



M-OED-2021-225

MEMO TO : ALL EMPLOYEES
FROM : THE EXECUTIVE DIRECTOR
SUBJECT : CRITERIA AND CONDITIONS ON THE GRANT OF THE PERFORMANCE BASED BONUS (PBB) FOR FISCAL YEAR 2021 PERFORMANCE
DATE : September 29, 2021

In compliance to Memorandum Circular No. 2021-1 dated June 3, 2021 re Guidelines on the grant of the Performance Based Bonus (PBB) for Fiscal Year (FY) 2021 under Executive order No. 80, s. 2012 and Executive Order No. 201, s. 2015, the following are the criteria and conditions on the grant of the (PBB) to be given in FY 2022 which shall be categorized according to the following:

1. Four (4) dimensions of accountability (ELIGIBILITY CRITERIA)

- 1.1. **Performance Results** refer to the accomplishment of the Congress-approved performance targets under the Performance-Informed Budgeting (PIB) of the FY 2021 General Appropriations Act (GAA).
- 1.2. **Process Results** refer to the achievements in ease of doing business/ease of transaction with the agency as a result of streamlining, standardization i.e., through the ISO-certified QMS or its equivalent, digitization, and related improvements in the delivery of services.
- 1.3. **Financial Results** refer to the actual spending of the agency's budget allotment vis-a-vis the realization of the committed programs and projects based on the FY 2021 GAA. The Disbursements BUR as well is a prevailing common target of all agencies.
- 1.4. **Citizen/Client Satisfaction Results** refer to the achievements in satisfying the quality expectations of the transacting public.

2. FY 2021 PBB TARGETS, ASSESSMENT AND SCORING SYSTEM

PHC accomplishments for each of the criteria shall be rated using a scale of 1 to 5 (where 5 is the highest). Each criterion has assigned weight, as shown below in Table 1. The maximum score that may be obtained by PHC is 100 points. To be eligible for the FY 2021 PBB, **we must attain a total score of at least 70 points.**

As shown in the table below, a performance rating of 4 in all criteria will yield a total score of 80 points for PHC. To be able to attain a total score of 70 points, we should aim for a performance rating of in at least



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three (3) criteria. In such case, while the PHC will be eligible, the unit most responsible for the criteria with a performance rating of below 4 will be isolated from the grant of the FY 2021 PBB.

TABLE 1: FY 2021 PBB SCORING SYSTEM						
CRITERIA AND CONDITIONS	WEIGHT	PERFORMANCE RATING				
		1	2	3	4	5
Performance Results	5	5pts	10pts	15pts	20pts	25pts
Process Results	5	5pts	10pts	15pts	20pts	25pts
Financial Results	5	5pts	10pts	15pts	20pts	25pts
Citizen/Client Satisfaction Results	5	5pts	10pts	15pts	20 pts	25pts
TOTAL SCORE		MAXIMUM = 100 POINTS				

- 2.1. **Performance Results.** The agency performance in the achievement of targets shall be closely monitored through the use of the submitted Unified Reporting System (URS)-generated Budget and Financial Accountability Reports (BFARS). The quarterly BFARS as uploaded in the DBM URS shall be submitted in a timely manner i.e within thirty (30) days after the end of each quarter. BFARS will be used to monitor and validate the agencies accomplishments.

The Performance Results shall be assessed and scored as follows:

TABLE 2: RATING SCALE FOR PERFORMANCE RESULTS				
1	2	3	4	5
Met less than 80% of performance indicators of the Congress-approved performance targets for FY 2021; deficiencies due to controllable factors	Met less than 80% of performance indicators of the Congress-approved performance targets for FY 2021; deficiencies due to uncontrollable factors	Met at least 80% of performance indicators of the Congress-approved performance targets for FY 2021; deficiencies due to controllable factors	Met at least 80% of performance indicators of the Congress-approved performance targets for FY 2021; deficiencies due to uncontrollable factors	Met each one of the Congress-approved performance targets for FY 2021 (all performance indicators)

- 2.2. **Process Results.** The target under Process Results is the greater ease of transaction of frontline services covering all government-to-citizens (G2C), government-to-businesses (G2B), and government-to-government (G2G) transactions. This may be achieved through streamlining especially of frontline services; standardization of frontline processes including those implemented at the Regional, Satellite, and Extension Offices; digitization e.g., by developing electronic or online paperless systems, new service delivery channels, contactless transactions', and other process improvements for faster and more efficient public service delivery

The Process Results shall be assessed and scored as follows:

TABLE 3: RATING SCALE FOR PROCESS RESULTS					
AGENCY	1	2	3	4	5
a. For departments/agencies and GOCCs covered by the DBM	No demonstrated ease of transaction	Achieved targets to ease transaction (streamlining, digitization, standardization) only for non-frontline services	Achieved targets to ease transaction (streamlining, digitization, standardization) in less than 80% of frontline services	Achieved targets to ease transaction (streamlining, digitization, standardization) in at least 80% of frontline services	Achieved targets to ease transaction (streamlining, digitization, standardization) in all frontline services
b. For SUCs	No demonstrated standardization/ quality assurance	Achieved ISO-certification or its equivalent certification only for non-frontline services	Achieved ISO-certification or its equivalent certification for less than 80% of frontline services	Achieved ISO-certification or its equivalent certification for at least 80% of frontline services	Achieved ISO-certification or its equivalent certification for all frontline services

- 2.3. **Financial Results.** Attainment of the FY 2021 Disbursement BURs and Targets under Financial Results reflect final payments made from the agency's annual budget allotment to realize their committed programs and projects based on the valid appropriations for FY 2021.

The requirements under the Financial Results shall be scored as follows:

TABLE 4: RATING SCALE FOR FINANCIAL RESULTS				
1	2	3	4	5
1-19% Disbursements BUR	20-39% Disbursements BUR	40-59% Disbursements BUR	60-79% Disbursements BUR	80-100% Disbursements BUR

- 2.4. **Client Satisfaction Results.** Accomplish and submit reports on the Citizen/Client Satisfaction Survey (CCSS), and resolve all reported complaints from Hotline #8888 and *Contact Center ng Bayan* (CCB).

2.4.1 To provide evidence on the citizen/client satisfaction results, agencies may report the results of the CCSS following Annex 4: Citizen/Client Satisfaction Survey.

2.4.2 Resolution of reported complaints from Hotline #8888 and Contact Center ng Bayan. Agencies shall ensure resolution of all complaints and grievances on government service procedures, acts of red tape, corruption, and/or other interferences to public service delivery by any government agency, individuals, or instrumentalities reported to Hotline #8888 and CCB. To provide evidence on this, agencies may submit a report summarizing the #8888 and CCB complaints received in FY 2021 and their status if resolved or pending.

The requirements under the Citizen/Client Satisfaction Results shall be scored as follows:

TABLE 5: RATING SCALE FOR CITIZEN/CLIENT SATISFACTION RESULTS				
1	2	3	4	5
No submission/ Did not conduct CCSS	Average to low satisfaction rate with unresolved #8888/CCB complaints	Average satisfaction rate with 100% #8888/CCB complaints resolved	High satisfaction rate with 100% #8888/CCB complaints resolved	High satisfaction rate without #8888/CCB complaints

3. **Agency accountabilities.** To sustain the institutionalization of compliance to existing government-mandated laws and standards, the Performance Management Team (PMT) shall continue to implement, monitor, and enforce compliance with the following requirements:
- Updating of Transparency Seal
 - Compliance with the Freedom of Information (FOI) Program
 - Updating of Citizen's or Service Charter
 - Compliance to Audit Findings and Liquidation of Cash Advances
 - Submission and Review of SALN
 - PhilGEPS posting of all invitations to bids and awarded contracts
 - Submission of FY 2022 Annual Procurement Plan-Common Use Supplies and Equipment (APP-CSE), FY 2021 Non-Common Use Supplies and Equipment (APP-non CSE), Indicative FY 2022 APP, and the results of FY 2020 Agency Procurement Compliance and Performance Indicators (APCPI) System

- g) Undertaking of Early Procurement Activities covering 2022 Procurement Projects While the above conditions are no longer required in determining the overall PBB eligibility of agencies, compliance with these conditions shall be used as the basis in determining the eligibility of responsible units and individuals. Agencies should submit these legal requirements directly to the oversight agencies.

Non-compliance of the above said Agency Accountabilities by the unit responsible including the head shall be isolated from the grant of the FY 2021 PBB.

4. For FY 2021 PBB, the delivery units (DUs) of eligible agencies shall no longer be ranked. However, the unit/s most responsible for deficiencies shall be isolated. To be eligible for the FY 2021 PBB, the PHC must attain a total score of at least 70 points. To be able to attain at least 70 points, PHC should achieve a performance rating of 4 in at least three (3) criteria the unit/s most responsible (including its head) with a performance rating of below 4 will be isolated from the grant of the FY 2021 PBB.
5. Eligible DUs shall be granted FY 2021 PBB at uniform rates across the agency, including its officials and employees. The corresponding rates of the PBB shall be based on the agency's achieved total score as shown in Section 7.0.
6. Employees belonging to the First, Second, and Third Levels should receive a rating of at least "Very Satisfactory" based on the agency's CSC-approved Strategic Performance Management System (SPMS).
7. Personnel in detail to another government agency for six (6) months or more shall be included in the recipient agency that rated his/her performance. The payment of the PBB shall come from the mother agency.
8. Personnel who transferred from one government agency to another agency shall be included by the agency where he/she served the longest. If equal months were served for each agency, he/she will be included in the recipient agency. Officials and employees who transferred from government agencies that are non-participating in the implementation of the PBB shall be rated by the agency where he/she served the longest; the official/employee shall be eligible for the grant of the PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency.
9. An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least a Very Satisfactory rating may be eligible for the full grant of the PBB.
10. An official or employee who rendered less than nine (9) months but a minimum of three (3) months of service and with at least a Very Satisfactory rating shall be eligible for the grant of the PBB on a pro-rata basis corresponding to the actual length of service rendered, as follows:

LENGTH OF SERVICE	% OF PBB
8 months but less than 9 months	90%
7 months but less than 8 months	80%
6 months but less than 7 months	70%
5 months but less than 6 months	60%
4 months but less than 5 months	50%
3 months but less than 4 months	40%

11. The following are the valid reasons for an employee who may not meet the nine month actual service requirement to be considered for PBB on a pro-rata basis:

- a) Being a newly hired employee;
- b) Retirement;
- c) Resignation;
- d) Rehabilitation Leave;
- e) Maternity Leave and/or Paternity Leave;
- f) Vacation or Sick Leave with or without pay;
- g) Scholarship/Study Leave; and/or
- h) Sabbatical Leave.

12. An employee who is on vacation or sick leave, with or without pay, for the entire year is not eligible for the grant of the PBB.

13. Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2021 shall not be entitled to the PBB. If the penalty meted out is only a reprimand, such penalty shall not cause the disqualification to the PBB.

14. Officials and employees who failed to submit the 2020 SALN as prescribed in the rules provided under CSC Memorandum Circular No. 3 s. 2015; or those who are responsible for the non-compliance with the establishment and conduct of the review and compliance procedure of SALN, shall not be entitled to the FY 2021 PBB.

15. Officials and employees who failed to liquidate all cash advances received in FY 2021 within the reglementary period, as prescribed in COA Circular 97-002 dated February 10, 1997, and reiterated in COA Circular 2009-002 dated May 18, 2009, shall not be entitled to the FY 2021 PBB.

16. RATES OF THE PBB

The total score as stated in Table 5: FY 2021 PBB Scoring System shall be the basis in determining the amount of the PBB an agency is eligible for. The maximum rate of the PBB for agencies that will achieve 100 points shall be 100% of the 65% monthly basic salary (MBS) of an individual as of December 31, 2021. For illustration, see Table 6 below:

TABLE 6: RATES OF THE PBB	
TOTAL SCORE	PBB RATES
100 points	65% (100% of the 65% monthly basic salary)
95 points	61.75% (95% of the 65% monthly basic salary)
90 points	58.5% (90% of the 65% monthly basic salary)
85 points	55.25% (85% of the 65% monthly basic salary)
80 points	52% (80% of the 65% monthly basic salary)
75 points	48.75% (75% of the 65% monthly basic salary)
70 points	45.5% (70% of the 65% monthly basic salary)

17. Timeliness, Posting And Submission of Reports

All Departments/Divisions/Units should submit evidence of accomplishments of Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results (as provided in Section 4.0) on or before February 28, 2022 via electronic submission (scanned copy of the official submission and editable MS Word or Excel files for use of the AO 25 Secretariat).

18. The AO 25 IATF shall conduct spot checks to validate claims and certifications made by the agencies on their submitted/posted reports and/or requirements.
19. PHC is encouraged to provide information to the AO 25 Secretariat on compliance with the Agency Accountabilities provided in Section 2.0.
20. NON-COMPLIANCE of the above requirements shall disqualify PHC from the PBB in the succeeding year of its implementation.

EFFECTIVITY

The implementation of the said guidelines shall take effect immediately.


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69