

## **SYSTEM OF RANKING FOR THE 2017 PERFORMANCE-BASED BONUS**

The Philippine International Trading Corporation (PITC) adopts the following Guidelines on the grant of 2017 Interim Performance-Based Bonus (PBB) pursuant to GCG MC No. 2017-01.

### **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.
- 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 2017 Performance Scorecard;
  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 PITC Transparency Seal:
    - a. Approved Quality Manual; and
    - b. Approved Procedures and Work Instruction Manual including Forms.
  3. Comply with the Good Governance Conditions provided in GCG M.C. No. 2013-02 “Performance Evaluation System (PES) for the GOCC Sector” and 2014-02 “Policies and Guidelines on the Integrated Corporate Reporting System (CRS) 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.

**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 executor 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 PITC website pursuant to the "Code of Corporate Governance for GOCCs" (GCG M.C. No. 2012-07); and
- d. Compliance with posting on PITC's website the information enumerated under Section 43 of GCG M.C. No. 2012-07.

**COVERAGE AND ELIGIBILITY OF INDIVIDUAL OFFICERS AND EMPLOYEES OF PITC**

- Adopted the coverage and eligibility provisions under Item No. 3 of GCG MC No. 2017-01 for the following:
  - Employees belonging to the First and Second Levels
  - Third Level Officials
  - 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
  - An employee who has rendered a minimum of nine (9) months

- An employee who rendered a minimum of three (3) months but less than nine (9) months of service and with at least “satisfactory” rating.

## **EXCLUSIONS FROM THE GRANT OF PBB**

- a. Those hired without employer-employee relationships and paid from non-Personal Services appropriations/budgets, as follows:
  - Consultants and experts hired to perform specific activities or services with expected outputs;
  - Laborers hired through job contracts (pakyaw) and those paid on piecework basis;
  - Student laborers and apprentices; and
  - Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.
- b. Employees who are on vacation or sick leave, with or without pay, for the entire year.
- c. Personnel found guilty of administrative and/or criminal cases in CY 2017 by formal and executory judgment.
- d. Officials and employees who failed to submit the 2016 SALN as prescribed in the rules provided under applicable CSC rules.
- e. Officials and employees who failed to liquidate Cash Advances received in CY 2017 within the reglementary period as stated in the prevailing COA Circular.
- f. Officials and employees who failed to submit their complete 2017 SPMS Forms.

## **DISTRIBUTION SYSTEM**

1. Grouping of Personnel – All qualified personnel shall be ranked on percentile basis with their respective levels as determined by the PITC Board of Directors through Management, as follows:
  - a. Senior Management
  - b. Middle Management
  - c. Professional and Supervisory
  - d. Clerical/General Staff

Note: PBB of the PITC President and CEO (highest ranking executive officer) has the prerogative to avail of either the Performance-Based Incentive (PBI) under GCG M.C. No. 2017-02, or the PBB, but not both. In the event the CEO is included in the PBB application, he must meet the eligibility requirements for the PBI and shall be ranked separately on his own and shall not be included in the forced ranking of Officers and Employees.

2. Distribution for Qualified Officers and Employees – In each level provided for in the Grouping of Personnel, the ratings of Officers and Employees under PITC’s SPMS shall be quantified to allow for ranking on a percentile basis for the purpose of distribution as follows:

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 31 December 2017 based on the table below, but not lower than ₱5,000.00:

<b>Percentile</b>	<b>PBB as % of MBS</b>
Top: Maximum 10%	65.0%
Next: Maximum 25%	57.5%
Remaining: Minimum 65%	50.0%

The percentile of the “Top” and “Next” levels are maximum figures with the discretion on the part of the PITC Board of Directors/Management to decrease the figures and distribute them to the “Remaining” level.

The total cost of the PBB shall not result in a net loss for CY 2017 computed before subsidy and unrealized gains/losses, and after payment of all statutory obligations and liabilities.