



22 January 2021

CUSTOMS MEMORANDUM ORDER

No. 07-2021

SUBJECT: Updated Guidelines on the Retention/Renewal of Job Order and/or Contract of Service Personnel in the Bureau of Customs

INTRODUCTION

In compliance with Joint Circular No. 2, s. 2020 issued by the Commission on Audit (COA) and Department of Budget and Management (DBM) on October 20, 2020 and in light of the current COVID-19 pandemic, this Customs Memorandum Order (CMO) is implemented to update the existing policies on the engagement of Contract of Service (COS) and Job Order (JO) personnel in the Bureau of Customs (BOC).

Section 1. SCOPE

- 1.1. This CMO shall cover the hiring, retention/renewal of all COS and/or JO personnel in the BOC Central Office and Collection Districts.

Section 2. OBJECTIVES

- 2.1. To provide simplified guidelines in the hiring, retention/renewal of COS and/or JO personnel in BOC;
- 2.2. To define the responsibilities of the Appointing Authority or authorized representative, Accounting Division, Budget Division, Administrative Divisions/Units in the Collection Districts, and the Human Resource Management Division (HRMD);
- 2.3. To ensure compliance with the existing accounting, auditing and budgetary rules and regulations as well as other applicable laws.

Section 3. DEFINITION OF TERMS

- 3.1. **Contract of Service** refers to the engagement of the services of an individual, private firm, other government agency, non-governmental agency or international organization as consultant, learning service provider or technical expert to undertake special project or job within a specific period.
- 3.2. **Contractor or Service Provider** refers to an individual, a government agency or a private or a non-government entity that is duly-registered and recognized by authorized government agencies to provide consultancy services in their respective field of expertise.
- 3.3. **Institutional Contract** refers to the agreement between the government agency and contractor or service provider duly-registered and recognized by authorized government agencies to provide services such as janitorial, security, consultancy, and other support services.

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- 3.4 **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.
- 3.5 **Support Services** may include janitorial, security, driving, data encoding, equipment and grounds maintenance, and other services that support the day to day operations of the agency.

Section 4. GUIDELINES ON HIRING, RETENTION/RENEWAL OF COS/JO PERSONNEL

- 4.1. In order to facilitate and further manage the hiring and retention/renewal of COS/JO personnel and consultants in BOC, all Offices concerned are enjoined to strictly observe the following rules and regulations in recommending contracts or agreements:
 - 4.1.1. Where the work to be accomplished is very urgent, but in utilizing the regular staff, other functions of the agency will be unduly prejudiced.
 - 4.1.2. Where Programs/Activities/Projects (P/A/P) will be completed at a fixed date, or where there is no fixed date of completion, prolonged delay in or non-completion of the P/A/P undertaking will:
 - a. cause financial loss or embarrassment to the government or its instrumentalities; or
 - b. negate or render useless for the purpose thereof; and
 - c. result in losses, damages, or impairment to government programs.
 - 4.1.3. Where the service to be rendered is urgent and of short duration and the service is to be terminated thereafter, which in no case shall exceed one year.
- 4.2. Services of individuals as consultants/contractors may be engaged subject to the following:
 - 4.2.1. The term of contract between the agency and the individual contractor shall be for a maximum period of one (1) year, renewable at the option of the Head of the procuring entity, but in no case shall exceed the term of the latter, per the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184.
 - 4.2.2. Engaging the services of an individual contractor shall be subject to pertinent provisions of RA 9184 and its IRR as applicable, and the existing budgeting, accounting and auditing rules and regulations.
- 4.3. No COS/JO personnel shall be hired to perform general support services that are already outsourced (e.g. security guards or utility workers) when there are existing contracts for security or janitorial services.

- 4.4. To maintain the highest level of professionalism and to avoid conflict of interest, any COS/JO should not be employed to any company that has direct/indirect transaction with BOC, i.e. brokerage, importer or exporter.
- 4.5. BOC reserves the right to conduct background check on the applicants' employment history and past performance. The results of the background check may be used as one of the bases for potential engagement with new COS/JO personnel or renewal of contracts of existing COS/JO personnel.
- 4.6. No COS/JO personnel shall assume duties without an approved/signed contract. Any official or employee who shall permit the reporting of any individual without approved contracts shall be meted with penalty for Violation of Reasonable Office Rules and Regulations up to Gross Insubordination in accordance with CMO No. 25-2010 re Bureau of Customs Function-Specific Code of Conduct under Title IV-Offenses and their Corresponding Penalties, to wit:

Offense	Penalty
Violation of Reasonable Office Rules and Regulations	1 st Offense – Reprimand
	2 nd Offense – Suspension for one (1) day to thirty (30) days
	3 rd Offense – Dismissal
Gross Insubordination	1 st Offense – Suspension for six (6) months to one (1) year
	2 nd Offense – Dismissal

- 4.7. All request for COS/JO personnel should be endorsed to the Office of the Deputy Commissioner, Internal Administration Group (IAG) through the HRMD.
- 4.8. Signatories of the contract shall be:
 - a. The Commissioner as the “First Party”. No contract is deemed approved without the signature of the Commissioner or his/her authorized representative;
 - b. Persons under COS/JO as the “Second Party;”
 - c. Deputy Commissioner for IAG or his/her authorized representative as “Witness;” and
 - d. Head of the Organizational Unit of the Receiving Office as “Witness.”
- 4.9. Notarizing the contract shall be borne upon the expense of the “Second Party.”
- 4.10. Only the prescribed position titles indicated in the attached matrix shall be observed in the hiring, retention/renewal, and replacement of all persons under COS/JO. Further, payment of monthly wages/salaries shall not exceed the corresponding amounts specified therein, with a premium of not more than 20% of such wages/salaries, pursuant to COA-DBM Joint Circular No. 2, s. 2020. (Annex A)

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Section 5. LIMITATIONS/PROHIBITIONS

- 5.1. Hiring under COS shall be limited to consultants, learning service providers, and/or other technical experts to undertake special project or job within a specific period. The project or job is not part of the regular functions of the agency, or the expertise is not available in the agency, or it is impractical or more expensive for the government agency to directly undertake the service provided by the individual or institutional contractor.
- 5.2. Hiring of JO workers shall be limited to emergency or intermittent work, such as clearing 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 agency.
- 5.3. COS and JO personnel should not, in any case, be made to perform functions which are part of the job description of the agency's existing regular employees.
- 5.4. COS and JO personnel should not be designated to positions exercising control or supervision over regular and career employees.
- 5.5. COS and JO personnel shall not be related within the third degree of affinity or consanguinity to the appointing authority, the immediate supervisor or the head of office.
- 5.6. COS and JO personnel must not have been previously dismissed from the government service by reason of an administrative offense.
- 5.7. COS and JO personnel must not have reached the compulsory age of 65.
- 5.8. 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.

Section 6. OPERATIONAL PROVISIONS

6.1. Procedure

- 6.1.1. At least thirty (30) days before the end of the contract, the Head of the Office/Division/Port concerned shall request for the renewal of contracts of existing COS/JO personnel to be submitted to the Office of the Deputy Commissioner, IAG, through the HRMD using the attached template. (Annex B)

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6.1.2. The endorsement from the end-users shall have the following documentary requirements attached per proposed contract:

Document	Hiring	Renewal
Properly accomplished and duly notarized Personal Data Sheet (PDS)	✓	✓
Statement of Functions (Annex C)	✓	✓
Certification (services to be rendered cannot be performed by an organic personnel) (Annex D)	✓	✓
Performance Certificate (Annex E)		✓
Performance Evaluation (Annex F)		✓
Valid NBI Clearance	✓	

6.1.3. The HRMD shall evaluate the request particularly the functions and corresponding salaries of recommended COS/JO personnel, subject to the provisions of this CMO.

6.1.4. The HRMD shall request for the issuance of Availability of Funds from the Budget Division.

6.1.5. The Certificate of Available Allotment from the Budget Division shall form part of the documentary requirements attached to the proposed contracts, to be endorsed and subsequently approved and signed by the "First Party".

6.2. Functions of Office

6.2.1. The Requesting/Receiving Office shall take charge of:

- a. Submitting the request and justification for new COS/JO personnel or renewal of contracts of existing COS/JO personnel;
- b. Endorsing to the HRMD the required documentary requirements as specified under Section 6.1.2.;
- c. Consolidating the following documents for purposes of processing of salaries:

Required Document	Initial Salary	Payment for monthly services rendered
Certificate of Assumption	✓	
Certification (services to be rendered cannot be performed by an organic personnel)	✓	
Accomplishment Report	✓	✓
Daily Time Record (with biometric record, if any)	✓	✓
Monthly Report of Absences and Undertime	✓	✓
Accomplished Official Business Form and/or Customs Personnel Order for authorized services rendered outside of BOC offices	✓	✓

Note: The above documents must be submitted in **3 copies** – 2 original and 1 copy.

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6.2.2. The HRMD shall take charge of:

- a. Screening and/or reviewing of individuals (including qualifications) endorsed for hiring or renewal of COS/JO;
- b. Requesting for availability of funds to pay for services to be rendered by COS/JO personnel;
- c. Endorsing the reviewed contracts to the Office of the Deputy Commissioner, IAG;
- d. Notifying the end-users of the approval or disapproval of proposed COS/JO, for appropriate action;
- e. Issuing Identification Cards to personnel with approved COS/JO;
- f. Monitoring of submission of DTR and Accomplishment Report of COS/JO personnel;
- g. Endorsing to the Accounting Division the required documents for processing of salaries (for COS/JO personnel whose contracts are under the Office of the Commissioner and Groups)
- h. Maintaining records of all COS/JO personnel Bureau-wide.

6.2.3. The Budget Division shall issue a certification on the availability of funds to pay for the services to be rendered by COS/JO personnel, subject to existing budgeting, accounting and auditing rules and regulations.

6.2.4. The Accounting Division shall be responsible for the processing of payment of services rendered by COS/JO personnel whose contracts are under the Office of the Commissioner and Groups, subject to existing budgeting, accounting and auditing rules and regulations.

6.2.5. The Cashier shall be responsible for the release of payment of services rendered by COS/JO personnel whose contracts are under the Office of the Commissioner and Groups, subject to existing budgeting, accounting and auditing rules and regulations.

6.2.6. The Administrative Divisions/Units of Collection Districts shall be responsible for the consolidation of documentary requirements, processing and release of payment of services rendered by COS/JO personnel whose contracts are under their respective Collection Districts, subject to existing budgeting, accounting and auditing rules and regulations.

6.2.7. The COS/JO personnel shall take charge of:

- a. Notarizing his/her approved contract; and
- b. Submitting all required documents to the head of the office of his/her assignment, for transmittal to the HRMD or Administrative Division/Unit of Collection District.

6.2.8. The BOC Commissioner or his authorized representative shall sign the contracts endorsed by the HRMD.

6.3. Funding and Payment of Services

The hiring/retention of COS/JO personnel shall be subject to availability of appropriate funds and shall be done in the broader context of sound human resource management.

6.4. Payment of Services

6.4.1. Payment of services shall be based on accomplished DTR of COS/JO personnel, duly signed by his/her immediate supervisor, among other documentary requirements specified under Section 6.2.1.c of this CMO.

6.4.2. Further, payment of services of COS/JO personnel shall be charged against the Maintenance and Other Operating Expenses (MOOE) in the approved BOC budget.

6.5. Termination

6.5.1. The BOC reserves the right to terminate the contract of a COS/JO personnel in the event of gross violation of the BOC Code of Ethics, or completion of project/program.

6.5.2. For voluntary resignation, the COS/JO personnel shall notify the HRMD thru his/her immediate supervisor at least thirty (30) days prior to the effectivity of his/her resignation, which shall only be granted upon securing required clearances from BOC offices concerned.

7. REPEALING CLAUSE

This CMO repeals all previously issued BOC rules and regulations which are inconsistent with this Order.

8. SEPARABILITY CLAUSE

If any part of this Order is declared unconstitutional or contrary to existing law, the other parts not so declared shall remain in full force and effect.

9. EFFECTIVITY

This Order shall take effect immediately.

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REY LEONARDO B. GUERRERO
Commissioner



JAN 28 2021



BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA



PROFESSIONALISM

INTEGRITY

ACCOUNTABILITY

PRESCRIBED POSITION TITLES AND AUTHORIZED MAXIMUM MONTHLY WAGE/SALARY RELATIVE TO THE HIRING, RETENTION/RENEWAL, AND REPLACEMENT OF ALL PERSONS UNDER CONTRACT OF SERVICE

NO	POSITION TITLE	MONTHLY WAGE/SALARY	PLACE OF ASSIGNMENT
1	Technical Assistant	PHP 50,000.00	Office of the Commissioner and Groups
2	Executive Assistant	PHP 20,000.00	Groups
3	Technical Staff	PHP 25,000.00	Groups
4	Technical Support Staff	PHP 25,000.00	Groups
5	Legal Service Assistant	PHP 16,986.00	Office of the Commissioner, Groups and Collection Districts
6	Administrative Services Aide	PHP 12,975.00	Office of the Commissioner, Groups and Collection Districts
7	Administrative Services Assistant	PHP 16,986.00	Groups and Collection Districts
8	Administrative Services Assistant I	PHP 17,255.00	Groups and Collection Districts
9	Administrative Services Assistant IV	PHP 18,000.00	Groups and Collection Districts
10	Administrative (Services) Officer	PHP 22,328.00	Office of the Commissioner and Groups
11	Administrative (Services) Officer I	PHP 20,754.00	Groups
12	Administrative (Services) Officer II	Php 18,549.00	Groups
13	Administrative (Services) Officer III	PHP 23,044.00	Office of the Commissioner and Groups
14	Data Encoder	PHP 15,818.00	Groups and Collection Districts
15	Client Service Representative	PHP 19,077.00	Groups and Collection Districts
16	Lead Client Service Representative	PHP 22,328.00	Groups and Collection Districts
17	Multi-media Designer/Videographer	PHP 22,149.00	Groups
18	Writer/Communications Person/Contributor	PHP 16,986.00	Groups and Collection Districts
19	Counter- Intelligence Officer	PHP 20,000.00	Groups
20	Intelligence Operative/Analyst	PHP 20,000.00	Groups
21	Research Assistant	PHP 20,000.00	Groups



PRESCRIBED POSITION TITLES AND AUTHORIZED MAXIMUM MONTHLY WAGE/SALARY RELATIVE TO THE HIRING, RETENTION/RENEWAL, AND REPLACEMENT OF ALL PERSONS UNDER CONTRACT OF SERVICE

NO	POSITION TITLE	MONTHLY WAGE/SALARY	PLACE OF ASSIGNMENT
22	Research Assistant III	PHP 20,000.00	Groups
23	Stenographer	PHP 20,000.00	Groups
24	Customs and Tariff Specialist I	PHP 19,620.00	Groups
25	Customs and Tariff Specialist II	PHP 23,257.00	Groups
26	Assistant Laboratory Technician	PHP 16,986.00	Groups and Collection Districts
27	Assistant Electronics and Communications Equipment Technician	PHP 15,818.00	Groups and Collection Districts
28	Container Control Data Analyst	PHP 19,077.00	Groups
29	DRIVER/COURIER	PHP 15,000.00	Groups and Collection Districts
30	UTILITY WORKER I	PHP 10,667.00	Collection Districts

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PROFESSIONALISM INTEGRITY ACCOUNTABILITY

CONTRACT OF SERVICE FOR RENEWAL
(Group/Collection District)

i.e Dela Cruz	Juan	Natidad	M	1/2/1981	Data Encoder	Formal Entry Division, Port of Manila	Port of Manila	1/3/2015	CSC Sub-Professional	Bachelor of Arts in Computer Science	Updates on TFA	July to December 2020
Santos	Juana	Reyes	F	6/18/1985	Driver	General Services Division, Internal Administration Group	Internal Administration Group	8/22/2012	Driver's License	2 years Mechanical Engineer	Road Safety	July to December 2020



ANNEX A

Name of Contract of Service Personnel:

Contract Period:

Office Assignment:

Position:

Functions:

-
-
-

NAME

Head of Office/ Division Chief/ District Collector

ANNEX A



CERTIFICATION

This is to certify that **Mr./ Ms.** _____, Contract of Service personnel assigned at the **OFFICE/DIVISION/PORT** shall be made to perform functions which are **not** part of the job description of the Bureau's existing regular employee.

Issued this day/month/year.

FULL NAME OF HEAD/ DIVISION CHIEF/ PORT COLLECTOR
POSITION OF HEAD/DIVISION CHIEF/PORT COLLECTOR
NAME OF DIVISION/OFFICE/PORT

**PERFORMANCE CERTIFICATE**

This is to certify that **Mr./ Ms.** _____, contract of service personnel assigned at the **OFFICE/DIVISION/PORT**, has **outstandingly/ satisfactorily/ unsatisfactorily performed** his/ her duties as **POSITION TITLE**.

In addition, **Mr./ Ms.** _____, has aided this office in accomplishing mandates and targets by **specify significant contribution/s of the COS** during his/her contract period.

This certification is issued to form part of her performance evaluation.

Immediate Supervisor
Signature over printed name

Head of Office
Signature over printed name



Name: _____ Immediate Supervisor: _____

Place of Assignment: _____ Position: _____

PERFORMANCE EVALUATION

OUTSTANDING	Outstanding	130% and above	5
SATISFACTORY	Very Satisfactory	115% - 129%	4
	Satisfactory	90% -114%	3
UNSATISFACTORY	Needs Improvement	51% - 89%	2
	Needs Development	50% and below	1

Responsibility Area	Success Indicator	Actual Accomplishment	Rating
<i>i.e Product Data Base of import entries</i>	<i>Produced one (1) accurate consolidated matrix/data base of import entries monthly</i>	<i>A Total of six (6) Data Base of import entries created for the Contract period.</i>	<i>3</i>

Name of Ratee
 Signature over printed name

 Immediate Supervisor
 Signature over printed name

 Head of Office
 Signature over printed name