

FY 2016 Interim Performance-Based Bonus (PBB) System



Office of the President of the Philippines
GOVERNANCE COMMISSION
FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS

ELIGIBILITY OF A GOCC TO GRANT THE PBB

- Grant of PBB shall be based on the overall company performance, and then distributed to individual Officers and Employees based on their performance ranking.
- The *“Performance Evaluation System for the GOCC Sector”* [GCG M.C. No. 2013-02 (Re-Issued)] states that in order to be eligible to grant PBB to its qualified Officers and Employees, a GOCC must:
 1. Achieve a weighted-average score of **at least 90%** in its 2016 Performance Scorecard;



ELIGIBILITY OF A GOCC TO GRANT THE PBB

2. Submit a QMS for at least one core process certified by any international certifying body approved by the Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (IATF), or ISO-aligned documentation of its QMS for one core process as evidenced by the presence of the following documents in the agency Transparency Seal:
 - a. **Approved Quality Manual**; and
 - b. **Approved Procedures and Work Instructions Manual including Forms**.



3

ELIGIBILITY OF A GOCC TO GRANT THE PBB

3. Comply with the Good Governance Conditions provided in GCG M.C. No. 2013-02 "*Performance Evaluation System (PES) for the GOCC Sector*" and GCG M.C. No. 2014-02 "*Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector*":

Conditions Common to National Government Agencies and GOCCs:

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



4

ELIGIBILITY OF A GOCC TO GRANT THE PBB

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;



5

ELIGIBILITY OF A GOCC TO GRANT THE PBB

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

- 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 M.C. No. 2012-07); and
- d. Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG M.C. No. 2012-07.



6

ELIGIBILITY OF INDIVIDUAL OFFICERS AND EMPLOYEES OF GOCCs

Adopted the eligibility provisions under Section 7 of IATF M.C. No. 2016-01 for the following:

- ***Employees Belonging to the First and Second Levels***
- ***Third Level Officials***
- ***Employees Belonging to the First and Second Levels***
- ***Other Officials Performing Managerial and Executive functions who are not Presidential Appointees***
- ***Personnel on Detail to Another Government Agency***
- ***Personnel who Transferred from one Government Agency to Another Agency***



7

ELIGIBILITY OF INDIVIDUAL OFFICERS AND EMPLOYEES OF GOCCs

- ***An employee who rendered a minimum of three (3) months but less than nine (9) months of service:***

With at least “Satisfactory” rating shall be eligible for the grant of PBB on a pro-rata basis. The PBB of employees shall be pro-rated corresponding to the actual length of service rendered, as follows:

Length of Service	% of PBB
8 months but less than 9 months	90%
7 months but less than 8 months	80%
6 months but less than 7 months	70%
5 months but less than 6 months	60%
4 months but less than 5 months	50%
3 months but less than 4 months	40%



8

DISTRIBUTION SYSTEM

1. ***Grouping of Personnel***

All personnel shall be ranked on a percentile basis within their respective levels as determined by the GOCC Governing Board through Management in accordance with the following:

- a. Senior Management
- b. Middle Management
- c. Professional and Supervisory
- d. Clerical/General Staff



DISTRIBUTION SYSTEM

PBB of the PCEO (Highest Ranking Executive Officer)

The highest ranking executive officer, has the prerogative to avail of either the Performance-Based Incentive (PBI) or the PBB, **but not both**. In the event the CEO is included in the PBB application, **he/she must meet the eligibility requirements for the PBI** and shall be ranked separately on his/her own and shall not be included in the forced ranking of Officers and Employees.



DISTRIBUTION SYSTEM

2. *Distribution for Qualified Officers and Employees*

In each level provided for in the *Grouping of Personnel*, the ratings of Officers and Employees under the GOCC's SPMS or its equivalent shall be quantified to allow for ranking on a percentile basis for the purpose of distribution for Profitable and Losing GOCCs.

The multiples for FY 2016 PBB will be released once approved by the Commission *En Banc*.



11

CHECKLIST OF DOCUMENTS TO BE SUBMITTED TO GCG

Documentary Requirements	Supporting Documents	Form of Submission
(a) Annual Scorecard/ Monitoring Report using PES Form 3	Data/documents indicated in the GOCC Annual Scorecard	Electronic and hard copies
(b) Board Resolution authorizing the grant of PBB in accordance with applicable laws, rules and regulations (2016 PBB Form 1)		Hard copy



12

CHECKLIST OF DOCUMENTS TO BE SUBMITTED TO GCG

Documentary Requirements	Supporting Documents	Form of Submission
(c) Omnibus Certification signed by the Chairperson and the Chief Executive Officer of the GOCC (2016 PBB Form 2)	<ul style="list-style-type: none"> Time bound action plan for addressing NDs and AOMs from COA Certification issued by the ff. agencies for payment of mandatory premiums: <ul style="list-style-type: none"> GSIS SSS Pag-IBIG PhilHealth ECC 	Hard Copy



13

CHECKLIST OF DOCUMENTS TO BE SUBMITTED TO GCG

Documentary Requirements	Supporting Documents	Form of Submission
(d) Schedule and summary of the distribution of the PBB to qualified Officers and Employees who will receive the PBB and those who are in the "Below Satisfactory" category (2016 PBB Forms 3a and 3b)		Electronic and hard copies
(e) Computation of Profitability following the formula provided under the GCG M.C. on FY 2016 PBB		Hard copy



14



Office of the President of the Philippines
GOVERNANCE COMMISSION
FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS

END