



Administrative Order No. 04
Series of 2022

SUBJECT : Amendment to Administrative Order (AO) No. 10, Series of 2019 (Guidelines on the Grant of Honoraria to Lecturers, Resource Persons, Coordinators, and Facilitators in Seminars, Training Programs, and other Similar Activities)

In the interest of the service, items 1 to 5, Section VI of AO No. 10, s. 2019 are hereby amended to provide for the rules in the determination of the honoraria that can be provided to a service provider:

VI. Guidelines

1. Employees and other personnel (*i.e.* hired through contract of service, memorandum of agreement, job orders) of the Department tasked to act as coordinators, lecturers, resource persons, facilitators and other related/similar functions in Department-initiated/organized activities shall not be granted honoraria as such services are deemed part of the duties and responsibilities as implementers of the Department’s mandate. Similarly, Department personnel who conduct or organize capability building activities/programs and similar activities in the Department are likewise not entitled.
2. Individuals who act as a service provider of the Department whether employed in the government, private sector or self-employed/freelancer, may be paid honoraria based on the following rates:
 - a. Minimum honoraria rate shall be two (2) times the hourly rate based on the monthly salary at 22 work days per month, and eight (8) hours per day. The following formula shall be used:

$$\begin{aligned} \text{Total Minimum Honoraria} &= (2) \left(\frac{\text{MSR}_{\min}}{1 \text{ month}} \times \frac{1 \text{ month}}{22 \text{ days}} \times \frac{1 \text{ day}}{8 \text{ hours}} \right) (2) (T \text{ hours}) \\ &= (0.023) (\text{MSR}_{\min}) (T) \end{aligned}$$

where MSR_{\min} is the monthly salary rate of the service provider and T is the number of actual lecture/training hours.

- b. Maximum honoraria rate cannot exceed two (2) times the hourly rate for a position of Professor VI, step 1 of SG-29. The following formula shall be used:

$$\begin{aligned} \text{Total Maximum Honoraria} &= (2) \left(\frac{\text{MSR}_{\text{max}}}{1 \text{ month}} \times \frac{1 \text{ month}}{22 \text{ days}} \times \frac{1 \text{ day}}{8 \text{ hours}} \right) (2) (T \text{ hours}) \\ &= (0.023) (\text{MSR}_{\text{max}}) (T) \end{aligned}$$

where MSR_{max} is the monthly salary rate of a position of Professor VI, step 1 of SG-29 and T is the number of actual lecture/training hours.

3. In the determination of the honoraria rates, following rules shall be applied in the agreement with the service provider:
- a. For service providers who are currently employed by the government, honoraria shall be based on their monthly salary as reflected in the latest salary schedule issued by the Department of Budget and Management applicable to the organization (e.g. line agency, GOCC, military).
 - b. For service providers from the private sector (non-government), any of the following may be used:
 - i. Former government employees – the honoraria rate may be based on either the last salary received or step 1 of the last position held upon separation from service;
 - ii. Monthly salary/income or minimum “going” rate for said service (appropriate documents to support this shall be provided);
 - iii. Step 1, SG-27 (Director III level).
4. The following factors shall be considered in the grant of honoraria:
- a. relevant qualifications of the service provider;
 - b. difficulty and complexity of the subject matter, activity, or output required;
 - c. profile (e.g. position/designation, homogeneity) of the participants; and
 - d. number of activity participants.
5. Honoraria rates may be increased based on the difficulty of the subject matter, the professional qualifications of the service provider and the position level of participants. It shall be incumbent upon the hiring office to properly assess and increase the minimum honoraria based on these criteria. For this purpose, the guide provided below is meant to assist the implementers in assessing the expertise of the service provider to determine the appropriate amount of honoraria:

Honoraria Level	Qualifications of Service Provider	Relevant Experience (length/duration; variety/diversity; recency)	Type of event or participants	Honoraria Rate
Note: To grant the increase, at least one criteria below in at least one category above must be satisfied.				
Minimum				Based on monthly salary or SG-27, step 1
Lower Middle	<p>Credentials support or are aligned with the specialization or highly technical field/topic.</p> <p>Credentials shall satisfy at least one of the following: Relevant education (acquired from schools); trainings; certifications</p>	<p>Duration of personal investment/involvement in the topic or skill or role equivalent to at least three (3) years</p> <p>List of engagements or projects include both from public and private sectors</p>	<p>Inter-region (more than one Region) or Island cluster or National</p> <p>Professionals (RA 1080) or Experts or Officials</p>	SG 28, Step 1 up to 50% of maximum rate
Upper Middle	<p>Specialized or highly technical field/topic</p> <p>Or</p> <p>Have credentials in other areas/fields or topics that are related to topic/area identified</p> <p>Or</p> <p>Recognized by a sector as an authority on the subject/topic</p>	<p>Duration of personal investment/involvement in the topic or skill or role equivalent to at least five (5) years</p>	<p>National</p> <p>Experts Professionals (RA 1080)</p> <p>Executives (heads of Agencies, organizations, SMEs, CEOs, LCEs)</p>	Up to 90% of the maximum rate
Maximum	Recognized by a sector as an authority on the subject/topic	Person hours invested in topic or skill equivalent to at least five (5) years		SG-29, step 1

		<p>Or</p> <p>Involvement or engagement by national agencies or corporations with a national presence</p> <p>Or</p> <p>Regional/international (ASEAN, Asia-Pacific, International Engagements)</p>		
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All other provisions of AO 10, s. 2019 not affected by this amendment shall continue to be implemented.

These amendments shall take effect immediately.



ROLANDO JOSÉ LITO D. BAUTISTA
Secretary

Date: JAN 28 2022

Cert. True Copy:

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