development academy of the philippines

Memorandum Circular	GUIDELINES ON THE GRANT OF THE PERFORMANCE-BASED BONUS OF FY2024 (PBB2024)	DATE: September 24, 2026
Number: MC-2026-012		Page: 1 of 9 pages

REFERENCES

- Presidential Decree No. 205 DAP Charter
- Executive Order No. 61 Resolution No. 2026-01 Grant of the Performance-based Bonus PBB for Fiscal Year (FY) 2024
- E.O. 61 Memorandum Circular No. 2026-01 Guidelines on the Grant of the Performance-Based Bonus (PBB) For Fiscal Year (FY) 2024
- E.O. No. 80 s. 2012 Directing the Adoption of a Performance-Based Incentive System for Government Employees
- E.O. No.77 dated March 15, 2019 Prescribing Rules and Regulations and Rates of Expenses and Allowances for Official Local and Foreign Travels of Government Personnel
- AO 25 MC No. 2023-1 Guidelines on the Grant of the PBB for Fiscal Year (FY) 2023 under Executive Order (EO) 80 s 2012 and EO 201 s 2016
- COA Circular No.97-002 Rules and Regulations on the Granting, Utilization, and Liquidation of Cash Advances
- GCG MC 2026-01 Guidelines on the Grant of Performance-based Bonus PBB for Fiscal Year (FY) 2024 and Subsequent Years
- GCG MC 2023-01 Performance Evaluation System for the GOCC Sector
- GCG MC 2021-02 Good Governance Conditions (GGCs) and Other Conditions and Requirements (OCRs) for the Grant of Interim Performance-Based Bonus (PBB)
- GCG MC 2019-02 Interim PBB
- BR-2025-01 Appointing Mr. Leocadio S. Sebastian as the Acting President and CEO and Acting Member of the Board of Trustees of the Development Academy of the Philippines
- BR-2024-012 Confirming the Authority of the President of the Development Academy of the Philippines (DAP) as its Chief Executive Officer, to Promulgate Internal Management Policies and Implementing Rules and Regulations via Office Orders, Special Orders, and Memoranda-Circulars

1. ELIGIBILITY OF DAP TO GRANT THE PBB

Eligibility for the grant of the PBB shall be based on DAP's overall performance. Once authorized, the PBB shall be distributed to individual officers and employees based on their performance ranking.

In order to be eligible to grant the PBB to its qualified officers and employees, the DAP must:

1.1. Achieve a weighted-average score of at least 90% in its Performance Scorecard; and,

1.2. Satisfy 100% of the Good Governance Conditions (GGCs), as follows:

1.2.1. The DAP has fully complied with all statutory obligations, including:

1.2.1.1. Payment of all taxes due to the Government, as

certified/validated by the Bureau of Internal Revenue (BIR);

1.2.1.2. Declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable, as certified/validated by the Department of Finance (DOF);

1.2.1.3. Payment of National Government (NG) Advances as certified/validated by the DOF; and

1.2.1.4. Remittance of mandatory contributions, as certified/validated by the following agencies: Government Service Insurance System (GSIS) or Social Security System (SSS), Home Development Mutual Fund (Pag-IBIG Fund), and Philippine Health Insurance Corporation (PhilHealth).

1.2.2. Compliance with all the requirements mentioned in the Revised Whistleblowing Policy for the GOCC Sector[1] and the Whistleblowing and Integrity Program (WHIP) for the GOCC Sector[2] and any amendments thereto;

1.2.3. Compliance with the posting requirement on the GOCC's website of the information enumerated under Section 43 of the "Code of Corporate Governance for GOCCs"[3] and amendments thereto; and

1.2.4. Compliance with the applicable financial reporting framework, e.g., Philippine Financial Reporting Standards (PFRS), Philippine Public Sector Accounting Standards (PPSAS), as certified/validated by the Commission on Audit (COA).

Non-compliance with any of the GGCs will render the entire DAP ineligible for the PBB.

1.3. **Other Conditions and Requirements (OCRs).** DAP is also required to comply with the following conditions and requirements:

1.3.1. Timely submission of Corporate Operating Budgets (COBs) to the Department of Budget and Management (DBM);

1.3.2. Submission to the GCG of all audit observations and notices of disallowances within seven (7) working days from the time it was received from the COA, and all written communications between DAP and the COA on such matters, which shall include, but shall not be limited to, the concrete and time-bound action plans for addressing the audit observations and notices of disallowances;

1.3.3. Compliance and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to the Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector and any amendments thereto;

1.3.4. Compliance by all Appointive Directors of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to the Performance Evaluation for Directors (PED) and amendments thereto;

1.3.5. Timely submission of the year-end financial statements and other related

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1 GCG Memorandum Circular (M.C.) No. 2016-02, applicable for FY 2024.

2 GCG M.C. No. 2025-01, applicable for FY 2025 onwards.

3 GCG M.C. No. 2012-07.

financial reports to the COA;

1.3.6. Compliance with the Energy Efficiency and Conservation (EEC) Act[4], as certified/validated by the Department of Energy (DOE);

1.3.7. Compliance with, and submission of, requirements to the Anti-Red Tape Authority (ARTA);

1.3.8. Compliance with the National Competition Policy and other competition initiatives, as validated by the Philippine Competition Commission (PCC);

1.3.9. Other conditions common to National Government Agencies and GOCCs as stated in the applicable government issuances, e.g., Agency Accountabilities under relevant issuances by the E.O. No. 61 (s. 2024) Technical Working Group.

Officers and employees directly responsible for the compliance and implementation of the OCRs shall not be entitled to the PBB for the applicable year if DAP fails to comply with any of these requirements.

The status of the DAP's compliance with the PBB requirements shall be made available by the GCG on its website.

2. ELIGIBILITY OF INDIVIDUAL OFFICERS AND EMPLOYEES

All officers and employees of DAP who occupy regular, casual, or contractual positions with an employer-employee relationship shall be entitled to the full grant of the PBB from their employer at the time of the release of the PBB; Provided, they have rendered an aggregate of at least nine (9) months of service in the public sector for the applicable PBB year. Officers and employees who do not meet the nine (9) month service requirement but have rendered at least three (3) months of service shall be entitled to the PBB on a pro-rata basis, as provided in Section 3.1.6 herein.

2.1. Specific Eligibility Guidelines

2.1.1. Personnel belonging to the First, Second, and Third Levels should receive a rating of at least "**Very Satisfactory**" based on DAP's Strategic Performance Management System (SPMS) as approved by the Civil Service Commission (CSC).

2.1.2. Personnel detailed to another government agency or GOCC for a period of six (6) months or more shall be included in the ranking of employees in the recipient agency that rated his/her performance. Payment of the PBB shall come from the mother GOCC.

2.1.3. Personnel who transferred from one government agency or GOCC to another shall be rated and ranked by the agency where he/she served the longest. If equal months were served for each agency, he/she will be included in the ranking of the recipient agency.

2.1.4. Officers and employees who transferred from or to government agencies or GOCCs that are non-participating in the implementation of the PBB shall be rated by the agency where he/she served the longest; the officer/employee shall be eligible for the grant of PBB on a pro-rata

4 Republic Act No. 11285, dated 12 April 2019.

basis corresponding to the actual length of service in the participating implementing agency, as stated in Section 3.1.6.

2.1.5. An officer or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least a "Very Satisfactory" rating may be eligible for the full grant of the PBB.

2.1.6. An officer or employee who has rendered a minimum of three (3) months but less than nine (9) months of service and with at least a "Very Satisfactory" rating shall be eligible for the grant of the PBB on a pro-rata basis corresponding to the actual length of service rendered, as follows:

Length of Service	% of PBB
8 months but less than 9 months	90%
7 months but less than 8 months	80%
6 months but less than 7 months	70%
5 months but less than 6 months	60%
4 months but less than 5 months	50%
3 months but less than 4 months	40%

The following are the valid reasons for an employee who may not meet the nine (9) month actual service requirement to be considered for the PBB on a pro-rata basis:

2.1.6.1. Being a newly hired employee;
2.1.6.2. Retirement;
2.1.6.3. Resignation;
2.1.6.4. Any interruption in the continuity of service that is not a result of a disciplinary action;
2.1.6.5. Rehabilitation Leave;
2.1.6.6. Maternity Leave and/or Paternity Leave;
2.1.6.7. Special Leave Benefits for Women pursuant to RA No. 9710[5];
2.1.6.8. Special Emergency Leave under CSC M.C. Nos. 2, s. 2012[6] and 16, s. 2012[7];
2.1.6.9. Vacation or Sick Leave with or without pay;
2.1.6.10. Scholarship/Study Leave;
2.1.6.11. Sabbatical Leave; and,
2.1.6.12. Other leaves provided for by law.

2.1.7. An officer or employee who is on leave, with or without pay, for the entire year is not eligible to the grant of the PBB.

2.1.8. Personnel found guilty of administrative and/or criminal cases in the applicable year by final and executory judgment shall not be entitled to the PBB. If the penalty meted out is only a reprimand, such penalty shall

5 Magna Carta of Women.

6 Special Emergency Leaves to Government Employees Affected by Natural Calamities/Disasters, dated 16 February 2012.

7 Supplemental Guidelines in the Grant of Special Emergency Leave, dated 17 October 2012.

not cause disqualification from the PBB.

2.1.9. Officers and employees who failed to timely submit the latest Statement of Assets, Liabilities, and Net Worth (SALN) as prescribed under applicable laws and rules, or those who are responsible for the non-compliance with the establishment and conduct of the review and compliance procedure of SALN, shall not be entitled to the PBB of the applicable year.

2.1.10. Officers and employees who failed to liquidate all cash advances received in the applicable year within the reglementary period, as stated in relevant and prevailing COA Circulars, shall not be entitled to the PBB for the same year.

2.1.11. Officers and employees who failed to submit their complete SPMS Forms (OPCR/DPCR/dPCR/IPCR), shall not be entitled to the PBB of the applicable year.

2.2. Exclusions

Excluded from the grant of the PBB are those hired without an employer-employee relationship and whose compensation is not sourced from Personnel Services (PS) appropriations/budgets of DAP, as follows:

2.2.1. Consultants and experts hired to perform specific activities or services with expected outputs;

2.2.2. Laborers hired through job contracts (*pakyaw)* and those paid on a piecework basis;

2.2.3. Student laborers and apprentices; and

2.2.4. Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

3. DISTRIBUTION SYSTEM

The DAP President and Chief Executive Officer (CEO) should ensure that only eligible and qualified officers and employees are included in the rating and ranking to be submitted to the GCG. Distribution of the PBB among qualified officers and employees of DAP who have complied with the conditions under GCG MC 2026-01 Sections 4.3 (Other Conditions and Requirements (OCRs)) and Section 5 (Eligibility of Individual Officers and Employees) above shall be in accordance with the following procedure:

3.1. Grouping of Personnel

3.1.1. **Senior Management:** This refers to the executive officers of the GOCC, and includes all heads of functional units which are primarily involved in the development, evolution, and approval of long-term vision across a function or area of specialization.

The following designated group and center heads are considered as "Senior Managers" of the Academy:

3.1.1.1. The Senior Vice President of the Program Operations Group

3.1.1.2. The Senior Vice President of the Services Group

3.1.1.3. The Vice Presidents of the following Centers:
- 3.1.1.3.1. Corporate Concerns Center (CCC)
- 3.1.1.3.2. Center for Career Executive Service Development (CCD)
- 3.1.1.3.3. Center for Governance (CFG)
- 3.1.1.3.4. Productivity and Development Center (PDC)
- 3.1.1.3.5. DAP sa Mindanao (DsM)

3.1.1.4. The Dean of the Graduate School of Public and Development Management (GSPDM)

3.1.1.5. The DAP President and CEO, has the prerogative to avail of either the Performance-Based Incentive (PBI) under the applicable Memorandum Circular on the PBI, or the PBB, but not both. In the event the PCEO is included in the PBB application, he/she must meet the eligibility requirements for the PBI, and shall be ranked separately on his/her own and shall not be included in the forced ranking of officers and employees.

3.1.2. **Middle Management:** This covers those whose work is primarily achieved through others, with direct accountability for setting direction and deploying resources. They are responsible for people management, including performance evaluation and pay reviews, and typically make hire/fire decisions. This includes individual contributors who are recognized as subject matter experts with in-depth technical knowledge, project management, and significant influence skills in the area of expertise. The following designated officers are considered as "Middle Managers" of the Academy.

This level includes the Department Managers, Division Chiefs, Office and Program Directors, and Program and Office Managers, who were assigned to exercise management authority over particular undertakings of the Academy.

3.1.3. **Professional/ Supervisory/** Technical**:** This level comprises the personnel whose work is primarily achieved by an individual or through project teams. Those included in this level require the application of expertise in professional or technical area(s) to achieve results. They typically have a university degree or equivalent work experience that provides knowledge and exposure to fundamental theories, principles and concepts (e.g. Fellows, Project Officers, and Associate Project Officers). Likewise included are supervisors and junior management who may not have full management authority (e.g., Financial Analysts/ Specialists, Accountant, HR Officer, etc.)

3.1.4. **Clerical/General Staff:** This category includes all clerical, administrative, and secretarial staff with little or no supervisory responsibility, but who contribute independently to the organization. It also covers basic computing/data processing staff such as operators, customer service assistants, and skilled craftsmen/technicians (e.g., Secretary, Clerk, Finance Processor, Administrative Assistant,

Chauffeur, Utility Worker, Messenger).

3.2. **Distribution for Qualified Officers and Employees**

Within each level under Section 4.1 of this MC, qualified officers and employees shall be ranked on a percentile basis based on their Performance Commitment Ratings (OPCR, DPCR, dPCR, IPCR). The ratings shall be quantified for purposes of ranking and determining the distribution of the PBB as follows:

3.2.1. **Rates of PBB.** The grant of the PBB shall be based on the performance of the individual officers and employees, with the rate of incentive as a multiple of the individual's monthly basic salary (MBS) as of 31 December of the applicable year, based on the table below, but not lower than P5,000:

Percentile	PBB as % of MBS
Top: Maximum 10%	65.0%
Next: Maximum 25%	57.5%
Remaining: Minimum 65%	50.0%

*The percentile of the "Top" and "Next" levels are maximum figures, with the discretion on the part of the Governing Board/Management to decrease the figures and distribute them to the "Remaining" level.

3.3. **Posting of the System of Ranking Individuals**

The DAP shall post on their respective Transparency Seals the guidelines/ mechanics in ranking the officers and employees according to the mechanism herein stated.

4. RELEASE OF THE PBB

The Governing Board shall ensure that the PBB is released only to eligible and qualified officers and employees and only upon receipt of an authorization issued by the GCG.

5. SUPERVENING EVENT

Notwithstanding the foregoing provisions, the GCG may deny or adjust the PBB to be granted to DAP in case of supervening events that significantly prejudice the financial position of DAP as determined by the GCG.

6. GRIEVANCE MECHANISM

The Governing Board, through Management, shall set up a Complaints Mechanism to respond to PBB-related issues and complaints raised by officers and employees.

7. REQUEST FOR RECONSIDERATION

Any request for reconsideration of the denial of the grant of the PBB, or a finding of non-compliance with OCRs (b), (c), and (d), shall be filed with the GCG within

twenty (20) working days from receipt of the notice of denial or finding of non-compliance. The request shall only be filed once, and shall be in writing, clearly stating the grounds relied upon and accompanied by supporting documents, if any. Only one (1) request for reconsideration shall be allowed. No subsequent request or submission shall be entertained.

For OCR (i), the request for reconsideration shall be filed directly with the appropriate validating agency within twenty (20) working days from issuance of the notice by the Administrative Order (AO) No. 25 Secretariat. A copy thereof shall be furnished to the GCG and the AO No. 25 Secretariat.

Requests for reconsideration involving all other OCRs shall be filed directly with the appropriate validating agency, with a copy furnished to the GCG, in accordance with its prescribed procedures, if any.
Failure to file a request for reconsideration within the prescribed period shall render the denial or finding of non-compliance final.

8. FUNDING FOR THE PBB

The funding to support the PBB System herein shall be charged by DAP from its corporate funds, subject to the approval of its Governing Board in accordance with applicable laws, rules and regulations. However, it shall be prohibited to source the payment of the PBB from the following:

8.1. Loans;
8.2. Subsidy from the NG for the DAP's operations, except for subsidy income or subsidy given by the DBM precisely for the payment of the PBB; and,
8.3. Sale of the DAP's asset(s) for the sole purpose of paying the PBB and not in the ordinary course of business.

9. CHECKLIST AND TIMELINE

GOCCs applying to grant the PBB within their respective corporations shall submit the complete required documents enumerated in GCG MC 2026-01 Annex A strictly in accordance with the prescribed forms and within one (1) year from the receipt of the GCG-validated Performance Scorecard. For the FY 2024 PBB, DAP shall submit the complete required documents within one (1) year from the issuance of the GCG MC 2026-01.

10. EFFECT OF SUBMISSION AND NON-SUBMISSION WITHIN THE PRESCRIBED PERIOD

GOCCs that submitted all the required documents on the given deadline may be authorized to grant their PBB upon receipt of the authorization letter from the GCG. Failure to submit the required documents within the deadline shall automatically disqualify the GOCC from granting the PBB to its officers and employees for the applicable year.

11. EFFECTS OF NON-COMPLIANCE/PROHIBITED ACTS

The DAP may be disqualified from the PBB in the succeeding year of its implementation if, after due process conducted by the GCG, it is determined to have

committed any of the following prohibited acts. The responsible officers and/or employees found to have committed such non-compliance and/or prohibited acts shall be subject to the appropriate administrative and/or criminal actions, in accordance with applicable laws, rules, and regulations:

11.1. Misrepresentation in the submitted reports required for the PBB, commission of fraud in the payment of the PBB, and/or violation of the provisions of GCG MC 2026-01; Provided, however, that if the misrepresentation was discovered during the validation stage, the DAP shall be ineligible for the grant of PBB for the current performance period;

11.2. Evenly distributing the PBB among employees in the GOCC, in violation of the policy of paying the PBB based on the individual ranking; and

11.3. Releasing the PBB without authorization from the GCG.

12. ADDITIONAL IMPLEMENTING GUIDELINES

Further details and implementing provisions shall be provided through supplementary guidelines to be issued at a later date, upon approval by the DAP Senior Management Committee.

13. EFFECTIVITY

This Memorandum Circular shall take effect immediately and shall remain in force unless modified or superseded by another issuance. All previous issuances inconsistent with the provisions of this Circular are hereby amended, repealed, and superseded.

LEOCADIO S. SEBASTIAN, PhD, CESO I
Acting President and CEO

dap
PCEO-07130

Annex I. Responsibilities and accountabilities for GGCs, OCRs and Agency Accountabilities

DAP Accountability	Office Responsible
Good Governance Conditions	
1. Payment of all taxes due to the Government, as certified/validated by the Bureau of Internal Revenue (BIR);	Finance Department
2. Declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable, as certified/validated by the Department of Finance (DOF);	Finance Department
3. Payment of National Government (NG) Advances as certified/validated by the DOF; and	Finance Department
4. Remittance of mandatory contributions, as certified/validated by the following agencies: Government Service Insurance System (GSIS) or Social Security System (SSS), Home Development Mutual Fund (Pag-IBIG Fund), and Philippine Health Insurance Corporation (PhilHealth).	Human Resource Management and Development Division; Finance Department
5. Compliance with all the requirements mentioned in the Revised Whistleblowing Policy for the GOCC Sector 7 and the Whistleblowing and Integrity Program (WHIP) for the GOCC Sector 8 and any amendments thereto;	Corporate Operations and Strategy Management (COSM)
6. Compliance with the posting requirement on the GOCC's website of the information enumerated under Section 43 of the "Code of Corporate Governance for GOCCs" and amendments thereto; and	COSM
7. Compliance with the applicable financial reporting framework, e.g., Philippine Financial Reporting Standards (PFRS), Philippine Public Sector Accounting Standards (PPSAS), as certified/validated by the Commission on Audit (COA).	Finance Department
Other Conditions and Requirements (OCRs)	
8. Timely submission of Corporate Operating Budgets (COBs) to the Department of Budget and Management (DBM);	Finance Department
9. Submission to the GCG of all audit observations and notices of disallowances within seven (7) working days from the time it was received from the COA, and all written communications between the GOCC and the COA on such matters, which shall include, but shall not be limited to, the concrete and time-bound action plans for addressing the audit observations and notices of disallowances;	Finance Department and Corporate Operations and Strategy Management Office
10. Compliance and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to the Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector and any amendments thereto;	Office of the Corporate Secretary
11. Compliance by all Appointive Directors of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to the Performance Evaluation for Directors (PED) and amendments thereto;	Office of the Corporate Secretary
12. Timely submission of the year-end financial statements and	Finance Department

DAP Accountability	Office Responsible
other related financial reports to the COA;	
13. Compliance with the Energy Efficiency and Conservation (EEC) Act10, as certified/validated by the Department of Energy (DOE);	Administrative Department - General Services Division
14. Compliance with, and submission of, requirements to the Anti-Red Tape Authority (ARTA);	CART and COSM
15. Compliance with the National Competition Policy and other competition initiatives, as validated by the Philippine Competition Commission (PCC);	
Other conditions common to National Government Agencies and GOCCs as stated in the applicable government issuances, e.g., Agency Accountabilities under relevant issuances by the E.O. No. 61 (s. 2024) Technical Working Group.	
Agency Accountabilities under relevant issuances by the E.O No. 61 (s. 2024) Technical Working Group.	
16. Updating of the agency's Transparency Seal (TS)	COSM Compliance Team
17. Sustained compliance with Audit Findings	Finance Department
18. Compliance with the FOI Program	Institutional Marketing Center
19. Establishment and Conduct of the Agency Review and Compliance of Statement of Assets, Liabilities, and Net Worth (SALN)	Human Resource Management and Development Division and SALN Committee
20. Posting of all invitations to bids and awarded contracts (Notices of Award/ Bid Results, Actual Approved/ Awarded Contracts, and Notices to Proceed/Purchase Orders for public bidding transactions above One Million Pesos	Logistics Division and Information and Communication Technology Division
21. FY 2024 Annual Procurement Plan for Non-Common Use Supplies and Equipment (APP non-CSE)	Logistics Division
22. FY 2025 APP for Common Use Supplies and Equipment (APP-CSE)	Logistics Division
23. Results of the FY 2023 Agency Procurement Compliance and Performance Indicators (APCPI) Report	Logistics Division
24. Submission of Certification of Early Procurement Activities for procurement projects in FY 2025 through the Real-Time EPA Generating Information and Analytics (REGINA)	Logistics Division
25. Designation of the agency's Committee on Anti-Red Tape (CART)	CART and COSM Compliance Team
26. Implementation of the harmonized Client Satisfaction Measurement (CSM)	CART and COSM Compliance Team