



RESOLUTION NO. 09-2012

RESOLUTION APPROVING AND ADOPTING THE POLICY ON JOB ORDER AND CONTRACT OF SERVICE

WHEREAS, Republic Act (RA) No. 9184, otherwise known as the “Government Procurement Reform Act” and its revised Implementing Rules and Regulations (IRR) took effect on 26 January 2003 and 2 September 2009, respectively;

WHEREAS, Section 63 of RA 9184 mandates the Government Procurement Policy Board (GPPB) to protect national interest in all matters affecting public procurement;

WHEREAS, the Department of Budget and Management (DBM) Regional Office XI forwarded to this office the request of Hon. Basilio A. Libayao, Municipal Mayor of Talaingod, Davao Del Norte, for clarification on the issue of whether the hiring of individual personnel under Job Order arrangement is covered by RA 9184 and its IRR;

WHEREAS, Section 2, Rule XI, Book V of Executive Order (EO) 292 and its Omnibus Rules on Appointment and other Personnel Actions, as amended describes Job Order and Contract of Service as follows:

- a) The contract covers lump sum work or services such as janitorial, security or consultancy services where no employer-employee relationship exist;
- b) The Job Order covers piece of work or intermittent job of short duration not exceeding six months on a daily basis;
- c) The Contract of Services and Job Orders are not covered by Civil Service Commission (CSC) Law, Rules and Regulations, but by the Commission on Audit (COA) rules;
- d) The employees involved in the Contract of Service and Job Orders do not enjoy benefits enjoyed by government employees, such as Personnel Economic and Relief Allowance (PERA), Cost of Living Allowance (COLA) and Representation and Transportation Allowance (RATA).

WHEREAS, the CSC, in its subsequent issuances, no longer requires the submission of contracts undertaken through Job Order and Contract of Services both in the Regional Offices and to the Commission since the services mentioned are not considered as government service;

WHEREAS, based on the existing auditing rules and regulations, the appropriate issuances by COA merely provide for documentary requirements and the corresponding procedures necessary for auditing purposes, which must be submitted by the procuring entity once the personnel under Job Order and Contract of Service had been engaged;

WHEREAS, it is necessary to clarify the applicability of RA 9184 and its revised IRR for hiring through Job Orders and Contract of Service considering that the existing rules and regulations of CSC and COA do not contemplate pertinent procedures to be undertaken by the procuring entities under the circumstances;

WHEREAS, in its 6th meeting held on 13 April 2012, the Inter-Agency Technical Working Group (IATWG), deliberated and resolved to recommend the issuance of a policy opinion clarifying that the engagement of the services of an individual under Job Order and Contract of Service arrangements are not covered by RA 9184 and its IRR, and refer to the DBM and CSC for appropriate action;

WHEREAS, in its 4th Meeting held on 27 April 2012, the GPPB after carefully reviewing and deliberating on the recommendation of the IATWG, resolved to adopt the recommendation of the IATWG;

NOW, THEREFORE, for and in consideration of the foregoing, **WE**, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested on **US** by law, hereby **RESOLVE** to confirm, adopt, and approve, as **WE** hereby confirm, adopt, and approve the following:

1. Issue a Policy Opinion clarifying that:
 - a. Engagement of the services of an individual under Job Order and Contract of Service are not covered by RA 9184;
 - b. The services of consultants refer to services which require adequate external capability and expertise that are not present in the hiring of personnel under Job Order contracts;
 - c. Distinction shall be made between personnel hired individually or through a firm;
2. Refer Job Order and Contract of Service issues and concerns to the DBM, COA, CSC and the Department of Labor and Employment, for appropriate action.

This Resolution shall take effect immediately.

APPROVED this 27th April 2012 at Pasig City, Philippines.

(Sgd.)

DEPARTMENT OF BUDGET AND
MANAGEMENT

NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY

(Sgd.)

DEPARTMENT OF EDUCATION

(Sgd.)

DEPARTMENT OF ENERGY

(Sgd.)

DEPARTMENT OF FINANCE

(Sgd.)

DEPARTMENT OF HEALTH

**DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT**

(Sgd.)

**DEPARTMENT OF NATIONAL
DEFENSE**

**DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS**

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

**DEPARTMENT OF TRADE AND
INDUSTRY**

(Sgd.)

**DEPARTMENT OF TRANSPORTATION
AND COMMUNICATIONS**

(Sgd.)

PRIVATE SECTOR REPRESENTATIVE

Attested by:

(Sgd.)

DENNIS S. SANTIAGO
Board Secretary, GPPB
Executive Director, GPPB-TSO