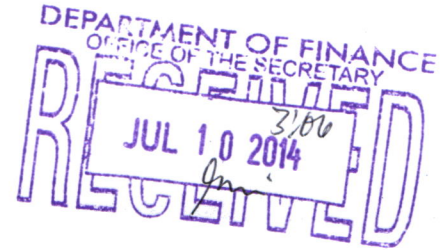




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08 July 2014



HON. CESAR V. PURISIMA
 DOF Secretary and Chairman

MR. FLORENCIO P. GABRIEL
 Executive Vice President and Officer-in-Charge

PHILIPPINE EXPORT-IMPORT CREDIT AGENCY (PHILEXIM)
 17th Floor Citibank Tower, Citibank Plaza,
 Valero St., Makati City

TIDCORP/PHILEXIM

RE : COMPENSATION OF OFFICER-IN-CHARGE OF AN AGENCY

14 JUL 11 PT:51

Dear Sec. Purisima and OIC Gabriel,

We reply to the letter of your Vice-President, Atty. Dynah G. Nepomuceno-Bayot, dated 30 June 2014¹ requesting for clarification on the following queries relative to Section 9.4(b) of GCG MC No. 2012-09:

Is the Officer-Next-In-Rank designated by virtue of Section 9.4 (b) entitled to: (a) the compensation package that is officially attached to the Office of the CEO; or (b) the difference in the compensation package that is officially attached to the office of the CEO; or (c) simply the difference in the representation and transportation allowance (RATA) officially attached to the office of the CEO?

We presume that the above query was made in light of CSC MC No. 6, s. 2005, which provides guidelines on designation for first, second and third level personnel. Paragraph (F) thereof provides –

Designees cannot be granted the salaries of the positions they are being designated to, except allowances that go with performance of the functions such as RATA (Representation and Transportation Allowance).

While the Compensation and Position Classification System (CPCS) for GOCCs is within the jurisdiction of the Governance Commission, the promulgation of policies on personnel movements, such as designation, and their legal effect fall within the jurisdiction of the Civil Service Commission (CSC). Accordingly, CSC MC No. 6, s. 2005 would apply to the exceptional situation contemplated in Section 9.4(b) of GCG MC No. 2012-09 where the CEO position is rendered vacant and the Officer-Next-In-Rank is designated as Temporary/Acting OIC since none of the incumbent Board Members are willing to take over.

Likewise, the OIC is also not entitled to receive *per diems* since he or she is generally not considered as part of the GOCC Board, except for purposes of determining a quorum in Board and Committee Meetings pursuant to Section 9.4 of GCG MC No. 2012-09.

¹ Officially received by the Governance Commission on 01 July 2014.

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Very truly yours,
BY AUTHORITY OF THE COMMISSION


CESAR L. VILLANUEVA
Chairman


MA. ANGELA E. IGNACIO
Commissioner


RAINIER B. BUTALID
Commissioner