



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

**LABANAN
ANG
KAHIRAPAN**



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MC No. 24 s. 2010

MEMORANDUM CIRCULAR

**TO : THE ACTING DEPUTY ADMINISTRATORS, DEPARTMENT /
REGIONAL / OPERATIONS / PROJECT MANAGERS, DIVISION
MANAGERS AND OTHERS CONCERNED**

**SUBJECT: PAYMENT OF COLLECTIVE NEGOTIATION AGREEMENT (CNA)
INCENTIVE - SECOND SEMESTER CY 2009 PERFORMANCE**

1. RATIONALE

This Circular is being issued to provide rules and regulations for the payment of Collective Negotiation Agreement (CNA) Incentive representing the three years effectivity of the CNA, i.e., 2009 to 2011 pursuant to NIA Board Resolution No. 7585-09 series of 2009 dated May 25, 2009.

2. INTENT AND PURPOSE

In recognition of the joint efforts of the NIA initiated by Management and the NIA Employees Association of the Philippines (NIAEASP) in establishing a genuine service-oriented working environment that would enhance employee's welfare and ensure at all times cost-efficient agency operation effecting productive resource use, and for adopting Complete System Sustainability (CSS) as NIA's "battle cry" on "mission" statement beginning 2009, payment of the second semester (2009) performance of CNA Incentive equivalent to 50% of Agency savings/surplus determined semi-annually is granted/allocated to each qualified employee representing the second semester performance for CY 2009 subject to availability of cash.

3. AMOUNT OF INCENTIVE

The NIA Management has declared the amount of fifty-thousand pesos (P50,000.00) as CNA Incentive for 2nd Semester of CY 2009 Performance chargeable against the surplus/savings generated for the period July to December 2009.

4. PAYMENT SCHEDULE

- 4.1.1 The amount of Twenty-Five Thousand Pesos (P25, 000.00) shall be paid to each qualified official/employees not later than March 31, 2010.
- 4.1.2 The balance of Twenty-Five Thousand Pesos (P25, 000.00) shall be paid to all qualified officials and employees in accordance with Item 5.1.4 of this Circular, not later than June 30, 2010. ✓

5. COVERAGE/EXEMPTION

This Circular shall apply to the following:

- 5.1.1 Payment of the herein authorized CNA Incentives shall cover NIA officials and employees whether permanent, temporary, casual/daily, co-terminus or contractual whose appointments/contracts were passed upon by the Civil Service Commission (CSC).
- 5.1.2 Those who were in the service for at least three (3) months as of December 31, 2009 and who continue to be in the service as of the time of grant of incentive (March 2010) shall be entitled to 100% of the 1st tranche of CNA incentives, equivalent to twenty-five thousand pesos (P25,000.00).
- 5.1.3 Those who were in the service for less than three (3) months as of December 31, 2009 and who continue to be in the service as of the time of grant of incentive (March 2010) shall be entitled only to 50% of the 1st tranche of CNA incentives, equivalent to twelve thousand five hundred pesos (P12,500.00).
- 5.1.4 Those who were entitled to 1st tranche of CNA incentive as provided for under Items 5.1.1, 5.1.2, 5.1.3, and who continue to be in the service as of the time of grant of the 2nd tranche (June 30, 2010), shall be entitled to the full payment of the 2nd tranche of the CNA incentives amounting to Twenty Five Thousand Pesos (P25, 000.00).

It shall not apply, however to the following:

- 5.1.5 Contractual and Job Order workers whose contracts of service were not passed upon by the CSC (no employer-employee relationship).
- 5.1.6 Those who were separated/resigned/retired from the service at the time of grant of CNA Incentive are no longer entitled to receive the same.
- 5.1.7 Those who were hired beyond December 31, 2009.

6. CHECKOFF OF AGENCY FEE

6.1.1 The amount of Three Hundred Pesos (Php 300.00) plus seven percent (7%) of the amount due under this Circular shall be deducted/checked off as Agency Fee from the CNA Incentives that shall be received by non-union member-employees in accordance with Memorandum Circular No. 94, s. 2005 apropos union dues checkoff. Said Agency Fee shall be remitted to the NIAEASP District Office or Chapters of foreign assisted/locally funded projects with recognized Union Chapter as the case may be.

6.1.2 For purposes of the application of this provision under this Circular, the CNA Incentive of non-union member employees as of May 31, 2009 shall be deducted/checked off of the aforesaid Agency Fee.

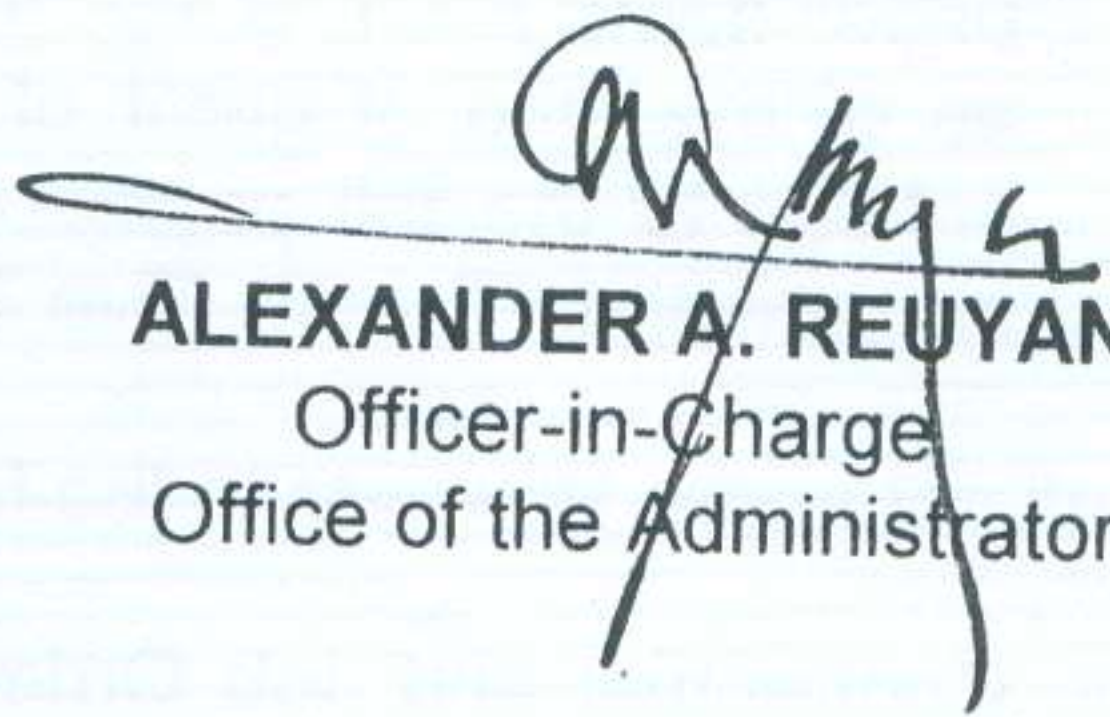
7. RESPONSIBILITY OF IMPLEMENTING OFFICIALS

The Chief of Offices concerned shall be responsible for the implementation of the provisions of this Circular. He/she shall be held personally liable for any payment of CNA incentives not in accordance with the provisions of this Circular without prejudice, however, to the refund by the employees/officials concerned of any payment made to them in case of disallowance.

8. SAVING CLAUSE

All questions/ issues arising from the implementation of this Circular shall be referred to the Office of the Deputy Administrator for Administrative and Financial Management.

Be guided accordingly.


ALEXANDER A. REUYAN
Officer-in-Charge
Office of the Administrator

19 March 2010

ENCL: COMPUTATION OF SAVINGS *far*

NATIONAL IRRIGATION ADMINISTRATION
EDSA, DILIMAN QUEZON CITY

COMPUTATION OF SAVINGS
(Per Annex "A" of PSLMC Resolution No. 02, s. 2003)
(In Thousand Pesos)
CORPORATE OPERATING BUDGET
CALENDAR YEAR 2009

(Compliance with Item 6.2 a & b)

Particulars (In Thousand Pesos)	Per Approved COB (Projection)	As Audited (Actual)	Variance
Operating Income	2,449,000	2,665,576	(216,576)
Less: Operating Expenses	2,591,476	1,818,953	772,523
Net Operating Income	<u>(142,476)</u>	<u>846,623</u>	<u>(989,099)</u>
(Compliance with Item 6.2.c) (In Thousand Pesos)			
I. Revenues			
Operating Income			2,665,576
Non-operating Income			98,036
Total Income			<u>2,763,612</u>
II. Expenses			
Operating Expenses			
Personal Services		1,208,821	1,595,083 *
MOOE		610,132	610,132
Equipment Outlay			
Sub-total, Operating Expenses		<u>1,818,953</u>	<u>2,205,215</u>
Non-Operating Expenses:			
Non-Cash Expenses			582,379
Others			
Sub-total, Non-Operating Expenses			<u>582,379</u>
Total Expenses			<u>2,787,594</u>
III. Net Profit Before Income Tax			<u>(23,982)</u>
IV. Income Tax			-
V. Net Profit After Income Tax			<u>(23,982)</u>
Dividend Payable to the National Government (50%)			<u>-</u>
Notes:			
* Including payment of the C N A incentive in the amount of P386 Million, net of P155 million to be retained by the GOCC/GFI			
** Including amount used for improvement of working conditions which as alternative may also be used for C N A incentive			
a/ Excluding payment of C N A incentive			
b/ Amount to be used for C N A Incentive Distribution: (In thousand pesos)			772,523
Fifty percent (50%) C N A Incentive (Actual amount paid for 2009 is P 105,023)			386,262
Per Region	94,625		
Per CO	<u>10,398</u>		
First Semester C N A incentive		105,023	
Balance for Second Semester C N A incentive			
Estimated Allocation			
Allocation for C.O.	21,400		
Allocation for Regions	182,900		
Allocation for Projects/Regions/Contingencies	<u>76,939</u>	281,239	
Total C N A Incentive for 2009		<u>386,262</u>	
Thirty percent (30%) for improvement of working conditions and/or to be added as part of the C N A Incentive			231,757
Twenty percent (20%) to be retained by the GOCC/GFI			<u>154,505</u>
Total			<u>772,523</u>