



## **GCG MEMORANDUM CIRCULAR NO. 2015 – 05**

**SUBJECT : 2015 INTERIM PERFORMANCE-BASED BONUS (PBB)**

**DATE : 15 July 2015**

1. **BACKGROUND AND PURPOSE.** – This Circular has been issued to establish the rules and regulations for the grant of the Interim Performance-Based Bonus (PBB) for CY 2015 to qualified GOCC Officers and Employees pursuant to Executive Order No. 80, s. 2012 (E.O. No. 80),<sup>1</sup> pending the approval by the President of the **COMPENSATION AND POSITION CLASSIFICATION SYSTEM (CPCS)**, mandated by Republic Act (R.A.) No. 10149, “*GOCC Governance Act of 2011*”.
2. **PRODUCTIVITY ENHANCEMENT INCENTIVE (PEI).** – The PEI, as determined by the Department of Budget and Management (DBM), shall be granted across-the-board to covered Officers and Employees<sup>2</sup> of the GOCCs, and shall be distributed at the same time as National Government Agencies, as provided in the particular DBM Circular.
3. **ELIGIBILITY OF A GOCC TO GRANT THE PBB.** – The grant of PBB shall be based on the overall company performance, and then distributed to individual Officers and Employees based on their performance ranking. Pursuant to the “*Performance Evaluation System for the GOCC Sector*” [GCG MC No. 2013-02 (Re-Issued)] or any revised version thereof, a GOCC, in order to be eligible to grant PBB to its qualified Officers and Employees, must:
  - 3.1. Achieve a weighted-average score of at least 90% in its 2015 Performance Scorecard;
  - 3.2. Submit a Quality Management System (QMS) for at least one core process certified by any international certifying body approved by the IATF or submit an Operations Manual covering selected core processes or areas of operation;
  - 3.3. Comply with the Good Governance Conditions provided in GCG MC No. 2013-02 and 2014-02<sup>3</sup>:

### ***Conditions Common to National Government Agencies and GOCCs:***

- (a) Transparency Seal;
- (b) PhilGEPS Posting;
- (c) Cash Advance Liquidation;

<sup>1</sup> E.O. No. 80, entitled “*Directing the Adoption of a Performance-Based Incentive System for Government Employees,*” was issued to, among others, provide incentives that support and encourage performance-driven, productive and efficient GOCCs.

<sup>2</sup> See Section 4.1.

<sup>3</sup> *Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector.*

- (d) Citizen's Charter or its equivalent;
- (e) Government Quality Management System Standards (GQMSS) pursuant to E.O. No. 605, s. 2007; and
- (f) Compliance with submission and review of SALN of officials and employees.<sup>4</sup>

**Conditions Specific to GOCCs Covered by R.A. No. 10149:**

- (a) The GOCC has satisfied all statutory liabilities, including the payment of all taxes due to the Government as certified by the BIR, declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable, and NG Advances, as certified by the Department of Finance (DOF). Liabilities that are still under dispute and there has been no final and executory judgment/decision as of the date of the release of the PBB by the GOCC shall be excluded for the purpose of this provision.
- (b) Submission and execution of concrete and time bound action plans for addressing Notices of Disallowances and Audit Observation Memoranda from the Commission on Audit (COA), if any;
- (c) Maintain/update and implement the GOCC's "Manual of Corporate Governance" and "No Gift Policy" approved by the GCG and uploaded on the GOCC's website pursuant to the "Code of Corporate Governance for GOCCs" (GCG MC No. 2012-07); and
- (d) Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG MC No. 2012-07.

3.4. Comply with all Good Governance Conditions and other reportorial requirements as validated directly by the following oversight/validating agencies:

| <b>PBB Requirement</b>   | <b>Validating Agency</b>   |
|--|--|
| Transparency Seal  | DBM-OCIO   |
| PhilGEPS Posting   | PhilGEPS   |
| Citizen's Charter  | CSC  |
| Submission of SALN of employees  | Office of the President, Office of the Ombudsman and CSC.<br><i>Note: The SALN validating agencies shall provide the list of SALN non-filers</i> |
| Report on Ageing of Cash Advances  | COA  |
| DBM financial reports including BFARs  | DBM  |
| PES Accomplishments  | GCG  |
| STO - accomplishment   |  |
| <ul style="list-style-type: none"> <li>• QMS Certification / Operations Manual</li> <li>• STO identified by agency head (If</li> </ul> | GQMC<br><br>DBM – BMB A, B, C, D, E and F; OP-   |

<sup>4</sup> See Civil Service Commission Memorandum Circular No. 3, s. 2013.