

BAYANI, Elsa M.

Re: Query; Loyalty Award

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RESOLUTION NO. 030140

Elsa M. Bayani, Executive Director, National Nutrition Council (NNC), requests the Commission for an opinion relative to the grant of loyalty award.

In her request, Executive Director Bayani represents, as follows:

"x x x whether or not an employee is entitled to the loyalty award as provided for under Memorandum Circular No. 42, series of 1992 of the Civil Service Commission x x x for failing to meet the ten (10) years requirement in particular agency x x x but has served the government continuously and is still in the service until today.

"Mr. Rolando A. Calub was hired by the National Nutrition Council (NNC) as Driver on 03 June 1991 until 22 March 1998. On 23 March 1998, he transferred to the Fertilizer and Pesticide Authority (FPA) along with the undersigned when I was assigned to head the said agency by former Secretary Escudero of the Department of Agriculture until 02 August 1998. On 03 August 1998, Mr. Calub and I rejoined NNC. In sum, Mr. Calub has continuously served the Department of Agriculture for more than ten (10) years already which entitles him, to the loyalty cash award considering that the FPA is also under the DA."

The contention of Executive Director Bayani is that an employee who failed to meet the ten (10) year service requirement in a particular agency may avail of the loyalty award considering the continuous service rendered by such employee under agencies belonging to the organizational structure of the same Department, for more than ten (10) years.

The Commission finds Director Bayani's contention tenable.

Item 2 of CSC Memorandum Circular No. 42, s. 1992 provides, as follows:

"2. A loyalty award shall be given to an employee of the government who has completed at least ten (10) years of continuous and satisfactory service to the particular Office granting the award;"

It is established that both NNC and the Fertilizer and Pesticide Authority (FPA) are under the organizational structure of the Department of Agriculture. While it may be true that the aforementioned circular is so worded that it explicitly

mentions only of the term "office", it bears emphasis, however, that the same is used in its generic sense, and thus, should be construed to be synonymous with the terms, e.g., department, bureau, agency or local government unit for purposes of the grant of loyalty award. Moreover, the subject benefit being in the nature of a social legislation, should be liberally construed or administered in favor of the intended recipients. This being the case, the subject driver of NNC should be entitled to the grant of loyalty award, since he is deemed considered to have rendered the ten (10) year service requirement in a particular office (department) as contemplated under CSC Memorandum Circular No. 42, s. 1992.

WHEREFORE, the Commission hereby rules that the ten (10) year continuous and satisfactory service requirement in a particular office for purposes of the grant of loyalty award should be construed to be synonymous with services rendered in a particular department, agency, bureau or local government unit.

Quezon City, JAN 30 2003

(Original Signed)
JOSE F. ERESTAIN, JR.
Commissioner

(Original Signed)
KARINA CONSTANTINO-DAVID
Chairman

(Original Signed)
J. WALDEMAR V. VALMORES
Commissioner

Attested by:

(Original Signed)
ARIEL G. RONQUILLO
Director III

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