
 OSPITAL NG PARAÑAQUE 		Document Code: OSPAR-AFS-ACCT 002
ADMINISTRATIVE AND FINANCE APPROVAL MATRIX		Issue Date:
Policy Title: POLICY ON OVERTIME PAY		Section / Department ACCOUNTING SECTION
		Page No. 1 of 3
Prepared By: Ma. Angela D. Chua	Reviewed By: Rizalina Lavarias, CPA Head – Accounting Kerry Anne M. Requero, RPh OIC- Human Resource	Approved by : Darius J. Sebastian, MD, MHM, PHSAE Hospital Administrator Jefferson R. Pagsisihan, MD, MHM Hospital Director

OBJECTIVE: This policy shall provide the guidelines & procedures on the rendition of overtime services and the corresponding remuneration, as embodied in CSC-DBM Joint Circular No. 1, s. 2015, “*Policies & Guidelines on Overtime Services and Overtime Pay for Government Employees.*”

COVERAGE: This policy shall encompass all Sections under each Division.

RESPONSIBILITIES:



- I. It shall be the responsibility of Human Resource Section to implement this policy. It shall be the responsibility of the Human Resources to provide the list of employees with Overtime Pay to the Accounting section.
- II. It shall be the responsibility of the Accounting Section to forward the list to the Human Resources Management Office (HRMO) of the City Government of Parañaque.
- III. It shall be the duty of Division and Section Heads to check & endorse overtime requests & accomplishment reports (*Annex A*) before forwarding the same to the Chief of Hospital for approval.
- IV. It shall be the responsibility of Human Resource Section to collate all related documents for Overtime Pay on a quarterly basis, and submit the summaries to Accounting for preparation of payroll.

POLICIES:

- I. The rendition of overtime services shall be authorized only when extremely necessary, when essential public services during emergency or critical situations would require immediate response and such other activities as are needed to meet performance targets or deliver services to the public as may be determined by the Hospital Director or Hospital Administrator.
- II. As a general rule, the remuneration for overtime services shall be through CTO, in accordance with the guidelines under the CSC-DBM Joint Circulars No. 2, s. 2004 and No. 2-A, s. 2005.
- III. The payment of Overtime Pay shall be made thru credit to the employees’ ATM Accounts.

GUIDELINES:

- I. Only appointive and salaried civilian government employees holding regular, contractual and casual positions of division chief or equivalent level and



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below may be authorized to render overtime services with pay or compensation.

- II. Those on travel status and those granted other forms of allowances or benefits for services rendered beyond the prescribed work hours are not authorized to render overtime services
- III. The period of overtime service in a workday shall include those rendered beyond the normal work hours on scheduled workdays or 40 hours a week, and those rendered on rest days, or scheduled days off, holidays and special non-working days.
- IV. Only employees who arrive on or before the start of the workday shall be allowed to render overtime work with pay, provided that at least 2 hours of overtime services are rendered. The period of overtime services shall not be used to offset undertime.
- V. For employees working on alternative work arrangement, i.e. 3 days present, 2 days work-from-home (WFH); No OT shall be paid if an employee reports to work on his WFH; however, if he reports for work & renders OT during this WFH, e.g. 12 hours duty, only 4 hours shall be paid as OT (as workday).
- VI. Only a maximum of 12 hours of overtime services on a rest day or scheduled day off, holiday, or special non-working day, shall be compensated through Overtime Pay.
- VII. The total overtime pay of an employee in a year shall not exceed 50% of his/her total basic salary.

PROCEDURES:

- I. For scheduled overtime, Overtime Authorization Form shall be filled up & signed by Section Head or Supervisor & Division Head in duplicate before the overtime is rendered. The Overtime Accomplishment Report should be accomplished immediately after the rendering of overtime.
- II. For emergency or urgent overtime, Overtime Authorization Form & Overtime Accomplishment Report shall be accomplished immediately after the rendering of overtime or on the next working day, where possible. The Section Head or Supervisor should be made aware of such overtime.
- III. For other activities that would require continuous overtime (e.g. 1-2 weeks for 2 hrs/day, 1-2 months for 2hrs/day & restdays, etc.), one OT Authorization Form & one OT Accomplishment Report would suffice.
- IV. The overtime hours should be indicated in the DTR (*Annex B*) in the Overtime columns (IN & OUT), e.g. Regular work shift from 6:00 am – 2:00 pm.

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Employee was required to extend four (4) more hours of work. End of duty (OUT-2:00 pm) should be indicated & countersigned by the CSU on duty on

- the OUT column, and another start of overtime (IN-2:00 pm) should be indicated & countersigned by the CSU on duty on the IN column under Overtime, and finally, (OUT-6:00 pm) on the OUT column under Overtime. For overtime on restdays, the IN & OUT times should likewise be indicated on the overtime columns of the DTR, countersigned by the CSU on duty.
- V. For the monthly preparation of OT Payroll, these OT Authorization Forms, OT Accomplishment Reports & photocopies of DTR's (with overtime) and Schedule of Duty shall be submitted by the HR Section to Accounting in two (2) sets on the 10th day of the following month, except for the month of December, as OT will only be allowed during the months of October & November. Compensatory time-off (CTO) shall be used for OT rendered during the month of December.
 - VI. The overtime pay shall be 125% or 1.25 of the hourly rate on a scheduled workday, 150% or 1.5 of the hourly rate on a rest day, holiday or special non-working day.
 - VII. Illustrative example:
 Regular employee: Monthly Basic Salary & overtime hours:
 Monthly Basic Salary - ₱20,754.00
 OT Summary - 12 hours regular workday + 8 hours restday
 Hourly rate = (Monthly salary/22 workdays/8 workhours)
 Hourly rate = (20,754.00/22/8) = 117.92
 OT Pay = Hourly Rate [1.25(no. of work hours of OT on workday + 1.50(no. of work hours of OT on restday)]
 OT Pay = 117.92 [(1.25*12) + (1.50*8)] = **₱3,183.85**
 For casual employees, Hourly rate = (Daily salary/8workhours)
 - VIII. Since Overtime Pay is taxable, withholding taxes shall be deducted, where applicable.
 - IX. Forms are available at our Human Resource and Accounting Offices.

Date of Implementation:

This policy shall be implemented beginning in 2019 and revision was made during review in 2022.

Schedule for Policy Review:

Shall be reviewed every two (2) years or as deemed necessary.