

PHILIPPINE NATIONAL OIL COMPANY

GUIDELINES/MECHANICS IN RANKING OF DELIVERY UNITS FOR THE GRANT OF PERFORMANCE-BASED BONUS (PBB) FY 2018

LEGAL BASES:

1. A.O. 25 Task Force Guidelines for the Grant of Performance-Based Bonus for F. Y. 2018 (Memorandum Circular No. 2018- 1, dated 28 May 2018); and
2. Philippine National Oil Company (PNOC) -Strategic Performance Management System (PNOC-SPMS) Basic Policies.

SYSTEM OF RANKING:

1. PNOC Employees shall be rated in accordance with the provisions of the PNOC-SPMS:
 - 1.1 Performance appraisal shall be conducted annually for all departments/offices and individual employees. However, the minimum appraisal period is at least ninety (90) calendar days or three (3) months in a year.
 - 1.2 The final rating of the Department Performance Review (DPRs) as recommended by the PNOC Performance Management Team (PMT) and approved by the PNOC President /PNOC SPMS Champion shall be the basis in the computation of individual-employees' performance;
 - 1.3 The Department Manager/Office Head shall determine the final assessment of the performance level of individual employees in his/her Department based on proofs of performance. The average Overall Numerical Rating (ONR) of all individual performance assessments in a Department/Office shall not go over the numerical range of the Adjectival Rating of the Department/Office.
2. After the final DPRs have been decided upon during the deliberation of the PMT and consequently, approved by the SPMS Champion, the respective Department Managers/Office Heads shall then rate their subordinates. Upon finalization of ratings, the individual ratings based on the IPCRs and confirmed by the PMT shall be consolidated to determine the rankings pursuant to Memorandum Circular 2018-1 of the AO25 Task Force.
3. Employees who are deemed ineligible for 2018 PBB are the following:
 - 3.1 Those with unsatisfactory rating under the CSC-approved SPMS.

- 3.2 Found guilty of administrative and/or criminal case filed against them and meted the penalty in FY 2018; provided that those whose penalty involve only a reprimand shall not be disqualified from the grant of PBB for FY 2018;
- 3.3 Employees with less than (3) months of service in the PNOC; however, personnel who rendered a minimum of (3) months but less than nine (9) months of service, including those who retired/resigned/separated from the service and are newly-hired, shall be eligible for the grant of PBB on a pro-rata basis, as stipulated in the AO 25 Task Force MC No. 1, s. 2018. In addition, an employee who was transferred to other Department/s shall be rated or ranked in the Department where he/she served the longest.
- 3.4 Employees on vacation or sick leave, with or without pay, for the entire FY 2018;
- 3.5 Employees who failed to submit the 2017 SALN, as specified in Item 7.11 of AO 25 Task Force MC No. 1, s. 2018;
- 3.6 Officials and employees who were not able to liquidate their cash advances received in FY 2018 within the reglementary period as required by COA; and
- 3.7 Employees with no Performance Ratings in 2018.

DISSEMINATION/CASCADING MECHANISM

1. These guidelines shall be presented to the Management Committee for information to all Department Managers/Office Heads for dissemination to their respective subordinates.
2. Any issues/concerns that would arise in the implementation of the guidelines shall be referred to the PNOC-PMT for deliberation and recommendation of appropriate action for approval by the PNOC President/SPMS Champion.

**GUIDELINES/MECHANICS IN RANKING OFFICES/DELIVERY UNITS
FOR THE GRANT OF FY 2018 PERFORMANCE-BASED BONUS (PBB)**


PHILIPPINE NATIONAL OIL COMPANY (PNOC)

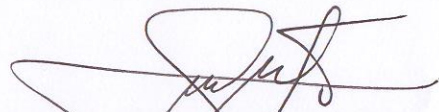
Based on the GCG Memorandum Circular No. 2018-1 (Amendments to the Interim Performance-Based Bonus) dated 31 January 2018, the one-time grant of the annual PBB shall be based on the performance of the individual Officers and Employees with the rate of incentive as a multiple of the individual's monthly basic salary (MBS) as of 31 December of the applicable year based on the table below, unless otherwise specified by the GCG, but not lower than P5,000:

Percentile	PBB as % of MBS
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 Governing Board/Management to decrease the figures and distribute them to the "Remaining" level.*

Provided, that the total cost of the PBB shall not result in a net loss for the applicable year computed before subsidy and unrealized gains/losses, and after payment of all statutory obligations and liabilities."


LINO GERARDO G. CALAOR
Administrative Manager
October 1, 2018


ADM REUBEN S LISTA (Ret)
PNOC President and CEO
October 1, 2018 