



**Inter-Agency Task Force on the Harmonization of National Government
Performance, Monitoring, Information and Reporting Systems**
(Administrative Order No. 25 s. 2011)

**Guidelines on the Grant
of Performance-Based Bonus for FY 2016
under the Executive Order (EO) No. 80 and EO No. 201**

June 2, 2016, Thursday, 1 PM - 4 PM
Virata Hall, 2nd Floor, Development Academy of the Philippines,
San Miguel Avenue, Ortigas Center, Pasig City.

Government Oversight Partners:



**Technical Secretariat
and Resource Institution**



WELCOME

**PBB Focal Persons and Officials
from Other Executive Offices
and GOCCs covered by DBM**



Outline of Presentation

- ➔ **Performance of OEOs and GOCCs covered DBM.**
- ➔ **Guidelines on the Grant of the Performance-Based Bonus for FY 2016.**



Activity on Agency Performance Scorecards

- ➔ Each participant is provided with two stickers.
- ➔ Participants shall view the scorecards of different agencies.
- ➔ Participants shall place a sticker on their most liked agency scorecard.
- ➔ At the end of the activity, the number of likes will be tallied.
- ➔ We have 15 minutes to complete this activity.



Sharing time



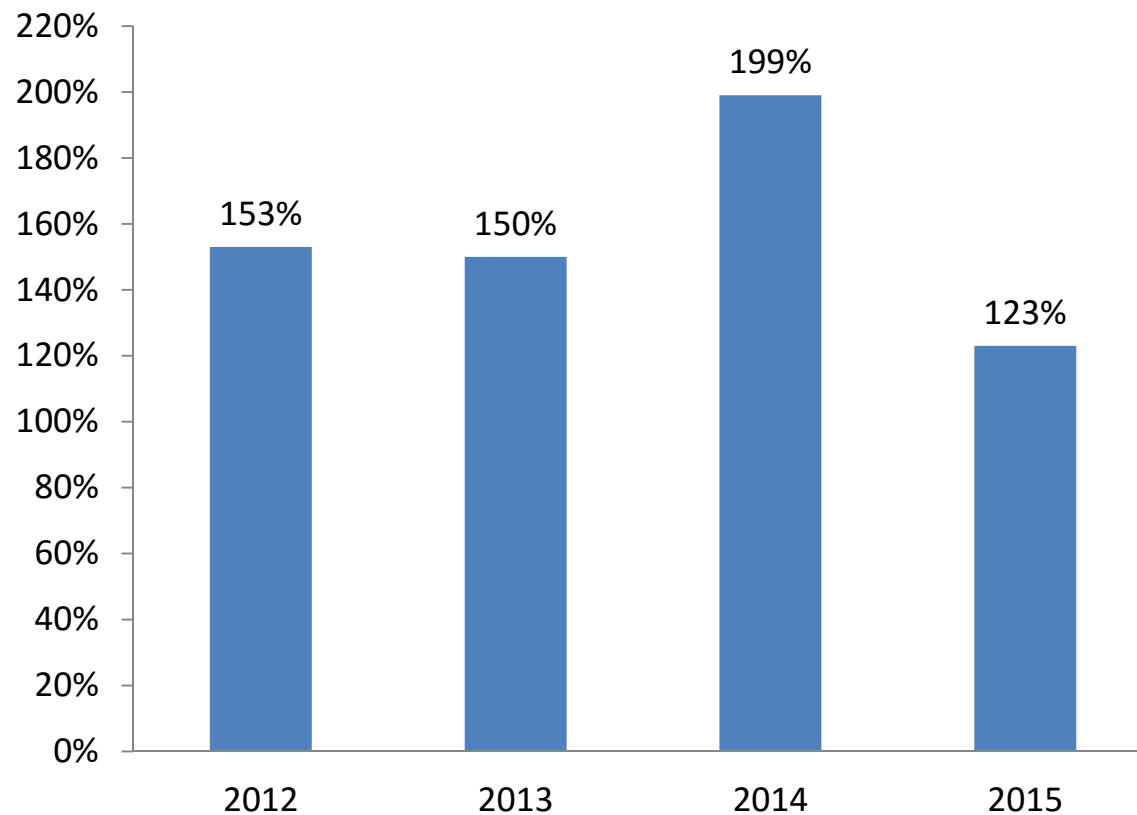
The screenshot displays the Agency Performance System (APS) website. The header includes navigation links for Home, About, Policies / Instructions, Resources, Latest News / BAKP Activities, Agency Performance, Download, and Contact Us. The main content area features a search bar labeled 'Search Agencies' and a list of agency groups under the heading 'Agency Groups: ALL'. The sidebar on the left contains a search bar and a list of agency groups under the heading 'Agency Groups: ALL'. The main content area also includes a section for 'Agency Performance Information' and a list of agency groups under the heading 'Agency Groups: ALL'.

<http://www.dap.edu.ph/rbpms/agency-performance/>

Department Performance Accomplishment Report		No submission yet					
Priority Programs/Projects Accomplishment Report		No submission yet					
Good Governance Condition							
Transparency Seal		Compliant					
Performance Indicators	INDICATORS	FT, 2015-16 (in millions)	PERFORMANCE (in % achieved)	FT, 2015-16 ACTUAL ACCOMPLISHMENT	FT, 2015-16 TARGET	FT, 2015-16 ACTUAL (ACCUMULATED ACHIEVEMENT)	STATUS
Public Higher Education	HIGHER EDUCATION SERVICES	PhyEd, 15.7,000.00	Total number of graduates	2,224 graduates	2,225 graduates	2,139 graduates	96%
			Percentage of total enrolled students who are properly educated	100%	100%	100%	100%
			Percentage of total graduates who are properly educated	91 out of 91 graduates	1,115 out of 1,115 graduates	1,115 out of 1,115 graduates	100%
			Percentage of total graduates who are properly educated	200%	83%	158%	163%
			Percentage of total graduates who are properly educated	96.74% (96.74% graduates out of 14,880% national average percentage)		92% (92% graduates out of 100% national average percentage)	
	HIGHER EDUCATION SERVICES	PhyEd, 15.7,000.00	Total number of graduates	94%	12%	100%	83%
			Level 1	224 out of 224 graduates	224 out of 224 graduates	2 out of 2 graduates	100%
			Level 2	9%	9%	100%	113%
			Level 3	74%	70%	90%	120%
			Percentage of graduates who are properly educated according to the national average	94%	95%	95%	100%
Advanced Education	ADVANCED EDUCATION SERVICES	PhyEd, 15.7,000.00	Total number of graduates	415 graduates	386 graduates	233 graduates	60%
			Percentage of graduates who are properly educated	90%	90%	90%	90%
			Percentage of graduates who are properly educated	91%	91%	80%	100%
			Percentage of graduates who are properly educated	91%	91%	80%	100%
			Percentage of graduates who are properly educated	91%	91%	80%	100%
	HIGHER EDUCATION SERVICES	PhyEd, 15.7,000.00	Total number of graduates	58 graduates	70 graduates	60 graduates	120%
			Percentage of graduates who are properly educated	29%	125%	41%	31%
			Percentage of graduates who are properly educated	29%	60%	80%	130%
			Percentage of graduates who are properly educated	11%	50%	100%	100%
			Percentage of graduates who are properly educated	11%	50%	100%	100%

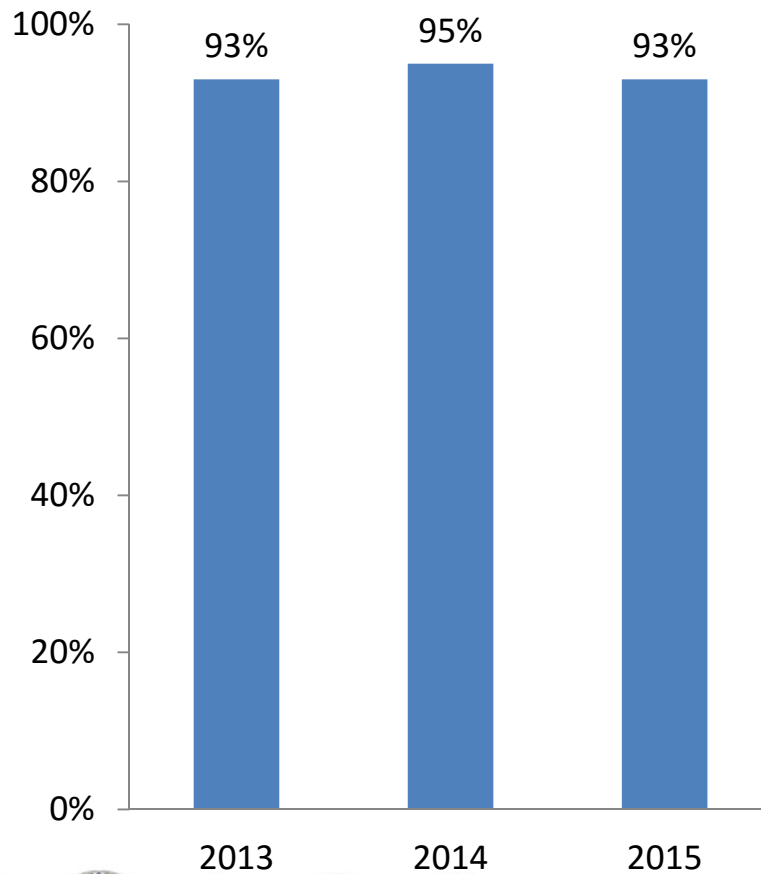


Average Rate of MFO-Accomplishment for Other Executive Offices

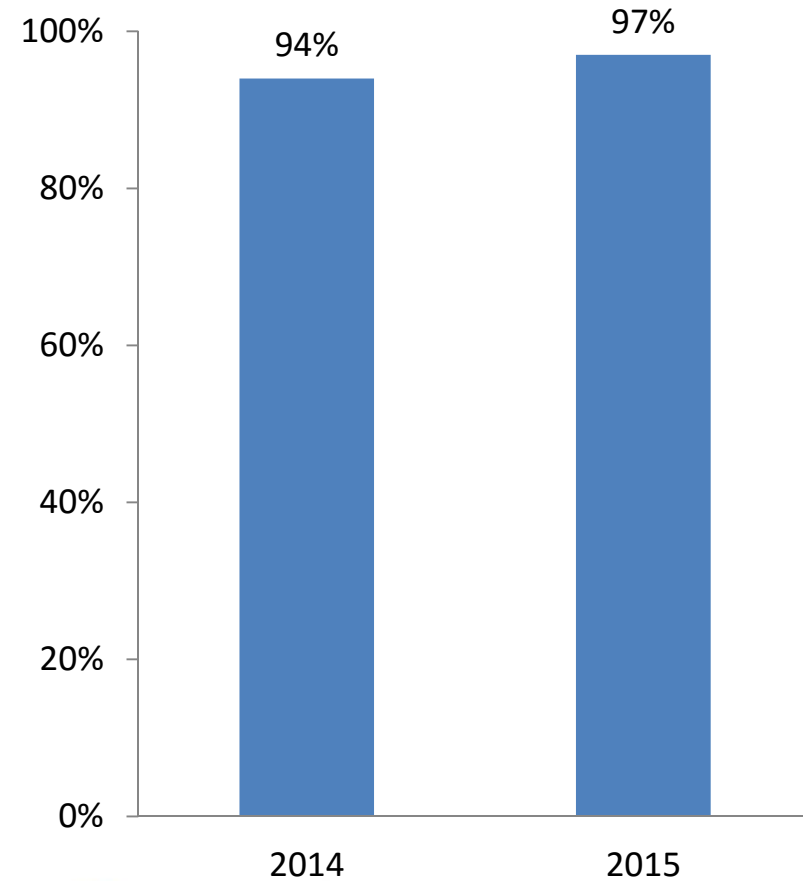


Budget Utilization Rate for Other Executive Offices

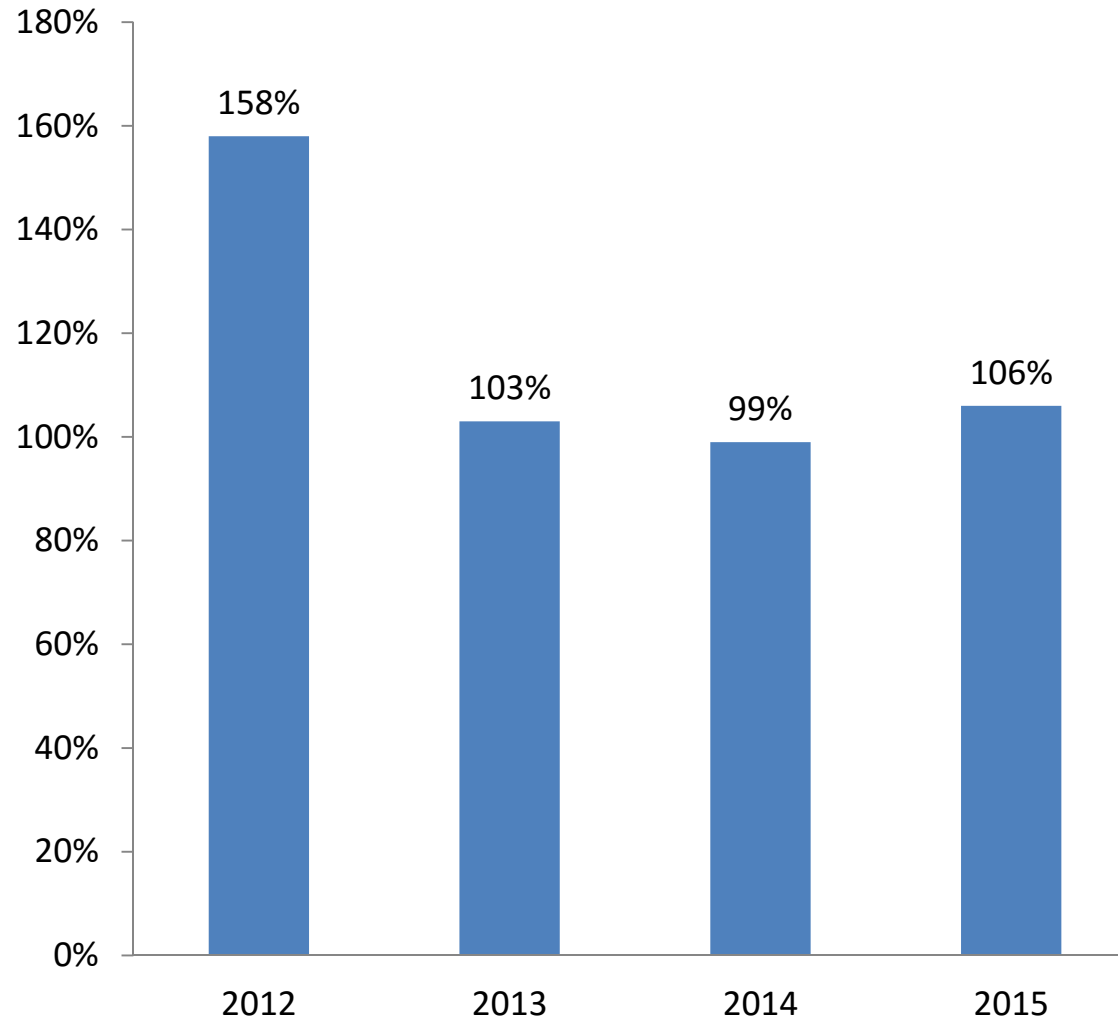
Average Rate of Accomplishment
for Disbursement Utilization Rate
(2013-2015)



Average Rate of Accomplishment for
Obligation Utilization Rate
(2014-2015)

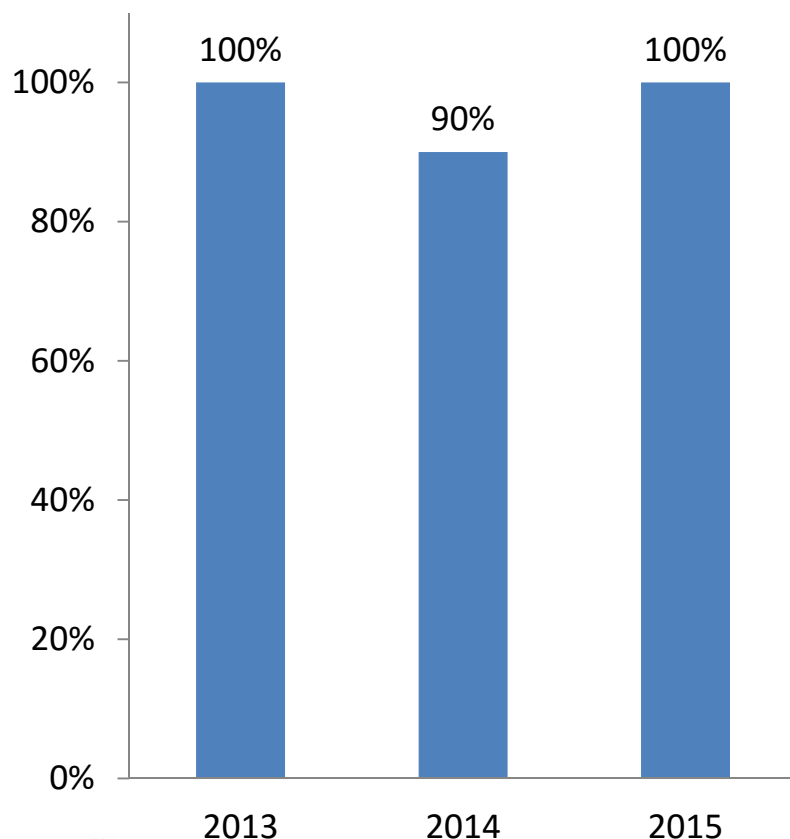


Average Rate of MFO-Accomplishment for GOCCs covered by DBM

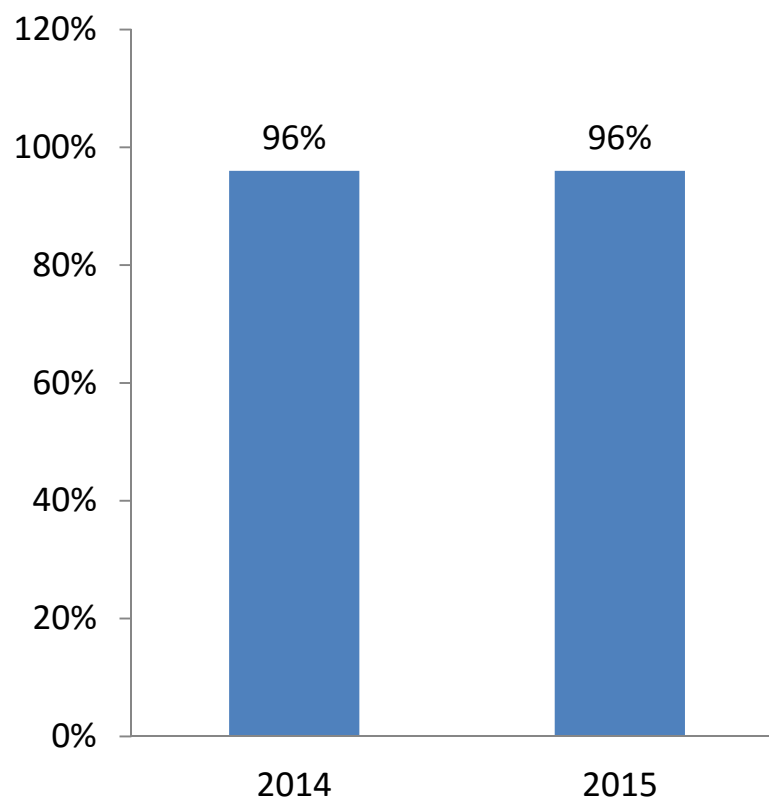


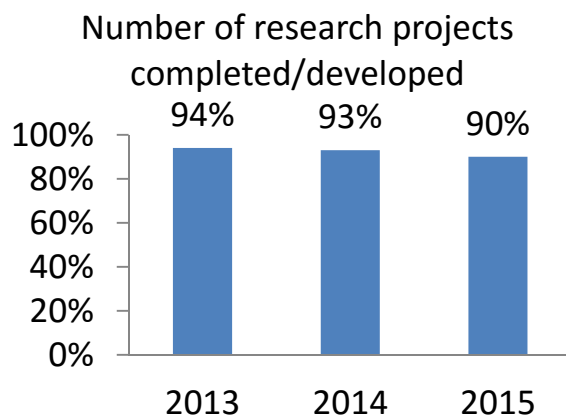
Budget Utilization Rate for GOCCs covered by DBM

Average Rate of Accomplishment
for Disbursement Utilization Rate
(2013-2015)

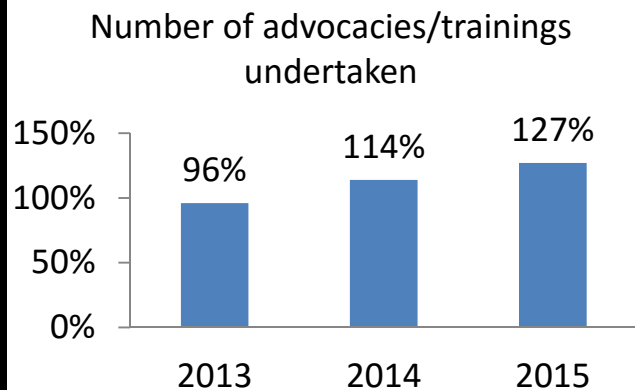


Average Rate of Accomplishment for Obligation
Utilization Rate
(2014-2015)

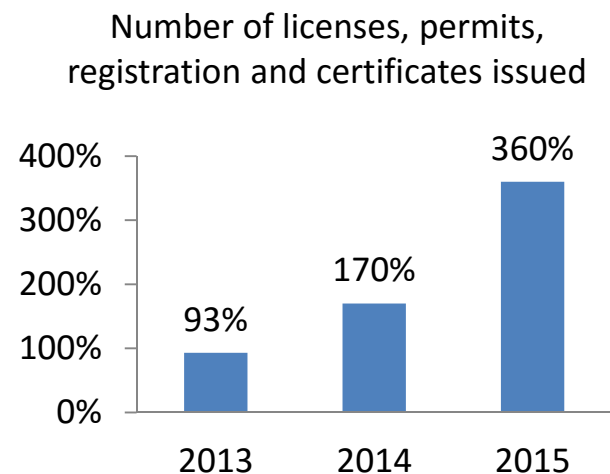




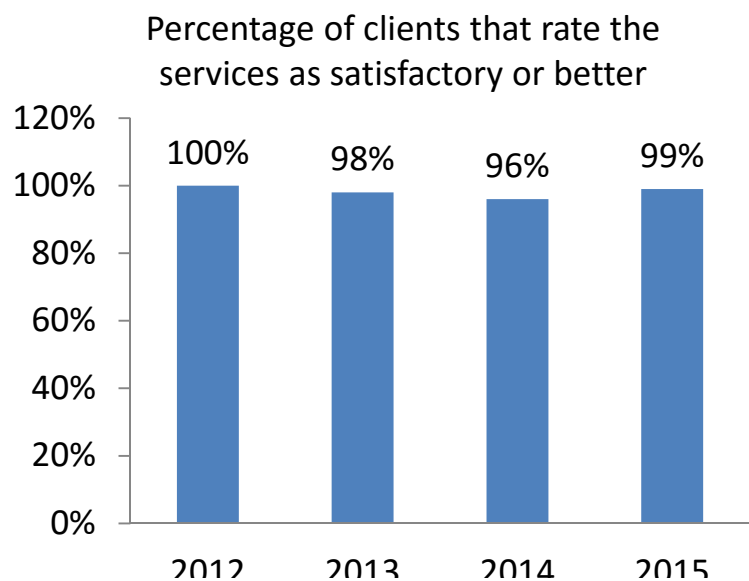
Agency A



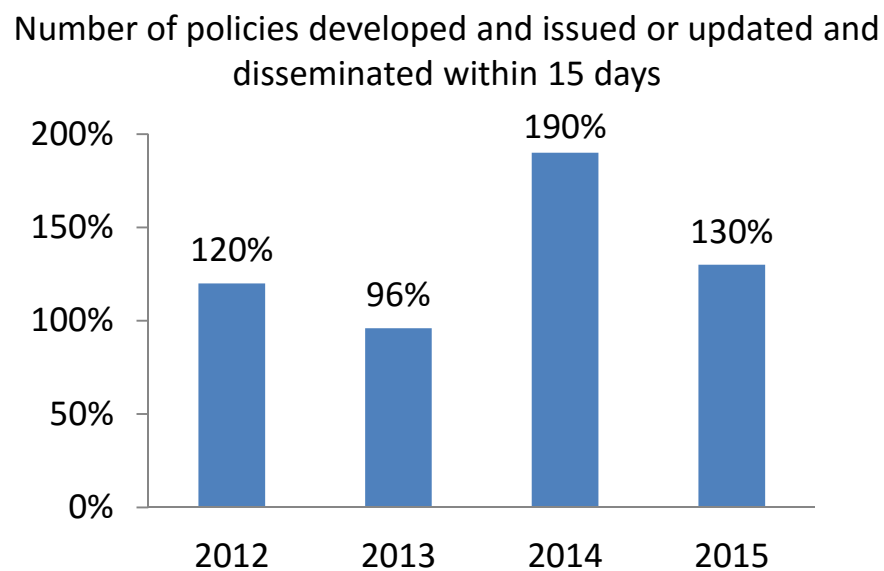
Agency B



Agency C

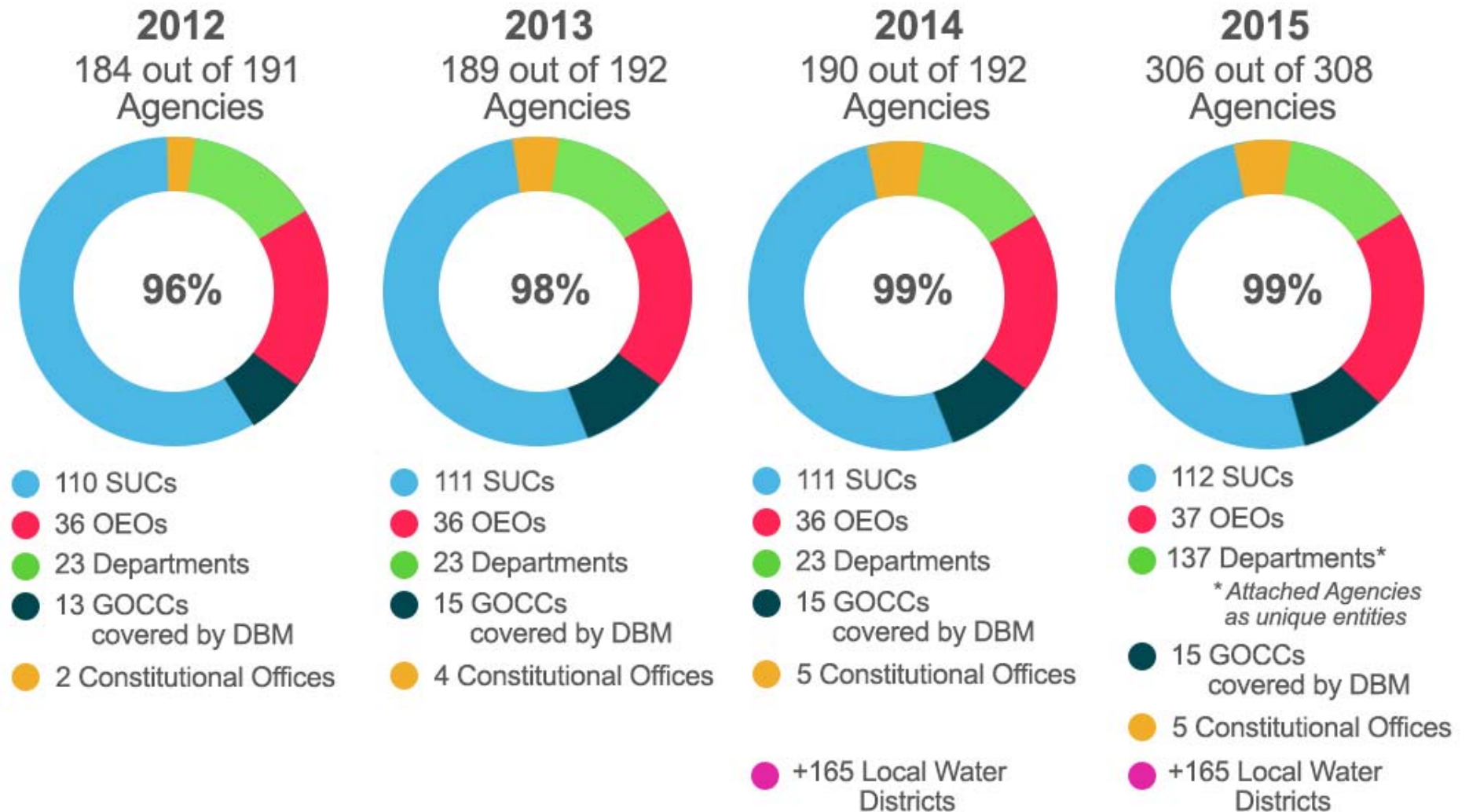


Agency D








Agency E

Participation Rate

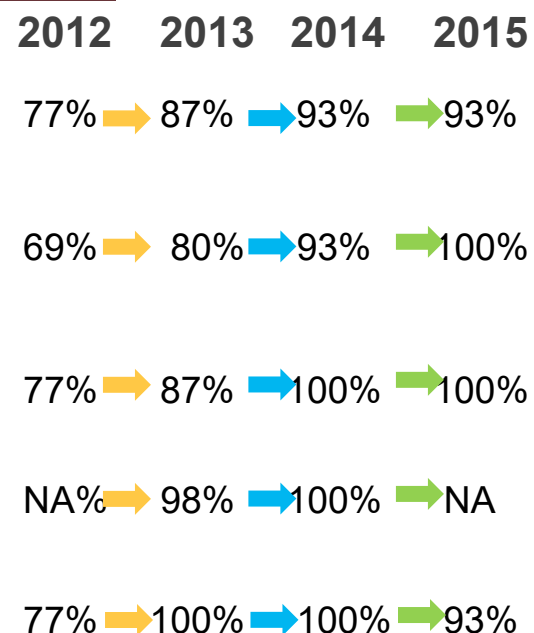
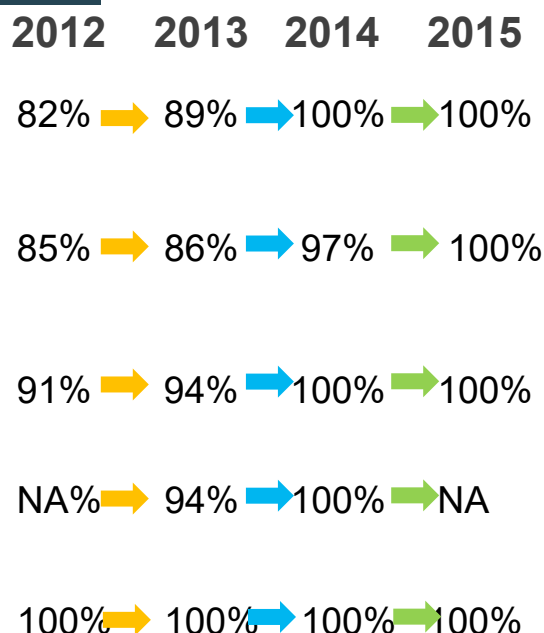


Good Governance Conditions Compliance Rate

	2012	2013	2014	2015
 Transparency Seal Sec. 93, GAA 2012; Sec. 91, GAA 2013, 2014; Sec. 98, GAA 2015	87%	→ 89%	→ 98%	→ 98%
 PhilGEPS RA 9184	79%	→ 90%	→ 95%	→ 87%
 Citizen's Charter RA 9485	94%	→ 96%	→ 99%	→ 99%
 SALN Submission RA 6713	-NA-	→ 96%	→ 96%	→ -NA-
 Report on Ageing of Cash Advance	91%	→ 97%	→ 100%	→ 98%
Overall Compliance Rate	88%	→ 94%	→ 98%	→ 96%



Good Governance Conditions Compliance Rate



MORANDUM CIRCULAR NO. 2015 - 1

August 11, 2014

of Departments, Bureaus, Offices and Other Agencies of the Government, including Constitutional Commissions, Congress, Office of the Ombudsman, State Universities and Colleges, Owned or Controlled Corporations, and Local Water Districts.

Circular contains the criteria and conditions for the grant of Performance in FY 2015. The guidelines specify new requirements such as

Strategic Performance Management System (SPMS) as base for rating 1 of First and Second level employees.

to Public Financial Management (PFM) reporting requirements of the
 on Audit (COA) and Department of Budget and Management (DBM).

id use of the Agency Procurement Compliance and Performance Indicators.
 10/1/2011

with Section 3e of Administrative Order (AO) No. 46 s 2015 which requires submit their respective Annual Procurement Plan (APP).

of separate Forms B and C for Agency Accomplishment for Priority Programs
was under Executive Order (EO) No. 43, and Agency Accomplishment for OP
and IV 2015 Targets, respectively.

It covers all Departments, Bureaus, Offices and Other Agencies of the Government, including Constitutional Commissions, Congress, The Judiciary, the Commission on State Universities and Colleges, Government-Owned or Controlled Corporations, and Local Water Districts.

and employees of eligible departments/agencies holding regular, full-time and seasonal and casual personnel having an employee-employer relationship with the said agencies, and whose compensation is charged to the lump sum appropriation under Personnel Services, or those occupying positions in the contractual staffing pattern of the agencies concerned, are covered by the

2015

QMS ISO Certification or Operations Manual

92%

Annual
Procurement Plan

86%

Agency Procurement Compliance and Performance Indicators System

86%

100%

100%

100%

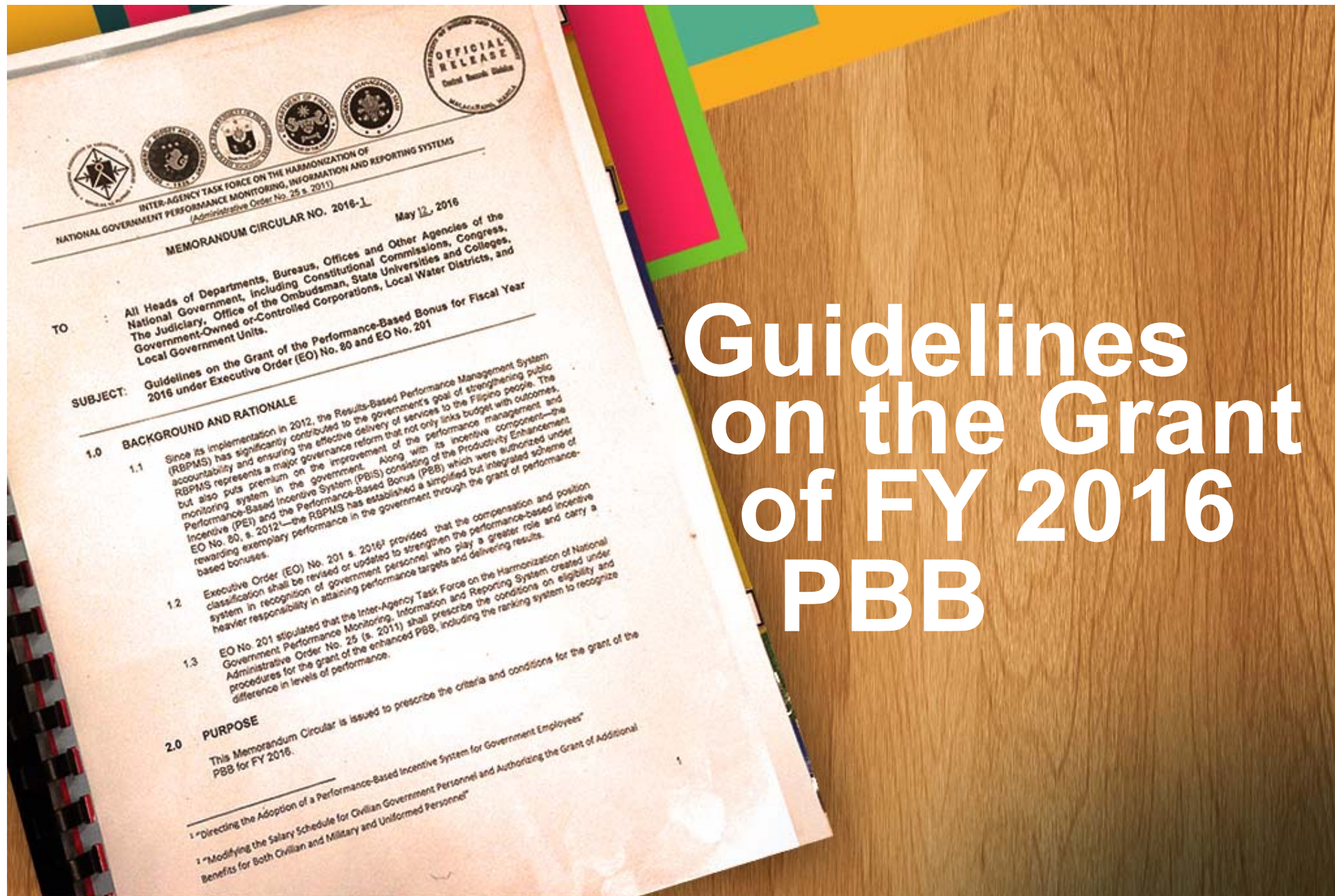
**GOCCs
Covered
by DBM**

93%

87%

80%





Guidelines on the Grant of FY 2016 PBB

1.0 BACKGROUND AND RATIONALE

- 1.1 Since its implementation in 2012, the Results-Based Performance Management System (RBPMS) has significantly contributed to the government's goal of strengthening public accountability and ensuring the effective delivery of services to the Filipino people. The RBPMS represents a major governance reform that not only links budget with outcomes, but also puts premium on the improvement of the performance management and monitoring system in the government. Along with its incentive component—the Performance-Based Incentive System (PBIS) consisting of the Productivity Enhancement Incentive (PEI) and the Performance-Based Bonus (PBB) which were authorized under EO No. 80, s. 2012¹—the RBPMS has established a simplified but integrated scheme of rewarding exemplary performance in the government through the grant of performance-based bonuses.
- 1.2 Executive Order (EO) No. 201 s. 2016² provided that the compensation and position classification shall be revised or updated to strengthen the performance-based incentive system in recognition of government personnel who play a greater role and carry a heavier responsibility in attaining performance targets and delivering results.
- 1.3 EO No. 201 stipulated that the Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting System created under Administrative Order No. 25 (s. 2011) shall prescribe the conditions on eligibility and procedures for the grant of the enhanced PBB, including the ranking system to recognize difference in levels of performance.

2.0 PURPOSE

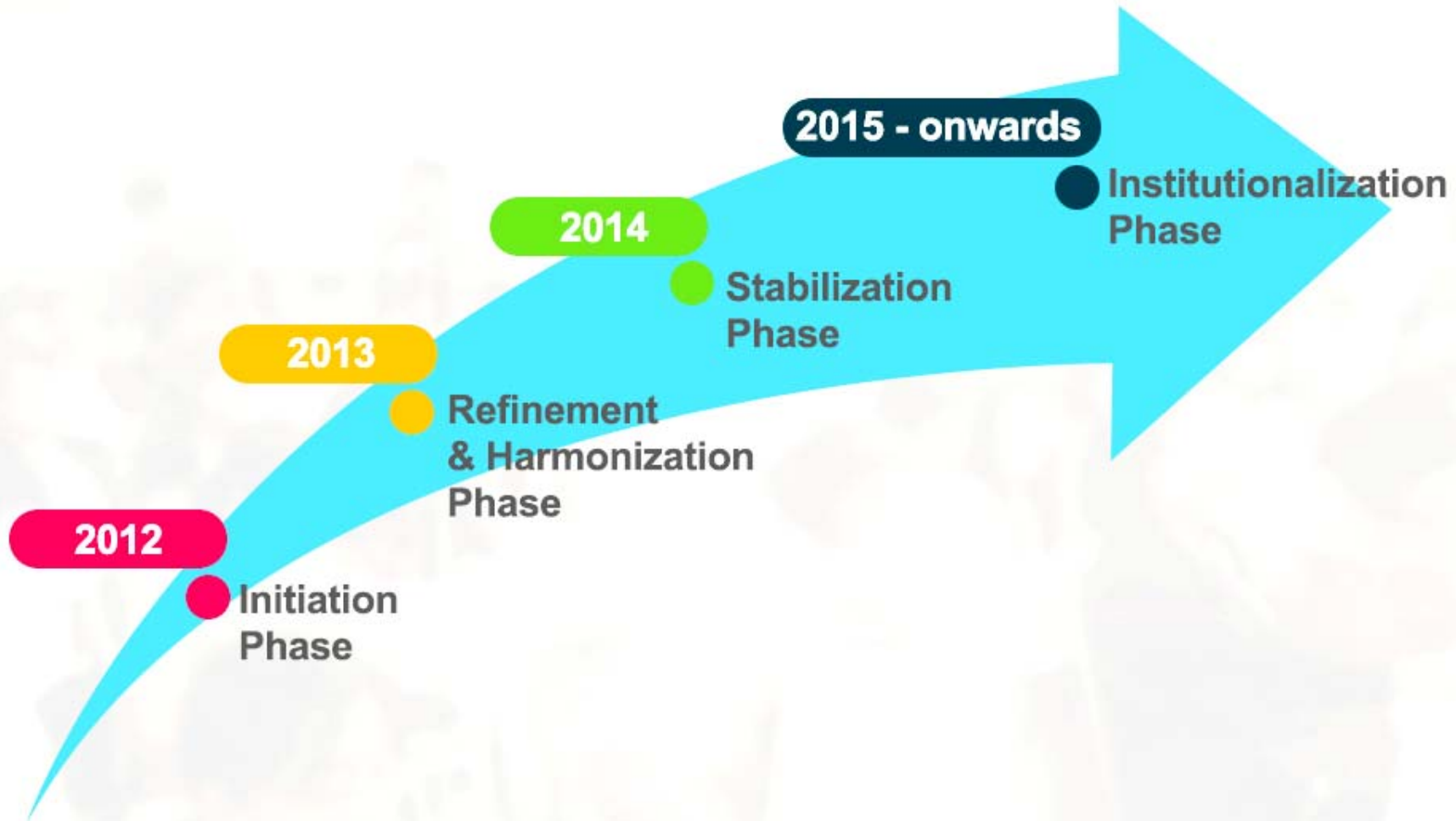
This Memorandum Circular is issued to prescribe the criteria and conditions for the grant of the PBB for FY 2016.

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

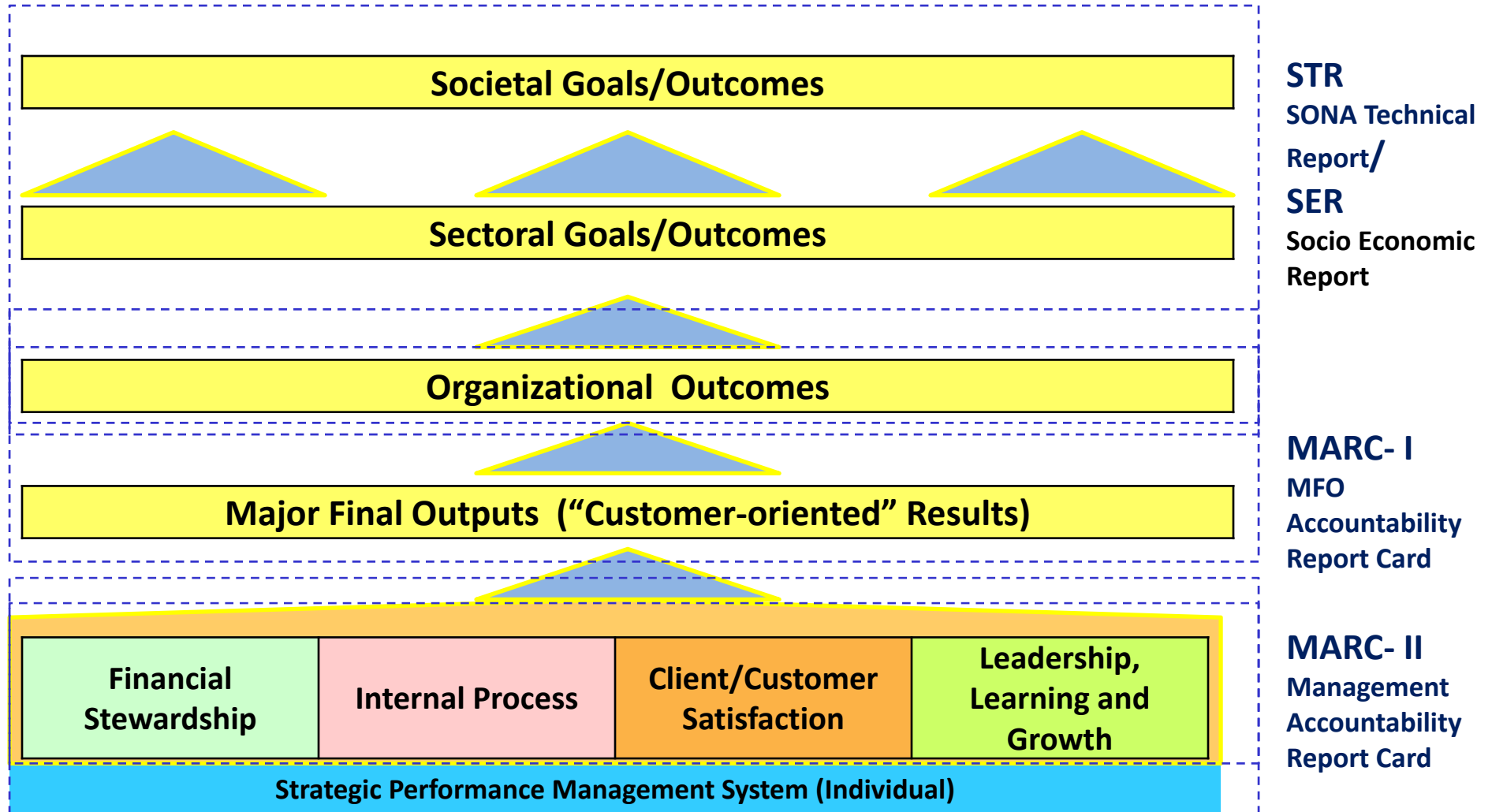
² "Modifying the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of Additional Benefits for Both Civilian and Military and Uniformed Personnel"



Phases of RBPMS Implementation



Results Based Performance Management System

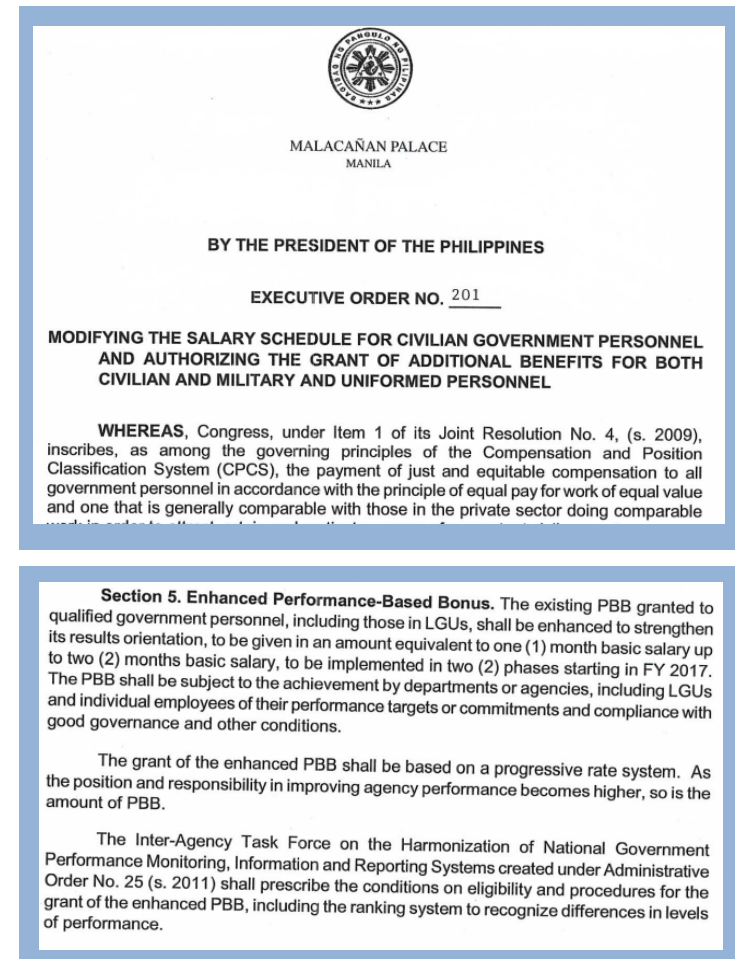


Executive Order No. 201, s. 2016

EO No. 201, s. 2016 was signed into law on February 19, 2016.

The compensation and position classification shall be revised to strengthen the PBIS to recognize government personnel who play a greater role and responsibility in attaining targets and delivering results.

AO25 IATF shall prescribe the conditions on eligibility and procedures for the grant of the enhanced PBB, including the ranking system to recognize difference in levels of performance.



New Features of FY 2016 PBB

- ★ Harmonized implementation of the PBB with EO 201
- ★ Priority programs based on five KRAs of EO No. 43, OP Planning Tool, and EODB targets shall be suspended for FY 2016 PBB only
- ★ PBB Rates of individuals shall depend on the performance ranking of the bureau/delivery unit where they belong.
- ★ Third level officials should receive at least “Satisfactory” rating under the CESPES.



Eligibility Criteria for OEOs and GOCCs covered by DBM

- ✓ Achieve agency FY 2016 GAA MFO performance targets
GOCCs covered by DBM should achieve targets reflected under DBM Form No. 700 in their COB.
- ✓ Achieve targets for STO and GASS
- ✓ Satisfy 100% of the 2016 Good Governance Conditions set by the AO 25 IATF
- ✓ Use CSC-approved SPMS in rating First and Second Level employees and officials including officials holding managerial and Director positions but are not presidential appointees
- ✓ Use CESPES in rating of CES officials and incumbents of CES positions.



Good Governance Conditions



Maintain / Update Agency Transparency Seal
(Section 99 of GAA 2016)

The agency Transparency Seal shall also include the posting of the following:

FY 2016 APP

QMS ISO Certification or ISO-aligned
QMS documents

System of Ranking Delivery Units



Maintain/Update the PhilGEPS posting
(Revised IRR of RA 9184)



Maintain/Update Citizen's Charter or
its equivalent, Service Charter (RA 9485)

The assessment of agency compliance on GGC and other
PBB requirements shall start on **October 1, 2016**.



Performance Targets (1/4)



The MFO indicators and targets in the FY 2016 PIB approved by the Congress shall be the basis for assessing eligibility for the PBB.



In addition to the MFO indicators in the FY 2016 PIB, agencies shall also accomplish the following:

- a. STO target based on the priority of the agency head.
- b. Establishment of a Quality Management System (QMS) for at least one core process certified by any international certifying body,

OR

ISO-aligned documentation of agency QMS for one core process as evidenced by the presence of the following documents in the agency Transparency Seal:

- b1. Approved Quality Manual; and
- b2. Approved Procedures and Work Instructions Manual including Forms.



Performance Targets (2/4)



GASS Targets shall be:

- a. Budget Utilization Rate (BUR)
- b. Public Financial Management reporting requirements of the COA and DBM
- c. Adoption and use of the FY 2015 Agency Procurement Compliance and Performance Indicators (APCPI) System.
- d. Submission of the Annual Procurement Plan (APP) for CY 2016 based on the approved budget to the GPPB-TSO.



Performance Targets (3/4)

GASS Targets shall be:



a. Budget Utilization Rate (BUR)

- a1. **Obligations BUR** computed as obligations against all allotments available in FY 2016, including those released under the “GAA as a release document” policy; and
- a2. **Disbursement BUR** measured by the ratio of total disbursement (cash and non-cash, excluding personnel services) to total obligations for maintenance and other operating expenses (MOOE) and capital outlays (CO) in FY 2016



b. Public Financial Management reporting requirements of the COA and DBM

- b1. Budget and Financial Accountability Reports (BFARs)
- b2. Report on Ageing of Cash Advances
- b3. COA Financial Reports (Statement of Financial Position; Statement of Financial Performance; Statement of Changes in Net Assets/Equity; Statement of Cash Flows; Statement of Comparison of Budget and Actual Amounts; and Notes to Financial Statements) [per COA Resolution No 2014-003].



Performance Targets (4/4)

GASS Targets shall be (continued):

- c. Adoption and use of the FY 2015 Agency Procurement Compliance and Performance Indicators (APCPI) System.

The APCPI Tool may be downloaded from the GPPB website:

www.gppb.gov.ph/apcpi/apcpi.html

Submit in Excel Form **AND** printed (signed) copies **on or before December 1, 2016** to monitoring@gppb.gov.ph or to the GPPB-TSO front desk.

- d. Submit the Annual Procurement Plan (APP) for CY 2016 based on the approved budget to the GPPB-TSO.

APPs must be approved by the Head of the Procuring Entity using the format under GPPB Circular No. 07-2015.

Scanned copy of the APP may be sent to GPPB-TSO's email:

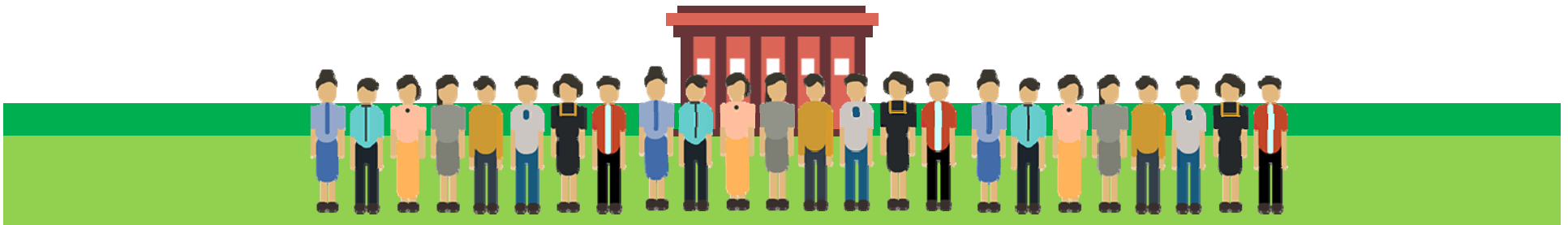
monitoring@gppb.gov.ph

For purposes of the PBB, the CY 2016 APP should be submitted within one month from the issuance of the PBB Guideline.



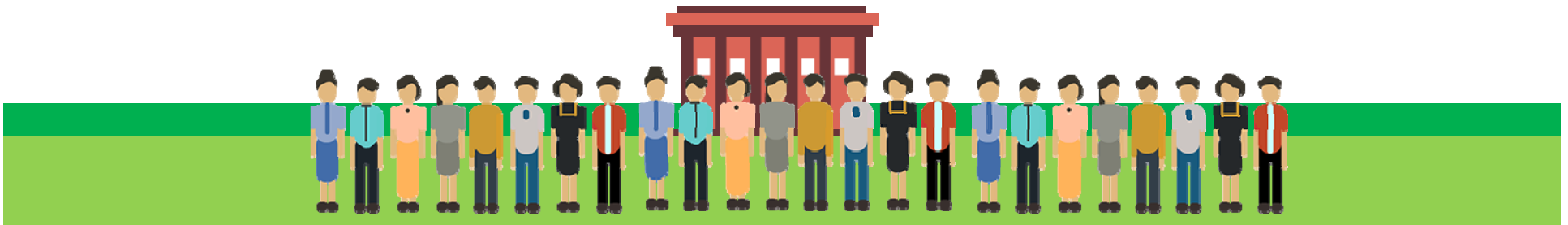
Eligibility of Individuals (1/4)

- Officials and employees of eligible agencies, regular plantilla, contractual and casual personnel having an employer-employee relationship.
- Salaries are charged to the lump sum appropriation under PS, or occupying positions in the DBM-approved contractual staffing pattern
- Receive at least a “Satisfactory” rating based on CSC approved SPMS.
- Third Level officials should receive at least “Satisfactory” rating under CESPES. Other officials performing managerial and executive functions who are not presidential appointees are covered by agency’s CSC-approved SPMS and should receive at least “Satisfactory”.



Eligibility of Individuals (2/4)

- Personnel on detail to another government agency for six (6) months or more shall be included in the ranking of the recipient agency. Payment of PBB shall come from the parent agency.
- Personnel who transferred from G2G shall be rated by the agency where he/she served the longest. If equal months were served, he/she will be included in the recipient agency.



Eligibility of Individuals (3/4)

Minimum of nine (9) months government service during FY 2016 and with at least “Satisfactory” rating will be eligible to the **full PBB grant**

Minimum of three (3) but less than nine (9) months and with at least “Satisfactory” rating shall be prorated corresponding to the length of service.

Length of Service

% of PBB Rate

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%



Eligibility of Individuals (4/4)

Valid reasons for not meeting the 9-month service requirement

- Being a newly hired employee
- Retirement
- Resignation
- Rehabilitation Leave
- Maternity Leave and/or Paternity Leave
- Vacation or Sick Leave with or without pay
- Scholarship / Study Leave
- Sabbatical Leave



Individuals Not Entitled to PBB

- Employee on vacation or sick leave, with or without pay, for an entire year.
- Personnel guilty of admin and/or criminal cases and meted penalty in FY 2016.
If penalty is only a reprimand, such penalty shall not cause disqualification.
- Officials and employees who failed to submit the 2015 SALN
- Officials and employees who failed to liquidate Cash Advance received in FY 2016 within the reglementary period.
- Officials and employees who failed to submit their complete SPMS Forms
- Agency Heads should ensure officials and employees covered by RA 6713 submitted their 2015 SALN to respective SALN repository agencies, liquidated the FY 2016 Cash Advances, and complete SPMS Forms. These will be the bases for the release of FY 2016 PBB to individuals.



Ranking of Delivery Units

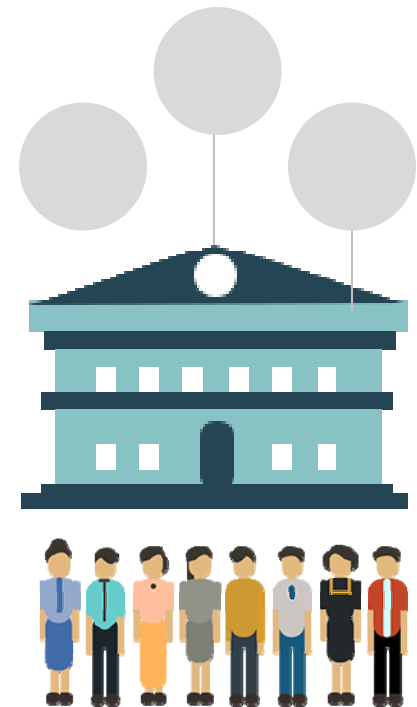
Bureaus/Office/Delivery Units

Ranking	Performance Category
10%	Best
25%	Better
65%	Good



Ranking of Delivery Units

- Consider similarities of task and responsibilities to determine the most appropriate grouping or clustering of delivery units.
- The AO 25 shall issue a separate guideline on the determination of the delivery units.
- The resulting ranking of offices/delivery units shall be indicated in Form 1.0.
- Individual ranking shall no longer be included in Form 1.0.



Ranking of Delivery Units and Rates of FY 2016 PBB

PBB rates of individuals shall depend on the performance ranking of the bureau or delivery unit where they belong

Based on the individual's monthly basic salary as of December 31, 2016.

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

Or Php5,000 if the PBB % of monthly basic salary is lower than Php5,000



Eligibility of Agency Head

PBB of agency heads shall be based on the monthly basic salary as of December 31, 2016 depending on the eligibility and performance of the respective department/agency

Performance of Eligible Agency

% of PBB Rate

Agency achieved all GGCs, and its physical targets in **all** MFOs, STO and GASS indicators

65%

Agency achieved all GGCs, and with deficiency/ies in **some** of its physical target/s due to **uncontrollable** reasons

57.5%

Agency achieved all GGCs, and with deficiency in **one** of its physical target/s due to **controllable** reasons

50%



Eligibility of Non-ex officio Board Members of GOCCs covered by DBM

Non-ex officio Board Members of GOCCs covered by DBM may be eligible to a fixed PBB rate of Php 40,130 subject to the following conditions:

- ➔ The GOCC has qualified for the grant of FY 2016 PBB;
- ➔ 90% attendance to duly called board meetings and committee meetings as certified by the Board Secretary;
- ➔ Nine (9) months aggregate service as Members of the Board; and
- ➔ Submission of FY 2016 Corporate Operating Budget (COB) to DBM within the set deadline.



Submission of Reports

Submit two hard copies and e-copy of Forms A and A1, and other supporting documents through the AO 25 Secretariat **on or before January 15, 2017.**

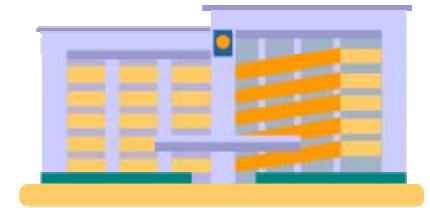
All forms and reports should be signed by agency head or duly designated official.

COA financial reports including the Report on Ageing of Cash Advances shall be submitted directly to COA.

DBM financial reports including BFARs shall be submitted directly to DBM.

Submission of Transparency Seal, ARTA and PhilGEPS COC are no longer necessary. The oversight agency shall start the assessment **on October 1, 2016.**

The IATF shall conduct spot-checks to validate claims and certifications made by agencies.



Compliance Validation

PBB REQUIREMENT

VALIDATING AGENCY

Transparency Seal	→	DBM-OCIO
PhilGEPS Posting	→	PhilGEPS
Citizen's Charter	→	CSC
Submission of SALN of employees	→	OP, Office of the Ombudsman, CSC

MFO Physical Accomplishments

OEOs	→	OP-OES
GOCCs covered by DBM	→	DBM-BMB for Good Governance Sector and OP-OES

STO Accomplishments

STO identified by Agency Head	→	DBM-BMB for Good Governance Sector
QMS Certification or ISO- aligned QMS Documentation	→	GQMC

GASS

BUR of OEOs and GOCCs covered by DBM	→	DBM-BMBs concerned
Public Financial Management Report	→	DBM
Submission of Financial Statements, Ageing of Cash Advances Report	→	COA
BFARs	→	DBM and COA
APCPI	→	GPPB-TSO
Submission of APP	→	GPPB-TSO





Effects of Non-Compliance

Agencies unable to comply with all good governance conditions shall be ineligible for PBB FY 2016.

After due process by oversight agencies, an agency determined to have committed the following prohibited acts, shall be disqualified from the PBB in the succeeding year.

- ✗ Misrepresentation in submitted reports required for the PBB
- ✗ Commission of fraud in the payment of the PBB
- ✗ Evenly distributing the PBB among employees, violating the policy of paying the PBB based on the ranking of delivery units.

CSC or Ombudsman shall file the appropriate administrative case.



Information and Communication

The Department Secretary / Head of Agency should designate senior officials as PBB Focal Person and PBB spokesperson and confirm with the IATF the name, position and contact details.

Departments / Agencies should strengthen their communications strategy and ensure transparency and accountability in the implementation of the PBB.



IATF Communication Channels



<http://www.dap.edu.ph/rbpms>



ao25secretariat@dap.edu.ph



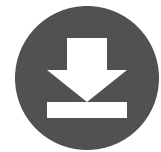
0920-498-9121 / (02) 631-2139
(02) 400-1469 / (02) 400-1582
(02) 400-1490



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<http://www.dap.edu.ph/rbpms/policies-issuances>
<http://www.dap.edu.ph/rbpms/downloads>



Timeline for Implementation

	Submission of FY 2015 Financial Reports to COA	 On or before March 31, 2016 On or before April 30, 2016 (for Big Agencies)
	Posting of agency System of Ranking delivery units	 On or before October 30, 2016
	Submission of Report on Ageing of Cash Advance Liquidation (with November 15, 2016 as cut-off)	 On or before December 1, 2016
	Submission of Form A, A1, and Form 1	 On or before January 15, 2017
	Submission of BFARs to COA and DBM	 30 Days or one month after the end of each quarter
	Submission of FY 2015 APCPI Self-Assessment	 On or before December 1, 2016
	Submission of FY 2016 APP	 For purposes of FY 2016 PBB, submit within one month from the issuance of this Guideline
	Validation of QMS Certification OR the ISO-aligned QMS documentation	 On or before January 15, 2017
	Validation of 2 nd STO as identified by head of agency	 On or before January 15, 2017

