



DEC 21 2020

MEMORANDUM CIRCULAR NO. ____

Series of 2020

**SUBJECT : GUIDELINES IN THE SYSTEM OF RANKING AND DISTRIBUTION OF THE
FY 2020 PERFORMANCE-BASED BONUS**

GENERAL

1. The grant of FY 2020 Performance-Based Bonus (PBB) to all qualified MIAA Officers and Employees is based on IATF Memorandum Circular No. 2020-1 dated 02 June 2020 and the GCG Memorandum Circular No. 2019-02 dated 25 July 2019.

PURPOSE AND SCOPE

2. This Memorandum Circular (MC) has been issued to provide internal guidelines in the ranking, and distribution as well as determining the eligibility of MIAA officials and employees who are entitled to the FY 2020 Performance-Based Bonus.
3. This MC covers all Officers and Employees of the MIAA who occupy regular, casual, or contractual positions with employer-employee relationships. Excluded from the grant of the PBB are:
 - 3.1. Consultants and experts hired to perform specific activities or services with expected outputs,
 - 3.2. Laborers hired through job contracts (pakyaw) and those paid on piecework basis,
 - 3.3. Student laborers and apprentices, and
 - 3.4. Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

GUIDELINES

4. **Eligibility of MIAA to grant the 2020 PBB.** The grant of PBB shall be based on MIAA's overall performance, and then distributed to individual Officers and Employees based on the approved MIAA's Strategic Performance Management System (SPMS). For MIAA to be eligible to grant PBB to its qualified Officers and Employees, the Authority must:
 - 4.1. Achieve a weighted-average score of at least 90% in its 2020 Performance Scorecard
 - 4.2. Satisfy 100% of the Good Governance Conditions (GGCs). Non-compliance with any of the GGCs will render the entire MIAA ineligible for the 2020 PBB.

- a. Maintain and Update the MIAA Transparency Seal, which contains the following:

Required Documents	Deadline
<ul style="list-style-type: none"> • MIAA's mandates and functions, names of its officials with their position and designation, and contact information • Annual Financial Reports • DBM-approved budget and corresponding targets for FY 2020 • Projects, Programs and Activities, Beneficiaries and Status of Implementation for FY 2020 ✓ • FY2020 Annual Procurement Plan (FY 2020 APP-non CSE), Indicative FY2021, APP Non-CSE, and FY2021 APP for Common Supplies and Equipment (FY2021 APP CSE) 	
<ul style="list-style-type: none"> • Quality Management System (QMS) Certification to ISO 9001:2015 	31 December 2020
<ul style="list-style-type: none"> • System of Ranking of Ranking Delivery Units for FY2020 PBB 	01 October 2020
<ul style="list-style-type: none"> • MIAA Review and Compliance Procedure of Statements and Financial Disclosures, and 	01 October 2020
<ul style="list-style-type: none"> • Freedom to Information (FOI) Manual signed by the MIAA General Manager, Agency Information Inventory, 2020 FOI Registry, and 2020 FOI Summary Report 	29 January 2021

See Annex 2 of IATF MC No. 2020-1 for full details of requirements.

- b. Update the PhilGEPS posting of all invitations to bids and awarded contracts pursuant to the Government Procurement Reform Act (RA No. 9184) for transactions above Php 1Million from January to December 31, 2020, including Early Procurement of FY 2021 Non-Common Use Supplies and Equipment (Non-CSE) items **on or before January 31, 2021.**

See Annex 6 of IATF MC No. 2020-1 for full details of requirements.

- c. Set-up Most Current and Updated Citizen's or Service Charter reflecting the MIAA's improved and streamlined/re-engineered system and procedure for all its government services to citizens, businesses, and government agencies, pursuant to Section 6 of RA No. 11032 and the President's directive to reduce the processing time of all public transactions with government and ensure accessible and convenient delivery of services to the public. MIAA shall submit its Certificate of Compliance (CoC) to the Anti-Red Tape Authority and copy furnish the AO25 Secretariat **on or before 04 December 2020.**

See ARTA MCs No. 2019-002 and No. 2019-002-A for full details of requirements.

- d. Satisfied all statutory liabilities, including:

- 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, as certified/validated by the Department of Finance (DOF),
 - Remittances of mandatory contributions as certified/validated by the following agencies: GSIS or SSS, PAG-IBIG and Philhealth.
- e. Maintain/update and implement the "Manual of Corporate Governance" and "No Gift Policy" approved by the GCG and uploaded on the MIAA website pursuant to the "Code of Corporate Governance for GOCCs" (GCG MC No. 2012-07); and amendments thereto;
 - f. Compliance with all the requirements mentioned in the *Revised Whistleblowing Policy for the GOCC Sector* and amendments thereto;
 - g. Compliance with the Executive Order on Freedom of Information Executive Order No. 2, s. 2016; and
 - h. Compliance with posting on the MIAA website the information enumerated under Section 43 of *Code of Corporate Governance for GOCCs* and amendments thereto.
- 4.3. Comply with the Other Conditions and Requirements (OCRs). Officials and employees responsible for the compliance and implementation of the OCRs shall not be entitled to the 2020 PBB if the MIAA fails to comply with any of the following requirements:
- a. Maintain and/or attain certification on the GOCC's Quality Management System (QMS),
 - b. Timely submission of Annual Procurement Plan (APP) pursuant to applicable rules and regulations,
 - c. Timely submission of Corporate Operating Budget (COBs) to the Department of Budget and Management (DBM),
 - d. 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 time it was received 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,
 - e. 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, and
 - f. Compliance by all members of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to the Performance Evaluation for Directors (PED) and amendments thereto.

5. Eligibility of Individual Officers and Employees

- 5.1. The ratings of employees belonging to the First, Second and Third levels must be at least "Satisfactory" based on the MIAA CSC-approved Strategic Performance Management System (SPMS), or the requirement prescribed by the Career Executive Service Board (CESB).

- 5.2. 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.
- 5.3. Officials and employees who transferred from one government agency to another agency shall be rated and ranked by the agency where he/she served the longest. In case equal months were served for each agency, he/she will be included in the recipient agency.
- 5.4. 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.
- 5.5. 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 for the full grant of the PBB.
- 5.6. An official or employee who rendered less than nine (9) months but a minimum of three (3) months of service and with at least Satisfactory rating shall be eligible for the grant of PBB on a pro-rata basis corresponding to the actual length of service rendered, as follows:

Length of Service	% of PBB Rate
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%

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:

- Being newly hired employee
 - Retirement
 - Resignation
 - Rehabilitation Leave
 - Maternity and/or Paternity Leave
 - Vacation or Sick Leave with or without pay
 - Scholarship/Study Leave
 - Sabbatical Leave, and
 - Other Leaves provided for by law
- 5.7. An employee who is on vacation or sick leave, with or without pay for the entire year, is not eligible to the grant of the PBB.
 - 5.8. Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY2020 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.

- 5.9. Officials and employees who failed to **timely** submit with the following shall not be entitled to the PBB for the 2020:
- a. Submission of 2019 SALN as prescribed under applicable CSC MC No. 3, s. 2015: or those who are responsible for the non-compliance with the establishment and conduct of the review and compliance procedure of SALN,
 - b. Liquidation of Cash Advances received in FY 2020 within the reglementary period as stated in relevant and prevailing COA Circulars.
 - c. Submission of completed SPMS Forms (DPC/R and IPC/R 2020).

6. Distribution System

6.1. **Grouping of Personnel.** In determining the distribution of the PBB among qualified MIAA Officers and Employees, all personnel shall be ranked on a percentile basis within their respective levels as determined by the Management, to wit:

- a. **Senior Management:** This includes the Senior Assistant General Manager, Assistant General Managers, Terminal Managers and Office/Department Managers including Officer-In-Charge of Offices/Departments.

The General Manager has the prerogative to avail of either the Performance-Based Incentive (PBI) under the applicable MC on the PBI, or the PBB, but not both. In the event the General Manager 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.

- b. **Middle Management:** This includes the Officer-In-Charge/Division Managers and Assistant Terminal Managers.
- c. **Professional and Supervisory:** This level comprises the personnel whose work is primarily achieved by an individual or through project teams. Requires the application of expertise in professional or technical area(s) to achieve results. Includes supervisors and junior management that may not have full management authority.
- d. **Clerical/General Staff:** This category includes all clerical, administrative and secretarial staff with little or no supervisory responsibility.

6.2. **Distribution for Qualified Officers and Employees.** – In each level above, the ratings of Officers and Employees under the MIAA's SPMS or its equivalent shall be quantified to allow for ranking on a percentile basis for the purpose of distribution as follows:

- a. **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, 2020 based on the table below, but not lower than Php 5,000:

Percentile	Multiple
Top: Maximum 10%	65.0%
Next: Maximum 25%	57.5%
Remaining: Minimum 65%	50.0%

- b. Criteria in the ranking the officers and employees:

Criteria	Top (10%)	Next (25%)	Remaining
2020 Scorecard	At least 96% of the target	At least 91% of the target	≤ 90% of target
GGCs	100%	100%	100%
OCRs	100%	100%	100%
OPCR/IPCR	At least Very Satisfactory	At least Very Satisfactory	At least Satisfactory

- 6.3. **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.

GRIEVANCE MECHANISM

7. Complaints and issues, cases not covered by this issuance and other clarifications raised by officers and employees shall be resolved within 30 days upon receipt by the PMT Grievance Committee Chairperson for resolution and/or appropriate action. If the employee is not satisfied with the decision of the PMT, the complainant may elevate his/her concerns to the General Manager.

FUNDING FOR THE PBB

8. 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.

EFFECTIVITY

9. This Memorandum Circular shall take effect immediately. However, it does not guarantee the release of PBB. The approval and release is dependent on the validation of MIAA's performance for 2020 against the GCG-approved targets and in MIAA's compliance to the governance conditions and other requirements as indicated in the AO 25 IATF PBB Circular.

All other issuances in conflict herewith are hereby superseded.


EDDIE V. MONREAL
 General Manager