



Republic of the Philippines
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
REGION XIII (CARAGA REGION)
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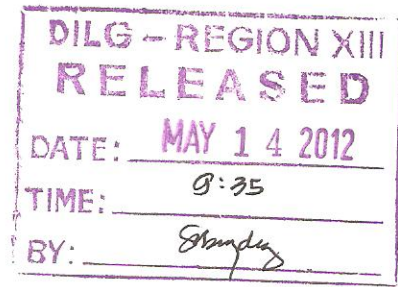


May 11, 2012

DILG-13 OPINION NO. 18

Mr. FELIX R. ESPESO
Secretary to the Sangguniang Bayan
Municipal Hall
San Francisco, Agusan del Sur

Thru: Ms. Arleen Ann R. Sanchez
Provincial Director, DILG
Agusan del Sur



Dear Mr. Espeso:

This refers to your letter seeking guidance from this office whether the Proposed Ordinance "AN ORDINANCE GRANTING SERVICE AWARD FOR MUNICIPAL EMPLOYEES AND OFFICIALS DURING RETIREMENT, THIS MUNICIPALITY" is in conformity with the existing laws, rules and regulations.

Please be informed that we find no legal infirmities to the proposed ordinance. The provision of monetary service award to those who have rendered at least fifteen (15) years in government service is proper especially that it is included in the LGU Program on Awards and Incentives for Service Excellence (PRAISE) in compliance with CSC Memorandum Circular No. 01 Series of 2001. Aside from PRAISE, the Local Government Code of 1991 (R.A. No. 7160) authorizes the sangguniang bayan to give benefits to its employees. Section 447 (a) (1) (viii) of the Code partly states that:

"Section 447. Powers, Duties, Functions and Compensation. - (a) The sangguniang bayan, as the legislative body of the municipality, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the municipality and its inhabitants pursuant to Section 16 of this Code and in the proper exercise of the corporate powers of the municipality as provided for under Section 22 of this Code, and shall:

x x x

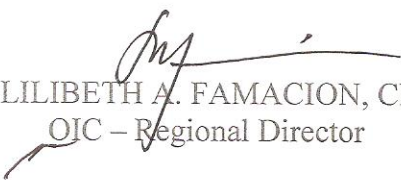
- (1) *Approve ordinances and pass resolutions necessary for an efficient and effective municipal government, and in this connection shall:*

x x x

(viii) Determine the positions and salaries, wages, allowances and other emoluments and benefits of officials and employees paid wholly or mainly from municipal funds x x x;

We hope to have clarified you on this matter.

Very truly yours,


LILIBETH A. FAMACION, CESO IV
OIC – Regional Director