



PAMBANSANG PUNONGHIMPILAN TANOD BAYBAYIN NG PILIPINAS  
(National Headquarters Philippine Coast Guard)  
139 25<sup>th</sup> Street, Port Area  
1018 Manila

26 August 2021

CG-1/CGAO

CIRCULAR  
NUMBER . . . . . 14-21

**GUIDELINES ON THE PROCESSING OF PAYMENT OF COLLATERAL  
ENTITLEMENTS/ALLOWANCES**

**I. REFERENCES**

- a. RA No. 9993 and its Implementing Rules and Regulations
- b. NHQ-PCG/CG-1 Memorandum Circular No. 10-19 dtd 12 July 2019
- c. NHQ-PCG/CG-1 Circular No. 14-20 dated 04 November 2020
- d. CGAO Circular No. 04 dtd 07 September 1999
- e. HPCG Circular No. 05-04 dtd 27 July 2004
- f. HPCG/TCS/CGDS Circular No. 08-07 dtd 06 December 2007
- g. Circular Nr 01 dated 12 January 2000 as amended
- h. NHQ-PCG Circular Nr 01-21 dated 05 January 2021

**II. PURPOSE**

This Circular prescribes the policies and procedures for the processing of payment of collateral entitlements particularly Hazardous Duty Pay, Sea Duty Pay, Flying Duty Pay, Instructor's Duty Pay, High Risk/Combat Duty Pay, Magna Carta Benefits, and Lawyer's Incentive Pay.

**III. SCOPE**

This Circular covers all PCG personnel who receive collateral entitlements including PCG units in charge of the processing thereof.

**IV. DEFINITION OF TERMS**

- a. Collateral Entitlements/Allowances – refers to monetary benefits or emoluments apart from the regular pay and allowances given to a specific group performing specific duties such as but not limited to High-Risk Duty, Hazardous Duty,

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Flying Duty, Sea Duty, Instructor's Duty, Magna Carta Benefits, and Lawyer's Incentive Pay.

b. Combat/High Risk Duty Pay – refers to CG personnel who are engaged or have participated in any of the combat duties/activities, shall in addition to their monthly base pay be paid high risk duty pay/combat duty pay.

c. Flying Duty Pay – refers to incentive granted to CG personnel who holds an aeronautical rating and who, as a result of holding such designation, is placed on flying duty status.

d. Hazardous Duty Pay – refers to the incentive granted to CG personnel who are actually performing any of the hazardous duties/activities.

e. Instructor's Duty Pay – refers to the incentive granted to CG personnel on instructor duty status or who have actually rendered instructor duties in any accredited PCG schools and training unit.

f. Lawyer's Incentive Pay – refers to CG Lawyers who render professional legal service and/or appear as counsel before civilian courts, military courts, or administrative boards in the PCG or other Government Agencies.

g. Magna Carta Benefits – refers to allowances granted to PCG health personnel, medical administrative personnel, PCG uniformed health Officers, and civilian health workers.

h. Sea Duty Pay – refers to incentive granted to CG personnel who are assigned or on DS and actually performing CG duties aboard PCG commissioned vessel/small craft and other vessels/offshore platform.

## V. POLICIES

a. Collateral entitlements shall only be given upon performance of duty, as enumerated and defined in the preceding paragraphs;

b. The Admin and/or Budget Officer of the respective PCG units shall be responsible for the processing of the collateral entitlements of its personnel. Provided, that the allotted budget thereof shall be closely monitored to avoid underspending/overspending;

c. The processing of collateral entitlements shall be supported by documentary requirements set forth in the respective Circulars governing such collateral entitlements;

d. Payment of collateral entitlements for Hazardous Duty Pay, Sea Duty Pay, Flying Duty Pay, Instructor's Duty Pay, High Risk/Combat Duty Pay, Magna Carta Benefits and Lawyer's Incentive Pay shall be included in the monthly pay slip of the personnel. Provided, that the required documents be submitted on every 10<sup>th</sup> day of the month subject of the claim;



e. Non-submission of the required documents within the prescribed period shall mean non-inclusion in the monthly pay slip of the personnel. Provided however, that in such case, the same may be processed through a separate disbursement voucher by the claiming PCG units.

## VI. PROCEDURES

a. The Admin and/or Budget Officer of the Unit shall prepare a Certification in a form of a Payroll signed by each personnel certifying that they have actually performed the specific duties duly approved by the Unit CO, and have received the pay along with other documentary requirements as prescribed in the Circular governing such collateral entitlements. The signature may be original or electronic signature for those who are assigned in the area (see *Annex A*);

b. It shall then be submitted to the Office of the DC of CGS for HRM, CG-1 NLT every 10<sup>th</sup> day of the month who shall countercheck all the necessary requirements;

c. CG-1 shall issue directives to the Office of the Coast Guard Adjutant (CGA) for the issuance of order granting the collateral entitlements; Provided, that upon issuance of order, CGA shall furnish the Coast Guard Finance Center (CGFC) a copy thereof NLT every 15<sup>th</sup> day of the month;

d. In case of failure to comply with the needed documents/requirements on or before every 10<sup>th</sup> day of the month, the unclaimed collateral entitlement may still be processed on the succeeding months simultaneously with the future collateral entitlements a PCG personnel may have.

e. CGFC shall process and ensure the inclusion of such collateral entitlements in the monthly PCG payroll (see *Annex B for the Flow Chart of Procedure*).

## VII. RESPONSIBILITIES

a. Admin and/or Budget Officer of the concerned PCG units shall be responsible for the timely processing of the payment of collateral entitlements of their personnel;

b. The O/CG-1 shall be responsible in the evaluation and verification of the documents submitted by the PCG units concerned;

c. CGA shall be responsible for the issuance of appropriate orders copy furnished the Office of CGFC;

d. CGFC shall be responsible for the processing and inclusion of collateral entitlements in the monthly PCG payroll.

**VIII. REPEALING CLAUSE**

All PCG policies, rules and regulations, and other issuances or parts thereof which are inconsistent with this Circular are hereby repealed, amended or modified accordingly.

**IX. EFFECTIVITY**

This Circular shall take effect fifteen (15) days after its publication.

**BY COMMAND OF COAST GUARD ADMIRAL URSABIA JR:**

OFFICIAL:

**FERDINAN B PICAR**  
**CG COMMO**  
Chief of Coast Guard Staff

  
**JAYSIEBELL B FERRER**  
**CG CDR**  
Coast Guard Adjutant

# ANNEX A

## HEADING

[TYPE OF COLLATERAL ENTITLEMENT]

For the Month of \_\_\_\_\_

NO.	RANK	LAST NAME	FIRST NAME	MIDDLE INITIAL	SN#	BASIC PAY	PERCENTAGE	AMOUNT OF COLLATERAL	SIGNATURE
1	CPO	AAA			003170	33,411.00	50%	16,705.50	
2	CAPT	BBB			O-0273	80,583.00	50%	40,291.50	
3	LCDR	CCC			O-0484	62,555.00	50%	31,277.50	
<b>TOTAL -----&gt;</b>								<b>88,274.50</b>	

Prepared by: \_\_\_\_\_

Checked by: \_\_\_\_\_  
[Admin or Budget Officer]

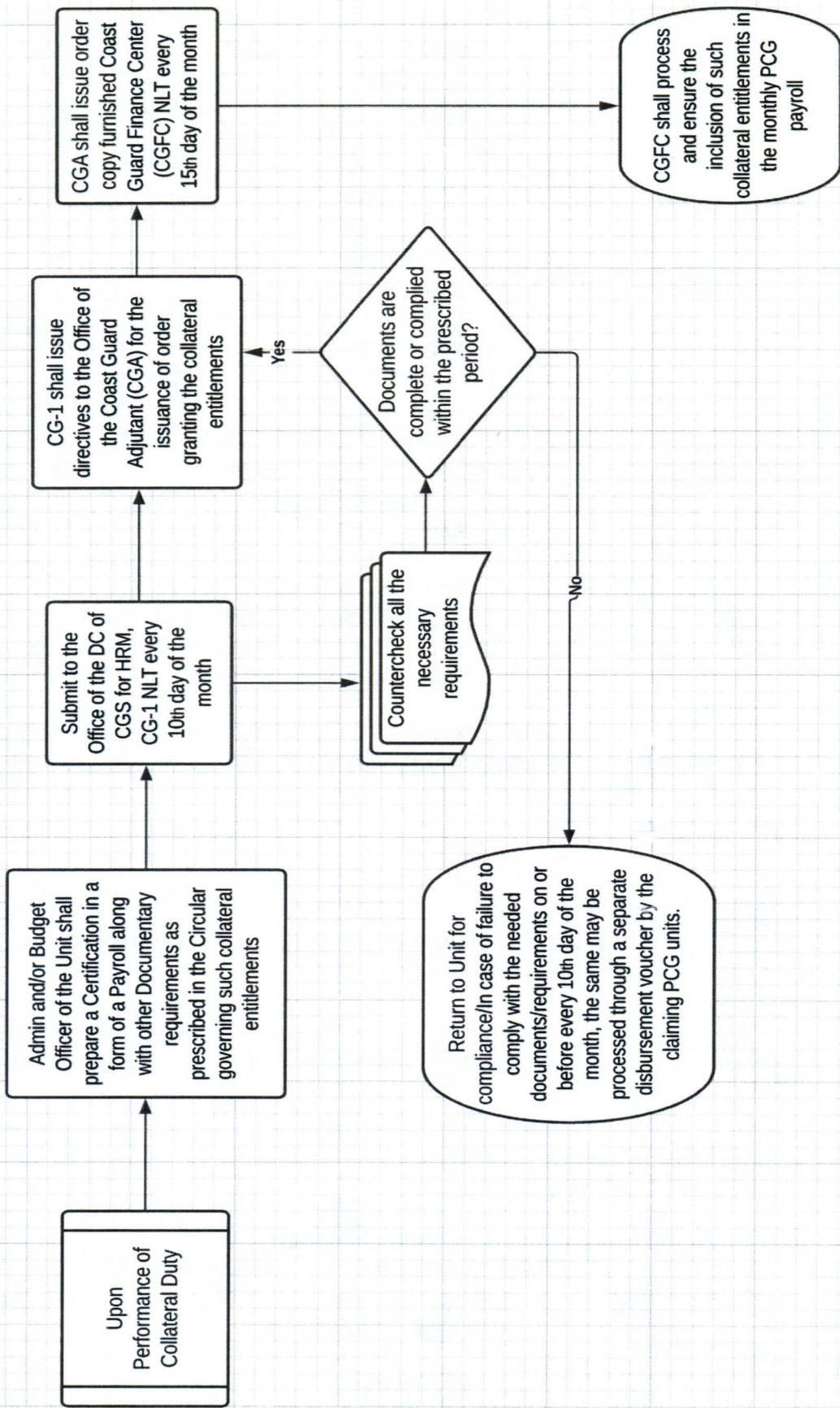
Approved by: \_\_\_\_\_  
[Unit CO]

- Note:
- 1 In Microsoft Excel format
  - 2 Alphabetically Arrange regardless of Rank
  - 3 Be careful in encoding the Name and Serial Numbers of PCG Personnel (see individual payslips)
  - 4 Submit the electronic copy of this payroll to CGFS every \_\_\_\_\_ of the month

SAMPLE ONLY

ANNEX B

PROCESSING OF PAYMENT OF COLLATERAL ENTITLEMENTS



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