



Republic of the Philippines  
**PROVINCE OF SURIGAO DEL NORTE**

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**OFFICE OF THE PROVINCIAL GOVERNOR**

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**EXECUTIVE ORDER NO. 21-019**  
Series of 2021

**AN ORDER GRANTING THE LOYALTY AWARD TO THE OFFICIALS  
AND EMPLOYEES OF THE PROVINCIAL GOVERNMENT OF SURIGAO  
DEL NORTE FOR CY 2021 AND EVERY YEAR THEREAFTER**

**WHEREAS**, Rule X of the Implementing Rules and Regulations of Executive Order No. 292, otherwise known as the Administrative Code of 1987, mandates that each department or agency of government, whether national or local, x x x, shall establish its own Department or Agency Employee Suggestions and Incentives Award System;

**WHEREAS**, Section 7 (a) Rule X of the Omnibus Rules Implementing Book V of Executive Order No. 292, provides that "the incentive awards shall consist of, though not limited to, the grant of Loyalty Award to an employee who has completed at least ten (10) years of continuous and satisfactory service in the government x x x;"

**WHEREAS**, Section 78 of the Local Government Code of 1991 provides that all matters pertaining to human resources and development in local government units shall be governed by the civil service law and such rules and regulations and other issuances promulgated pursuant thereto, unless otherwise specified in this Code;

**WHEREAS**, the Civil Service Commission (CSC) Resolution No. 010112 and CSC MC No. 01 s. 2001 provide that an agency shall establish its Program on Awards and Incentives for Service Excellence (PRAISE) referred to as AGENCY PRAISE;

**WHEREAS**, under the approved Agency PRAISE of the Provincial Government of Surigao del Norte, Loyalty Incentives shall be granted to an employee who has served continuously and satisfactorily with the government agency for at least ten (10) years;

**WHEREAS**, pursuant to Section XI of the Agency PRAISE, the Provincial Governor has committed to recognize the invaluable service of the qualified officials and employees of the Provincial Government and abide by the provisions of the Agency PRAISE, the Civil Service Commission, Commission on Audit Rules and Regulations, and other existing laws--- which are the bases for the grant of awards and incentives.

**NOW, THEREFORE, I, ATTY. FRANCISCO T. MATUGAS**, Provincial Governor of this province, by virtue of the powers vested in me by law, do hereby order:

**Section 1.** *Grant of Loyalty Award to all officials and employees in the Provincial Government for CY 2021 and every year thereafter-* Pursuant to Civil Service Commission Resolution No. 02-095 dated February 26, 2002, or "Revised Policies on the Grant of Loyalty Award" and the Agency PRAISE, a Loyalty Award consisting of a Cash Gift and a Certificate of Recognition is hereby granted to government officials and employees of the Provincial Government of Surigao del Norte (PGSDN) in recognition of their continuous and satisfactory service for a period of ten years.

**Section 2.** *Coverage-* The Loyalty Award shall be awarded to all PGSDN officials and employees provided they meet the following requirements:

- i. The official or employee has rendered ten (10) years of continuous and satisfactory service in the government;
- ii. The official or employee must have completed their ten years of continuous and satisfactory service with the Provincial Government of Surigao del Norte as of May 15, 2021; and
- iii. Those who shall have completed another five (5) years of continuous and satisfactory service as of May 15, 2021, shall be entitled to the 5-year *milestone* loyalty award.

**Section 3.** *Policy Guidelines-*

- a. The loyalty award is granted to all officials and employees in the Provincial Government of Surigao del Norte, who rendered ten (10) years of continuous and satisfactory service in the government.
- b. Service under a coterminous or temporary appointment is considered government service. Hence, it shall be included in the computation of service for purposes of loyalty pay.
- c. The official or employee who incurred an aggregate of not more than fifty (50) days authorized vacation leave **without pay** within the 10-year period shall be considered as having rendered continuous service for purposes of granting the loyalty award.

In the same way, an official or an employee who incurred an aggregate of not more than twenty (25) days authorized vacation leave without pay within the 5-year



period may qualify for the 5-year **milestone** loyalty award.

For purposes of computing the ten-year continuous and satisfactory service, the computation of the length of service for the grant of step increment provided for in CSC MC No. 50, series of 1990 shall be adopted.

- d. Under Section 28 of the CSC Memorandum Circular No. 41, s. 1998, actual service refers to the period of continuous service counted from the election or appointment of the official or employee concerned, including the period or periods covered by any previously approved leave with pay. Leave of absence without pay for any reason other than illness shall not be counted as part of the actual service rendered x x x.
- e. Under Section 56 of the 2017 Rules on Administrative Cases in the Civil Service, a penalty of suspension of one day or more shall be considered a gap in the continuity of service. Hence, it must follow that this agency should only start counting the years of service for purposes of the award after the employee's leave of absence without pay or the penalty of suspension shall have been terminated or served, and he/she shall have reported for work or reinstated.
- f. Effective January 1, 2002, continuous and satisfactory services in government for purposes of granting loyalty award shall include services in one or more government agencies without any gap.
- g. Services rendered in other government agencies prior to January 1, 2002, shall not be considered for purposes of granting the loyalty award.
- h. For purposes of granting the loyalty award, the official or employee must render continuous and satisfactory services for at least ten years. An unsatisfactory rating shall disrupt the counting of the period for the grant of the loyalty award.
- i. The employee shall submit the approved **performance rating** for every rating period within the ten (10) years or more continuous service up to December 31, 2020, to qualify for the Loyalty Cash Award and/or Milestone Loyalty Cash Award, as the case may be.

**Section 4.** *Responsibility of the Chief of Offices and Employee-* Chief of Offices concerned shall be held personally liable for any payment made not following the provisions of this Order, without prejudice to the refund by the employee concerned of any excess payment.

**Section 5. Loyalty Cash Award Rates and Certificate of Recognition-** As prescribed by the Commission on Audit Circular No. 2013-003A, series of 2013, the Loyalty Cash Award (LCA) rates are as follows:

No. of years of continuous and satisfactory service	Loyalty Cash Award Rate	5-year Milestone Loyalty Award Rate
10 <sup>th</sup> year	from P5,000.00 to P10,000.00	
15 <sup>th</sup> year		from P2,500.00 to P5,000.00
20 <sup>th</sup> year		from P2,500.00 to P5,000.00
25 <sup>th</sup> year		from P2,500.00 to P5,000.00
30 <sup>th</sup> year		from P2,500.00 to P5,000.00
35 <sup>th</sup> year		from P2,500.00 to P5,000.00
40 <sup>th</sup> year		from P2,500.00 to P5,000.00

Thus, those who shall initially complete the ten (10 ) years of continuous and satisfactory service as of May 15, 2021, shall receive the Certificate of Recognition and the cash award. Those who, as of May 15, 2021, shall have completed another continuous and satisfactory service every (5) years thereafter shall receive the milestone Loyalty Award cash award and a Certificate of Recognition.

The awardee shall receive a certificate of recognition and the cash award not earlier than May 15 of every year.

**Section 6. Funding Source-** The Loyalty Cash Award shall be funded by the Provincial Government of Surigao del Norte at the rate approved by the Sanggunian Panlalawigan.

**SECTION 7. Repealing Clause.** - All administrative and executive orders which shall be found to be inconsistent with provisions of this Order shall be repealed or amended accordingly.

**SECTION 8. Separability Clause.**- If any part of this Order shall be held unconstitutional or invalid, other parts or provisions hereof shall not be affected and shall continue to be in full force and effect.

**SECTION 9. Effectivity** - This Order shall take effect immediately.

SO ORDERED.

DONE in Kapitolyo Nan Siargao, Municipality of Dapa, Surigao del Norte, Philippines, this 29 of April 2021.



**ATTY. FRANCISCO T. MATUGAS**  
Provincial Governor