

PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY
PCA Annex Building, PCA Compound, Diliman, Quezon City

Office Order No. 09
Series of 2019

September 23, 2019

Subject: REVISED SUPPLEMENTAL GUIDELINES FOR PERFORMANCE REWARDING

1. RATIONALE

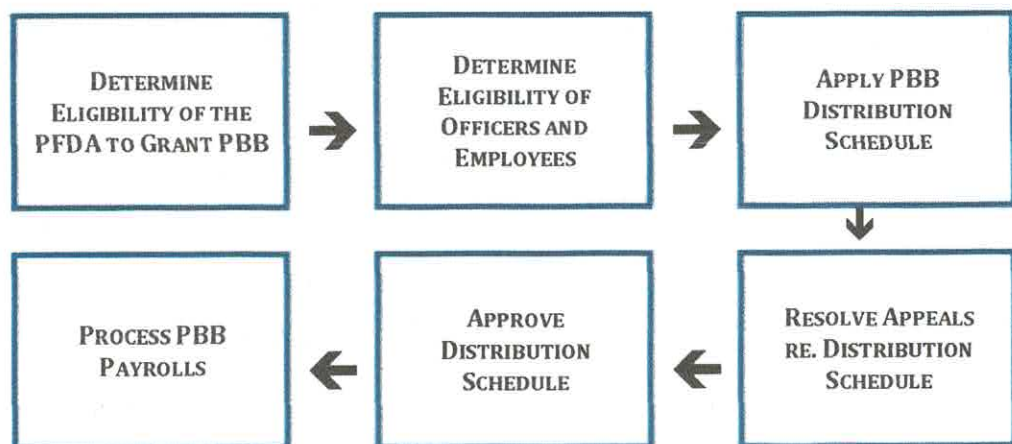
The Governance Commission for Government-Owned or –Controlled Corporations (GCG) and the Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (IATF) have established the guidelines for the grant of the Performance-Based Bonus (PBB).

The following revised implementing guidelines are hereby issued to facilitate the conduct of the pertinent activities and the preparation of the documents pursuant to the applicable issuances on the grant of PBB. The guideline shall likewise provide for the requirements for eligibility of the PFDA, its officials and employees, and the system of ranking therefor in accordance with the prevailing guidelines.

2. PERFORMANCE REWARDING

2.1. Overview

The performance rewarding stage of the agency performance management cycle recognizes the effort of units and individuals in the attainment of the strategic objectives and commitments for the given performance rating period. This is realized through the grant of the Performance-Based Bonus based on the following framework:



2.2. Preliminary Considerations

The commencement of the performance rewarding activities presupposes that the performance ratings have been finalized¹ in the office, division and individual staff levels pursuant to the guidelines prescribed in the agency's Strategic Performance Management System.

¹ Per PFDA Office Order No. 04 (s. 2017) re. Supplemental Guidelines on Performance Review and Evaluation, a performance rating is deemed as "finalized" after the same has been approved by the rater and no performance rating appeal has been filed during the prescribed period therefor.

3. ELIGIBILITY OF THE PFDA

3.1. General Guidelines

The grant of the PBB shall be based on the overall agency performance, and then distributed to individual officers and employees based on their performance ratings. To secure authority for the grant of the PBB, the PFDA must:

- (a) Achieve a weighted-average score of at least ninety percent (90%) in the Performance Scorecard for the given performance rating period;
- (b) Satisfy 100% of the Good Governance Conditions (GOCs) as follows:
 - a. Conditions Common to National Government Agencies and GOCCs as stated in the applicable AO 25 IATF PBB Circular, which shall include:
 - i. Maintaining/updating of the PFDA Transparency seal;
 - ii. Updating of the PhilGEPS posting of all Invitations to Bids and awarded contracts;
 - iii. Maintaining/update of the PFDA Citizen's Charter;
 - iv. Establishment and conduct of Review and Compliance Procedure of the Statement of Assets, Liabilities and Net Worth (SALN) of PFDA employees;
 - b. Conditions Specific to PFDA:
 - i. Satisfaction of all statutory liabilities:
 - 1. Payment of all taxes due to the Government as certified/validated by the BIR;
 - 2. 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 DOF;
 - 3. Payment of NG Advances as certified/validated by the DOF; and
 - 4. Remittance of mandatory contributions as certified/validated by the following agencies: GSIS/SSS, PAG-IBIG.
 - ii. Maintain/update and implement the PFDA Manual of Corporate Governance and No Gift Policy approved by the GCG and uploaded on the PFDA's website pursuant to the "Code of Corporate Governance for GOCCs" and amendments thereto;
 - iii. Compliance with all requirements mentioned in the "Revised Whistleblowing Policy for the GOCC Sector" and amendments thereto;
 - iv. Compliance with the EO on Freedom of Information (EO No. 2, s. 2016)
 - v. Compliance with posting on the PFDA's website the information enumerated under Section 43 of "Code of Corporate Governance for GOCCs" and amendments thereto.

- (c) Satisfy the following other conditions and requirements (OCRs):
- a. Maintain and/or attain certification on the PFDA'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 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 COA, all written communications between the PFDA 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) 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.

3.2. Effect of Non-Compliance

Non-Compliance with any of the GGCs will render all of PFDA officers and employees ineligible for the PBB.

Officials and employees responsible for the compliance and implementation of the OCRs, shall not be entitled to the PBB for the applicable year if the PFDA fails to comply with any of these requirements.

4. ELIGIBILITY OF INDIVIDUAL OFFICERS AND EMPLOYEES

4.1. General Guidelines

PFDA officers and employees who have satisfied the following conditions shall be entitled to the PBB:

- (a) Serve at least three months of actual service in the public sector;
- (b) Must have received a rating of at least "Satisfactory" based on the Strategic Performance Management System (SPMS);
- (c) Must not be subject to disqualifications in the succeeding section.

An officer or employee categorized as "Not to Be Rated" (NTR) in a particular unit shall be eligible for the grant of the PBB provided that he/she has received a rating of at least "Satisfactory" in his/her Performance Commitment and Review (PCR) Form in another unit where he/she may have been assigned during the applicable performance rating period.

4.2. Individuals Disqualified

The following are not eligible for the grant of the PBB for the applicable year:

- (a) Those individuals hired without an employer-employee relationship and paid from non-Personal Services appropriations/budgets (i.e., individuals whose services are engaged through job orders or contracts of service, consultancy agreements, and others similarly situated);
- (b) Those officers and employees who have rendered less than three (3) months of actual government service in the applicable performance rating period;
- (c) Those officers and employees who have received a performance rating of "Unsatisfactory" or "Poor" for the given rating period per the SPMS;
- (d) Those officers and employees who are on vacation or sick leave, with or without pay, for the entire year;
- (e) Those found guilty of administrative and/or criminal cases in the applicable year by formal and executory judgment. If the penalty meted out is only a reprimand, such penalty shall not cause the disqualification to the PBB.
- (f) Those officers and employees who failed to timely submit their latest Statement of Assets, Liabilities and Net Worth (SALN) as prescribed under the applicable CSC rules; or those who are responsible for the non-compliance in the establishment and conduct of the review and compliance procedure of SALN.
- (g) Those officers and employees who failed to liquidate, in the applicable rating period, all Cash Advances within the reglementary period as stated in the pertinent circulars of the Commission on Audit.
- (h) Those who failed to submit their complete SPMS forms.

4.3. Detailed Personnel

Subject to the provisions in the preceding sections, PFDA officers and employees on detail to another government agency for at least six (6) months shall be eligible for the grant of the PBB chargeable to the PFDA.

4.4. Transferred Personnel

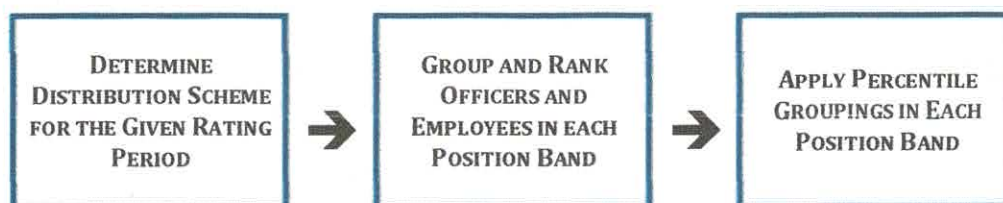
Subject to the provisions in the preceding sections, officers and employees who transferred from another government agency to the PFDA shall be eligible for the grant of the PBB in the agency where they served the longest. If equal months were served for each agency, they shall be considered as eligible for the PBB in the PFDA.

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/employee 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. PBB DISTRIBUTION SYSTEM

5.1. Overview

The PBB shall be distributed to officers and employees entitled thereto per the process flow as may be recommended by the PFDA-PMT and approved by the General Manager. In any case, the process flow shall be pursuant to the following general framework:



5.2. PBB Distribution Scheme

The General Manager, as may be recommended by the PFDA-PMT, shall approve the applicable distribution scheme for the given performance rating period, taking into consideration the following, among others:

- (a) Availability of funds;
- (b) Performance of operating and support units;
- (c) Number of incumbent officers and employees in the given rating period.
- (d) Other relevant factors towards the equitable distribution of PBB to eligible officers and employees.

The distribution scheme so approved shall include guidelines on:

- (a) Position bands/clustering of employees;
- (b) Unit and individual rankings; and,
- (c) PBB multipliers.

5.3. Position Bands

To determine the PBB distribution scheme for the applicable rating period, eligible officers and employees, including those designated in a concurrent capacity, shall be grouped into position bands (Senior/Top Management; Middle Management, Professional and Supervisory, and General Staff) as approved by the General Manager per PFDA-PMT recommendation.

5.4. Procedure for Ranking Officers and Employees

Pursuant to the approved position bands per Item 5.3 of this Office Order, officers and employees covered in each position band shall be ranked according to the following procedures upon validation of their respective Performance Commitment and Review Forms:

- (a) The General Manager shall determine the final ratings and rankings of unit heads/managers in the exercise of management prerogative during the Performance Review Conference.

- (b) The ranking of employees shall be based on their numerical final rating, from highest to lowest, as reflected in their DPCRs or IPCRs, as the case may be, and as certified by the responsible officers per the guidelines in Performance Review and Evaluation.
- (c) In case two or more officers or employees in a position band garnered the same rating, the tie shall be broken in the following manner, to be applied in order of preference.
- (1) The approved final rating of the DPCR of the division where the ratees concerned are assigned, as may be applicable;
 - (2) The average final rating of the individual employees under the division where the ratees concerned are assigned
 - (3) The approved final rating of the OPCR of the department/unit where the ratees concerned are assigned
 - (4) In case the tie cannot be resolved in the above manner, the General Manager shall determine how the tie is to be resolved.

5.5. Percentile Groupings

After determining the ranking of eligible officers and employees for each position band, the following percentile groupings shall be applied:

Percentile	
Top	10%
Next	25%
Remaining	65%

A fraction of a whole number resulting from the application of the above percentile groupings shall be rounded off accordingly.

5.6. Preparation of Proposed Distribution Schedule

- (a) The PFDA-PMT Secretariat (c/o ASD-HRD) shall prepare and submit to top management the distribution schedule for each position band, applying the principles in this Order per the following format:

Position Band			
Percentile	Ranking	PFDA ID No.	Rating
Top 10%	1		
Next 25%	2		
	3		
	4		
Remaining 65%	5		
	6		
	7		
	8		
	9		
	10		

- (b) Upon top management approval, the pertinent documents shall be endorsed by the General Manager to the PFDA-Board of Directors for approval prior to submission to the GCG.
- (c) Once the GCG has authorized the grant of the PBB, the results of the PBB distribution schedule, as validated by the Governance Commission, shall be issued to the respective units per the following format:

Department				
Office of the Port/Dept. Manager				
Position Band	PFDA ID No.	Percentile	Rating	Ranking
XYZ Division				
Position Band	PFDA ID No.	Percentile	Rating	Ranking

- (d) Officers and employees who intend to appeal their placement in the distribution schedule shall submit their representations to the PBB Grievance Committee (to be created for such purpose) within three working (3) days from issuance of the summary of rankings.

The PBB Grievance Committee shall adopt its internal guidelines for the expeditious resolution of representations submitted before it, including the limitation of issues that may be appealed thereupon.

The filing of an appeal shall suspend the distribution/grant of the PBB. The processing of PBB payrolls shall not commence unless:

- (1) All grievances relative to the grant of the PBB have been resolved; and/or,
- (2) The prescriptive period for the filing of appeals has lapsed and no appeal has been filed before the PBB Grievance Committee.

6. AMOUNT OF PBB

After the lapse of the prescribed period for PBB-related appeals and upon resolution of any appeal elevated to the PBB Grievance Committee, the agency shall commence with the determination of the amount of PBB due each eligible officer and employee.

The amount of PBB shall be determined per the following guidelines:

6.1. Base Amount of PBB

The base amount of PBB for eligible officers and employees is their basic monthly salary as of end of the year of the applicable rating period subject to the following:

- (a) Those who have rendered a minimum of nine (9) months of actual service during the applicable rating period and do not otherwise possess the disqualifications

for the grant of the PBB shall be entitled to the full base amount of PBB, subject to the application of the PBB multipliers as provided in Item 6.2 of this Office Order.

- (b) The base amount of PBB for those who have rendered a minimum of three (3) months but less than nine (9) months of actual service shall be pro-rated as follows, subject to the application of the PBB multipliers:

LENGTH OF SERVICE	Percent (%) of PBB
Eight (8) months but less than nine (9) months	90%
Seven (7) months but less than eight (8) months	80%
Six (6) months but less than seven (7) months	70%
Five (5) months but less than six (6) months	60%
Four (4) months but less than five (5) months	50%
Three (3) months but less than four (4) months	40%

- (c) Following are the valid reasons for an officer/employee who may not meet the nine-month actual service requirement to be considered for the grant of PBB on pro-rata basis:

- (1) Being a newly hired employee;
- (2) Retirement;
- (3) Resignation;
- (4) Rehabilitation leave;
- (5) Maternity/paternity leave;
- (6) Vacation/sick leave with or without pay;
- (7) Scholarship/study leave; and,
- (8) Sabbatical leave; and
- (9) Other leaves provided by law.

6.2. PBB Multipliers

After the base amount of PBB for eligible officers and employees has been determined, the PBB multipliers, as approved by the General Manager, shall then be applied, in accordance with their rankings in their respective position bands.

6.3. Processing of PBB Payrolls

The General Manager shall direct the processing of the PBB payrolls (1) after the official authorization to grant the PBB shall have been secured from the GCG and, (2) after all PBB-related appeals per Item 5.6 of this Office Order shall have been resolved.

The PFDA-PMT may recommend guidelines for top management approval to further facilitate the grant of the PBB consistent with this Office Order and other pertinent issuances relative thereto.

This office order takes effect immediately.

ATTY. GLEN A. PANGAPALAN
General Manager