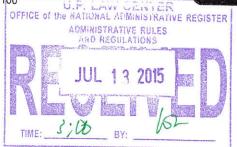


June 24, 2015

MEMORANDUM No. 2015-019



TO

ALL ELECTRIC COOPERATIVES (ECs)

SUBJECT

New Salary Scale for EC General Managers (GMs)

I. PURPOSE

The General Manager manages a very intricate electricity business thus, compensation must essentially be competitive and within the standards of the industry to attract and retain talented workers in the rural electrification program. The new salary scale shall likewise enable the GMs to cope with the prevailing rate of inflation and maintain a modest and respectable standard of living.

Salary increase shall mean higher expectations from the GM in terms of accomplishments and commitment. Consequently, a revised point rating system in the Key Performance Standards (KPS) evaluation as basis for salary upgrading shall be adopted.

II. POLICY

It shall be the policy of this Office to establish a Salary Scale for General Managers of Electric Cooperatives (ECs) that is attractive to competent professionals, be responsive as well to prevailing economic conditions, and to maintain a roster of adequately compensated, highly motivated and performance-oriented General Managers.

III. POINT RATING SYSTEM

| Parameters | Equivalent Point | Overall Rating |
|---|------------------|-------------------|
| KPS rating | 90 | 90% |
| 2. Others | | 10% |
| a) Sitio Electrification Program (SEP)/Barangay Line Enhancement Program (BLEP) | 5 | |
| a) Reportorial Requirements under R.A. 10531 | 5 | |
| TOTAL | 100 | 100% |

IV. STEP INCREMENTS

A. Outstanding Performance

In addition to the criteria, a General Manager who maintains his coop's "AAA" rating under the KPS for a number of consecutive years is entitled to step increases reckoned from the base salary of the rank corresponding to the total number of points garnered, as provided below:

| No. of consecutive Years | Step Increase |
|--------------------------|---------------|
| at least 3 | 1 |
| 4 to 6 | 2 |
| 7-11 | 3 |
| 12 and beyond | 4 |

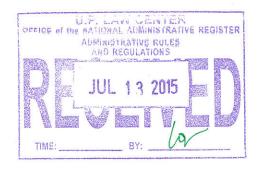
B. Professional Upgrading

- 1. A General Manager who finishes the Chief Executive Officer Competency-based Leadership Program Self-Development Course is entitled to a one-time rank increment; and
- 2. A General Manager who has earned a masteral/post graduate degree during his incumbency one (1) year prior to retirement is also entitled to a one-time rank increment.

V. MECHANICS OF IMPLEMENTATION

- 1. The Board of Directors may grant a salary increase to the GM based on good performance every two (2) years. The increase shall be guided by a point system in the KPS evaluation; the results should be at least 90% to qualify for the salary upgrading;
- 2. The Board may approve a GM's salary upgrading beyond the guidelines in consideration of innovations that enhance operational efficiency, milestone or benchmarking performance, and special projects that generate savings or additional revenue for the cooperative;
- 3. Any adjustment in the General Manager's salary shall take effect only upon approval by the NEA Administrator; and
- 4. Salary upgrading shall be suspended/deferred in any one of the following instances:
 - a) Cumulative loss for the immediately preceding six (6) months operation;
 - b) Marked downtrend on previous years operations based on performance evaluation:
 - c) Pending administrative case with NEA;
 - d) With adverse findings in the NEA final audit report; and
 - e) Non-submittal/non-compliance to reportorial requirements.

Attached are the Salary Scales according to the classification of the ECs.



VI. AMENDATORY CLAUSE

This supersedes Memorandum 2008-011, Series of 2008, "Revised Salary Scales for General Managers".

VII. EFFECTIVITY

This Policy shall take effect fifteen (15) days upon filing with the University of the Philippines (UP) Law Center pursuant to the Presidential Memorandum Circular No. 11, dated October 9, 1992.

Idita p. lener EDITA S. BUENO

Administrator

Office of the Administrator

2/8/15

Approved by the NEA Board of Administrators on June 24, 2015 under Resolution No. 73.





GMs Salary Scale for Small ECs

| Coore | D 1 | | Rank | Step | STEP | | | | |
|--------|------|------------------|------------------|------------------|------------------|---|---------------------------------------|-------------|--|
| Score | Rank | Base | Increment | Increment | 1 | 2 | 3 | 1 | |
| | | (P) | · · · · · · · · · · · · · · · · · · · | 4 | |
| 99-100 | 10 | 80,000 | 4,071 | 1,072 | 81,072 | THE RESERVE OF THE PERSON NAMED IN COLUMN 2 IS NOT THE OWNER. | (<u>P)</u> | (<u>P)</u> | |
| 98 | 9 | 75,929 | 3,863 | | | 82,144 | 83,217 | 84,289 | |
| 97 | 8 | | | 814 | 76,744 | 77,558 | 78,372 | 79,186 | |
| | | 72,066 | 3,667 | 773 | 72,839 | 73,611 | 74,384 | 75,157 | |
| 96 | 7 | 68,399 | 3,480 | 733 | 69,132 | 69,866 | 70,599 | | |
| 95 | 6 | 64,919 | 3,303 | 696 | | | • | 71,333 | |
| 94 | 5 | 61,616 | • | | 65,615 | 66,311 | 67,007 | 67,703 | |
| 93 | | • | 3,135 | 661 | 62,276 | 62,937 | 63,597 | 64,258 | |
| | 4 | 58,480 | 2,976 | 627 | 59,107 | 59,734 | 60,361 | 60,988 | |
| 92 | 3 | 55,505 | 2,824 | 595 | 56,100 | | | | |
| 91 | 2 | 52,681 | 2,681 | | | 56,695 | 57,290 | 57,885 | |
| 90 | 1 | | 2,001 | 565 | 53,245 | 53,810 | 54,375 | 54,940 | |
| | 1 | 50,000 | | 536 | 50,536 | 51,072 | 51,608 | 52,144 | |



GMs Salary Scale for Medium ECs

| | | | Rank | Step | | | | CONTRACTOR OF CONTRACTOR CONTRACTOR CONTRACTOR CONTRACTOR |
|--------|------|------------------|-------------|------------------|------------------|------------------|------------------|---|
| Score | Rank | Base | Increment | Increment | | , SI | EP | |
| | | | | | 1 | 2 | 3 | 4 |
| 99-100 | 10 | (P) | (<u>P)</u> | (P) |
| 98 | | 90,000 | 4,792 | 1,265 | 91,265 | 92,531 | 93,796 | 95,062 |
| | 9 | 85,208 | 4,537 | 958 | 86,166 | 87,125 | 88,083 | 89,042 |
| 97 | 8 | 80,670 | 4,296 | 907 | 81,578 | 82,485 | 83,393 | |
| 96 | 7 | 76,375 | 4,067 | 859 | 77,234 | 78,093 | | 84,300 |
| 95 | 6 | 72,308 | 3,850 | 813 | 73,121 | | 78,952 | 79,811 |
| 94 | 5 | 68,457 | 3,645 | | | 73,935 | 74,748 | 75,561 |
| 93 | 4 | | | 770 | 69,227 | 69,998 | 70,768 | 71,538 |
| 92 | | 64,812 | 3,451 | 729 | 65,541 | 66,270 | 66,999 | 67,728 |
| | 3 | 61,361 | 3,267 | 690 | 62,051 | 62,741 | 63,432 | 64,122 |
| 91 | 2 | 58,093 | 3,093 | 653 | 58,747 | 59,400 | | |
| 90 | 1 | 55,000 | | 619 | | | 60,054 | 60,707 |
| | | -3,000 | | 019 | 55,619 | 56,237 | 56,856 | 57,475 |



GMs Salary Scale for Large ECs

| Score Ra | Donk | | Rank | Step | STEP | | | | |
|----------|------|---------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| Ocore | Rank | Base | Increment | Increment | 1 | 2 | 3 | 4 | |
| 00.400 | - 10 | (P) | (P) | |
| 99-100 | 10 | 100,000 | 5,518 | 1,460 | 101,460 | 102,920 | 104,380 | 105,840 | |
| 98 | 9 | 94,482 | 5,213 | 1,104 | 95,586 | 96,689 | 97,793 | 98,896 | |
| 97 | 8 | 89,269 | 4,926 | 1,043 | 90,312 | 91,354 | 92,397 | 93,440 | |
| 96 | 7 | 84,343 | 4,654 | 985 | 85,328 | 86,314 | 87,299 | 88,284 | |
| 95 | 6 | 79,689 | 4,397 | 931 | 80,620 | 81,551 | | | |
| 94 | 5 | 75,292 | 4,154 | 879 | 76,172 | | 82,482 | 83,412 | |
| 93 | 4 | 71,138 | 3,925 | | | 77,051 | 77,931 | 78,810 | |
| 92 | 3 | | | 831 | 71,969 | 72,800 | 73,631 | 74,461 | |
| 91 | | 67,213 | 3,709 | 785 | 67,998 | 68,783 | 69,568 | 70,353 | |
| | 2 | 63,504 | 3,504 | 742 | 64,246 | 64,987 | 65,729 | 66,471 | |
| 90 | 1 | 60,000 | | 701 | 60,701 | 61,402 | 62,102 | 62,803 | |



GMs Salary Scale for Extra Large ECs

| Score | Rank | _ | Rank | Step | | EP | | |
|--------|------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Score | nank | Base | Increment | Increment | 1 | 2 | 3 | 4 |
| 00.400 | | (P) |
| 99-100 | 10 | 110,000 | 6,246 | 1,655 | 111,655 | 113,311 | 114,966 | 116,622 |
| 98 | 9 | 103,754 | 5,891 | 1,249 | 105,003 | 106,253 | 107,502 | 108,751 |
| 97 | 8 | 97,863 | 5,557 | 1,178 | 99,041 | 100,220 | 101,398 | 102,576 |
| 96 | . 7 | 92,307 | 5,241 | 1,111 | 93,418 | 94,529 | 95,641 | 96,752 |
| 95 | 6 | 87,066 | 4,944 | 1,048 | 88,114 | 89,162 | 90,210 | |
| 94 | 5 | 82,122 | 4,663 | 989 | 83,111 | 84,099 | | 91,258 |
| 93 | 4 | 77,459 | 4,398 | 933 | | · | 85,088 | 86,077 |
| 92 | 3 | 73,061 | | | 78,392 | 79,324 | 80,257 | 81,189 |
| 91 | | 300 100 100 100 | 4,148 | 880 | 73,941 | 74,820 | 75,700 | 76,580 |
| | 2 | 68,913 | 3,913 | 830 | 69,742 | 70,572 | 71,402 | 72,231 |
| 90 | 1 | 65,000 | | 783 | 65,783 | 66,565 | 67,348 | 68,130 |



GMs Salary Scale for Mega Large ECs

| Score | Rank | Rank Base | Rank | Step | STEP | | | |
|--------|--------|--------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 00010 | Italik | Base | Increment | Increment | 1 | 2 | 3 | 4 |
| 99-100 | 10 | (<u>P</u>) | (P) |
| | 10 | 120,000 | 6,976 | 1,852 | 121,852 | 123,703 | 125,555 | 127,406 |
| 98 | 9 | 113,024 | 6,570 | 1,395 | 114,419 | 115,815 | 117,210 | 118,605 |
| 97 | 8 | 106,454 | 6,188 | 1,314 | 107,768 | 109,082 | 110,396 | 111,710 |
| 96 | 7 | 100,266 | 5,829 | 1,238 | 101,504 | 102,741 | 103,979 | |
| 95 | 6 | 94,437 | 5,490 | 1,166 | 95,603 | 96,769 | | 105,217 |
| 94 | 5 | 88,948 | 5,171 | 1,098 | | • | 97,935 | 99,100 |
| 93 | 4 | 83,777 | 4,870 | | 90,046 | 91,144 | 92,242 | 93,340 |
| 92 | 3 | 78,907 | | 1,034 | 84,811 | 85,845 | 86,880 | 87,914 |
| 91 | 2 | | 4,587 | 974 | 79,881 | 80,855 | 81,829 | 82,803 |
| 90 | | 74,320 | 4,320 | 917 | 75,238 | 76,155 | 77,072 | 77,990 |
| 30 | 1 | 70,000 | | 864 | 70,864 | 71,728 | 72,592 | 73,456 |