



Republika ng Pilipinas
Pambansang Pangasiwaan ng Patubig
(NATIONAL IRRIGATION ADMINISTRATION)
Lungsod ng Quezon

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OUR REFERENCE:

MC No. 14, s. 2005

MEMORANDUM CIRCULAR

TO : THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS,
DEPARTMENT / REGIONAL / OPERATION / PROJECT MANAGERS,
PROVINCIAL IRRIGATION OFFICERS, IRRIGATION
SUPERINTENDENTS AND ALL OTHERS CONCERNED

SUBJECT : **GRANT OF PRODUCTIVITY ENHANCEMENT PAY**

1.0 PURPOSE

This Circular is issued pursuant to the rules and regulations prescribed under Budget Circular (BC) No. 2005-1 dated February 10, 2005 implementing Administrative Order No. 115 dated February 9, 2005 on the grant of Productivity Enhancement Pay (PEP) subject to the notation of the NIA Board of Directors.

2.0 GENERAL POLICIES

- 2.1 The PEP is a one-time reward for the contribution of agencies to overall efficiency and productivity improvement in the government arising from the collective efforts of their officials and employees. In contrast with the Productivity Incentive Benefit (PIB) which is granted based on individual employee performance, the PEP is a reward for institutional performance.
- 2.2 The PEP shall be granted to all personnel who have not received any extra cash gift or additional benefit in CY 2004 over and above the year-end benefit (YEB) authorized under RA 6686, as amended by RA 8441 as implemented by Budget Circular No. 2000-18 dated September 6, 2000.
- 2.3 GOCCs and GFIs which realized savings from productivity improvement activities and have exceeded their corporate targets may grant the PEP to its officers and employees chargeable to the CY 2005 corporate operating budget, provided they have not granted in CY 2004 any extra cash gift, additional bonus, incentive or benefit over and above the YEB as above-mentioned.

3.0 COVERAGE AND EXEMPTIONS

- 3.1 Subject to the provisions of items 2.2 to 2.3 above, the PEP shall apply to all NIA employees in a permanent, temporary or casual status, including contractual personnel whose employment is in the nature of a regular employee who are under the following instances from January 1, 2004 to December 31, 2004 and were still in the service as of December 31, 2004:
 - 3.1.1 Those who have rendered at least a total or an aggregate of four (4) months of service including leaves of absence with pay;
 - 3.1.2 Those who are on approved leave without pay but have rendered at least a total or an aggregate of four (4) months of service provided they are not yet dropped from the rolls; and
 - 3.1.3 Those who have rendered less than four (4) months of service.
- 3.2 NIA employees under the following instances as of December 31, 2004 are not entitled to the PEP:
 - 3.2.1 Those who were absent without leave (AWOL);
 - 3.2.2 Those who were no longer in the service due to retirement/resignation/separation/death or for whatever reasons; and,
 - 3.2.3 Those who were hired not as part of the organic manpower but as consultants or experts, to perform specific activities or services with expected outputs; laborers of contracted projects (pakiao); those paid on piecework basis; and others whose remuneration are not taken from the budgetary allocation for Personal Services under the NIA's CY 2004 budget.
- 3.3 NIA employees who were formally charged administrative cases as well as criminal cases, which related to acts or omissions in connection with their official duties and functions and found guilty and/or meted penalties in 2004 are not entitled to the PEP. In this regard, if the penalty meted out is only reprimand, such penalty is not a basis of disqualification to receive the PEP.

4.0 RULES AND REGULATIONS

- 4.1 NIA employees covered under items 3.1.1 and 3.1.2 hereof shall be entitled to receive PEP in the amount of Three Thousand Pesos (P3,000.00) each.

- 4.2 NIA employee covered under item 3.1.3 hereof shall also be entitled to the PEP authorized under item 4.1 but shall be prorated as follows:

Length of Service	Percentage
3 months but less than 4 months	40%
2 months but less than 3 months	30%
1 month but less than 2 months	20%
Less than 1 month	10%

- 4.3 The PEP of NIA personnel employed on full-time basis but detailed with another government agency or special project shall be drawn from their respective mother agency. In the case of those paid from project funds, the PEP shall be drawn from the same source where they draw their salaries.
- 4.4 The PEP of NIA personnel employed on a part-time basis shall be prorated corresponding to the services rendered. Those who are employed on part-time basis with two (2) or more agencies, shall be entitled to a proportionate amount corresponding to the service in each agency, provided that the total PEP shall not exceed the amount herein authorized.
- 4.5 The PEP of NIA personnel who transferred from one agency to another shall be granted by their office as of December 31, 2004. For this purpose, a certification from the former office that the personnel has not availed of the PEP, extra cash gift, additional bonuses or benefit over and above the YEB in CY 2004, is necessary.
- 4.6 NIA personnel formally charged administrative and criminal cases and which cases are still pending for resolution shall be entitled to the herein authorized PEP.
- 4.7 NIA personnel who have received any unauthorized extra cash gift or additional benefit/allowance prior to the issuance of this Circular charged against the CY 2004 budget, shall:
- 4.7.1 refund any excess of the amount herein authorized; or,
- 4.7.2 be entitled to the difference, if they received less than the amount herein authorized.

5.0 FUND SOURCES

- 5.1 The funds necessary for the grant of the PEP shall be charged against the Corporate Operating Budget provided that said amount shall be within the DBM-approved annual corporate operating budget.
- 5.1.1 In case there are no adequate or sufficient funds the benefit herein authorized may be partially implemented provided that the same shall be uniform for all positions.

5.2 Funds for purposes of implementing this Circular for those whose salaries/wages are charged against the Current Operating Budget for 2004 shall be charged hereto. Those whose positions are authorized under Project Plantilla shall be charged against their respective Project funds.

6.0 RESPONSIBILITY OF CHIEFS OF OFFICES

The Chiefs of Offices/Projects concerned shall be held responsible for the implementation of this Circular in their respective area/s of jurisdiction and shall be held liable for any deviation/s from the provisions hereof, without prejudice however, to the refund of any excess payment by the employees concerned.

7.0 RESOLUTION OF CASES

Cases not covered by this Circular shall be referred to the Administrator
Attn.: Assistant Administrator for Administrative Services.


PROCESO T. DOMINGO
Administrator

28 February 2005