 83815, as consolidated, dated February 22, 1991. Such ex-officio position is actually and in legal contemplation part of the principal office. They may, however, receive reimbursement for actual transportation and miscellaneous expenses incurred in attending board meetings.
- 5.5 Duly authorized representatives of ex-officio members and other members of governing boards of collegial bodies who actually attend board meetings shall be entitled to the honoraria corresponding to that for the chairmanship/vice-chairmanship/membership in said governing boards, as the case may be. In no case, however, shall a chair/vice-chair/member of a governing board and his/her representative be each entitled to honorarium for the same meeting notwithstanding that they both attended said meeting.

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- 5.6 Department Undersecretaries and Department Assistant Secretaries who serve as duly authorized alternates to or representatives of Department Secretaries and Department Undersecretaries who occupy ex-officio positions in governing boards are not entitled to the honoraria.

6.0 Fund Sources

The honoraria shall be sourced from the following:

- 6.1 For NGAs, the amounts shall be charged against the appropriations for the purpose in the annual GAA, and any deficiency thereof shall be charged against savings. No additional funding shall be provided by the government.
- 6.2 For GOCCs and GFIs, the amounts shall be charged against their respective corporate funds.

7.0 Responsibilities of Agency Heads

Agency heads shall be held responsible and personally liable for honoraria payments not in accordance with the provisions of this Circular, without prejudice, however, to the refund by the personnel concerned of any excess payments made to them.

8.0 Saving Clause

Cases not covered by the provisions of this Circular shall be referred to the Department of Budget and Management for resolution.

9.0 Repealing Clause

All provisions of existing circulars, guidelines, rules and regulations on the grant of honoraria for the afore-cited purpose are hereby repealed.

10.0 Effectivity

This Circular shall take effect immediately.


ROLANDO G. ANDAYA, JR.
Secretary

