

JOHN HAY MANAGEMENT CORPORATION

“NO GIFT” POLICY

SERIES OF 2014

I. BACKGROUND/RATIONALE

Section 1, Article XI of the 1987 Philippine Constitution is the standard by which government service is measured consistent with the principle that *“Public office is a public trust”*. Section 2 of the Code of Conduct and Ethical Standards for Public Officials and Employees (R.A. No. 6713) further expounds this principle by providing that public officials and employees shall at all times be accountable to the people serving them with responsibility, integrity and efficiency while at the same time leading and leaving modest lives. This principle serves as the bar that defines public service and the demeanor of public servants.

Section 27, Article II of the Constitution states that *“The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.”*

Section I of the Anti-Graft and Corrupt Practices Act (RA 3019) provides that:

“It is the policy of the Philippine Government, in line with the principle that the public office is a public trust, to repress certain acts of public officers and private persons alike which constitute graft or corrupt practices or which may lead thereto.”

Conflict of interest and personal gain affect the faithful performance of one’s official duty and run contrary to a public servant’s commitment to public interest. Public officials and employees shall always uphold the public interest over and above personal interest.

Section 29 of the Code of Corporate Governance of the Governance Commission for Government Owned or Controlled Corporations (GCG MC No. 2012-07) mandates that:”

“Every Governing Board shall formally adopt a “No Gift” Policy within the GOCC and ensure its full advertisement to the community and its strict implementation by particular set of rules.”

The JHMC Board of Directors (BOD) has consistently emphasized propriety and transparency in the conduct of its operations and approved the JHMC Code of Office

Decorum during its Special Board Meeting held on 26 February 2014 which provides that:

“3.8.1. It is prohibited for all employees, regardless of rank or position, to receive for personal use a fee, gift, or other things of value from guests, suppliers, contractors or subordinates x x x.”

The adoption by the JHMC of a “No Gift” Policy exemplifies a conscious and determined thrust to institutionalize and implement a high level of ethical standards and good governance principles.

Being the administrator of Bases Conversion and Development Authority (BCDA) over the Camp John Hay Reservation demands utmost professionalism and integrity. It is thus imperative for the JHMC to adopt a policy that promotes high ethical standards in order to strengthen the trust reposed on the Corporation by its mother company, stakeholders and the general public.

II. DEFINITION OF TERMS

Gift - a thing, or a right to dispose of gratuitously, or any act of liberality, in favor or another who accepts it, and shall include a simulated sale or an ostensibly onerous disposition thereof. It shall not include an unsolicited gift of nominal or insignificant value not given in anticipation of, or in exchange for, a favor from a public official or employee.

Benefit - a right privilege, entertainment, advantage, exemption or any other similar act of liberality in favor of another.

Receiving any Gift - includes the act of accepting directly or indirectly a gift from a person other than a member of the public officer’s immediate family, in behalf of himself or herself or of any member of his or her family, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is, under the circumstances manifestly excessive.

Compliance Officer - the executive designated by the BOD to ensure compliance by JHMC with the provisions of R.A. No. 10149 (The GOCC Governance Act of 2011), the various issuances by the GCG, including this policy.

III. OBJECTIVE

To provide JHMC officials and employees with guidelines in the handling of the gifts received from individuals and entities in the workplace.

IV. COVERAGE

This Policy shall apply to all JHMC officials and employees regardless of status of appointment.

V. POLICIES

1. Prohibited Acts

JHMC officials and employees are prohibited from the following acts that may lead to personal gain and/or conflict of interest:

- a. Directly or indirectly soliciting gifts, favors or benefit from stakeholders; and
- b. Directly or indirectly accepting or receiving any gift, favor or benefit from any party which may influence the performance of their official functions or which may be perceived as influencing their past, present and future official functions.

2. Exceptions

JHMC officials and employees may receive token gifts, plaques, awards, certificates, souvenir items, and other tokens of courtesy, appreciation or gratitude from individuals and other institutions and agencies provided that:

- a. The token, gifts, plaques, awards, certificates, souvenir items, other tokens of courtesy, appreciation or gratitude are deemed appropriate to the occasion or ceremonies for which they are given or made; and
- b. The giving and receiving shall not influence the JHMC officers' and employees' performance of official functions.

The following gifts and benefits are likewise not covered by the policy:

- a. Gifts and benefits including grants and donations received by JHMC as a corporation; *provided* it is within the legitimate interest of Government and are in line with the business of the Corporation, and with the written permission of the Chairman of the Governance Commission for Government Owned and Controlled Corporations.
- b. Scholarships, Training and Travel Grants that may be granted to JHMC officials and employees by other government agencies, private institutions or by local and international organizations; *provided* that

such acceptance is consistent and appropriate with the interest of the government and/or JHMC, and with written approval of the Chairman of the BOD of JHMC, pursuant to Section 7 (d) (iii) of Republic Act No. 6713, the *“Code of Conduct and Ethical Standards for Public Officials and Employees”*.

- c. Gifts or cash award that is given by JHMC to its officials and employees during Christmas and anniversary celebrations; *provided* it falls under unsolicited gifts of small or insignificant value, offered and given as a mere ordinary token of gratitude or friendship according to local custom or usage.

3. Responsibilities

- a. The JHMC Management Committee (ManCom) shall prepare information materials to disseminate this policy. It shall include posting of notices of the “No Gift” Policy in conspicuous areas within JHMC premises in order to notify walk-in clients and visitors of the Policy.
- b. The Compliance Officer shall submit a report of gifts, favors or benefits given to JHMC officials and employees to the ManCom/BOD. The report shall include instances of possible conflict of interest, if any, and propriety of the action taken on the gifts.
- c. JHMC Officers and employees are required to professionally inform any individual or organization with any actual or potential business with JHMC of this “No Gift” Policy.

4. Return and Acknowledgment of Gift

If the JHMC, any of its officers or employees, receive a gift covered by this policy, such gift shall immediately and politely be declined. In the event that it is not feasible, or it is inappropriate or impractical, to return the gift, e.g., it is perishable item; the gift shall be donated to an appropriate charitable or social welfare institution. An acknowledgment letter shall be sent to the donor informing him/her of the “No Gift” Policy or that the gift has been returned or donated to charitable or social institution.

5. Violations and Penalties

Any violation of this policy shall be referred to the Legal Department for investigation and appropriate disciplinary action in accordance with the specific provisions of R.A. No. 6713, R.A. No. 3019 and the JHMC Code of Office Decorum, rules and regulations.