



CPCS CIRCULAR NO. 2021-009

SUBJECT : **GRANT OF THREE (3)-YEAR PRESENT VALUE OF AUTHORIZED ALLOWANCES, BENEFITS, AND INCENTIVES OF GOCCS THAT WILL BE DISCONTINUED UNDER THE CPCS**

DATE : **12 JAN 2022**

1. **LEGAL BASES.** – Executive Order (E.O.) No. 150, s. 2021 approved the Compensation and Position Classification System (CPCS) and the Index of Occupational Services, Position Titles, And Job Grades for GOCCs (IOS-G) Framework.

Section 5 of the said E.O. provides that “[t]he existing compensation granted by GOCCs to its officers and employees shall be standardized in accordance with the CPCS approved under this Order.”

Under Chapter VI(B)(4) of the CPCS, upon application of the CPCS, all the allowances, benefits, and incentives (ABIs) of GOCC officers and employees, whether they are incumbents or new hires, shall be limited to those provided under the CPCS.

Chapter VI(B)(5) provides that the authorized ABIs currently being received by incumbents of GOCCs that are implementing their own compensation framework shall be paid the three (3)-year present value of the authorized ABIs that will be removed under the CPCS.

This Circular is being issued to provide the guidelines on the grant of the said 3-year present value of discontinued ABIs.

2. **COVERAGE.** – This Circular shall apply to all officers and employees, whether regular, contractual or casual in nature, of GOCCs and their subsidiaries covered under Republic Act (R.A.) No. 10149.¹
3. **EXCLUSIONS.** – The following are excluded from the coverage of this Circular:
 - 3.1. Officers and employees of GOCCs with approved abolition or deactivation orders;²
 - 3.2. Individuals hired by GOCCs without employer-employee relationships and/or those whose compensation is not sourced from Personal Services appropriations/budgets of their respective GOCCs, as follows:
 - (a) Members of the Governing Board;
 - (b) Consultants and experts hired to perform specific activities or services with expected outputs;

¹ GOCC Governance Act of 2011.

² Section 1, E.O. No. 150, s.2021.