



MANILA
INTERNATIONAL
AIRPORT
AUTHORITY

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MEMORANDUM CIRCULAR NO. 23

Series of 2019

SUBJECT : GUIDELINES ON THE GRANT OF THE FY 2019 PERFORMANCE-BASED BONUS (PBB) INCLUDING THE PROCESS AND CRITERIA FOR THE RANKING AND DISTRIBUTION TO ELIGIBLE MIAA DELIVERY UNITS

I. Background and Rationale

Pursuant to GCG Memorandum Circular No. 2019-02 dated July 25, 2019 Interim Performance-Based Bonus, prescribing the criteria and conditions for the grant of PBB for FY 2019.

II. Purpose

- a) To guide the officers and employees of the MIAA delivery units on the requirements for the grant of the PBB for FY 2019 performance, to be given in FY 2020.
- b) To adopt a uniform criteria on rating and forced ranking of delivery units and rating and ranking of officials and employees who are entitled to the PBB.

Coverage

This Circular will cover all MIAA officers and employees holding regular, contractual and casual positions. Excluded from the coverage herein are individuals engaged without employer-employee relationship and funded from non-Personnel Services budget.

III. Key Players

The MIAA Performance Management Team (PMT) which directly oversees the performance of delivery units, shall assist the GM in undertaking the forced ranking of delivery units and ensure adherence to the PBB Guidelines.

The Delivery Units are:

1. Office of the General Manager
2. Office of the Senior Assistant General Manager
3. Office of the Assistant General Manager, Airport Development and Corporate Affairs
4. Office of the Assistant General Manager, Finance and Administration
5. Office of the Assistant General Manager, Engineering

6. Office of the Assistant General Manager, Security and Emergency Services
7. Office of the Assistant General Manager, Operations

IV. Eligibility Criteria

The MIAA must satisfy the following conditions to be eligible for the grant of PBB:

- A. **Performance Scorecard.** Achieve **at least 90%** of the targets reflected in the approved 2019 Performance Scorecard. (See *Annex 1: Master List of performance indicators and prescribed delivery units*).
- B. **Good Governance Condition.** Satisfy **100%** of the Good Governance Conditions (GGCs) for FY 2019 set by the AO 25 Inter-Agency Task Force (IATF) provided in Section 4.0 of AO 25 IATF MC 2019-1.

Non-compliance with any of the GGCs will render MIAA ineligible for the PBB. (See *Annex 2: List of prescribed delivery units responsible for each GGC indicator*).

1. Transparency Seal;
2. PhilGEPS Posting;
3. Cash Advance Liquidation
4. Citizen's Charter or its equivalent;
5. Government Quality Management System Standards (GOMSS) pursuant to E.O. No. 605, s. 2007; and
6. Compliance with submission & review of SALN of officials & employees
7. Satisfy all statutory liabilities
 - Payment of all taxes due to the Government as certified by the BIR
 - Declaration and payment of all dividends to the Government as of the end of the applicable calendar year, whenever applicable, as certified/validated by the Department of Finance (DOF).
 - Payment of NG Advances as certified/validated by the DOF; and
 - Remittance of mandatory contributions as certified/validated by the following agencies: GSIS or SSS, PAG-IBIG and Philhealth
8. 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 amendments thereto, if any;
9. Compliance with all the requirements mentioned in the *Revised Whistleblowing Policy for the GOCC Sector* and amendments thereto;
10. Compliance with the Executive Order on Freedom of Information Executive Order No. 2, s. 2016; and
11. Compliance with posting on the GOCC's website of the information enumerated under Section 43 of *Code of Corporate Governance for GOCCs* and amendments thereto, if any;
12. Maintain and/or attain certification on the GOCC's Quality Management System (QMS);
13. Timely submission of Annual Procurement Plan (APP) pursuant to applicable rules and regulations;
14. Timely submission of Corporate Operating Budget (COBs) to the Department of Budget and Management (DBM);
15. Implementation of the prior year's audit recommendations, submission to the GCG of audit observations and notices of disallowances within seven

(7) working days from the date of their receipt from the Commission on Audit (COA), all written communications between the GOCC and COA on such matters, which shall include, but not limited to, the concrete and time bound action plans for addressing the audit observations and notices of disallowances;

16. Compliance and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to the policies and guidelines under "Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector" and amendments thereto, if any; and
17. Compliance by all members of the MIAA Board of Directors with the submission of all required forms for the Director Performance Review (DP) pursuant to the Performance Evaluation for Directors (PED) and amendments thereto, if any.

C. Performance Targets. Achieve each one of the Physical Targets, Support to Operations (STO) and General Administration and Support Services (GASS) requirements for FY 2019. (*refer to Annex 2*)

D. Use of the SPMS Manual in the rating of employees.

V. Eligibility of the MIAA Officials and Employees

- a. The eligibility of the GM shall be based on the eligibility and performance of the MIAA. If the MIAA is eligible, the PBB rate of the GM shall be equivalent to 65% of the GM's monthly salary as of end of the current rating period.
- b. Employees belonging to the First, Second, and Third levels should receive a rating of at least "**Satisfactory**" based on the agency's CSC-approved Strategic Performance Management System (SPMS), or equivalent, or the requirement prescribed by the Career Executive Service Board (CESB).
- c. Personnel on detail to another government agency for six (6) months or more shall be included in the ranking of employees in the recipient agency that rated his/her performance. Payment of PBB shall come from the mother agency.
- d. Employees who transferred from one government agency to another agency shall be rated by the agency where he/she served the longest. If equal months were served for each agency, he/she will be included in the recipient agency;
- e. Officials and employees who transferred from government agencies that are non-participating in the implementation of the PBB, shall be rated by the agency where he/she served the longest; the official/employees shall be eligible for the grant of PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency, as stated thereto:
- f. An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least "Satisfactory" rating may be eligible to the full grant of PBB.
- g. An employee who rendered a minimum of three (3) months but less than nine (9) months of service and with required performance rating shall be eligible for the grant of PBB on pro-rata basis corresponding to the actual length of service rendered, as follows:

Length of Service % of PBB	% of PBB
8 months but less than 8 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%

- h. The following are the valid reasons for an employee who may not meet the nine-month actual service requirement to be considered for PBB on a pro-rata basis:
- a. Being a newly hired employee;
 - b. Retirement;
 - c. Resignation;
 - d. Rehabilitation Leave;
 - e. Maternity and/or Paternity Leave;
 - f. Vacation or Sick Leave with or without pay;
 - g. Scholarship/Study Leave,
 - h. Sabbatical Leave
- i. The following shall **not** be entitled to the FY 2019 PBB:
- a. An employee who is on vacation or sick leave, with or without pay for the entire year.
 - b. Personnel found guilty of administrative and/or criminal cases filed against them and meted penalty in FY 2019 shall not be entitled to the PBB. If the penalty meted out is only a reprimand, such penalty shall not cause the disqualification to the PBB.
 - c. Officials and employees who failed to **timely** submit the 2018 SALN as prescribed under applicable CSC rules: or those who are responsible for the non-compliance with the establishment and conduct of the review and compliance procedure of SALN.
 - d. Officials and employees who failed to liquidate Cash Advances received in the applicable year within the reglementary period as required by the COA.
 - e. Officials and employees who failed to submit their complete SPMS Forms.
 - f. Officials and employees responsible for submitting COA annual financial reports, annual audit reports, shall not be entitled to the PBB if the MIAA fails to comply with the said reporting requirements as prescribed by COA.
 - g. The HOPE, Chairperson and Secretariat of the bids and awards committee (BAC) shall not be entitled to the FY 2019 PBB if MIAA fails to submit the following:
 - FY 2020 Annual Procurement Plan (APP-non CSE) to the Government Procurement Policy Board (GPPB) not later than one month after the issuance of GPPB-TSO.

- FY2020 APP Common Use Supplies and Equipment to the DBM Procurement Service on or before Sept 30, 2019; and

Results of FY 2019 Agency Procurement Compliance and Performance Indicators (APCPI) System complete with the following forms:

- APCPI – Self assessment form;
 - APCPI – Consolidated Procurement Monitoring Report;
 - APCPI – Procurement Capacity Development Action Plan; and the Questionnaire on or before March 31, 2020.
- h. Officials and employees responsible for the non-compliance of prior year's audit recommendations.
- i. Officials and employees responsible for the QMS certification or alignment if the agency fails to comply with the said requirement; and
- j. Officials and employees responsible for posting and dissemination of the MIAA system and ranking performance of the Delivery Units if the MIAA fails to comply thereto.

VI. System of Ranking of Delivery Units

The grant of PBB shall be based on the overall MIAA performance scorecard in item IV-A of this Circular, and then distributed to individual Officers and Employees based on their performance ranking. The ranking of the delivery units shall be prepared by the PMT and approved by the General Manager.

The MIAA delivery units are of two (2) types:

1. Type A, who are not responsible for any of the agency eligibility requirements, as indicated in item IV-B and C of this Circular.

The approval and release is dependent on the validation of MIAA's performance for 2019 against the GCG-approved targets.

2. Type B, who are responsible for the specific eligibility requirements, as indicated in item IV-B and C of this Circular (Annex 2)

The approval and release is dependent on MIAA's compliance to the governance conditions and other requirements as indicated in the AO 25 IATF PBB Circular.

RANKING

- a. The delivery units shall be forced ranked based on the following percentage distribution:

No. of DU	Divisions/Office	No. of delivery units to be ranked as		
		BEST (Top 10%)	BETTER (Next 25%)	GOOD (Next 65%)
1				
2				

3				
4				
5				
6				
7				

- b. The Division Manager shall articulate to employees concerned the agreed criteria to be applied prior to conduct of actual ranking. The GM, thru the PMT, shall assess the agreed criteria and determine their rating and ranking and shall document the results of the assessment using the prescribed Form 1.
- c. The ranking of offices shall be based on the rating as reflected in the Office Performance Commitment and Review (OPCR) which has been validated by the PMT. The PMT shall be responsible for settling the parameters and standards in the validation of OPCR's;
- d. All Offices who failed to submit their OPCR form/s on the set deadline shall be given a chance to submit thru the issuance of a Final Notice to submit, subject to corresponding deduction for the late submission on the average final rating of OPCR for CY 2019;

LATE SUBMISSION	DEDUCTION FROM AVERAGE FINAL RATING
1 st Semester after deadline	0.05
2 nd Semester after deadline	0.15
Submission before the final notice	0.25

- e. All Offices who failed to submit their OPCR after the final call shall not be eligible for the grant of PBB. Likewise, the officials and employees of the concerned offices shall not be eligible for the grant of the PBB.

VII. **Rates of PBB** - The grant of the PBB shall be based on the performance of the individual Officers and Employees with the rate of incentive as a multiple of the individual's monthly basic salary (MBS) as of December 31 2019 based on the table below, but not lower than Php 5,000:

Ranking and number of Delivery Units	Category	Multiple
Top: Maximum 10%	Best Delivery unit	65.0%
Next: Maximum 25%	Better Delivery units	57.5%
Remaining: Minimum 65%	Good Delivery units	50.0%

VIII. **Posting of the System of Ranking Individuals** – MIAA shall post in its Transparency Seal the guidelines/mechanics in ranking the officers and employees according to the mechanism herein stated.

IX. **GRIEVANCE MECHANISM** – All complaints and issues relating to the grant of the PBB that may be raised by officers and employees shall be resolved within 30 days upon receipt of the written complaint by the PMT who shall conduct the

investigation and deliberation. If the employee is not satisfied with the decision of the PMT, the complainant may elevate his/her concerns to the General Manager.

- X. **FUNDING FOR THE PBB.** - Pursuant to Section 5(b) of E.O. No. 80, the funding to support the Interim PBB System herein shall be charged to MIAA corporate funds, subject to the approval of MIAA Board in accordance with applicable laws, rules and regulations.
- XI. **EFFECTIVITY** – This Memorandum Circular takes effect immediately and shall remain in force unless revoked, cancelled or superseded by a subsequent issuance.

This issuance is in conjunction with Memorandum Circular No. 09 dated April 02, 2019.


EDDIE V. MONREAL

