CPCS CIRCULAR NO. 2021-007

SUBJECT: GRANT OF MID-YEAR BONUS (MYB) FOR FY 2022 AND YEARS THEREAFTER

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)(1) of the CPCS, officers and employees of GOCCs shall be entitled to incentives, including the Mid-Year Bonus (MYB), the prescribed rates, guidelines, and regulations thereof "shall be promulgated by the GCG based on the applicable standardized compensation laws and issuances for National Government Agencies."

   This Circular is being issued pursuant to the above directive.

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:

   3.1.1. Officers and employees of GOCCs with approved abolition or deactivation orders; ²

   3.1.2. 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;
      (c) Laborers hired through job contracts (pakyaw) and those paid on piecework basis;
      (d) Student laborers and apprentices; and
      (e) Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

¹ GOCC Governance Act of 2011.
² Section 1, E.O. No. 150, s.2021.
4. **GRANT OF MID-YEAR BONUS (MYB)**

4.1. The MYB, which is equivalent to one (1) month basic pay as of May 15, shall be given to a qualified employee or officer not earlier than May 15 of the current year, subject to the following conditions:

4.1.1. The employee or officer has rendered at least a total or an aggregate of four (4) months of service, whether continuous or intermittent, including leaves of absence with pay, from July 1 of the immediately preceding year to May 15 of the current year;

4.1.2. The officer or employee remains in government service as of May 15 of the current year;

4.1.3. The officer or employee has obtained at least a satisfactory performance rating in the immediately preceding rating period, or the applicable performance appraisal period. If there is a need for a shorter period, it shall be at least ninety (90) calendar days or three (3) months, provided that the total or aggregate service under Item 4.1.1 hereof is complied with.

4.2. Those officers or employees who have rendered a total or an aggregate of less than four (4) months of service from July 01 of the preceding year to May 15 of the current year, and those who are no longer in government service as of the latter date, shall not be entitled to the MYB;

4.3. The MYB of personnel hired on part-time service in one or more agencies shall be in direct proportion to the number of hours/days of part-time services rendered;

4.4. The MYB of those on detail to another government agency shall be paid by the parent agency, while those on secondment shall be paid by the recipient agency;

4.5. The MYB of personnel who transferred from one agency to another shall be granted by the new agency;

4.6. A compulsory retiree on service extension may be granted the MYB, subject to pertinent guidelines herein.

4.7. Officers and employees who are on authorized attendance to scholarship grant or program on official time may be given the MYB, subject to the following:

4.7.1. The scholarship grant is part of the human resource development program of the GOCC and is aimed at directly enhancing the capability of the official/employee to perform the duties and responsibilities of his/her position and contribute to the achievement of the agency’s performance objectives;
4.7.2. A scholar who has rendered at least four (4) months of actual performance of duties with at least a satisfactory rating for the period of July 1 of the immediately preceding year to May 15 of the current year, and is still in the service as of May 15 of the current year may be entitled to the MYB. Actual performance of duties means that the employee is reporting for work and actually delivering the services required of his/her position;

4.7.3. A scholar with less than four (4) months of actual performance of duties for the period of July 1 of the immediately preceding year to May 15 of the current year, and is still in the service as of May 15 of the current year may be entitled to the MYB, subject to the successful completion of the course program and fulfillment of the conditions stipulated in the scholarship contract.

4.7.4. A scholar with less than four (4) months of actual performance of duties for the period of July 1 of the immediately preceding year to May 15 of the current year, and who was not able to successfully complete the course program or failed to fulfill all the conditions stipulated in the scholarship contract, shall not be entitled to the MYB.

4.7.5. The grant of the MYB to qualified scholars shall be subject to the conditions under Item 4.1 hereof.

4.7.6. The payment of the MYB to qualified scholars shall be without prejudice to the refund thereof by the scholars concerned should they fail to complete the course program or abide by the terms of the scholarship contract.

5. **Funding Sources.** – The funding for the payment of the MYB shall be charged by GOCCs to their respective approved corporate operating budgets (COBs). However, it shall be prohibited to source the payment for the said bonus from the following:
   (a) Loans; and
   (b) Sale of the GOCC's asset(s) for the sole purpose of paying the MYB; and
   (c) Other schemes analogous to the foregoing.

Furthermore, the GOCCs shall not increase their service fees for the purpose of augmenting any deficiencies in the amounts prescribed herein, and neither shall the grant of MYB adversely affect the implementation of programs/projects, as well as the attainment of performance targets.

6. **Responsibility of the GOCCs.** – The GOCCs, acting through their Governing Boards, shall be responsible for the proper implementation of this Circular, without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

7. **Repealing Clause.** – All other GCG orders, circulars, issuances, and decisions, Board resolutions, or parts thereof, which are inconsistent with this Circular are hereby repealed or modified accordingly.
8. **Resolution of Cases.** – Cases not covered by this Circular shall be referred to the GCG for resolution.

9. **Effectivity Clause.** – This Circular shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation, and upon receipt of a formal copy by the University of the Philippines – Office of the National Administrative Registrar (UP-ONAR).

\[\text{Signatures}\]

**Samuel G. Dagpin Jr.**
Chairman

**Carlos G. Dominguez**
DOF Secretary

**Michael P. Cloribel**
Commissioner

**Tina Rose Marie L. Canda**
OIC, DBM

**Marites Cruz-Doral**
Commissioner