



25 March 2015

MEMORANDUM No. 2015-007

TO : ALL ELECTRIC COOPERATIVES (ECs)

SUBJECT : Revised Guidelines on Benefits, Allowances and Incentives of Electric Cooperative Officials and Employees

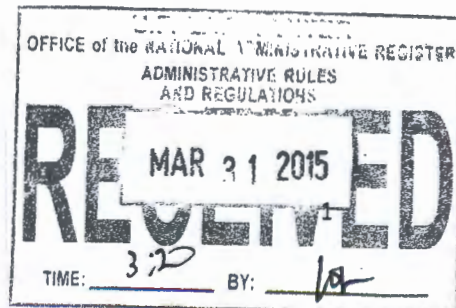
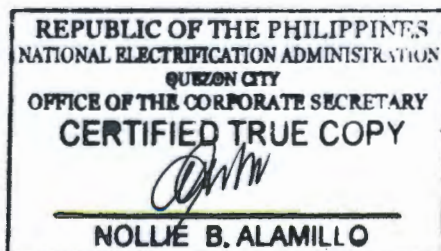
I. Rationale

The electric cooperatives (ECs) officials and employees have hurdled the new challenges, trends and compliances in the power industry which were brought about with the passage of the Electric Power Industry Reform Act (EPIRA) in 2001. Further, with the enactment of Republic Act 10531 or the NEA Reform Act of 2013, the ECs are expected to be more compliant to new rules and regulations towards financial viability, stability and sustainability.

Accordingly, in recognition of their unwavering dedication to the program and to encourage implementation of innovative strategies towards outstanding performance, corresponding adjustment on the benefits, allowances and incentives of EC Board of Directors, General Managers and Employees is considered essential. These include rice, representation, clothing/uniform, anniversary/foundation, medical, travel and per diem. The increase of existing amounts will likewise enable the recipients to cope with the increase in prices of basic services and commodities.

II. Policy

It shall be the policy of this Office to recognize and reward the hard work and determination of EC officials and employees towards improved EC operations, thus, NEA hereby modifies its existing guidelines on benefits, allowances and incentives.



III. Content

The inclusive allowances of ECs' officials and employees are:

A. Rice, Clothing/Uniform, Anniversary/Foundation, Medical and Travel Allowances

Allowances	Amount
Rice (monthly)	P 2,500
Clothing/Uniform (annually)	P 6,000
Anniversary/Foundation	P 5,000
Medical (annually)	P 8,000 or HMO

B. Travel Allowances

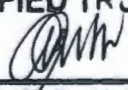
Places	Lodging/day	Meals/day	Transpo Fare/day
Metro Manila & other HUCs*	P 1,500	P 600	P 450
Other Cities	P 1,200	P 450	P 300
Outside of the EC region	P 600	P 375	P 150
Within EC Region but outside of the coop's area coverage	P 360	P 230	P 120


*Butuan, Baguio, Cebu, Lapu-Lapu, Mandaue, Davao, Iloilo, Iligan, Tacloban, Cagayan de Oro, Bacolod, Puerto Princesa, Angeles, Lucena, Antipolo, General Santos, Olongapo & Zamboanga City

C. Representation Allowance

Small ECs

KPS	BOD President	Other BODs	General Manager	Department Manager	Division Manager
AAA	P 3,600	P 2,500	P 6,400	P 3,400	P 2,500
AA	P 3,000	P 2,100	P 5,900	P 3,000	P 2,100
A	P 2,500	P 1,800	P 4,900	P 2,500	P 1,800
B	P 1,300	P 650	P 3,300	P 1,600	P 800
C	P 800	P 450	P 2,800	P 1,600	P 800
D	P 700	P 450	P 2,400	P 1,600	P 800

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Medium ECs

KPS	BOD President	Other BODs	General Manager	Department Manager	Division Manager
AAA	P 4,400	P 3,000	P 7,200	P 3,800	P 3,000
AA	P 4,000	P 2,800	P 6,800	P 3,500	P 2,800
A	P 3,000	P 2,200	P 5,300	P 3,000	P 2,200
B	P 1,300	P 700	P 3,300	P 1,600	P 800
C	P 800	P 450	P 2,800	P 1,600	P 800
D	P 700	P 450	P 2,400	P 1,600	P 800

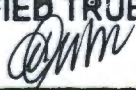
Large ECs

KPS	BOD President	Other BODs	General Manager	Department Manager	Division Manager
AAA	P 5,600	P 3,300	P 8,300	P 4,000	P 3,300
AA	P 4,500	P 3,000	P 7,300	P 3,900	P 3,000
A	P 3,300	P 2,500	P 5,600	P 3,300	P 2,500
B	P 1,300	P 700	P 3,300	P 1,600	P 800
C	P 800	P 450	P 2,800	P 1,600	P 800
D	P 700	P 450	P 2,400	P 1,600	P 800

Extra-Large ECs

KPS	BOD President	Other BODs	General Manager	Department Manager	Division Manager
AAA	P 6,600	P 3,900	P 9,400	P 4,700	P 3,900
AA	P 5,800	P 3,400	P 8,400	P 4,100	P 3,400
A	P 3,900	P 2,600	P 5,800	P 3,400	P 2,600
B	P 1,300	P 700	P 3,300	P 1,600	P 800
C	P 800	P 450	P 2,800	P 1,600	P 800
D	P 700	P 450	P 2,400	P 1,600	P 800

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Mega-Large ECs

KPS	BOD President	Other BODs	General Manager	Department Manager	Division Manager
AAA	P 7,500	P 4,500	P 10,500	P 5,300	P 4,500
AA	P 6,600	P 3,900	P 9,400	P 4,700	P 3,900
A	P 4,500	P 2,800	P 5,900	P 3,600	P 2,800
B	P 1,300	P 700	P 3,300	P 1,600	P 800
C	P 800	P 450	P 2,800	P 1,600	P 800
D	P 700	P 450	P 2,400	P 1,600	P 800

**D. Per Diem Per Board Meeting
(maximum of 2 meetings per month)**

KPS	MEGA LARGE	EXTRA LARGE	LARGE	MEDIUM	SMALL
AAA	P 7,550	P 6,825	P 6,150	P 5,475	P 4,550
AA	P 6,375	P 5,700	P 5,050	P 4,350	P 3,875
A	P 3,875	P 3,450	P 3,000	P 2,550	P 2,050
B	P 2,550	P 2,350	P 2,150	P 1,700	P 1,275
C	P 1,000	P 1,000	P 1,000	P 1,000	P 975
D	P 825	P 825	P 825	P 825	P 825

IV. Prohibitions and Sanctions

1. For ECs that show remarkable performance over and above the established standards, additional incentives maybe allowed subject, however, to the expressed approval of NEA; and
2. In case of violation/s found after audit investigation, the officer/employee concerned shall be required to refund immediately, and in full, the disallowed amount, without prejudice to the application of any other sanctions allowed under pertinent laws and other NEA rules and regulations.

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V. Responsibility and Accountability

1. The grant of allowances and incentives is subject to coop's availability of funds and shall be incorporated in the Cash Operating Budget for the year.
2. The coop's Finance Manager and Internal Auditor shall be responsible for monitoring the EC's compliance with these Guidelines.
3. The General Manager shall likewise be accountable for its proper implementation. He shall be held liable for the grant of any benefit and allowance over and above those provided under these Guidelines.

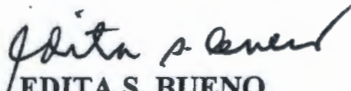
VI. Amendatory Clause

This policy supersedes the following NEA issuances:

1. Unnumbered Memorandum dated November 25, 2003 (*Anniversary Incentive*)
2. Memorandum No. 2008-010 dated November 12, 2010 (*Representation Allowance*)
3. Memorandum No. 2009-012 dated March 2008 (*Rice Allowance*)
4. Memorandum No. 2010-015 dated 04 June 2010 (*Clothing, Medical, Travel and Per Diem*)

VII. Effectivity

This Policy shall take effect immediately upon filing with the University of the Philippines (UP) Law Center pursuant to the Presidential Memorandum Circular No. 11, dated October 9, 1992.


EDITA S. BUENO
Administrator



NEA-OA215646

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3/27/15

