AREA II

FACULTY

PARAMETER G:

SALARIES, FRINGE BENEFITS AND INCENTIVES

I.4

I.4 Teaching assignments beyond the regular load are compensated (e.g overload pay, service credits)

USM FACULTY MANUAL

Chapter 4

4. FACULTY TEACHING LOAD AND WORKING HOURS

4.1. Teaching Load/Overload

4.1.1. Teaching Load (without designation)

The normal teaching load of each regular faculty without designation in the undergraduate level in the tertiary level of the University shall be observed as follows (USM Code, Article 170, Section 7):

Number of preparations	Normal Teaching Load
3 or more	15 units
1-2	18 units

In team teaching, the workload credits shall be divided proportionately among the concerned parties.

Any excess in the normal teaching load of a faculty member is considered an overload (USM Code, Article 170, Section 8). Beyond the normal workload or full-time equivalent (FTE) per week, a faculty may be granted an honorarium for overload of not more than three (3) units per semester or a total of six (6) per academic year, subject to the availability of funds, and may be paid at the end of the academic year.

4.1.2. Teaching Load (with designation)

The basic function of a faculty member in the academe is instruction. All regular faculty of the University shall be required to handle at least one (1) course every semester which may be complemented by any of such additional functions such as: administrative duties, research work, extension services, and production activities (USM Code, Article 86, Section 4).

The President may designate faculty members to render full-time services for any of the functional areas in administrative leadership, research, extension, resource generation and in other projects/programs as regular and or special designations. The faculty members with regular and special designations shall enjoy teaching load displacement as follows:

4.1.2.1. Faculty with regular designations (USM Code, Article 171, Section 1):

Designation	Load Displacement
Vice President	15 units
Chancellor	15 units
Director	12 units
Dean/Campus Dean	12 units
Campus Director	6 units
Chairperson	6 units

4.1.2.2. Faculty with special designations (USM Code, Article 171, Section 2):

Designation	Load Displacement
College Secretary/Associate Dean	9 units
2 or more program leaderships	9 units
Program Leader	6 unit
2 or more project leaderships	6 units
Project Leader	3 units
2 or more study leaderships	3 units
Regular College Coordinator	3 units

Faculty members with special designations who receive honorarium by virtue of special contract or external fund source shall not enjoy load displacement (USM Code, Article 171, Section 3).

Every faculty member with designated functions shall have at least three (3) units teaching load. If the accumulated teaching load displacement arising from regular and/or special designations is in excess of the normal teaching load, such faculty member shall still be assigned (3) units of teaching load (USM Code, Article 171, Section 4) in undergraduate courses.

4.1.2.3. Faculty with multiple designations:

In case of multiple administrative designations, the faculty member concerned shall be granted load-credits in only one designation, whichever is the highest, and also provided, that the load-credits are only for administrative designations, including those for the quasi-teaching assignments (QTA) in research, extension, production, etc. if any, granted to a faculty, who is designated to the position of Vice-President, Dean, and Director, or to any similar position with an honorarium or RATA, shall be excluded in the computation of his/her overload pay.

4.1.2.4. Faculty with approved research/extension/resource generation designations:

A faculty member designated to undertake officially approved research, development and extension, or resource generation activities without honorarium, shall be entitled to the following workload-credits or teaching assignments equivalent, provided that where a faculty member is designated to undertake more than one research, extension, or resource generation activities at the same time, in one given period, the workload-credits to be granted shall not exceed a total of nine (9) units (USM RDE Manual 2023, 2.1. b)

One (1) program (with at least 2 projects)	9 units
One (1) project (with at least 2 studies)	6 units
One (1) study	3 units

4.1.2.5. Faculty assigned to supervise practice teaching/practicum/on-the-job training:

Faculty members assigned to supervise practice teaching/practicum/on-the-job training shall be given a load credit of three (3) units per 30 students, but not to exceed 12 units provided that the load-credits shall be prorated, if the number of students involved is less than 30, and provided further, that such an assignment is not part of the course/subject requirements. The equivalent workload-credits for duly designated administrative duties or their equivalent shall be as follows:

Vice Presidents	15 units
College Deans, Directors	12 units
Head of Non-Academic Units	9 units
Medical Technologist/ Nutritionist Dietitian	6 units
College Guidance Coordinator	6 units (per 50 students but not to exceed three (3) Guidance Coordinators per college, prorated, if less)
Laboratory In-charge	3 units

4.1.3. Teaching Load for Part-time, Exchange Professors/Lecturer, and COS Faculty

Part-time, exchange professors/lecturers, and COS/Contractual shall be governed by Memorandum of Agreements (MOAs)/contracts as required by law and shall be paid by the hour according to existing policies and guidelines.

4.1.4. Teaching Overload

4.1.4.1. Within the Official Time

The contact hour (CH) per week of actual teaching (AT) in the Full-Time Equivalent (FTE) of the faculty shall be based on the following weighted values:

a. For graduate/undergraduate lecture subject 1hour AT=1.00 CH

b. For graduate/undergraduate lab/shop course 1hour AT=0.75 CH

In excess of 50 students per section for lecture/social laboratory classes, a load- credit unit of 0.02 per student shall be given.

Teaching personnel who render services in excess of the regular teaching load shall be paid honoraria in the form of service credit or remuneration.

Remuneration shall be based on the Prime Hourly Teaching Rate (PHTR) and computed on the basis of the following formula, as mandated by the National Budget Memorandum No. 107, dated December 30, 2010, unless provided otherwise.

a. For Undergraduate Program:

$$PHTR = \frac{(AR(T)}{W} = \frac{AR\ (1.25)}{1,600} = 0.000781\ (AR)$$

Where:
AR = Annual rate of each teacher to be paid honoraria

W = Total teaching hours (This is computed at 40 hours/week multiplied by 40 weeks or 1,600 hours)

T= 1.25 or 125 percent of the remuneration for services in excess of six (6) hours of actual teaching per day but not more than two (2) hours

b. For Graduate Program:

b.1. For faculty members with Master's degree:

PHTR = 0.0014 Annual Rate (AR)

b.2. For faculty members with Doctoral degree:

PHTR = 0.0015 Annual Rate (AR)

Provided, that adjustment from old annual rate shall be subjected to the availability of funds for the purpose; however, if funds are not available,

the same shall be converted equivalent service credits, based on existing guidelines.

4.1.4.2. Beyond the Official Time

This applies to teaching assignments conducted beyond the official working hours.

4.1.4.2.1. Request Course

Faculty members may accept a maximum of two (2) requested courses beyond their approved workload, provided that the classes are conducted outside of official working hours and do not conflict with their existing schedules. The rate for requested courses shall adhere to the guidelines outlined in BOR Resolution No. 40, series of 2009

4.1.4.2.2. Graduate School Load

Faculty members may teach up to three (3) additional graduate courses beyond their regular workload, provided these courses are scheduled outside of their official working hours or during the graduate school schedule and do not conflict with their existing teaching commitments. Compensation for these extra teaching duties shall be based on the revised honorarium computation scheme for graduate school per BOR Resolution No. 34, series of 2020.

4.1.4.2.3. Limited Practice of Profession/Private Business

Faculty members are permitted to engage in limited practice of profession/ private business beyond official working hours, subject to adherence to guidelines outlined in Section 136, Rule XII of the CSC Revised Omnibus Rules on Appointments and Other Human Resource Actions as amended (2018). This includes obtaining written permission from the head of the institution annually, ensuring that such activities do not interfere with teaching responsibilities, and prohibiting from the use of government resources for private endeavors.

4.2. Working Hours

Subject to government rules and regulations prescribed by CSC and CHED, teaching and non-teaching personnel shall render not less than eight (8) hours a day for five (5) working days a week, exclusive of time spent for lunch (USM Code, Article 84, Section 1).

Any deviation from the provisions of the preceding section such as the flexible working hours shall be subject to the approval of the University President taking into account the applicable laws and regulations (USM Code, Article 84, Section 2).

Full-time faculty members shall render minimum of 30 teaching hours a week which shall include actual classroom instruction and other teaching related activities, as enumerated under USM Code, Article 86, section 3.

Part time faculty members shall carry a workload of not more than 12 hours a week and shall also be available for consultation with students (USM Code, Article 84, Section 4).

JO/COS faculty members shall carry a workload of not more than 29 hours a week and shall also be available for consultation with students.

4.2.1. Extension of Working Hours

When the exigency of the service so requires, the University President may authorize the extension of the daily working hours or the rendering of overtime services, even during Saturdays, Sundays, and Legal Holidays, by any faculty member or non-teaching employee of the University, the compensation therefore shall be according to applicable laws and regulations.

4.2.2. Service Report

All members of the teaching personnel shall be required to submit their duly accomplished daily time records to the Human Resource Management and Development Office within five (5) days following the last day of each month. Non-submission of said document shall be a valid reason to withhold the salary and other compensation of the employee concerned until the faculty submits the same (USM Code, Article 85, Section 1).

CIVIL SERVICE COMMISSION (CSC)
and
DEPARTMENT OF BUDGET AND MANAGEMENT (DBM)

JOINT CIRCULAR No. 1 s. 2015
November 25, 2015

TO : **All Heads of Departments, Bureaus, Offices, and Other Agencies of the National Government, Including Constitutional Commissions, Congress, The Judiciary, Office of the Ombudsman, State Universities and Colleges (SUCs); Government-Owned or -Controlled Corporations (GOCCs); Local Government Units (LGUs); and All Others Concerned**

SUBJECT : **Policies and Guidelines on Overtime Services and Overtime Pay for Government Employees**

1.0 Background

Memorandum Order (MO) No. 228[1], approved by then President Corazon C. Aquino on March 29, 1989, authorized the rendition and payment of overtime services of government employees. To implement this MO, DBM issued National Budget Circular No. 410 dated April 28, 1989, as amended by Budget Circular No. 10 dated March 29, 1996.

Under Section 1(d) of Administrative Order (AO) No. 103[2] dated August 31, 2004, Compensatory Time-Off[3] (CTO) was implemented as an alternative to Overtime Pay[4]. Pursuant to said AO, the Civil Service Commission (CSC) and the Department of Budget and Management (DBM) issued Joint Circulars (JCs) No. 2, s. 2004[5] dated October 4, 2004, and No. 2-A, s. 2005[6] dated July 1, 2005 prescribing guidelines for availment of the CTO.

Recently, the Office of the President granted clearance to the CSC and DBM to issue a joint circular granting flexibility to agencies to pay overtime services in cash, subject to certain conditions and limitations such as the nature of overtime work to be rendered, overtime payment limit, fund source, reportorial requirements, and other pertinent measures to efficiently and effectively implement the grant of Overtime Pay.

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[1] Prescribing Guidelines Governing the Rendition and Payment of Overtime Services of Government Personnel
[2] Directing the Continued Adoption of Austerity Measures in the Government
[3] As defined in item 4.0 of the CSC-DBM Joint Circular No. 2, s. 2004, Compensatory Time-Off or CTO refers to the accrued number of hours an employee earns as a result of services rendered beyond regular working hours, and/or those rendered on Saturdays, Sundays, holidays or scheduled days off without the benefit of Overtime Pay.
[4] As defined in the Congress Joint Resolution No. 4, s. 2009, Overtime Pay is the cash payment for work performed by an employee beyond the regular working hours in a day, and those performed on rest days, holidays, and non-working days.
[5] Non-Monetary Remuneration for Overtime Services Rendered
[6] Amendment to CSC-DBM Joint Circular No. 2, s. 2004 Re: Non-Monetary Remuneration for Overtime Services Rendered

2.0 Purpose

This Joint Circular is issued to prescribe policies and guidelines on the rendition of overtime services and the corresponding remuneration, either through CTO or Overtime Pay, including the flexibility granted to agency heads to authorize overtime services and the payment thereof.

3.0 General Policies on Overtime Services

3.1 The rendition of overtime services shall be authorized only when extremely necessary, such as when a particular work or activity cannot be completed within the regular work hours and that non-completion of the same will: a) cause financial loss to the government or its instrumentalities; b) embarrass the government due to its inability to meet its commitments; or c) negate the purposes for which the work or activity was conceived.

3.2 As a general rule, the remuneration for overtime services shall be through CTO, in accordance with the guidelines under the CSC-DBM Joint Circulars No. 2, s. 2004 and No. 2-A. s. 2005.

3.3 The payment in cash of overtime services through Overtime Pay may be authorized only in exceptional cases when the application of CTO for all overtime hours would adversely affect the operations of the agency.

4.0 Priority Activities that May Warrant Rendition of Overtime Services

The priority activities that may warrant rendition of necessary overtime services may include the following:

4.1 Implementation of special or priority programs and projects embodied in Presidential directives with specific dates of completion;

4.2 Completion of infrastructure and other projects with set deadlines when due to unforeseen events the deadline cannot be met without resorting to overtime work;

4.3 Essential public services during emergency or critical situations that would require immediate or quick response;

4.4 Relief, rehabilitation, reconstruction, and other work or services during calamities and disasters;

4.5 Seasonal work, such as but not limited to, preparation of budgets and annual reports, in order to meet scheduled deadlines;

4.6 Preparation of financial and accountability reports required by oversight agencies like Congress of the Philippines, Office of the President, Commission on Audit, Department of Budget and Management, and National Economic and Development Authority;

4.7 Services rendered by drivers and other immediate staff of officials when they are required to keep the same working hours as these officials; and

4.8 Such other activities as are needed to meet performance targets or deliver services to the public as may be determined by the agency head.

5.0 Authority and Flexibility Granted to Agency Heads

Agency heads are authorized to approve the rendition of overtime services and are granted the following flexibilities subject to the conditions and limitations prescribed in this Circular:

5.1 Determination of the priority activities that may warrant rendition of overtime services and the timing and duration thereof;

5.2 Determination of agency personnel who may be authorized to render overtime services; and

5.3 Determination of the number of hours of overtime services and the manner of compensating the same pursuant to items 3.2 and 3.3 hereof.

6.0 Government Employees Who May be Authorized to Render Overtime Services with Pay or Compensation

6.1 Only appointive and salaried civilian government employees holding regular, contractual, and casual positions of division chief or equivalent level and below, may be authorized to render overtime services with pay or compensation.

6.2 Incumbents of positions of division chief or equivalent level and below, designated as Officers-in-Charge of higher level positions, may also be authorized to render overtime services as they are still bound to observe the prescribed work hours in their respective agencies.

7.0 Government Officials and Employees Who are Not Authorized to Render Overtime Services with Pay or Compensation

The following government officials and employees are not authorized to render overtimes services under this Circular:

7.1 Civilian personnel holding positions higher than division chief or equivalent levels;

7.2 Those granted other forms of allowances or benefits for services rendered beyond the prescribed work hours under existing laws, rules, and regulations;

7.3 Those who are on travel status;

7.4 Elective officials in the national government and local government units down to municipal level;

7.5 Elective and appointive *barangay* officials and employees; and

7.6 Military and uniformed personnel of the government.

8.0 Period of Overtime Services

8.1 As provided under Section 5, Rule XVII of the Omnibus Rules Implementing Book V of Executive Order No. 292, "Administrative Code of 1987," officers and employees of departments and agencies shall render not less than 8 hours of work a day for 5 days a week or a total of 40 hours a week, exclusive of time for lunch. Generally, such hours shall be from 8:00 in the morning to 12:00 noon and from 1:00 to 5:00 in the afternoon, except Saturdays, Sundays, and holidays. However, Section 6 thereof allows flexible work hours, subject to the discretion of the department/agency head.

8.2 The period of overtime service in a workday for a full-time employee shall include:

8.2.1 Those rendered beyond the normal 8 work hours on scheduled workdays or 40 hours a week, and those rendered on rest days or scheduled days off, holidays, and special non-working days, both exclusive of time for lunch and rest;

8.2.2 Those rendered beyond the prescribed work hours in a shift of 8 hours or more, such as in government hospitals, on scheduled workdays, and those rendered on rest days or scheduled days off, holidays, and special non-working days.

8.2.3 Those rendered by drivers and other immediate staff of officials who are required to keep the same work hours as these officials, which are beyond 8 work hours or the prescribed work hours in a workday, and on rest days or scheduled days off, holidays, and special non-working days.

9.0 Payment for Overtime Services

9.1 If Overtime Pay has been determined by the agency head to be the appropriate compensation for overtime services, the same shall be based on the hourly rate of an employee and to the applicable premium on the hourly rate, depending on the day such overtime service was rendered.

9.2 The number of work hours of overtime service rendered on a scheduled workday, $\mathbf{N_1}$, and those rendered on a rest day or scheduled day off, holiday, or special non-working day, $\mathbf{N_2}$, shall be computed by taking into consideration the provisions under item 10.0 of this Circular.

9.3 The hourly rate of an employee on full-time employment, **HR**, with a monthly salary, **S**, for 22 workdays in a month and 8 hours per workday, shall be computed by using the following formula:

$$\mathbf{HR} = \left[\frac{\mathbf{S}}{\mathbf{1\ Month}}\right]\left[\frac{\mathbf{1\ Month}}{\mathbf{22\ Workdays}}\right]\left[\frac{\mathbf{1\ Workday}}{\mathbf{8\ Work\ Hours}}\right]$$

9.4 The Overtime Pay shall be 125% or 1.25 of **HR** on a scheduled workday. It shall be 150% or 1.5 of **HR** on a rest day or scheduled day off, holiday, or special non-working day.

9.5 The total Overtime Pay, for a month for an employee on full-time employment, **OT Pay**, shall be computed based on the following formula:

$$\textbf{OT Pay} = 1.25\,(HR)(N_{1Total}) + 1.5(HR)(N_{2Total})$$

To simply the formula:

$$\textbf{OT Pay} = HR\,[1.25(N_{1Total}) + 1.5(N_{2Total})]$$

10.0 Limitations on Overtime Services and Overtime Pay

10.1 Only employees who arrive on or before the start of the workday shall be allowed to render overtime work with pay, provided that at least 2 hours of overtime services are rendered.

10.2 One-hour breaks shall be observed for breakfast, lunch, or supper and rest, and every 3 hours of continuous overtime service, or as may be necessary.

10.3 Rendering overnight overtime service shall be resorted to only when extremely necessary. No employee shall be allowed to render overnight service for more than 2 consecutive nights, for health reasons and to ensure employee productivity.

10.4 The period of overtime services shall not be used to offset undertime.

10.5 Only a maximum of 12 hours of overtime services on a rest day or scheduled day off, holiday, or special non-working day, shall be compensated through Overtime Pay.

Any excess over 12 hours shall be compensated through CTO.

10.6 The total Overtime Pay of an employee in a year shall not exceed 50% of his/her total basic salary for the year.

10.7 The total amount of Overtime Pay to be spent by an agency shall not exceed 5% of its total Personnel Services (PS) budget for a given year.

Any grant of Overtime Pay in excess of the 5% limit shall be subject to approval of the DBM in accordance with existing budgeting and accounting rules and regulations.

11.0 Fund Sources

11.1 For national government agencies, including SUCs, the Overtime Pay shall be charged against the following sources:

11.1.1 The amount specifically appropriated in the agency budget for Overtime Pay, if any.

11.1.2 Available agency savings, subject to existing rules and regulations on the use of savings.

11.1.3 Other fund sources authorized under existing laws, rules and regulations.

11.2 For GOCCs and GFIs, the Overtime Pay shall be charged against their respective corporate funds.

11.3 For LGUs, the Overtime Pay shall be charged against their respective local government funds, subject to the PS limitation in LGU budgets under RA No. 7160 or the Local Government Code of 1991.

12.0 Reportorial Requirements

Each agency shall submit to the DBM's Budget and Management Bureau or Regional Office concerned, copy furnished the CSC, the **"Report on Overtime Services With Pay"** using the template in **Annex A** on or before March 31 of every year.

13.0 Responsibilities of Agency Heads

Agency heads shall:

13.1 Formulate and adopt internal rules and procedures on the rendition of overtime services of their respective personnel which shall be circumscribed within the policies and guidelines under this Joint Circular.

Copies of these internal rules and regulations shall be submitted to the DBM and CSC.

13.2 Approve requests for authority to render overtime services indicating the names of personnel, the purpose or expected outputs, and the specific period of such services.

13.3 Be held responsible for the proper implementation of the provisions of this Joint Circular. They shall be held administratively, civilly, and/or criminally liable, as the case may be, for any payment of overtime services not in accordance with the provisions herein without prejudice to the refund by the employees concerned of any unauthorized or excess payments.

14.0 Resolution of Cases

Issues and concerns arising from the implementation of this Circular shall be resolved either by the DBM or CSC as deemed appropriate based on their respective functional jurisdictions.

15.0 Repealing Clause

Budget Circular No. 10 dated March 29, 1996 is hereby repealed.

16.0 Effectivity

This Circular shall take effect immediately.

ALICIA DELA ROSA - BALA
Chairman
Civil Service Commission

FLORENCIO B. ABAD
Secretary
Department of Budget and Management

Annex "A"

Report on Overtime Services With Pay
For FY _____

Department/Agency:_____

1. Priority Activities for Which Overtime Pay was Authorized

2. Total Expenditure for Overtime Pay

No. of Personnel	Total Overtime Pay	Total Salaries/ Wages	% Total Overtime Pay/ Total Salaries/Wages
Regular -			
Contractual -			
Casual -			

3. Fund Sources for Overtime Pay

Sources	Amount

Submitted By:

_____
Head, Finance/Administrative Unit

Certified Correct:

_____
Agency Head