



MEMORANDUM ORDER NO. 2014-12

REORGANIZATION OF THE CREDIT INFORMATION CORPORATION

WHEREAS, Section 25 of the Republic Act No. 9510 or the "*Credit Information System Act*" created the Credit Information Corporation whose primary purpose shall be to receive and consolidate basic credit data, to act as a central registry or central repository of credit information, and to provide access to reliable, standardized information on credit history and financial condition of borrowers;

WHEREAS, the Governance Commission for GOCCs (GCG), pursuant to Section 5(a) of the "GOCC Governance Act of 2011" (R.A. No. 10149), is mandated to "evaluate the performance and determine the relevance of the GOCC, to ascertain whether such GOCC should be reorganized, merged, streamlined, abolished or privatized, in consultation with the department or agency to which a GOCC is attached";

WHEREAS, a reorganization of CIC is necessary to enable it to start its operations in 2015 to perform its functions under R.A. No. 9510;

WHEREAS, the CIC has an initial authorized plantilla position consisting of 10 positions, of which 5 are filled as of 30 April 2014;

WHEREAS, following a series of Technical Working Group meeting/discussions and negotiations between the representatives from the CIC and the GCG were undertaken, CIC officially submitted to the Governance Commission its *Revised* Reorganization Plan on 19 March 2014;

WHEREAS, the Governance Commission has determined that it is in the best interest of the State and the public to approve the Reorganization Plan of CIC as measures of Good Governance and Economic Development through improving national productivity pursuant to Sections 6 and 8(e) respectively of Executive Order No. 43, s. 2011, as well as the Philippine Development Plan 2011-2016";

NOW, BE IT—

RESOLVED, the Revised Reorganization Plan of CIC with 11 organizational units and 40 positions is hereby **APPROVED WITH MODIFICATIONS** as reflected in the documents below, which form an integral part of this Memorandum Order (M.O.).

- Annex A** – Reorganization Plan;
- Annex B** – Organizational Structure;
- Annex C** – Staffing Pattern; and
- Annex D** – Functional Statement.

The highlights of the approved Reorganization Plan are as follows:

1. Increase in regular plantilla positions by 30 positions from the existing 10 positions;
2. Creation of an organizational structure with the following organizational units:
 - a. Office of the Board of Directors
 - b. Office of the Board Secretary
 - c. Internal Audit Office
 - d. Office of the President
 - e. Marketing and Business Development Group
 - f. Office of the SVP for Credit Information Management Service (CIMS) Group
 - g. Finance and Administration Group
 - h. Information Security Unit
 - i. Technical Support Department
 - j. Application Development Department
 - k. Data Center
3. Adopting salary rates for the 40 approved positions.

RESOLVED FURTHER, the implementation of this order shall comply with the following conditions and guidelines:

1. Filling up of vacant positions shall be programmed to ensure the overall financial viability of agency operations relative to actual revenue collections and operating requirements;
2. CIC shall be limited to fill a maximum of 40 positions as reflected in Annex C.
3. Funding requirements for regular positions shall be sourced from the Corporate Operating Budget of CIC;
4. CIC shall submit to the GCG one hard copy and one digital copy in a CD of the Plantilla of Positions;
5. The Reorganization Plan shall be implemented within two (2) months after receipt of this M.O. and a monthly progress report shall be submitted to GCG until such has been completed;
6. The pertinent civil service, budgetary, accounting, auditing and other relevant laws, rules and regulations shall be complied with; and

7. Any further modification/s on the GCG-Approved Organization Structure and Staffing Pattern (OSSP) is/are prohibited unless otherwise approved by the GCG.

DONE, in the City of Makati, this 26th day of June, Two Thousand and Fourteen.

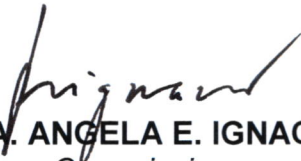


CESAR L. VILLANUEVA
Chairman



CESAR V. PURISIMA
DOF Secretary

021518



MA. ANGELA E. IGNACIO
Commissioner



FLORENCIO B. ABAD
DBM Secretary



RAINIER B. BUTALID
Commissioner



**CREDIT INFORMATION CORPORATION (CIC)
Reorganization Plan
FY 2014**

I. MANDATE

To receive and consolidate basic credit data, to act as a central registry or central repository of credit information, and to provide access to reliable, standardized information on credit history and financial condition of borrowers.

II. POWERS AND FUNCTIONS

Under R.A. No. 9510, the CIC has the following powers and functions:

1. To receive and consolidate basic credit data;
2. To act as a central registry or central repository of credit information;
3. To provide access to reliable standardized information on credit history and financial condition of borrowers.

III. CORPORATE STRATEGIC/BUSINESS PLAN

A. CHALLENGES

Talent Recruitment and Retention

The success of the establishment of the credit bureau will be driven to a large extent by the strength of the organization that will be formed. The mandate to establish state-of-the-art facilities calls for the recruitment and retention of a high calibre talents.

Difficulties have been encountered in recruiting Information and Communication Technology (ICT) in the past months. The current Salary Standardization Law rates that the CIC adheres to do not attract the talents that are relevant to the needs of the CIC.

Cooperation of Financial Institutions in the Submission of Credit Data

The cooperation of all participating entities is essential to CIC's success. The strength of the database depends on the quantity and quality of credit data that submitting entities provide. Although the law mandates financial institutions to submit data, and stipulates penalties, it may be difficult to track compliance. The cooperation of the submitting entities can be obtained only by their being convinced that their participation will redound to their benefit. The CIC must therefore capture the trust and confidence of all participating sectors and the general public. This can be achieved initially by heavy marketing, promotional and educational campaigns, and eventually by a demonstration of organizational and operational competence, integrity and reliability. The marketing and educational

campaigns are expected to be continuous which therefore requires permanent positions for Marketing and Business Development staff in the organization.

B. STRATEGIC DIRECTION

The CIC ultimately aims to be the leading provider of independent, comprehensive, complete, accurate and updated centralized information through the efficient and secure collection and dissemination of the credit data with the use of state-of-the-art technology and facilities, as well as best international practices in its operations. The successful operation of the CIC will enhance access to credit especially for small and micro institutions, thereby contributing to inclusive and sustainable economic growth. It will also help reduce financial institutions' credit losses which lead to a more stable economy.

In achieving its strategic intent, CIC needs to build an organization of top talents and skills needed to support the establishment and implementation of the centralized credit information system.

Aside from high-calibre ICT professionals, the CIC needs operational expertise with experience in the banking industry. The typical operations of the credit bureau will require day-to-day interaction with more than 10,000 financial institutions to ensure the promptness, quality and completeness of data submission, as well as the accuracy and prompt generation of positive and negative credit reports. It is anticipated that the initial years of operation will require heavy cleaning up of data, and need for handling of dispute resolution and legal support.

Prior to and during implementation, educational campaigns need to be pursued. The educational programs will be directed to the submitting entities on data submission, and to the accessing entities on the use of credit reports. They will also be directed to the general public to educate them on consumer rights, and the process of handling dispute resolutions.

While CIC is considering outsourcing infrastructure, the CIC will manage the operations and will have full control of the credit data collected.

IV. ORGANIZATIONAL STRUCTURE

CIC's organizational setup involves creation of 11 new offices.

V. STAFFING PATTERN

4. The Organizational Restructuring modifies the ***initial staffing pattern approved by the Department of Budget and Management (DBM) to support CIC's mandate*** to receive and consolidate basic credit data, to act as a central registry or central repository of credit information and to

provide access to reliable standardized information on credit history and financial condition of borrowers. The authorized staffing pattern represents the addition of 30 new positions from the current interim plantilla of 10 positions.

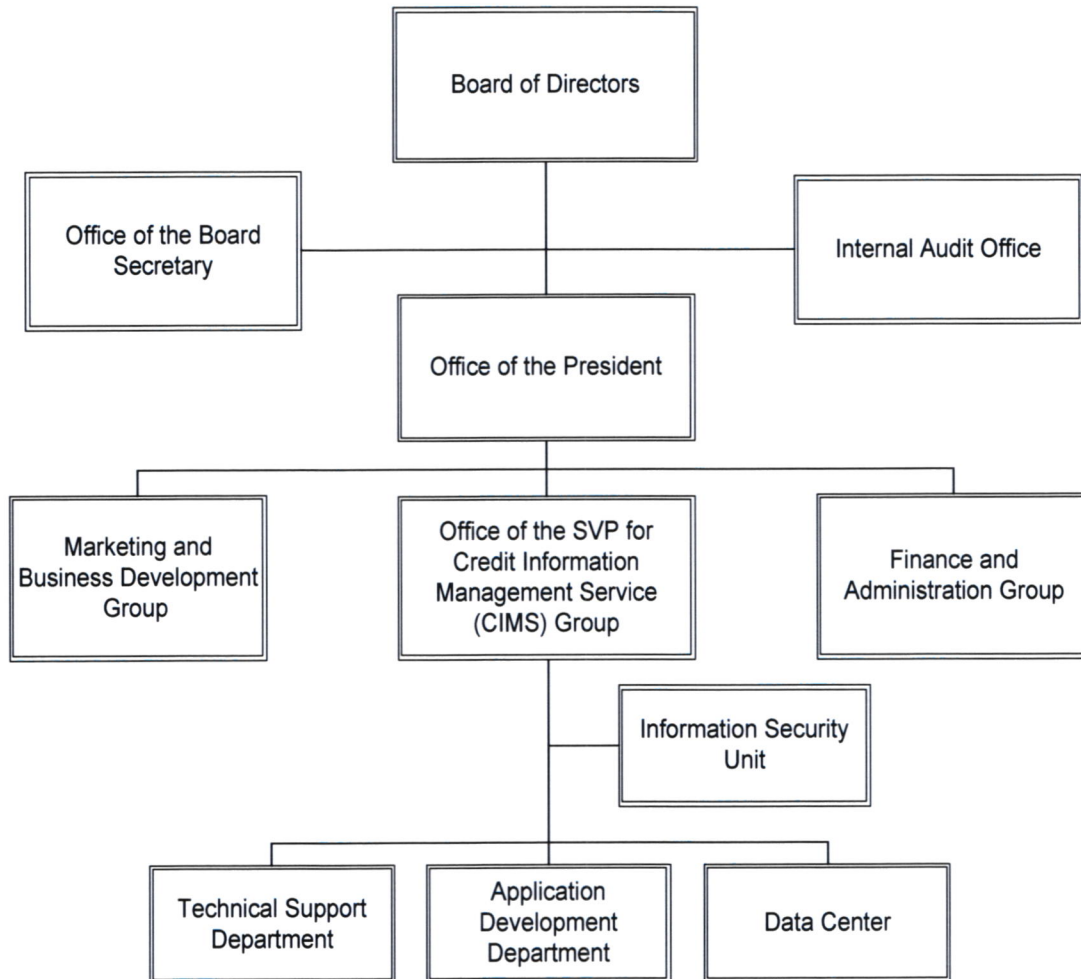
VI. FINANCIAL PLAN/ PROJECTION

1. NG Support. – CIC relies heavily on National Government (NG) subsidy to finance its operations. Subsidies received from 2011 to 2013 amount to ₱90.64 million and projected to reach ₱173 million in 2014 and 2015. Subsidies are used to finance PS and MOOE. Historical utilization rate of subsidy averaged only 39% in 2011-2013. But with operations in full swing in 2015, subsidy utilization rate is expected to hit 79% in 2014 and 2015.
2. Historical Performance. – CIC is at the early stage of its business cycle. CIC's growth since 2011 is due mainly to subsidy from the NG. This keeps the Corporation's bottom line positive. As it has not yet acquired significant amount of assets, asset portfolio is 99% in the form of cash and short-term investments which generate marginal revenue in the form of interest.
3. Financial Projections. – CIC expects subsidy income in 2014 at ₱93 million and in 2015 at ₱80 million, enough to finance startup operations. Revenue from core operation will become significant in 2016 when revenue is projected to hit ₱66 million, sufficient to cover expenses.

Approved by:


CESAR L. VILLANUEVA
Chairman

CREDIT INFORMATION CORPORATION
GCG APPROVED ORGANIZATIONAL STRUCTURE
FY 2014



Approved by:


CESAR L. VILLANUEVA
Chairman

**CREDIT INFORMATION CORPORATION
GCG APPROVED STAFFING PATTERN
FY 2014**

No. of Position	Position Title	SG
OFFICE OF THE BOARD OF DIRECTORS		
Internal Audit Office		
1	Internal Auditor V	24
1	Internal Auditor IV (Financial and Management)	22
1	Internal Auditor IV (Operations)	22
3	Sub-total	
Office of the Board Secretary		
1	Board Secretary V	24
1	Sub-total	
OFFICE OF THE PRESIDENT		
1	President	30
1	Attorney V	25
1	Executive Assistant V	24
3	Sub-total	
OFFICE OF THE SVP FOR CREDIT INFORMATION MANAGEMENT SERVICE (CIMS) GROUP		
1	Senior Vice President	28
1	Sub-total	
Information Security Unit		
1	Information Technology Officer III	24
1	Data Management Chief	22
2	Sub-total	

No. of Position	Position Title	SG
Technical Support Department		
1	Department Manager III	26
1	Information Technology Officer III	24
1	Information Technology Officer III	24
1	Information Technology Officer II	22
4	Sub-total	
Application Development Department		
1	Department Manager III	26
1	Information Technology Officer III	24
1	Information Technology Officer II	22
3	Sub-total	
Data Center		
1	Department Manager III	26
2	Computer Operator IV	14
5	Data Controller IV	13
8	Sub-total	
18	TOTAL, CIMS Group	
MARKETING AND BUSINESS DEVELOPMENT GROUP		
1	Senior Vice President	28
1	Information Officer V	24
1	Chief Marketing Specialist	22
2	Marketing Specialist	15
5	TOTAL, Marketing and Business Development Group	

No. of Position	Position Title	SG
FINANCE AND ADMINISTRATION GROUP		
1	Senior Vice President	28
1	Chief Accountant	24
1	Budget Officer IV	22
1	Financial Analyst IV	22
1	HR Management Officer IV	22
1	Administrative Services Officer V	20
1	Administrative Officer IV	15
1	Chauffer IV	8
1	Administrative Aide VI	6
1	Driver Courier II	6
10	TOTAL, Finance and Administration Group	
40	<u>GRAND TOTAL</u>	

Approved by:


CESAR E. VILLANUEVA
 Chairman

**CREDIT INFORMATION CORPORATION
FUNCTIONAL DESCRIPTION
FY 2014**

I. OFFICE OF THE BOARD OF DIRECTORS

Formulate policies, guidelines and programs and appoint key management positions to effectively implement and carry out the purposes and objectives of the CIC.

A. OFFICE OF THE BOARD SECRETARY

- Prepare agenda and minutes of Board and Committee Meetings in consultation with the Chairperson and President;
- Ensure that the minutes of meetings are accurately recorded, approved and attested;
- Serve as secretariat for all meetings of the Board;
- Ensure that the records of the Corporation are maintained as required by law and made available when required by authorized persons;
- Ensure that proper notification of Directors and Members' meetings is given as specified in RA 9510/IRR.
- Manage the general correspondence of the Board of Directors, except for such correspondence assigned to others; and
- Perform such other duties and responsibilities as may be assigned by the CIC Board of Directors or its Chairman.

B. INTERNAL AUDIT OFFICE

- Assess the adequacy of the system of internal controls and institute needed improvements;
- Prepare an internal audit program and ensure that all internal audit works are conducted in conformity with the standards of the internal audit practice;
- Conduct studies on any phase of management activity, survey work, and special assignment as may be instructed by the Board;
- Review and appraise the operations of the CIC's organizational units to determine the extent of compliance with established policies, systems, and procedures;

- Review work plans, accomplishments and status reports of the Corporation's projects and programs to determine whether results are consistent with established goals and objectives and whether the programs are implemented as planned;
- Formulate and implement performance indicators and standards related to financial and special audits; and
- Perform such other functions as may be delegated by the CIC Board of Directors.

II. OFFICE OF THE PRESIDENT

The President is responsible for providing strategic leadership for the company by working with the Board and the management team to establish and execute goals, strategies, plans and policies. General duties and responsibilities include:

- Lead the corporation in achieving the mandate of RA 9510;
- Communicate and serve as the role model for the company's visions and values, and fosters a culture of integrity throughout the organization;
- Direct the strategic planning activities and provides overall guidance in the efficient administration and sustainable operations of the Corporation;
- Develop organizational capability;
- Develop a program in place that will aid in the attraction and retention of the best talents in industry;
- Ensure that there is in operation an effective framework of governance which provides the direction and parameters within which business is to be conducted, aligns accountabilities and authorities and defines any required policies, standards and guidelines;
- Establish management processes and specific performance measures that support the long-term strategy;
- Develop and maintain public, industry and investors relations; and
- Perform such other duties and responsibilities as the Board of Directors may authorize.

A. MARKETING AND BUSINESS DEVELOPMENT GROUP

Ensure the formulation of best strategies, plans and programs in areas of marketing and all customer interfacing activities including sales, business development, public relations, communications, promotions and operations.

Marketing and Sales

- Develop promotional and communications strategies, goals and plans to meet the mandate of RA 9510, ensuring sustained revenue growth;
- Develop relationships with submitting entities, helping them meet accreditation requirements and standards to increase subscription base;
- Develop relationships with accessing entities, ensuring they utilize CIC's credit reports in their credit evaluation process, thus increasing CIC revenue base;
- Create an industry and environmental view to guide strategic and tactical decision making;
- Develop products and services that meet the market's current and future needs;
- Forecast and track the group's annual, quarterly and monthly revenue budget and marketing and promotional expenses; and
- Perform such other duties and responsibilities as may be assigned by the SVP for Marketing and Development.

Public Relations

- Develop and implement strategic public relations programs to create awareness among CIC stakeholders and the general public;
- Identify key media outlets;
- Develop a communications strategy to convey benefits of data submission and use of credit reports;
- Cultivate relationships with key business journalists and trade publications;
- Write clear and compelling press releases and articles;
- Analyze and measure results of public relations program;
- Prepare and manage budgets and campaign return on investment; and

- Perform such other duties and responsibilities as may be assigned by the SVP for Marketing and Development.

Website

- Develop and maintain the company's website, to provide CIC with online presence, create awareness and to provide current and prospective subscribers and the public with vital information about CIC business operations;
- Ensure that the website is optimized to be search engine friendly, with the following characteristics:
 - Ability to interface with government required website
 - Flexibility for additional services
 - Ability to serve as a portal to the Credit Information System
 - Provisions for online forums
 - Compliance with the minimum requirements of Administrative Order 39 website template and other relevant government rules
 - Ability to pass security and stress tests conducted by the Department of Science and Technology (DOST);
- Ensure the website content is always updated and all requirements for the Transparency Seal are properly uploaded; and
- Perform such other duties and responsibilities as may be assigned by the SVP for Marketing and Development.

B. OFFICE OF THE SVP FOR CREDIT INFORMATION MANAGEMENT SERVICE (CIMS) GROUP

- Manage and supervise the Department's resources, budget, plans and activities;
- Perform technology and operations (service) management;
- Perform project management and implementation;
- Perform systems and procedures development and implementation;
- Perform end user management; and

- Vendor management.

1. INFORMATION SECURITY UNIT

- Manage and supervise the department's resources, budget, plans and activities;
- Perform information security policy development, implementation, enforcement and maintenance;
- Perform compliance monitoring, tracking and reporting of information security policy;
- Perform vendor management and coordination; and
- Perform such other duties and responsibilities as may be assigned by the SVP for CIMS.

2. TECHNICAL SUPPORT DEPARTMENT

- Manage and supervise of the department's resources, budget, plans and activities;
- Systems, network and database capacity planning;
- Perform server, computer (desktop, laptop, printer) and network equipment installation, configuration and maintenance;
- Perform systems software installation, configuration and maintenance;
- Assess, manage, maintain, upgrade and modify database availability, security, and performance management;
- Systems, network and database performance monitoring, troubleshooting and resolution;
- Perform vendor management and coordination; and
- Perform such other duties and responsibilities as may be assigned by the SVP for CIMS.

3. APPLICATION DEVELOPMENT DEPARTMENT

- Manage and supervise the department's resources, budget, plans and activities;
- Perform business analysis and design;

- Systems and procedures development and implementation;
- Project management and implementation;
- Constantly assess, manage, upgrade, implement, maintain and modify the application;
- Applications development, implementation and maintenance;
- End user education, training and coordination;
- Perform vendor management and coordination; and
- Perform such other duties and responsibilities as may be assigned by the SVP for CIMS.

4. DATA CENTER

- Manage and supervise the department's resources, budget, plans and activities;
- Manage data center, network and help desk operations;
- Assess, manage, upgrade and modify, systems and network availability, security and performance management;
- Function as help desk support for internal and external (submitting entities, accessing entities, borrowers) customers;
- Input data quality assurance;
- Perform vendor management and coordination; and
- Perform such other duties and responsibilities as may be assigned by the SVP for CIMS.

C. FINANCE AND ADMINISTRATION GROUP

- Establish and implement adequate internal control systems, and efficient and effective financial operations;
- Participate in corporate business planning and ensure the prompt preparation of the corporate budgets including but not limited to Projected Balance Sheet, Profit & Loss Statement, Cash flow, Changes in Equity, Capital Expenditure and Operating Expenses;

- Ensure compliance with all statutory and management reporting requirements (including those of the GCG, COA, CSC, BIR and other relevant governmental units;
- Manage the treasury function: (a) ensure adequate funding to support the Corporation's business requirements and operations; (b) manage Cash Receipts, Disbursement, and efficient utilization and management of cash deposits;
- Ensure proper implementation of relevant procurement laws;
- Perform the human resource function, covering organizational management (including recruitment, professional development, performance management, and career development), compensation and benefits administration, employee rules and regulations, and industrial relations;
- Perform general administration covering site management and upkeep, administrative services, contracts administration, asset management and maintenance and contracts administration; and
- Perform such other duties and responsibilities as may be assigned by the President.

Approved by:



CESAR L. VILLANUEVA
Chairman