

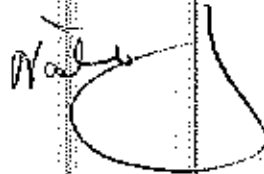


28 October 2015

MEMORANDUM

F O R : The Acting General Manager 

T H R U : The Officer-in-Charge
Office of the Assistant General Manager 

The Manager
Finance Services Department 

F R O M : The Officer-in-Charge
Admin. Services Department

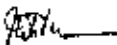

SUBJECT : SYSTEM FOR RATING AND RANKING OFFICERS AND
EMPLOYEES FOR THE GRANT OF PBB FOR CY 2015

The Governance Commission for Government Owned or Controlled Corporations (GCG), per GCG Memorandum Circular No. 2015-05 (dated 15 July 2015), and the Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (IATF), per IATF MC No. 2015-01 (dated 12 August 2015), have established the rules and regulations for the grant of the Performance-Based Bonus for CY 2015.

The aforementioned GCG memo circular enjoins agencies to prepare their system of ranking officers and employees relative to the grant of the CY 2015 PBB, for posting in the agencies' respective websites.

Pursuant to the aforementioned directive, we submit the attached Office Order embodying the proposed system for ranking the agency's officers and employees for the CY 2015 PBB.

For your approval and/or further instruction.


IRIS R. DE VERA


Office Order No. 10
Series of 2015

28 October 2015

Subject: RANKING OF OFFICERS AND EMPLOYEES AND DISTRIBUTION
SCHEME FOR THE CY 2015 PERFORMANCE-BASED BONUS

1. RATIONALE AND LEGAL BASIS

The Governance Commission for Government-Owned or -Controlled Corporations (GCG) and the Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (IATF) have established the rules and regulations for the grant of the Performance-Based Bonus (PBB) for CY 2015 per GCG Memorandum Circular No. 2015-05 (dated 15 July 2015) and IATF MC No. 2015-1 (dated 12 August 2015), respectively.

Pursuant to the above issuances and in furtherance of a culture of transparency in the agency, the system of ranking officers and employees for the grant of the CY 2015 PBB is hereby established.

2. ELIGIBILITY OF PFDA TO GRANT THE PBB FOR CY 2015

The grant of the PBB to qualified officers and employees is contingent upon the agency's compliance with the following requirements:

- (a) Achievement of a weighted-average score of at least 90% in the 2015 Performance Scorecard;
- (b) Submission of any of the following:
 - (1) Quality Management System (QMS) for at least one (1) core process certified by any international certifying body approved by the IATF; or,
 - (2) Manual covering selected areas of the agency's operation; and,
- (c) Compliance with the following Good Governance Conditions and reportorial requirements, as validated directly by the respective oversight agencies:
 - (1) Transparency seal
 - (2) PhilGEPS posting
 - (3) Cash Advance Liquidation
 - (4) Citizen's Charter
 - (5) Government Quality Management Systems Standards (GQMSS)
 - (6) Submission and Review of SALN of officers/employees
 - (7) Satisfaction of all statutory liabilities (i.e. payment of taxes, dividends, NG Advances)
 - (8) Concrete and time-bound action plans for addressing Notices of Disallowance (NDs) and Audit Observation Memoranda from the COA
 - (9) Manual of Corporate Governance and No Gift Policy
 - (10) Posting on the GOCC's website of requisite information under Section 43 of GCG MC No. 2012-07

3. ELIGIBILITY OF INDIVIDUAL OFFICERS AND EMPLOYEES

- 3.1. Eligible Officers and Employees – PFDA officers and employees who have complied with the following requirements shall be eligible for the grant of the PBB for CY 2015:
- (a) Must have rendered at least three (3) months of actual service with the agency;
 - (b) Must have earned a performance rating of at least "Satisfactory" as reflected in appropriate Performance Commitment and Review Forms (i.e., OPCRs, DPCRs or IPCRs) per the CSC-approved Strategic Performance Management System (SPMS); and,
 - (c) Must not be subject to the exclusions enumerated in Item 3.4 of this Office Order.
- 3.2. Detailed Personnel – PFDA personnel on detail to another government agency for at least six (6) months shall be included in the ranking of employees in the recipient agency that rated his/her performance. Payment of the PBB of the detailed personnel shall come from the PFDA.
- 3.3. Transferred Personnel – Personnel who transferred from another government agency to the PFDA shall be rated and ranked by the agency where he/she served the longest. If equal months were served for each agency, he/she will be rated and ranked in the PFDA.
- 3.4. Exclusions – Officers and employees under the following circumstances shall be excluded from the grant of PBB:
- (a) Those hired without employer-employee relationship and paid from non-Personal Services appropriations/budgets (i.e., individuals whose services are engaged through job orders or contracts of service, consultancy agreements, and others similarly situated);
 - (b) Those who have rendered less than three (3) months of actual government service;
 - (c) Those who have received a performance rating of "Unsatisfactory" or "Poor" for CY 2015 per the CSC-approved SPMS;
 - (d) Those who are on vacation or sick leave of absence, with or without pay, for the entire year;
 - (e) Those found guilty of administrative and/or criminal cases filed against them and meted penalty in FY 2015, except if the penalty meted out is only a reprimand;
 - (f) Those who failed to submit their Statement of Assets, Liabilities and Net Worth (SALN) for CY 2014 as prescribed in CSC MC No. 3 (s. 2015); or,
 - (g) Those who failed to liquidate Cash Advances received in 2015 within the reglementary period as stated in the prevailing COA Circular.

4. **PBB DISTRIBUTION SYSTEM** – The grant of PBB to qualified officers and employees shall be in accordance with the following procedures:

- 4.1. Agency-wide Grouping of Personnel – Eligible officers and employees from all organic units (Central Office and regional operating units) shall be ranked on a percentile basis within their respective position levels or clusters based on their performance ratings.
- 4.2. Position Levels/Clusters – The position levels or clusters as grouped by salary grades are as follows:

Position Levels/Cluster	Salary Grades
Senior Management	29-30
Middle Management A	24-28
Middle Management B	23
Professional (Supervisory/Non-Supervisory) A	19-22
Professional (Supervisory/Non-Supervisory) B	18
Professional (Supervisory/Non-Supervisory) C	16-17
Professional A	15
Professional B	14
Professional C	12-13
Professional D	11
Clerical/General Staff A	9-10
Clerical/General Staff B	8
Clerical/General Staff C	6-7
General Staff D	5
Clerical/General Staff E	4
Clerical/General Staff F	3

- 4.3. Reckoning Period of Position Levels/Clusters – Officers and employees shall be clustered based on their actual salary grade as of December 31, 2015.
- 4.4. Designated Personnel – Designated officers and employees, including those designated as Officers-in-Charge (OICs) of departments/units and divisions, shall be clustered based on their actual salary grades as of December 31, 2015.
- 4.5. Rating of Department/Unit Heads – Unit heads and OICs at the department/unit and division levels shall be rated per their respective Office Performance Commitment and Review Forms (OPCRs) or Division Performance Commitment and Review Forms (DPCRs).
 - 4.5.1. For purposes of the grant of the PBB, the performance rating of a reassigned and/or designated unit head shall be based on the OPCR/DPCR of the unit where he/she served the longest. In case of equal length of service, his/her rating shall be based on the OPCR/DPCR of the unit where he/she is most recently assigned and/or designated.
 - 4.5.2. The performance rating of a department/unit head or OIC concurrently designated as head of two different units shall be based on the OPCR/DPCR (whichever is applicable) of the unit where he/she garnered the **higher** rating.

4.6. Percentile Groupings – The officers/employees for each position level/cluster shall be grouped based on their performance rating to allow for ranking on a percentile basis, as follows:

Percentile	
Top :	Maximum ten (10) percent
Next:	Maximum twenty-five (25) percent
Remaining:	Minimum 65 percent

5. AMOUNT OF PBB

5.1. Determination of Profitability –The grant of PBB among qualified officers and employees, whether in full or in a pro-rata basis, shall depend on the agency's classification as a "**profitable**" or a "**losing**" GOCC.

Per GCG MC No. 2015-05, the resulting amount per following the table below, as may be applicable, shall be the basis for determining the agency's profitability:

Total Comprehensive Income (TCI)	
Plus:	1. Unrealized Losses found in Other Comprehensive Income 2. Disbursements of Program Subsidies treated as expenses
Less:	1. Subsidies treated as revenues 2. Subsidies granted to settle tax obligations for prior years 3. Unrealized Gains found in Other Comprehensive Income 4. All income or dividends received from Operating Subsidiaries, regardless of accounting entry

If the agency has had negative Retained Earnings, it shall also be classified as a "**losing**" GOCC regardless of the resulting figure in the application of the above formula.

5.2. Full Grant of PBB – Officers and employees who have rendered a minimum of nine (9) months of actual service during the year with at least "Satisfactory" performance rating may be eligible for the full grant of PBB, subject to the provisions in Item 3 of this Office Order.

5.3. Grant of PBB on Pro-Rata Basis – Subject to the provisions in Item 3 of this Office Order, officers and employees who have rendered a minimum of three (3) months but less than nine (9) months of service shall be eligible for the grant of the PBB on a pro-rata basis.

5.3.1 The PBB of said officers/employees shall be pro-rated corresponding to the actual length of service rendered, as follows:

LENGTH OF SERVICE	Percent (%) of PBB
Eight (8) months but less than nine (9) months	90%
Seven (7) months but less than eight (8) months	80%
Six (6) months but less than seven (7) months	70%
Five (5) months but less than six (6) months	60%
Four (4) months but less than five (5) months	50%
Three (3) months but less than four (4) months	40%

5.3.2 Following are the valid reasons for an officer/employee who may not meet the nine-month actual service requirement to be considered for the grant of PBB on pro-rata basis:

- (a) Being a newly hired employee;
- (b) Retirement;
- (c) Resignation;
- (d) Rehabilitation leave;
- (e) Maternity/paternity leave
- (f) Vacation/sick leave with or without pay;
- (g) Scholarship/study leave; and,
- (h) Sabbatical leave

5.4. Distribution Schedule (In Case of Profit) – If the agency is deemed as a **“profitable”** GOCC pursuant to Item 5.1 of this Office Order, the rate of incentive for qualified officers and employees shall be a determinable multiple of the individual’s basic monthly salary.

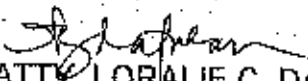
The amount of PBB to be distributed among qualified officers and employees pursuant to Items 3 and 4 of this Office Order following the above scheme shall not exceed the maximum allowable amount provided in GCG MC No. 2015-05.

As such, the distribution schedule (i.e., multipliers for top 10%, next 25% and remaining 65%) for officers/employees ranked within each position level/cluster **shall be finalized after determination of the agency's net income by year-end.**

5.5. Distribution Schedule (In Case of Loss) – If the agency is deemed as a **“losing”** GOCC pursuant to Item 5.1 of this Office Order, the rate of incentive for qualified officers and employees ranked within each position level/cluster shall be as follows:

Percentile		Amount
Top:	Maximum ten (10) percent	P25,000
Next:	Maximum twenty-five (25) percent	P15,000
Remaining:	Minimum 65 percent	P7,500

This Office Order shall take effect immediately.


ATTY. LORALIE C. DATAHAN
Acting General Manager