



GCG MEMORANDUM CIRCULAR NO. 2014 – 02

SUBJECT : POLICIES AND GUIDELINES ON THE INTEGRATED CORPORATE REPORTING SYSTEM (ICRS) FOR THE GOCC SECTOR

DATE : 24 MARCH 2014

1. **BACKGROUND AND PURPOSE.** – Section 5(c)(6) of the “GOCC Governance Act of 2011” (R.A. No. 10149)¹ mandates the development of an **Integrated Corporate Reporting System (ICRS)** for the GOCC Sector towards achieving the following policy objectives:

- (a) Assist the State in the exercise of its ownership rights in the GOCC Sector through the provision of up-to-date, complete and relevant information;
- (b) Streamline the various reportorial requirements for GOCCs; and
- (c) Promote greater transparency and timely access to relevant information on the GOCC Sector through a single online web portal.

Section 44 of the **CODE OF CORPORATE GOVERNANCE FOR GOCCs** (GCG MC No. 2012-07) requires “[e]very GOCC, acting through its Board and Management, [to] ensure that it becomes an active and responsible member and contributor to the ICRS.” Accordingly, this Circular has been issued to establish the policies and guidelines for the ICRS, and to link the system with the Open Data Philippines initiative of the Aquino Administration.

2. **COMPONENTS OF THE ICRS.** – The ICRS consists of the following components:

- (a) **GOCC MONITORING SYSTEM (GMS)**, which pertains to the financial information about the GOCC, such as but not limited to financial statements and corporate operating budgets; and
- (b) **GOCC LEADERSHIP MANAGEMENT SYSTEM (GLMS)**, which pertains to non-financial information regarding the GOCC’s profile, such as but not limited to the latest version of the charter, performance scorecards, and organizational structures. It also includes information on incumbent Appointive Directors.

Beginning CY 2014 onwards, compliance with the deadlines and submission of reports through the ICRS shall be an additional **Good Governance Condition** for purposes of the Performance-Based Bonus (PBB)

¹See Sec. 10, R.A. No. 10149.

and Performance-Based Incentive (PBI) systems. Failure to comply shall be a ground to disqualify a GOCC from the PBB System or the Appointive Members of the Governing Board from the PBI System for a particular calendar year, without prejudice to imposing other sanctions.

3. DUTIES AND RESPONSIBILITIES. –

3.1. **Governing Board.** – The Governing Board shall designate Senior Management officers and promulgate the necessary policies to provide them with full authority to:

- (a) Certify the data to be submitted to the Governance Commission through the ICRS;
- (b) Ensure compliance with the policies and guidelines herein; and
- (c) Perform all acts incidental to or reasonably necessary to ensuring compliance.

3.2. **GMS Representative.** – The head of Finance or whoever is designated by the Governing Board to be the GOCC's GSM Representative shall:

- (a) Collect all necessary information and complete the reports required by the GSM;
- (b) Electronically publish and certify the truthfulness and accuracy of the information submitted through the GSM within the deadlines prescribed herein;
- (c) Monitor the GSM/ICRS for important updates and/or system changes and report them to the proper authorities within the GOCC as needed;
- (d) Coordinate with GCG Officers for the verification or clarification of the information submitted, as well as facilitate the submission of any additional requested documents / records.

3.3. **GLMS Representative.** – The Compliance Officer or whoever is designated by the Governing Board to be the GOCC's GLMS Representative shall:

- (a) Collect all necessary information and complete the reports required by the GLMS;
- (b) Electronically publish and certify the truthfulness and accuracy of the information submitted through the GLMS within the deadlines prescribed herein;
- (c) Monitor the GLMS/ICRS for important updates and/or system changes and report them to the offices as needed;
- (d) Coordinate with GCG Officers for the verification or clarification of the information submitted, as well as facilitating the submission of any additional requested documents / records.

3.4. **Management Information Services (MIS).** – The head of MIS or its equivalent shall:

- (a) Provide the GMS and GLMS Representatives of the GOCC with the necessary software, hardware, and technical knowledge to use the ICRS;
- (b) Troubleshoot problems experienced by the Representatives in using the ICRS; and
- (c) Update the GOCC's register of Representatives in the ICRS arising from any personnel movement, which must in all cases be pursuant to a board resolution uploaded into the ICRS prior to access by the new Representative.

4. **GMS SCHEDULES.** – GOCCs shall submit quarterly reports using the web forms provided in the GMS. The reports must be completed and electronically confirmed on or before the following dates:

- (a) First Quarter Report (January 01 to March 31): **April 30**
- (b) Second Quarter Report (April 1 to June 30): **July 30**
- (c) Third Quarter Report (July 1 to September 30): **October 30**
- (d) Fourth Quarter/Annual Report (October 1 to December 31): **February 15**

5. **GLMS SCHEDULES.** – GOCCs shall submit semi-annual reports using the web forms provided in the GLMS, except for monitoring reports on the Performance Scorecard which shall follow the GMS schedule above. The reports must be completed and electronically confirmed on or before the following dates:

- (a) First Semester Report (October 31 to April 30): **April 30**
- (b) Second Semester Report (May 1 to October 30): **October 30**

If there are changes to the information submitted between the above dates with respect to the incumbent members of the Board (e.g. resignation), the report should be entered into the GLMS at the soonest possible time.

6. **AUTOMATIC CERTIFICATION.** – All information submitted by the GOCC and classified by GCG as public shall be immediately published online through the ICRS and Open Data portals upon electronic confirmation of the GOCC's GMS and GLMS Representatives. The information published shall be deemed automatically certified upon the lapse of fifteen (15) calendar days from the deadlines prescribed herein.

6.1. In the event a report is submitted beyond the prescribed deadlines, the report is deemed automatically certified upon publication.

6.2. Before information has been certified, a GOCC may correct or adjust the data it has submitted. After certification, a GOCC seeking to correct or adjust the information submitted must request for authority to correct its report and provide justification for the request. The request must be in writing and signed by the CEO.


- 6.3. Restated financials based on reports of the Commission on Audit (COA) shall be submitted through the ICRS within thirty (30) calendar days from receipt of the said report.
7. **PENALTIES.** – The ICRS shall be protected under the “*Electronic Commerce Act of 200*” (R.A. No. 8792) and the “*Cybercrime Prevention Act of 2012*” (R.A. No. 10175), and any individual found guilty of committing any offense against the ICRS based on the said laws shall be penalized accordingly.
8. **REPEALING CLAUSE.** – GCG MC No. 2012-01 is hereby revoked. Moreover, the following provisions are hereby modified such that the information required therein shall instead be submitted through the ICRS following the schedules above, namely:
- (a) Sections 7.1 to 7.3 of the “*Performance Evaluation System for the GOCC Sector*” (GCG MC No. 2013-02);
 - (b) Section 4.3 of GCG 2012-04 (Re-Issued) on Appointive Directors elected in Affiliates; and
 - (c) Article 4 of the “*Fit and Proper Rule*” (GCG MC No. 2012-05) on the continuing possession by all incumbent Appointive Directors of all of the qualifications and none of the disqualifications.
9. **EFFECTIVITY.** – This Circular shall take effect immediately upon its publication in the Commission’s website www.gcg.gov.ph.


CESAR L. VILLANUEVA
Chairman


MA ANGELA E. IGNACIO
Commissioner


RAINIER B. BUTALID
Commissioner


CESAR V. PURISIMA
DOF Secretary

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FLORENCIO B. ABAD
DBM Secretary



BOARD RESOLUTION NO. _____

DESIGNATING THE REPRESENTATIVES FOR THE INTEGRATED CORPORATE REPORTING SYSTEM PURSUANT TO GCG MC NO. 2012-14.

WHEREAS, GCG Memorandum Circular (M.C.) No. 2013-05 established the policies and guidelines for the Integrated Corporate Reporting System (ICRS) pursuant to the "GOCC Governance Act of 2011" (R.A. No. 10149);

WHEREAS, the guidelines require the designation by the Governing Board of Senior Management officers who will be responsible for collecting the information and submitting the reports to the Governance Commission through the ICRS;

BE IT –

RESOLVED, the Board hereby **DESIGNATES** the following as the responsible officers for the ICRS;

1. For the **GOCC MONITORING SYSTEM (GMS)** component of the ICRS, [Head of Finance/Operations or duly designated officer] is hereby authorized to collect all information required, and input the same into the ICRS without need of prior clearance from a higher authority.
2. For the **GOCC LEADERSHIP MANAGEMENT SYSTEM (GLMS)** component of the ICRS, [Corporate Secretary/Compliance Officer or duly designated officer] is hereby authorized to collect all required information and input the same into the ICRS without need of prior clearance from a higher authority.

DONE, this ____ day of [month] [year], in [city], Philippines.

To be signed by all Members of the Governing Board

[Note: The GOCC may add additional statements to this template as needed given its internal corporate governance structure, provided the substance is not altered.]