

[DBM CIRCULAR LETTER NO. 94-8, July 22, 1994]

**ORGANIZATIONAL STRUCTURE AND STAFFING PATTERN OF
GOVERNMENT-OWNED AND/OR CONTROLLED CORPORATION
(GOCCS) AND GOVERNMENT FINANCIAL INSTITUTIONS (GFIS)**

1.0 This Circular is being issued to clarify to all concerned officials of GOCCs/GFIs the budgetary policies, rules and regulations that should be observed in the implementation of the Organizational Structure and Staffing Pattern by GOCCs/GFIs.

2.0 It has been observed lately that there are GOCCs/GFIs that are issuing such appointments not in accordance with the Organizational Structure/Staffing Pattern and/ or Position Allocation List duly approved by the Department of Budget and Management (DBM) and/or implementing organizational and staffing modifications/changes without the required prior evaluation and approval by the DBM.

3.0 Likewise, some of these appointments are found to be with position title and salary grade/ rate not in accordance with the classification standards and criteria established pursuant to RA. No. 6758, the Compensation Standardization Law.

4.0 In this connection, GOCCs/GFIs are hereby reminded that pursuant to P.D. No. 1177; E.O. No. 518; Title XVII. Book IV of E.O. No. 292, otherwise known as the Administrative Code of 1987; RA. No. 6758, the Compensation Standardization Law; and Memorandum Order No. 27, dated August 14, 1992, the existing rules and regulations pertaining to organization structure/staffing pattern, position classification and grant of compensation shall be based on the rules and regulations issued by the DBM. In particular

4.1 The issuance of appointment by GOCCs/ GFIs shall be made only in accordance with the Organizational Structure/Staffing Pattern and/or Position Allocation List approved by the DBM for the GOCC/GFI concerned.

4.2 Any changes/modifications in the DBM- approved Organizational Structure/Staffing Pattern and/or Position Allocation List shall be implemented only upon prior evaluation/ approval by the DBM.

4.3 No appointment shall be issued to position not duly classified and allocated salary grade/ rate by the DBM.

4.4 Any appointment issued not In accordance with the DBM-approved Organizational Structure/Staffing Pattern and/or Position Allocation List shall be accordingly rectified by the head of GOCC/GFI concerned and cause the Immediate refund of any payment of salary made based on such appointment, if necessary.

5.0 Any payment of compensation referred to herein in violation of R.A. No. 6758