



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

27 August 2021

**DCS-HRM/CG-1**

**CIRCULAR  
NUMBER . . . . . 15-21**

**GUIDELINES ON THE HIRING AND RENEWAL OF CONTRACT OF SERVICE  
(COS) AND JOB ORDER (JO) WORKERS IN THE PCG**

**I. REFERENCE**

- a. COA-DBM Joint Circular No. 2, s. 2020 dated 20 October 2020

**II. PURPOSE**

This Circular prescribes the guidelines in the engagement of COS and JO workers in the PCG to ensure smooth, effective and efficient delivery of service to public and the Government.

**III. SCOPE**

This policy applies to all Non-Uniformed Personnel (NUP) hired through COS and JO.

**IV. DEFINITION OF TERMS**

a. Contract of Service (COS) – refers to the engagement of the services of an individual called as COS worker, to undertake special project, program services or job, or when in the exigency of service, within a specific period.

b. Job Order – refers to piece work (*pakyaw*) or intermittent or emergency jobs such as clearing of debris on the roads, canals, waterways, etc. after natural/ man-made disasters/occurrences, and other manual/trades and crafts services such as carpentry, plumbing, electrical, and the like. These jobs are of short duration and for a specific piece of work.

## V. GUIDELINES

### A. Creation of New Contract of Services/Hiring of COS and JO Workers

1. As a general rule, creation of new COS or JO items shall not be allowed except for the following, subject to the approval of the Commandant, PCG (CPCG) or his authorized representative upon the recommendation of Commanding Officers/Commanders/Head of Unit concerned:
  - a) Special projects being implemented by Central Staff, Districts, or Service Commands; and
  - b) Foreign Assisted Projects.
2. Hiring of existing COS or JO items vacated due to resignation, termination of contract, or appointment to regular position, shall be allowed subject to the conditions set forth in the immediate preceding paragraph.
3. COS and JO workers should not, in any case, be made to perform functions which are part of the job description of PCG's existing regular employees. Moreover, COS and JO workers should not be designated to positions exercising control or supervision over regular and career employees.
4. The hiring of COS shall be limited to consultants, learning service providers, and/or other technical experts to undertake special project or job within a specific period. It is necessary that the project or job is not part of the regular functions of the agency, or that the expertise is not available in the PCG; or it is impractical or more expensive for the PCG to directly undertake the service provided by the individual or institutional contractor.
5. The hiring of JO workers shall be limited to emergency or intermittent work, such as cleaning of debris on the roads, canals, waterways, etc. after natural/manmade disasters/occurrences; other trades and crafts, and manual tasks such as carpentry, plumbing, painting, electrical and the like which are not part of the regular functions of the PCG.
6. COS workers to be hired shall possess the following:
  - a) Meet the educational requirement, and relevant work experiences and trainings deemed necessary to perform the functions and/or deliver the outputs stipulated in the contract;
  - b) Meet the eligibility requirement (RA No. 1080) for positions which functions constitute practice of profession, or which functions require appropriate license issued by regulating agencies as in the case of engineers, architects, chemists, marine biologists and other marine

scientists, lawyers, doctors, nurses or any medical scientists, communication equipment operators, and the like;

- c) For COS items with Salary Grade 11 above, applicants shall possess 2<sup>nd</sup> Level/Professional Level Civil Service Eligibility. For COS items not requiring RA No. 1080 or other appropriate license, preference shall be given to applicants with civil service eligibility;
  - d) No pending appointment or existing appointment to any regular position outside PCG; and
  - e) No pending criminal or administrative case/s.
7. The term of contract between the agency and the COS or JO worker shall be for a maximum period of one (1) year, renewable at the option of the PCG, but in no case shall exceed the term of the latter. In no case shall a COS or JO worker asked to assume the position or perform the job without a signed contract.
8. The hiring Central Staff, Districts, or Service Commands shall endorse its request to hire an individual through COS or JO to the Civilian Affairs Office. The Civilian Affairs Office shall prepare the contract according to the prescribed template. Provided that the Commander, CGHRMC shall review the same along with other related documents.
9. When the Contract is in order, the same shall be signed by the DCCGS for Human Resource Management, CG-1 and DCCGS for Comptrollership, CG-6 prior approval/signature of CPCG.

## **B. Renewal of COS and JO**

Renewal of COS and JO shall be based on the need of the Central Staff, Districts or Service Command, shall not involve an increase in the cost of services, unless authorized by CPCG, and shall be subject under the following conditions:

- 1. An Individual Performance Commitment and Review (IPCR), or its equivalent, duly evaluated and signed by the Commanding Officer/Commander/Head of Unit shall be presented showing at least satisfactory performance for the rating period immediately preceding the renewal, based on the deliverables performed stipulated in the contract.
- 2. No renewal of COS or JO shall be made unless duly justified by the hiring Central Staff, Districts, or Service Commands. Recommendation letter shall not be considered as a justification as the Commanding Officer/Commander/Head of Unit must explain and present the future contributions of the contracted party essential to the delivery of the mandates and enhancement to the services of the PCG. A justification sheet must be attached, together with the IPCR, upon endorsement for renewal.

3. Renewal of COS or JO shall be subject to the approval of CPCG upon recommendation of the hiring Central Staff, Districts, or Service Commands.
4. Draft contracts shall be submitted to CGHRMC for review. If the contract is found in accordance with the prescribed template and provision of this Circular, the same shall be endorsed to authorized signatories prior to CPCG's approval.
5. Renewal of COS employee engaged in specific foreign assisted projects shall be subject to the approval of the Project Director or his authorized representative.

### **C. Termination of COS and JO**

Should any of the parties in the COS or JO decide to terminate the contract before its expiry date, the party who desires to terminate the same shall issue a written notice thirty (30) days before the actual date of termination to avoid overpayment of cost of service to the following Offices:

- a) DCCGS for Human Resource Management, CG-1;
- b) DCCGS for Comptrollership, CG-6; and
- c) Civilian Affairs Office.

In case of overpayment due to the delay in the submission of notice of termination, the immediate supervisor of the concerned COS or JO worker shall be held liable for the said overpayment.

### **D. Cost of Services/Compensation**

1. Individuals hired through COS shall be paid the prevailing market rates, subject to the provisions of RA No. 9184 and its Implementing Rules and Regulations. The payment of these services shall be charged against the Maintenance and Other Operating Expenses (MOOE) in the approved budget of the unit to which the COS will be assigned.
2. Individuals hired through JO shall be paid wages equivalent to the daily wage/salary of comparable positions in government and premium of up to 20% of such wage/salary, subject to the availability of funds. The premium payment may be paid monthly, in lump sum or in tranches (i.e. mid-year and year-end payments) as may be stated in the agreement or contract with the agency. The payment of services shall be charged against the MOOE in the approved of the unit to which the JO will be assigned.
3. In the exigency of the service, the COS or JO workers may be required and authorized to render extra services. Such extra services shall be compensated following the existing guidelines on payment of overtime services.

4. Cost of services of COS or JO employees shall be released on a semi-monthly basis every 10<sup>th</sup> and 24<sup>th</sup> of the month, through Automated Teller Machine (ATM) account.
5. Initial cost of service shall be paid through check for newly hired COS or JO worker. If the COS or JO worker assume duty not later than the 5<sup>th</sup> of the month, initial cost of service shall be processed on the 3<sup>rd</sup> week of the month. However, if the COS or JO worker assumes duty after the 5<sup>th</sup> of the month, it shall be processed after the end of the month when he/she started reporting for work.

#### **E. Payment of Cost of Services/Compensation**

1. Basis for the payment of cost of services shall be the Daily Time Record (DTR). In National Headquarters or Service Commands, DTR shall be submitted on the 3<sup>rd</sup> day and 13<sup>th</sup> day of the following month. Considering the very close timeline in the preparation and processing of the payroll, COS or JO workers who do not submit DTRs on the set dates, shall receive his/her cost of services on the 15<sup>th</sup> and 30<sup>th</sup> of the month. Provided that, Districts shall set their own deadline according to their payroll processing timelines.
2. Payment of initial cost of service of COS or JO worker shall be supported by the following documents, in addition to the DTR:
  - a) Duly notarized contract; and
  - b) Accomplishment report signed and approved by the immediate supervisor and Commanding Officer/Commander/Head of Unit.
3. Each Central Staff, Districts, or Service Commands shall prepare needed budgets under their respective MOOE for the funding of cost of services/compensation of their COS or JO workers to avoid payment delays every fiscal year.
4. In case of services rendered during extraordinary events, either human-induced or force majeure, payment of Hazard Duty Pay (HDP) to COS or JO workers shall be in accordance with the Administrative Order or other laws, rules, or regulations issued for the said purpose. A DTR with certification signed by Commanding Officer/Commander/Head of Unit shall be submitted to the Civilian Affairs Office for processing of HDP whenever applicable.

#### **F. Travel**

COS or JO workers may travel subject to the exigency of service and approval of their respective Commanding Officer/Commander/Head of Unit, under the following conditions:

1. COS or JO workers shall secure an authority to travel issued by the Unit/Service Command concerned. Provided that if the COS or JO worker is assigned at NHQ-PCG, such order shall be issued by CGAO.

2. COS or JO workers authorized to travel outside their usual workstation in connection with the performance of their work shall be allowed to collect actual traveling expenses at the rate not exceeding the authorized rate for regular employees.

#### **G. Miscellaneous Provisions**

1. The contract of service implies no employer-employee relationship.
2. The services of the COS and JO workers are not covered by Civil Service laws, rules, and regulations, thus, not creditable as government service. They do not enjoy the benefits being received by government employees, such as leave, Personnel Economic Relief Allowance, Representation and Transportation Allowances, and other bonuses and incentives. Provided that, in order to enhance their skills, COS or JO workers may be allowed to attend in-house trainings/seminars/workshops subject to the recommendation/approval of the Commanding Officer/Commander/Head of Unit and availability of slots.
3. The PCG or the hiring Commanding Officer/Commander/Head of Unit reserves the right not to renew the contract of a particular COS or JO worker upon expiration thereof. In case of non-renewal or termination of contract, the COS or JO worker concerned shall be required to submit clearance from money and property accountability, using the form being used by regular employees for purposes of administrative expediency.
4. Considering that the Recruitment, Selection, and Placement (RSP) has been approved and the regularization of COS worker has started, budget allocation for COS or JO worker in each Central Staff, District, or Service Command shall be based on the budget allocation made in the previous fiscal year.

#### **VI. TRANSITORY PROVISION**

- A. The PCG may engage the services of new COS/JO workers through individual contract and renew the individual contract of its existing COS/JO workers until December 31, 2022. Thereafter, the engagement of COS/JO workers shall be in accordance with the provisions of COA-DBM Joint Circular No. 2, s. 2020 dated 20 October 2020;
- B. All provisions provided herein NOT covered by COA-DBM Joint Circular No. 2, s. 2020 dated 20 October 2020 shall take effect immediately;
- C. The existing qualified COS/JO workers shall be considered for appointment by the PCG to their vacant positions subject to existing civil service law, rules, and regulation, as well as the CSC-approved Merit Selection Plan of the PCG;
- D. Service of individuals engaged through COS basis, excluding persons or entities engaged through RA No. 9184, and JO shall be paid wages



equivalent to the daily wage/salary of comparable positions in the government;

- E. Subject to the availability of funds, COS and JO workers may also be granted premium of up to 20% of their respective wage/salary. The premium payment may be paid monthly, in lump sum or in tranches as may be stated in the agreement or contract with the PCG. The payment of services shall be charged against the respective MOOE of the Unit, District or Service Command.

## VII. SAVING CLAUSE

Cases not covered by these guidelines shall be submitted to the Civilian Affairs Office and Office of DCCGS for Human Resource Management, CG-1 for resolution.

## 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 immediately and shall continue to be in force and effect until revoked.

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

OFFICIAL:

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

  
**JAYSIEBELL B FERRER**  
**CG CDR**  
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