

ADMINISTRATIVE ORDER

No. 04
Series of 2018

SUBJECT: GUIDELINES IN RANKING DSWD DELIVERY UNITS FOR THE GRANT OF THE FY 2017 PERFORMANCE-BASED BONUS

I. RATIONALE

The Performance-Based Bonus (PBB) is one of the incentives provided to government employees through the Performance-Based Incentive System (PBIS) established in Executive Order No. 80¹, s. 2012.

The PBB is given to government employees on the basis of their Offices' performance and contributions in achieving the targets committed by the Agency. The provision of PBB aims to recognize government personnel who play greater roles and carry heavier responsibilities in attaining performance targets and delivering results.

The Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (AO25 IATF) Memorandum Circular No. 2017-01 or Guidelines on the Grant of the Performance-Based Bonus (PBB) for Fiscal Year 2017 outlines the basic requirements for the grant of the FY 2017 PBB. This memorandum circular requires all government agencies to develop a system of ranking delivery units in terms of office performance as basis for the grant of the performance-based bonus.

II. ELIGIBILITY CRITERIA

1. The identified DSWD Delivery Units² as per the approved organizational structure of the Department indicated in the 2005 DSWD Rationalization and Streamlining Plan (RSP) are listed in Annex A.
2. The Department and its corresponding delivery units that meet the criteria and conditions stipulated in Sections 4.0 and 7.0 of the AO 25 IATF MC No. 2017-1 (attached as Annex B) are eligible for the FY 2017 PBB.
3. In the case of isolation as recommended by the AO 25 IATF due to non-compliance to conditions stipulated in Sections 5.0 (FY 2017 Good Governance Conditions) and 6.0 (FY 2017 Performance Targets) of the AO 25 IATF MC No.

¹ Directing the Adoption of a Performance-Based Incentive System for Government Employees

² A delivery unit is the primary division of the Department/Agency performing substantive line functions, technical services or administrative support, as reflected in the Department's/Agency's organizational structure/functional chart (as defined in AO 25 IATF MC No. 2017-1).

2017-1, all officials (SG 25 and above) of identified Delivery Units are ineligible for the PBB.

III. RANKING SYSTEM AND PROCEDURE

1. The ranking of the DSWD Delivery Units shall be based on the final Office Performance Contract Review (OPCR) ratings received during the FY 2017 Performance Review and Evaluation (PRE) sessions.
2. Eligible Delivery Units shall be forced-rank according to their respective performance ratings following the distribution below:

Delivery Unit Distribution	Rating
Top 10%	Best Delivery Units
Next 25%	Better Delivery Units
Next 65%	Good Delivery Units

3. In case of tie, decimal places of the OPCR ratings shall be stretched until the tie is broken or as deliberated by the Performance Technical Working Group (PMTWG).

IV. RATES FOR FY 2017 PBB

The amount of PBB received by officials and employees shall depend on the performance ranking of the Delivery Unit where they belong, with the rate computed as a multiple of one's basic monthly salary (including Step Increment) based on the table below:

Performance Category	PBB as % of Basic Monthly Salary
Best Delivery Units	65%
Better Delivery Units	57.5%
Good Delivery Units	50%

V. INSTITUTIONAL ARRANGEMENTS

1. The PMTWG shall determine, finalize and recommend for the Secretary's approval, the office performance ranking, list of PBB eligible employees, and the corresponding budget allocated for the grant of the PBB in the Department. Further, as the designated policy-making body for the performance management system, the PMTWG shall address issues/concerns and appeals/grievances arising out of the policies and criteria adopted for the grant of the PBB.
2. All Central Office-OBS and FOs shall be responsible in complying with the Good Governance Conditions (GGCs) and in accomplishing the performance targets committed by the Department for FY 2017.

- 2.1 The Human Resource and Development Bureau (HRDB) shall be responsible in ushering all DSWD Offices and PBB Focal Persons in fulfilling the requirements of the GGCs. Further, the HRDB shall serve as liaison between the PMTWG and AO25 IATF on the grant of the FY 2017.
 - 2.2 The Policy Development and Planning Bureau (PDPB) shall be responsible in monitoring performance of the Department along its Major Final Outputs (MFOs) to qualify for the grant of PBB. Along with this, the PDPB shall be responsible in preparing the following reportorial requirements: Department Target and Accomplishment Forms A, MFO Form A-1 and PBB Form 1.0 (Report of Ranking of Offices/Delivery Units).
 - 2.3 The Finance Management Service (FMS) shall be responsible in preparing the following reportorial requirements in compliance to the grant of PBB: Budget and Financial Accountability Reports (BFARs) and Reports on the Ageing of Cash Advance Liquidation.
 - 2.4 The Procurement Service (PS) shall be responsible in facilitating compliance to the requirements of the Philippine Government Electronic Procurement System (PhilGEPS) and the preparation of the Department's Annual Procurement Plan (APP).
 - 2.5 The Personnel Administration Division (PAD) shall be responsible in monitoring compliance of all DSWD employees on the submission of the Statement of Assets, Liabilities and Net Worth (SALN). Further, PAD in coordination with the FMS, shall prepare the payroll for the grant of PBB to all eligible employees once the Special Allotment Release Order (SARO) and Notice of Cash Allocation (NCA) is released by the Department of Budget and Management (DBM) to DSWD.
3. All PBB Focal Persons shall be responsible in ensuring compliance of staff in submitting the required performance-related documents. They shall prepare and consolidate their respective office's PBB requirements such as the Certificate of Compliance (COC) for onward submission to the AO 25 IATF.

VI. REPEALING CLAUSE

All previous issuances inconsistent with this Administrative Order are hereby repealed, modified or amended accordingly.

VII. EFFECTIVITY

This Administrative Order shall take effect immediately.

Issued in Quezon City this 5th day of February 2018.

Certified True Copy:


MYRNA H. REYES

Records & Archives Mgt. Section


EMMANUEL A. LEYCO
Officer-in-Charge

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DSWD DELIVERY UNITS FOR THE GRANT OF FY 2017 PBB

CENTRAL OFFICE	
1.	Office of the Secretary
1.1	Office of the Undersecretary for Policy and Plans Group
1.2	Office of the Undersecretary for Institutional Development Group
1.3	Office of the Undersecretary for General Administration and Support Services Group
1.4	Office of the Undersecretary for Operations and Programs Group – Promotive
1.5	Office of the Undersecretary for Operations and Programs Group – Protective
1.6	Office of the Undersecretary for Exigent Concerns
1.7	Office of the Undersecretary for Special Concerns
1.8	Office of the Undersecretary for Legislative Liaison Affairs and Special Presidential Directives in the Mindanao Region
1.9	Office of the Assistant Secretary for OSEC Group
1.10	Office of the Assistant Secretary for Policy and Plans Group
1.11	Office of the Assistant Secretary for General Administration and Support Services Group
1.12	Office of the Assistant Secretary for Special Concerns
1.13	Office of the Assistant Secretary for Centers and Institutions and Other Special Directives
1.14	Office of the Assistant Secretary for Special Women's and Children's Concerns
2.	Internal Audit Service
3.	Administrative Service
3.1.	Procurement Service
4.	Financial Management Service
4.1	Unified Financial Management Unit
5.	Human Resource Management Service (Human Resource and Development Bureau)
6.	Legal Service
7.	Management Information Systems Service (Information Communication and Technology Management Service)
7.1	National Household Targeting Office
8.	Social Marketing Service
9.	Policy Development and Planning Bureau
9.1	Department Legislative Liaison Unit
9.2	Technical Assistance Unit
10.	Social Technology Bureau
11.	Standards Bureau
12.	Program Management Bureau
12.1	Pantawid Pamilyang Pilipino Program
12.2	KALAHI CIDSS-NCDDP
12.3	Sustainable Livelihood Program
12.4	National Convergence Technical Support Unit
12.5	Protective Services Bureau

12.6 Social Welfare Attache Office
12.7 Disaster Response and Management Bureau
12.8 National Resource Operations Office
13. Social Welfare Institutional Development Bureau (Capacity Building Bureau)
FIELD OFFICES
14. Field Office NCR
15. Field Office CAR
16. Field Office I
17. Field Office II
18. Field Office III
19. Field Office IV-A
20. Field Office IV-B
21. Field Office V
22. Field Office VI
23. Field Office VII
24. Field Office VIII
25. Field Office IX
26. Field Office X
27. Field Office XI
28. Field Office XII
29. Field Office CARAGA

**INTER-AGENCY TASK FORCE ON THE HARMONIZATION OF NATIONAL
GOVERNMENT PERFORMANCE MONITORING, INFORMATION AND
REPORTING SYSTEMS**

MEMORANDUM CIRCULAR NO. 2017-1

4.0 ELIGIBILITY CRITERIA

- 4.1 Each agency (*see Annex 1 – Master List of Departments/Agencies and prescribed delivery units in departments/ agencies*) must satisfy the following conditions to be eligible for the grant of PBB:
- a. **Good Governance Conditions:** Satisfy 100% of the Good Governance Conditions for FY 2017 set by the AO 25 Inter-Agency Task Force (IATF) as provided in Section 5.0.
 - b. **Performance Targets:** Achieve each one of the Congress-approved performance targets for the delivery of Major Final Outputs (MFOs) under the Performance Informed Budget of the FY 2017 General Appropriations Act, and the targets for Support to Operations (STO) and General Administration and Support Services (GASS) provided in Section 6.0. (See Annex 2 – Form A. Department/Agency Performance Accomplishment for FY 2017, and Annex 3 – Form A1. Details of Bureau/Office Performance Indicators and Accomplishments).
 - b.1. For GOCCs under the coverage of DBM without budgetary support, the targets reflected under DBM Form No. 700 in their 2017 Corporate Operating Budgets (COBs) shall be used as basis in assessing their performance and determining their eligibility for the PBB.
 - b.2. For GOCCs covered by RA 10149, the targets reflected in their approved FY 2017 Performance Scorecard and eligibility requirements specified in a separate guideline to be issued by GCG shall be the basis in assessing their performance and authorizing the grant of PBB.
 - b.3. LWDs should achieve each one of the performance targets for the delivery of MFOs, STO and GASS indicators as identified by LWUA in a Joint Memorandum Circular to be issued by LWUA and DBM.
 - b.4. For LGUs, the performance targets shall be based on the Guidelines on the Grant of PBB for LGUs to be issued by the AO 25 IATF and DILG.
 - c. Use the CSC-approved Strategic Performance Management System (SPMS) in rating the performance of First and Second Level officials and employees of departments/agencies of the national and local government to include those in GOCCs with original charters, and in SUCs; and officials holding managerial and Director positions but are not Presidential appointees. In rating the performance of Career Executive Service (CES) officers and incumbents of CES positions, the Career Executive Service Performance Evaluation System (CESPES) shall be the basis.

7.0 ELIGIBILITY OF INDIVIDUALS

- 7.1 Department Secretaries, Heads of Other Executive Offices, Chairpersons and Commissioners of Constitutional Offices, Heads of Attached Agencies, Presidents of SUCs, and non-ex officio Heads of GOCCs covered by DBM are eligible only if their respective departments/agencies/institutions are eligible. If eligible, their PBB rate for FY 2017 shall be equivalent to 65% of their monthly basic salary. They shall not be included in the Form 1.0 - Report on Ranking of Delivery Units (Annex 5).
- 7.2 Non-ex officio Board Members of GOCCs covered by DBM may be eligible to a rate equivalent to 65% of the monthly basic salary of the highest corporate official of the GOCC concerned subject to the following conditions:
 - a. The GOCC has qualified for the grant of the FY 2017 PBB;
 - b. The Board Member has 90% attendance to duly called board meetings and committee meetings as certified by the Board Secretary;
 - c. The Board Member has nine (9) months aggregate service in the position; and
 - d. The GOCC has submitted the appropriate annual Board- approved Corporate Operating Budget (COB) to DBM in accordance with the Corporate Budget Circular No. 22 dated December 1, 2016.
- 7.3 Employees belonging to the First, Second and Third Levels should receive a rating of at least "Satisfactory" based on the agency's CSC-approved Strategic Performance Management System (SPMS) or the CESPES. CESPES covers all incumbents of CES positions in various agencies of the national government including GOCCs with original charters, for an uninterrupted period of at least three (3) months. Payment of the PBB to Third Level officials shall be contingent on the release of results of the CESPES.
- 7.4 Personnel on detail to another government agency for six (6) months or more shall be included in the ranking of employees in the recipient agency that rated his/her performance. Payment of the PBB shall come from the mother agency.

- 7.5 Personnel who transferred from one government agency to another agency shall be rated and ranked 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.
- 7.6 An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least Satisfactory rating may be eligible to the full grant of the PBB.
- 7.7 An official or employee who rendered less than nine (9) months but a minimum of three (3) months of service and with at least Satisfactory rating shall be eligible for the grant of 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%

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;
 - h. Sabbatical Leave
- 7.8 An employee who is on vacation or sick leave, with or without pay, for the entire year is not eligible to the grant of the PBB.
- 7.9 Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2017 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.
- 7.10 Officials and employees who failed to submit the 2016 SALN as prescribed in the rules provided under CSC Memorandum Circular No. 3 s. 2015, shall not be entitled to the FY 2017 PBB.
- 7.11 Officials and employees who failed to liquidate all cash advances received in FY 2017 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 2017 PBB.
- 7.12 Officials and employees who failed to submit their complete SPMS Forms shall not be entitled to the FY 2017 PBB.
- 7.13 Agency heads should ensure that officials and employees covered by RA 6713 submitted their 2016 SALN to the respective SALN repository agencies, liquidated their FY 2017 Cash Advances, and completed the SPMS Forms, as these will be the basis for the release of FY 2017 PBB to individuals.

- 7.14 Officials and employees responsible for submitting COA Annual Financial Reports and Statements to include Financial Statements (FSs), Annual Financial Reports and Annual Audit Reports (AARs), shall not be entitled to the FY 2017 PBB if the Department/Agency fails to comply with the said reporting requirements as prescribed in COA Resolution 2014-003 dated January 14, 2014 and COA Circular 2015-002 dated March 9, 2015.
- 7.15 The Head of Procuring Entity (HOPE), Chairman and Secretariat of the Bids and Awards Committee (BAC) shall not be entitled to the FY 2017 PBB if the Department/Agency fails to submit the following:
- a. FY 2017 Annual Procurement Plan (APP-non CSE) to the Government Procurement Policy Board (GPPB) not later than one month after the issuance of this Circular in the format prescribed under GPPB Circular No. 07-2015
 - b. FY 2018 Annual Procurement Plan-Common-Use Supplies and Equipment (APP-CSE) to the DBM-Procurement Service on or before November 30, 2017.
 - c. Results of FY 2016 Agency Procurement Compliance and Performance Indicators (APCPI) System, per GPPB Resolution No. 10-2012, complete with the following forms: (1) APCPI - Self-Assessment Form; (2) APCPI - Consolidated Procurement Monitoring Report; (3) APCPI - Procurement Capacity Development Action Plan; and the Questionnaire on before March 31, 2017. The APCPI Tool may be downloaded from the GPPB website using this link: <http://www.gppb.gov.ph/apcpi/apcpi.html>
- 7.16 Officials and employees responsible for the non-compliance of prior years' audit recommendations shall not be entitled to the FY 2017 PBB. (See also Section 6.3.c)
- 7.17 Officials and employees responsible for the QMS certification or alignment specified in Sections 6.2.a and 6.2.b shall not be entitled to the FY 2017 PBB if the Department/Agency fails to comply with the said requirement.
- 7.18 Officials and employees responsible for posting and dissemination of the Department/Agency system of ranking performance of delivery units shall not be entitled to the FY 2017 PBB if the Department/Agency fails to comply.