



REPUBLIKA NG PILIPINAS  
MINISTRI NG REFORMANG PANSAKAHAN  
(MINISTRY OF AGRARIAN REFORM)  
TANGGAPAN NG MINISTER  
DILIMAN, LUNGSOD NG QUEZON

IN REPLY, PLEASE ADDRESS:

THE MINISTER  
Ministry of Agrarian Reform  
P. O. Box No. 7993  
Manila

6/21/79

Ministry Memorandum Circular No. 10-79  
Series of 1979

Subject: Guidelines in the Implementation of  
Selective Merit Increase of Deserving  
MAR Employees.

Pursuant to Letter of Instructions No. 562 as implemented by Budget Circular No. 286 and CSC Memorandum Circular No. 3, series of 1978, the following guidelines in the implementation of the selective merit increase for deserving employees in the Ministry are hereby prescribed:

A. Who are Entitled to Merit Increase

All deserving officers and employees of the Ministry who are covered by the position and compensation plans of the national government, excluding Career Executive Service officers, consultants, casuals, emergency and contractual employees, shall be entitled to merit increase if they meet any of the following requirements:

1. Rendered outstanding performance in assigned functions consistently for two (2) rating periods prior to evaluation, including a creditable accomplishment of special assignments that brought benefits to the government. Outstanding performance shall mean a distinct and consistent superior output and behavior on the job.
2. Introduced a significant cost saving or efficiency enhancing innovation. This shall mean an idea, suggestion or invention to effect economy in operation, increase production, improve working conditions or service, which would benefit the government.
3. Rendered outstanding rural service in community projects as may be certified by the Provincial/City Rural Service Committee and confirmed by the Sub-Cabinet Committee on PBL.
4. Completed a bachelor's, master's, or doctoral degree in fields directly useful to the employee's work, provided that such educational qualification is not a minimum requirement for appointment to the position; the performance of the employee shall be at least very satisfactory during the rating period immediately after obtaining the degree, and the degree was obtained at his own initiative, not at the expense or time of MAR.

"Hindi na matatalikuran pa ang pagbabagong-ayos ng pananakahan. Higit kong pangarap na makita ang ating mga magsasaka na pag-aari ang lupang kamilang binubungkal." Pangulong MARCOS

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B. Suggestions and Incentive Awards Committee

The MAE Suggestions and Incentive Awards Committee created under Department Special Order No. 258, series of 1976, shall assist the Minister in the determination and selection of employees for merit awards and shall perform the following instructions:

- a) Receive recommendations for deserved awards with corroborative evidences and evaluate the same following set guidelines;
- b) Recommend employees who shall be given merit increases and the amount of increases to be granted;
- c) Receive and hear complaints on merit increases and recommend to the Minister the proper course of action to be taken.

C. Procedure in the Evaluation of Merit Award Cases

1. Division Chiefs of the Central Office or the Regional Directors shall recommend in writing to the Minister through the Chief, Personnel Division, employees in their respective divisions or regions as the case may be who have met any of the requirements 1 to 3 of Paragraph A. Corroborative evidences and justification thereof shall be attached to the recommendation.
2. In cases of a degree earned above the basic academic requirement, such as Bachelor's degree (for non-technical positions), Master's or Doctoral degree, the employee concerned shall notify the Chief, Personnel Division in writing that he has earned the degree. Notification shall include copy of the diploma or transcript of records.
3. Notice and/or recommendation for merit award shall be forwarded by the Chief, Personnel Division to the Suggestion and Incentive Awards Committee for evaluation.
4. The Committee shall evaluate reports and recommendations based on evidences submitted, on interview of employee, peers and supervisors; and through verification and evaluation of implemented or applied innovation. It shall then recommend to the Minister, the employee, who shall be granted merit increase and the amount of increase to be granted.
5. The Minister shall assess the merits of the recommendation of the Committee. If found meritorious, he shall furnish the Suggestions and Incentive Awards Committee a copy of his approval and notify the Chief, Personnel Division to take necessary steps for the implementation of the merit increase.
6. The Chief, Personnel Division, shall issue notice of adjustment to the employees concerned, furnishing a copy to the Budget Division, Civil Service Commission, Budget Commission, the Commission on Audit and the GSIS.



D. Merit Increase Schedule and its Effective Dates

The following schedule shall be used for determining merit increases. These increases correspond to the salary steps of the class to which position is classified under the national position classification plans.

	<u>Merit Increase</u>	<u>Effectivity</u>
1. Cost Saving Innovation	One Salary Step	Date of Implementation or application of duly tested and proven worthwhile innovation
2. Efficiency-Enhancing innovation that substantially improved operations	- do -	- do -
3. Outstanding performance or exemplary conduct in carrying one's responsibilities over and above call of duty as attested by Division Chiefs and confirmed by Bureau/Regional Directors or Service Chief	- do -	The day following the second rating period where the employee was rated outstanding or report of exemplary conduct
4. Earned bachelor's or master's degree on program of study related to employee's job with performance rating of at least very satisfactory	- do -	The first day following completion of one full rating period after acquisition of degree, wherein the rating obtained was at least very satisfactory
5. Earned doctoral degree on program of study related to employee's job with performance rating of at least very satisfactory	Two Salary Steps	- do -

E. Salary Ceiling

The adjusted salary of an employee after the grant of merit increase shall not exceed the maximum step of the salary range to which his position is allocated in the national position classification plan.

F. Notification

The Personnel Division shall notify the Budget Commission and the Civil Service Commission in writing not later than ten (10) days after the end of each quarter of merit increases approved by this Ministry.

The FIMAS shall see to it that merit increases awarded to employees are incorporated in the regular itemization of personal services for the subsequent fiscal year.

G. Maximum Recipients

The total number of recipients of selective merit increases in any one (1) year shall not be more than ten (10) percent of the total personnel force of the Ministry eligible for merit awards as of the end of the calendar year.

All circulars, memoranda, or orders which are inconsistent herewith are hereby superseded, amended, or revoked accordingly.

This Memorandum Circular shall take effect immediately.

Diliman, Quezon City.

June 15, 1979.

  
GERARDO F. LLANETA  
Minister