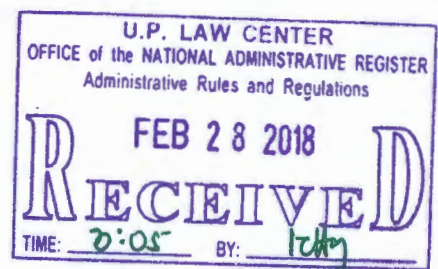




20 February 2018



MEMORANDUM No. 2018-011

TO : ALL ELECTRIC COOPERATIVES (ECs)

SUBJECT : POLICY AMENDING NEA MEMORANDUM NO. 2015-007 ON "REVISED GUIDELINES ON BENEFITS, ALLOWANCES AND INCENTIVES OF ELECTRIC COOPERATIVE OFFICIALS AND EMPLOYEES"

I. RATIONALE

NEA Memorandum No. 2015-007 entitled, "Revised Guidelines on Benefits, Allowances and Incentives of Electric Cooperative Officials and Employees" is being amended to implement further Section 5 (l) of Republic Act No. 10531 authorizing NEA to enforce standards through a mechanism of incentives and disincentives to complying and non-complying ECs, respectively. Moreover, this is to recognize the excellent performance of officials and employees of Electric Cooperatives and motivate them further in delivering quality and efficient service to its member-consumers owners (MCOs) and other stakeholders.

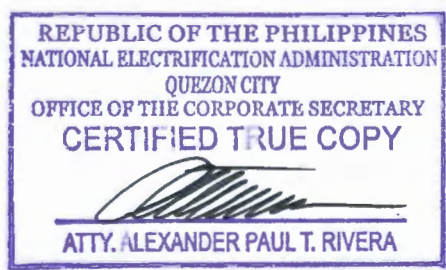
II. Policy

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 and empowered MCOs, and as such, authorizing complying ECs to grant certain incentives to its officials and employees, subject to confirmation of NEA thus, these amendments to the existing guidelines on benefits, allowances and incentives.

III. Allowances, Per Diems and Incentives

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 360	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

C. Representation Allowance

Mega Large ECs

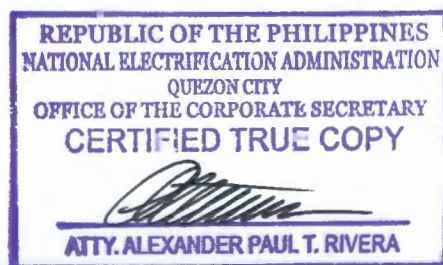
KPS	BOD President	Others BODs	General Manager	Department Manager	Division Manager
AAA	P 10,000	P 7,000	P 14,000	P 7,000	P 6,000
AA	P 8,800	P 6,200	P 12,500	P 6,200	P 5,200
A	P 6,000	P 4,800	P 7,800	P 4,800	P 3,700
B	P 2,500	P 2,100	P 4,400	P 2,100	P 1,000
C	P 2,500	P 2,100	P 3,700	P 2,100	P 1,000
D	P 2,500	P 2,100	P 3,000	P 2,100	P 1,000

Extra Large ECs

KPS	BOD President	Others BODs	General Manager	Department Manager	Division Manager
AAA	P 8,800	P 6,200	P 12,500	P 6,200	P 5,200
AA	P 7,700	P 5,400	P 9,700	P 5,400	P 4,500
A	P 5,200	P 4,500	P 7,700	P 4,500	P 3,400
B	P 2,500	P 2,100	P 4,400	P 2,100	P 1,000
C	P 2,500	P 2,100	P 3,700	P 2,100	P 1,000
D	P 2,500	P 2,100	P 3,000	P 2,100	P 1,000

Large ECs

KPS	BOD President	Others BODs	General Manager	Department Manager	Division Manager
AAA	P 7,400	P 5,300	P 11,000	P 5,300	P 4,400
AA	P 6,000	P 5,200	P 9,700	P 5,200	P 4,000
A	P 4,400	P 4,400	P 7,400	P 4,400	P 3,600



B	P 2,500	P 2,100	P 4,400	P 2,100	P 1,000
C	P 2,500	P 2,100	P 3,700	P 2,100	P 1,000
D	P 2,500	P 2,100	P 3,000	P 2,100	P 1,000

Medium ECs

KPS	BOD President	Others BODs	General Manager	Department Manager	Division Manager
AAA	P 5,800	P 5,500	P 9,600	P 5,500	P 4,000
AA	P 5,300	P 4,600	P 9,000	P 4,600	P 3,700
A	P 4,000	P 4,000	P 7,000	P 4,000	P 2,900
B	P 2,500	P 2,100	P 4,400	P 2,100	P 1,000
C	P 2,500	P 2,100	P 3,700	P 2,100	P 1,000
D	P 2,500	P 2,100	P 3,000	P 2,100	P 1,000

Small ECs

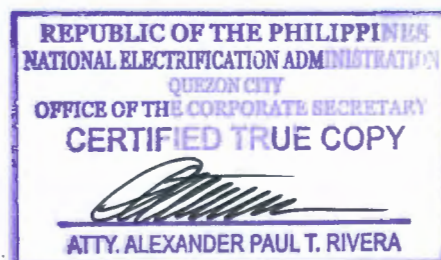
KPS	BOD President	Others BODs	General Manager	Department Manager	Division Manager
AAA	P 4,800	P 4,500	P 8,500	P 4,500	P 3,300
AA	P 4,000	P 4,000	P 7,800	P 4,000	P 2,800
A	P 3,300	P 3,300	P 6,500	P 3,300	P 2,400
B	P 2,500	P 2,100	P 4,400	P 2,100	P 1,000
C	P 2,500	P 2,100	P 3,700	P 2,100	P 1,000
D	P 2,500	P 2,100	P 3,000	P 2,100	P 1,000

D. Per Diem Per Board Meeting

KPS	MEGA LARGE
AAA	P 10,000 not to exceed P240,000/year
AA	P 8,500 not to exceed P204,000/year
A	P 5,170 not to exceed P124,080/year
B	P 3,400 not to exceed P81,600/year
C	P 1,330 not to exceed P31,920/year
D	P 1,100 not to exceed P26,400/year

KPS	EXTRA LARGE
AAA	P 9,100 but not to exceed P218,400/year
AA	P 7,600 but not to exceed P182,400/year
A	P 4,600 but not to exceed P110,400/year
B	P 3,100 but not to exceed P74,400/year
C	P 1,330 but not to exceed P31,920/year
D	P 1,100 not to exceed P26,400/year

KPS	LARGE
AAA	P 8,200 but not to exceed P196,800/year



AA	P 6,700 but not to exceed P160,800/year
A	P 4,000 but not to exceed P96,000/year
B	P 2,800 but not to exceed P67,200/year
C	P 1,330 but not to exceed P31,920/year
D	P 1,100 not to exceed P26,400/year

KPS	MEDIUM
AAA	P 7,300 but not to exceed P175,200/year
AA	P 5,800 but not to exceed P139,200/year
A	P 3,400 but not to exceed P81,600/year
B	P 2,200 but not to exceed P52,800/year
C	P 1,330 but not to exceed P31,920/year
D	P 1,100 not to exceed P26,400/year

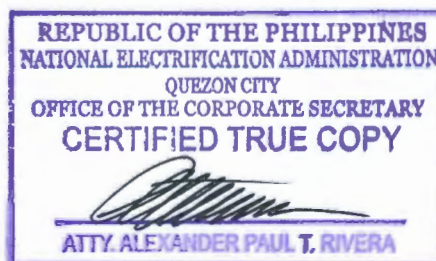
KPS	SMALL
AAA	P 6,000 but not to exceed P144,000/year
AA	P 5,100 but not to exceed P122,400/year
A	P 2,700 but not to exceed P64,800/year
B	P 1,700 but not to exceed P40,800/year
C	P 1,330 but not to exceed P31,920/year
D	P 1,100 not to exceed P26,400/year

E. Per Diems for Committee Meetings

KPS	MEGA LARGE
AAA	P 3,000 but not to exceed P36,000/year
AA	P 2,750 but not to exceed P33,000/year
A	P 2,500 but not to exceed P30,000/year
B	P 2,250 but not to exceed P27,000/year
C	P 2,000 but not to exceed P24,000/year
D	P 1,750 but not to exceed P21,000/year

KPS	EXTRA LARGE
AAA	P 2,750 but not to exceed P33,000/year
AA	P 2,500 but not to exceed P30,000/year
A	P 2,250 but not to exceed P27,000/year
B	P 2,000 but not to exceed P24,000/year
C	P 1,750 but not to exceed P21,000/year
D	P 1,500 but not to exceed P18,000/year

KPS	LARGE
AAA	P 2,500 but not to exceed P30,000/year
AA	P 2,250 but not to exceed P27,000/year
A	P 2,000 but not to exceed P24,000/year
B	P 1,750 but not to exceed P21,000/year
C	P 1,500 but not to exceed P18,000/year



D	P 1,250 but not to exceed P15,000/year
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KPS	MEDIUM
AAA	P 2,000 but not to exceed P24,000/year
AA	P 1,750 but not to exceed P21,000/year
A	P 1,500 but not to exceed P18,000/year
B	P 1,250 but not to exceed P15,000/year
C	P 1,000 but not to exceed P12,000/year
D	P 750 but not to exceed P9,000/year

KPS	SMALL
AAA	P 2,000 but not to exceed P24,000/year
AA	P 1,750 but not to exceed P21,000/year
A	P 1,500 but not to exceed P18,000/year
B	P 1,250 but not to exceed P15,000/year
C	P 1,000 but not to exceed P12,000/year
D	P 750 but not to exceed P9,000/year

F. Incentives

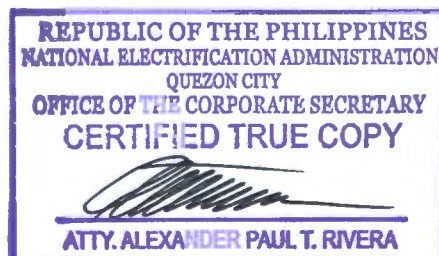
1. Year-End Performance Incentive

In addition to the mandatory 13th month pay, the complying EC may grant year-end performance incentive to its officials and employees of one (1) month per diem or one (1) month basic pay, respectively; provided, that the following are complied with:

- a) The incentive is included in the EC Cash Operating Budget for the year duly approved by NEA;
- b) The EC has met all parameters in the KPS;
- c) The incentive is within the non-power cost level;
- d) The EC has no unliquidated subsidy fund and has completed its sitio project as certified by the NEA-AMGD & ATEO;
- e) The EC has conducted AGMA and district elections as scheduled;
- f) The EC is current in granting allowances to MSEAC/MCO organization officers; and
- g) The EC has duly complied with the timely submission of NEA reportorial and good governance requirements.

2. Cash Gift Incentive

If the EC meets all the criteria for year-end performance incentive, an additional cash gift in the amount of not exceeding five thousand pesos (Php 5,000) may be given to its officials and employees for successful implementation of its annual targets.



IV. Mechanics of Implementation

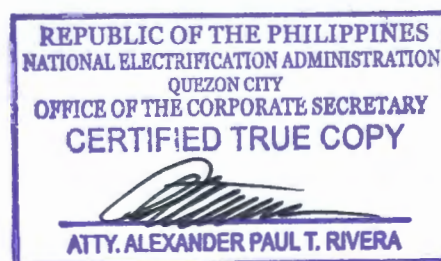
1. Qualified ECs may grant the allowances, per diems and incentives provided herein without prior approval from NEA;
2. Benefits and incentives which are not included in this guidelines shall require explicit approval of NEA before the same will be granted by the EC to its officials and employees;
3. Benefits and incentives in excess of the amount provided in these guidelines shall require explicit approval from NEA; and
4. ECs which granted the year-end incentives and cash gift shall submit to NEA, through the Institutional Development Department, for validation and confirmation the following documents within thirty (30) days after date of release:
 - a) Board Resolution
 - b) Latest MFSR
 - c) Certification of availability of funds and source
 - d) Copy of payroll
5. ECs which cannot meet the requirements for the grant of year-end and cash incentives shall seek prior approval from NEA.

V. Prohibition and Sanctions

In case of violation/s found after validation, the Board, General Manager, and concerned Officials shall be required to implement the immediate refund of the full amount disallowed without prejudice to the application of any other sanctions allowed under pertinent laws and other NEA rules and regulations.

VI. Responsibility and Accountability

1. The grant of allowances and incentives are 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 compliance to the Guidelines.
3. The Board and General Manager shall likewise be accountable for its proper implementation. They shall be held liable for the grant of any benefit and allowance over and above those provided under the Guidelines.



VII. Amendatory Clause

This supersedes NEA Memorandum No. 2015-007 dated March 25, 2015.

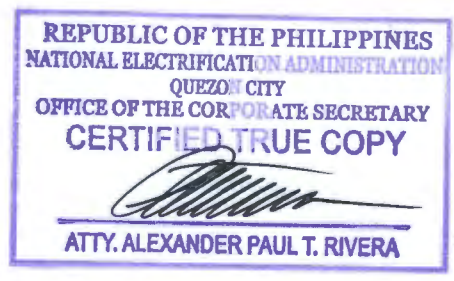
VIII. Effectivity

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.


EDGARDO R. MASONGSONG
Administrator



Approved by the NEA Board of Administrators in its meeting held on February 20, 2018.





February 27, 2018

THE DIRECTOR

Office of the National Administrative Register
University of the Philippines Law Center
U.P. Law Center, Diliman
Quezon City

Sir:

Pursuant to Book VII, Chapter 2, Section 3 of the 1987 Administrative Code of the Philippines, we are respectfully submitting to the U.P. Law Center, for filing, publication and recording the attached certified true copies of the **POLICY AMENDING NEA MEMORANDUM NO. 2015-007 ON "REVISED GUIDELINES ON BENEFITS, ALLOWANCES AND INCENTIVES OF ELECTRIC COOPERATIVE OFFICIALS AND EMPLOYEES** promulgated by the National Electrification Administration (NEA) in accordance with its authority under Section 5 of P.D. No. 269 as amended.

Thank you very much for the usual and kind assistance of the U.P. Law Center.

Very truly yours,

ATTY. ALEXANDER PAUL T. RIVERA
Corporate Board Secretary V

