



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**CENTRAL OFFICE**  
Manila

19-3253  
097.13 DPWH  
09.30.2019

19-10701

SEP 27 2019

DEPARTMENT ORDER )

No. **102** )  
Series of 2019 )  
9.30.19

**SUBJECT: Mechanics of Ranking Delivery Units as Basis for the Grant of Performance-Based Bonus (PBB) for FY 2019**

In connection with the implementation of a performance-based incentive system in this Department pursuant to E.O No. 80 dated July 20, 2012 and EO 201 dated February 19, 2016 and as provided under Memorandum Circular (MC) No. 2019-1 dated September 03, 2019 issued by the Inter-Agency Task Force (IATF) on Administrative Order (A.O.) No. 25, the following mechanics of ranking delivery units as basis for the grant of **Performance-Based Bonus (PBB)** for **FY 2019** are hereby prescribed:

**1.0 ELIGIBILITY OF THE DEPARTMENT**

As provided in Section 3.0 of MC No. 2019-1, the Department must satisfy the following conditions to be eligible for the grant of PBB.

- a. **Good Governance Conditions (GGCs):** Satisfy 100% of the GGCs for FY 2019 set by the AO 25 Inter-Agency Task Force (IATF) as provided in Section 4.0 of MC No. 2019-1.
- b. **Performance Targets:** Achieve each one of the Physical Targets, Support to Operations (STO) and General Administration and Support Services (GASS) requirements for FY 2019. Further, the agency is required to achieve the streamlining of government services with the implementation of Republic Act 11032, otherwise known as the **Ease of Doing Business (EODB) and Efficient Government Service Act of 2018** to simplify government processes and ensure citizen-centric public service delivery, achieve higher citizen/client satisfaction and fiscal discipline. The details of the requirements are indicated in Section 5.0 of MC No. 2019-1.
- c. **Performance Rating of Employees and CES Positions:** Use the **CSC-approved Strategic Performance Management System (SPMS)** in rating the performance of First and Second Level officials and employees of the Department; 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 (including Presidential appointees), the **Career Executive Service Performance Evaluation System (CESPES)** shall be the basis.

## **2.0 ELIGIBILITY OF INDIVIDUALS**

With reference to Section 6.0 of MC No. 2019-1, the following eligibility requirements for individuals are hereby emphasized:

- 2.1** Eligibility of individuals to the grant of PBB shall be based on the eligibility of the Department and ranking of their respective delivery units.
- 2.2** Employees belonging to the First, Second and Third Levels should receive a rating of "**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.
- 2.3** 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. For length of services less than nine (9) months but a minimum of three (3) months, grant of PBB shall be given on a pro-rata basis corresponding to the actual length of service rendered.
- 2.4** Officials and employees who failed to submit their complete SPMS Forms shall NOT be entitled to the FY 2019 PBB.
- 2.5** It is hereby understood that Memo Circular No. 2019-1 of AO25-IATF dated September 03, 2019 shall be deemed an integral part of this issuance and all other rules governing eligibility for the grant of the PBB stipulated therein shall also take effect as applicable. The Corporate Planning and Management Division (CPMD) of the Office of the Secretary shall coordinate with the Human Resource Management Division (HRMD) of the Human Resource and Administrative Service, for the determination of officials and employees who have met the above Individual Eligibility requirements and therefore entitled to the PBB.

## **3.0 DELIVERY UNITS**

As per Section 7.2a of MC No. 2019-1, a delivery unit shall be the primary subdivision of a department/agency performing substantive line functions, technical services, or administrative support, as reflected in the agency's organizational structure/functional chart. As for the DPWH, the identified Delivery Units stipulated in Annex 1 of MC No. 2019-1 are as follows:

- Office of the Secretary
- Six (6) Bureaus
- Nine (9) Services
- Sixteen (16) Regional Offices
- Unified Project Management Office (UPMO)<sup>1</sup>

<sup>1</sup> Including the five (5) UPMO Clusters

In this case, the District Engineering Offices (DEOs) shall be clustered under their respective supervising Regional Office (RO). Likewise, all Undersecretaries and Assistant Secretaries, and their immediate support and technical staff, shall be clustered under the Office of the Secretary.

**4.0 RATING AND RANKING OF DELIVERY UNITS**

**4.1 Regional and Unified Project Management Offices**

The ROs and DEOs, respectively, shall be rated based on their respective performance and accomplishments (of set targets) for FY 2019 using the following criteria:

CRITERIA (Implementing Offices)	Distribution Percentage (%) Weight	
	RO / DEO	UPMO CLUSTERS
a) Construction Accomplishment	20	40
b) Quality Assurance in Project Implementation	20	40
c) Design Assessment	15	n/a
d) Maintenance Implementation and Practices	15	n/a
e) Absorptive Capacity	15	20
f) Procurement	15	n/a
<b>TOTAL</b>	<b>100</b>	<b>100</b>

Since the RO and the DEOs within that region shall act as one (1) delivery unit, their individual ratings shall be consolidated into a regional rating as stipulated in Annex A of this Order. Except for "Design Assessment", "Maintenance Implementation and Practices", and "Procurement," the same criteria shall also be applied in evaluating the performance of the UPMO Clusters. Since the UPMO Clusters shall act as one (1) delivery unit, the average of their individual ratings shall be the rating for UPMO. If necessary, the methodology of calculations for each criterion shall be updated by the responsible offices as indicated in Annex A of this order, subject for approval of the Secretary.

**4.2 OSEC Proper, Bureaus and Services**

On the other hand, the performance of the remaining delivery units clustered based on their role as the department's policy and standards formulating offices shall be evaluated based on the targets that each office has accomplished in accordance with their respective approved Annual Goals and Operations Plans for FY 2019, and confirmed by the Executive Committee (EXECOM).

**Criteria (OSEC Proper, Bureaus & Services)**

Areas of Evaluation	Distribution Percentage (%) Weight
Regular Function's Accomplishment	80
PGS Balanced Scorecard Accomplishment	20
<b>TOTAL</b>	<b>100</b>

The CPMD is hereby given the authority to randomly verify ratings given by the final raters and that CPMD may require, for this purpose, the submission of documentary evidence used as basis for the ratings given.

**4.3 Distribution of Performance Category**

The CPMD, which is tasked to link incentives to performance, shall finalize the summary of ratings of all delivery units based on the applicable criteria with the official ratings submitted by the responsible offices as stipulated in Annex A of this order.

The CPMD shall present the ranking to the EXECOM, wherein the EXECOM will determine the final force ranking of all delivery units based on the following distribution per performance category:

<b>Performance Category</b>	<b>Distribution</b>
Best Delivery Units	Top 10%
Better Delivery Units	Next 25%
Good Delivery Units	Next 65%

**5.0 RATES OF THE PBB**

The PBB rates for individual employees shall depend on the performance ranking of the delivery units where they have performed their duties for FY 2019, with the rate of incentive as a multiple of the individual’s monthly basic salary as of December 31, 2019, as follows:

<b>Performance Category</b>	<b>% of Monthly Basic Salary</b>
Best Delivery Unit	65.0
Better Delivery Unit	57.5
Good Delivery Unit	50.0

In computing the PBB amount to be received by each individual, it must be correctly determined whether they are entitled to a full grant or a pro-rated grant as per Section 6.0 of MC No. 2019-1.

This Order, which supersedes Department Order No. 129 and 143, series of 2018, shall cover the performance of delivery units for FY 2019 and shall take effect immediately.



**MARK A. VILLAR**  
 Secretary

- Encl: (1) Annex A: Calculation of Performance Accomplishment of Delivery Units based on Criteria  
 (2) Inter-Agency Task Force on Administrative Order No. 25 (AO25) Memorandum Circular (MC) No. 2019 -1 dated September 03, 2019

1.3 JGT/MSV/ARM



## **ANNEX A: Calculation of Performance Accomplishment of Delivery Units Based on Criteria**

**Responsible Office** refers to the specific office within the department that shall be in-charge in the assessment and calculation of the specific criterion stipulated in this Department Order.

<b>Criteria</b>	<b>Responsible Office</b>
Construction Accomplishment	Bureau of Construction
Quality Control Performance in Project Implementation	Bureau of Quality and Safety
Design Audit & Assessment Performance	Bureau of Design
Maintenance Implementation and Practices	Bureau of Maintenance
Absorptive Capacity	Finance Service
Procurement	Procurement Service

These offices must provide the CPMD with the official rating of all Regional Offices, District Engineering Offices and the UPMO Clusters in the criterion that they are managing and maintaining. They must also submit to the CPMD, if necessary, a revised criteria definition and methods of calculation once deviations and new policies have been made that may be crucial in the determination of office ratings.

### **I. Criteria for Implementing Offices**

**A. Construction Accomplishment (CA)** measures the performance of the Regional Offices / District Engineering Offices / Unified Project Management Office Clusters based on their actual physical accomplishment in the implementation of DPWH Regular Infrastructure projects generated from the Project Monitoring System (PMS) and Project and Contract Management Application (PCMA).

The performance of the office is computed based on the releases which represent their accomplishment under the construction stage, using the formula:

$$\text{CA Rating} = 80\% (A) + 15\% (B) + 5\% (C)$$

Where,

- A = Construction Accomplishment in the PCMA (FY 2019)
- B = Construction Accomplishment in the PCMA (FY 2016-2018)
- C = Construction Accomplishment (Carry Over) in the PMS (Active Projects from FY 2015 and prior years)

**B. Quality Assurance in Project Implementation (QAPI)** is an appraisal of the quality assurance performance of the Regional Offices, District Offices and Unified Project Management Offices (UPMO) for each calendar year in conformance to **Department Order No. 102, Series of 2016**.

The ratings are computed based on the following:

Responsibility Area		Weight
<b>a. Effectiveness of Quality Control Implementation</b>		<b>70%</b>
a.1 Timeliness of testing materials relative to its use in the project	10%	
a.2 Ability to implement quality control policies	10%	
a.3 Quality of completed works	50%	
<b>b. Project Supervision</b>		<b>10%</b>
b.1 Personal Adequacy	5%	
b.2 Personal Competence	5%	
<b>c. Adequacy/Reliability of Laboratory Equipment and Facilities</b>		<b>20%</b>
<i>For Regional and District Offices</i>		
c.1 Star Rating	20%	
<i>For Unified Project Management Office</i>		
c.1 Adequacy of Laboratory Equipment	10%	
c.2 Reliability of Testing Equipment	10%	
<b>QAPI Rating</b>		<b>100%</b>

**C. Design Assessment (DA)** covers the evaluation/assessment of detailed architectural and engineering design and processes undertaken by the Regional and District Engineering Offices as to compliance with the latest edition of DPWH Design Guidelines, Criteria and Standards (DGCS) and other existing applicable laws, codes and Department Orders/Issuances relative to design.

The ratings are computed based on section 11.3 of **Department Order No. 224, Series of 2016**:

Areas for Evaluation		Percentage Weight	
		RO	DEO
<b>A. Detailed Engineering Plans</b>		<b>80%</b>	<b>90%</b>
<b>I.</b>	<b>Field Investigation Data</b>		
	1. Survey Data (Topographic/Hydrographic/Drainage Survey)		15%
	2. Geological/Geotechnical Data		15%
	<b>Sub-total</b>		<b>30%</b>
<b>II.</b>	<b>Quality of Plans</b>		
	1. Compliance to D.O. 56, s. 1995		5%
	2. Completeness of Drawings/Details		30%
	<b>Sub-total</b>		<b>35%</b>
<b>III.</b>	<b>Road Safety</b>		
	1. Roads and Bridges		10%
	<b>Sub-total</b>		<b>10%</b>
<b>IV.</b>	<b>Efficiency of Design Management</b>		
	1. Completeness of Design Analysis and Calculation		15%
	2. Adequacy of Design Tools		5%

	3. Proper Document Management System			5%
	<b>Sub-total</b>			<b>25%</b>
	<b>Total (I+II+III+IV)</b>			<b>100%</b>
<b>B.</b>	<b>Variation Orders (Roads, Bridges, &amp; Flood Control)</b>	10%	10%	
<b>I.</b>	<b>Compliance to DPWH Issuance</b>			5%
<b>II.</b>	<b>Variation from the Original Plan</b>			5%
	<b>Total (I+II)</b>			<b>10%</b>
<b>C.</b>	<b>Field Inspection</b>	<b>10%</b>	<b>N/A</b>	
	<b>DA Rating (A+B+C)</b>	<b>100%</b>	<b>100%</b>	

**D. Maintenance Implementation and Practices (MIP)** is the capability of the field offices (Region and District Engineering Offices) to provide the requisite maintenance action/s on defects and deficiencies on our road network and other national government infrastructures in a timely and efficient manner employing the highest quality of completed maintenance works in accordance with existing Departmental policies and standards.

The criteria for the computation of the performance rating on maintenance of Regional and District Engineering Offices are as follows:

**For District Engineering Offices (DEO) :**

Areas of Evaluation		Percent Weight
<b>A.</b>	<b>Implementation of Maintenance Policies and Standards</b>	
	1. Compliance to D.O. 41 Series of 2016	<b>40%</b>
	2. Disaster Preparedness Measures	<b>30%</b>
	3. Adherence to the Annual Maintenance Work Program (AMWP)	<b>15%</b>
<b>B.</b>	<b>Submittal of Requisite Maintenance Related Documents and Reports</b>	
	1. Timeliness, Quality and Completeness of Submissions	<b>15%</b>
<b>TOTAL</b>		<b>100%</b>

**For Regional Offices (RO) :**

The Regional Offices' performance accomplishment shall be the **average of the performance** of the District Engineering Offices under their jurisdiction.

**E. Absorptive Capacity (AC)** is the ability of an agency to maximize the use of available financial resources. This can be computed as obligation over allotment.

$$\% = \frac{\text{Obligation}}{\text{Allotment}}$$

**F. Procurement** measures the performance of all procuring Entities using the following recommended criteria/formula:

<b>Criteria</b>	<b>Value (Maximum)</b>
<p>A. Compliance in Civil Works Application (CWA) Report of awarded contracts posted/updated in the CWA against total number of contracts processed</p> <p style="text-align: center;"><i>No. of contracts awarded/completed</i> <i>No. of contracts bid-out/processed</i></p>	<b>70%</b>
<p>B. Compliance to submission of BAC composition Submission of new BAC composition upon expiration of the terms of the current BAC members</p> <p style="text-align: center;"><i>On-time submission = 30%</i> <i>Late/Non-Submission = 0</i></p>	<b>30%</b>
<b>OVERALL COMPLIANCE</b>	<b>100%</b>

Each criterion will be assessed by the Responsible Office. To calculate the regional rating for each criterion, consider:

**For Criterion A and E**

$$R = \sum_{X=X_1}^{X_n} (X * w)$$

Where,

- R = Regional Rating
- n = Total number of IOs
- X = Rating of Individual IO
- w = Weight of the Individual IO's allotment to the total regional allotment  
i.e., w = IO allotment / Total regional allotment

**For Criterion B, C, D and F**

$$R = \frac{1}{n} \sum_{X=X_1}^{X_n} X$$

Where,

- R = Regional Rating
- n = Total number of DEOs
- X = Rating of Individual DEO

## II. Criteria for Bureaus and Services

**Regular Functions Accomplishment** is the performance of an office based on the accomplishment of office's target outputs in the Strategic Performance Management System as assessed by the Performance Management Team (PMT) in the two (2) semestral ratings to be reflected in the respective Office Performance and Commitment Review (OPCR) forms.

**PGS Balanced Scorecard Accomplishment** is the offices' adoption and contribution to the enterprise scorecard translated into concrete and quantifiable measures as approved by the concerned Undersecretary. The office scorecard shall be the basis of identifying the targeted strategic measures for FY 2019.

Each measure shall be computed based on the following formula:

$$\% \text{ per measure} = \frac{\text{Actual 2019 Accomplishment}}{\text{Target 2019 Accomplishment}}$$

Then, to calculate the final PGS Balanced Scorecard Accomplishment, consider:

$$PGSR = \frac{1}{n} \sum_{X=X_1}^{X_n} X$$

Where,

PGSR = Performance Governance System Rating  
n = Total number of strategic initiatives  
X = Rating of individual strategic initiatives



INTER-AGENCY TASK FORCE ON THE HARMONIZATION OF  
NATIONAL GOVERNMENT PERFORMANCE MONITORING, INFORMATION AND REPORTING SYSTEMS  
(Administrative Order No. 25 s. 2011)

**MEMORANDUM CIRCULAR NO. 2019- 1**

September 3 2019

**TO :** All Heads of Departments, Bureaus, Offices and Other Agencies of the National Government, including Constitutional Commissions, Congress, The Judiciary, Office of the Ombudsman, State Universities and Colleges, Government-Owned or-Controlled Corporations, Local Water Districts, and Local Government Units

**SUBJECT :** Guidelines on the Grant of the Performance-Based Bonus (PBB) for Fiscal Year (FY) 2019 under Executive Order No. 80, s., 2012 and Executive Order No. 201, s., 2016

**1.0 PURPOSE**

This Circular is issued to prescribe the criteria and conditions for the grant of the PBB for FY 2019 performance to be given in FY 2020. Essentially, the same criteria and conditions for FY 2018 PBB are being issued to support the Administration's focus on streamlining government services with the implementation of Republic Act (RA) No. 11032 known as the ***Ease of Doing Business (EODB) and Efficient Government Service Act of 2018*** to simplify government processes and ensure citizen-centric public service delivery.

**2.0 COVERAGE**

This Circular covers all departments, bureaus, offices and other agencies of the National Government, including Constitutional Commissions, Congress, The Judiciary, Office of the Ombudsman, state universities and colleges (SUCs), and government-owned or-controlled corporations (GOCCs); local water districts (LWDs); and local government units (LGUs).

**2.1** The implementation of this circular shall be done in close coordination with the following agencies:

- a. Department of Budget and Management (DBM) for the Departments and attached agencies;
- b. Office of the President-Office of the Executive Secretary (OP-OES), Office of the Cabinet Secretary (OP-OCS), and DBM for the Other

Executive Offices (OEOs), including the OP-attached agencies and GOCCs covered by DBM;

- c. Commission on Higher Education (CHED) for the SUCs;
- d. Governance Commission for GOCCs (GCG) for GOCCs covered by Republic Act No. 10149;
- e. Local Water Utilities Administration (LWUA) for LWDs;
- f. Department of the Interior and Local Government (DILG) for LGUs;

**2.2** The personnel of departments/agencies holding regular, contractual and casual positions are covered by this Circular. Excluded from the coverage herein are individuals engaged without employer-employee relationship and funded from non-Personnel Services (PS) budget.

### **3.0 ELIGIBILITY CRITERIA**

Each agency must satisfy the following conditions to be eligible for the grant of PBB. *See Annex 1: Master List of Departments/Agencies and Prescribed Delivery Units in Departments/Agencies:*

**3.1 Good Governance Conditions (GGCs).** Satisfy 100% of GGCs for FY 2019 as provided in Section 4.0.

**3.2 Performance Targets of Agencies.** Achieve each one of the Physical Targets, Support to Operations (STO) and General Administration and Support Services (GASS) requirements for FY 2019.

- a. For national government agencies and GOCCs covered by DBM, achieve the streamlining requirements of government services, achieve higher citizen/client satisfaction, and achieve fiscal discipline. The details of the requirements are indicated in Section 5.0 hereof;
- b. For SUCs, achieve each one of the Congress-approved performance targets under the FY 2019 General Appropriations Act, and the FY 2019 STO and GASS requirements;
- c. For GOCCs covered by RA No. 10149, achieve the targets reflected in their approved FY 2019 Performance Scorecard and eligibility requirements specified in a separate guideline to be issued by GCG;
- d. For LWDs, achieve each one of the physical targets, STO and GASS indicators as identified by LWUA in a Joint Memorandum Circular to be issued by LWUA and DBM; and
- e. For LGUs, achieve the performance targets based on the Guidelines on the Grant of PBB for LGUs to be issued by the AO 25 IATF and DILG.

**3.3 Performance Rating System to be Used for Personnel in the First and Second Levels, and for Career Executive Service (CES) positions.** Use the CSC-approved Strategic Performance Management System (SPMS) in rating the performance of the First and Second Level officials and employees of departments/agencies in NGAs, GOCCs and LGUs, including officials holding managerial or Director positions but are not Presidential appointees. The rating of the performance of Career Executive Service (CES) officers and incumbents to CES positions shall be based on the guidelines issued by the Career Executive Service Board (CESB).

#### **4.0 GOOD GOVERNANCE CONDITIONS (GGCs)**

**4.1** The following GGCs are set based on performance drivers of the Results-Based Performance Management System (RBPMS) and the priorities of the Duterte Administration for 1) heightened transparency; 2) stronger public accountability; and 3) more inclusive and people-centered public services:

- a. **Maintain/Update the agency Transparency Seal (TS)** pursuant to Section 106 of the General Provisions of the FY 2019 General Appropriations Act (GAA). The TS page should be accessible by clicking the TS logo on the home page. Status of compliance shall be posted both DAP website through <https://www.dap.edu.ph/rbpms/> and DBM website at [www.dbm.gov.ph/index.php/news-update/transparency-seal-compliance](http://www.dbm.gov.ph/index.php/news-update/transparency-seal-compliance) See *Annex 2: Guideline on Transparency Seal* for full details of requirements.
- b. **Update the PhilGEPS posting of all Invitations to Bids and awarded contracts** pursuant to the Government Procurement Reform Act (RA No. 9184) for transactions above Php 1 million from January 1 to December 31, 2019, including Early Procurement of FY 2020 Non – Common Use Supplies and Equipment (Non – CSE) items. Agencies should track their status of compliance through the PhilGEPS microsite: <https://data.philgeps.gov.ph/pbbweb/pbbwebapp.aspx>. see *Annex 6: Guideline on PhilGEPS Posting*.
- c. **Maintain/Update the Citizen’s or Service Charter or its equivalent**, reflecting the agency’s enhanced service standards for all its government services to citizens, businesses, and government agencies, consistent with the objectives of **RA No. 11032** and the President’s directive to reduce processing time of all public transactions with government and ensure accessible and convenient delivery of services to the public.

Departments/Agencies shall submit their respective Certificates of Compliance (CoC) based on the format prescribed by the Anti-Red

Tape Authority ("Authority") on or before **December 31, 2019** through the AO25 Secretariat. The Authority shall conduct a validation of the Citizen's or Service Charter or its equivalent starting January 2020.

Non-compliance with any of the GGCs will render the entire department/agency **ineligible** for the PBB. The assessment of agency compliance with GGC requirements shall be conducted starting October 1, 2019.

## **5.0 FY 2019 PERFORMANCE TARGETS**

**5.1 Streamlining and Process Improvement of the Agency's Critical Services** covering all Government-to-Citizens (G2C), Government-to-Businesses (G2B), and Government-to-Government (G2G) transactions as declared in the agency's Citizen's/Service Charter. To promote the periodic measurement of agency performance in delivering said services, agencies shall determine and report the following streamlining criteria using *Annex 3A Modified Form A-Department/Agency Performance Report*:

- a. **Number of Steps** which refers to number of steps to complete the service. Departments/agencies shall report in detail the steps necessary to complete the service including flow charts indicating the front end and back end.
- b. **Turnaround Time (TAT)** which is the sum of the waiting time and processing time. TAT starts from the moment the transacting client enters the queue or fills out the form, and the waiting time incurred until the service has been completed/delivered.
- c. **Number of Signatures** which refers to the number of signatures and initials from the employees and officers of the department/agency necessary to complete each service.
- d. **Number of Required Documents** which refers to the total number of required documents that must be provided by the transacting client to the government.
- e. **Transaction Costs** which are the costs incurred by the transacting client in the course of availing of a government service. These costs are categorized as follows:
  - e.1 Primary Transaction Costs/Fees** which are the fees declared in the agency's Citizen's/Service Charter to be paid to the department/agency by the transacting client for availing a government service. Examples of these fees are application fees, registration fees, etc.

**e.2 Other Transaction Costs** which are the other costs incurred by the transacting client to obtain supporting information from another agency in order to secure the necessary primary information. These costs also include the other expenses shouldered by the transacting client until the service has been completed by the government. Examples are the costs of birth certificates to secure passports, barangay clearance to secure business permit, required photos, printing costs, photocopying costs, transportation expenses of the transacting client, etc.

- f. **Substantive Compliance Costs** which are the incremental costs other than administrative costs incurred by the transacting public in the course of complying with a regulation. These costs can include implementation costs, direct labor costs, overhead costs, equipment costs, material costs, and external service costs. Examples are the purchase of early warning device for vehicle owners, expenses in the installation of accelerograph for building with 10 floors and up, costs in the maintenance of waste disposal system for establishment, etc.

Departments/agencies shall report the baseline information of each abovementioned streamlining criteria based on the agency's Citizen's/Service Charter updated prior to FY 2019. They shall set their FY 2019 Streamlining Improvement Target for each streamlining criteria for every declared service including the following specific targets:

- a. Reduction in the number of signatures to not more than three (3);
- b. Simplification of application forms or reduction in the number of documentary requirements;
- c. Reduction in the turnaround time and completion of the transaction in accordance with the provisions of the EODB law not to exceed the maximum period of three (3), seven (7), and twenty (20) based on the classification of transactions, unless otherwise indicated under special laws.

Departments/agencies shall submit supporting documents such as flow charts, legal bases, additional documents, etc. to show actual improvements, and proof of streamlining accomplishments. In the event the department/agency is unable to achieve the targets they set in this section, they shall provide justifications, explanations, and supporting documents using the remarks. The acceptance of explanation shall be subject to the review and recommendation of the validating agency.

**5.2 Citizen/Client Satisfaction.** To determine the effectiveness of the streamlining and process improvements initiated by agencies, the satisfaction level of the citizens/clients will be measured and reported. Departments/agencies should embed feedback mechanisms and citizen/client satisfaction measurement in their process improvement efforts. Using the improvement action plan that agencies reported for FY 2018 PBB, for each service, agencies shall report the results of each action plan and the FY 2019 Citizen/Client Satisfaction Survey for each service.

Departments/agencies shall report the following information using *Annex 4: Citizen/Client Satisfaction Report*.

- a. Description of the methodology of the Citizen/Client Satisfaction Survey used for each reported service.
- b. Results of the Citizen/Client Satisfaction Survey for FY 2019
- c. Results of their action plan reported in the FY 2018 PBB
- d. Continuous improvement plan for FY 2020

GOCCs covered by RA No. 10149 will report the results of client/customer satisfaction survey based on the standard methodology and corresponding questionnaire prescribed by the GCG

**5.3 STO Target. Initial Certification/Recertification of the agency's Quality Management System (QMS) covering at least one (1) core process or frontline service as mandated under its existing pertinent laws.**

For the ISO 9001:2015 QMS certification, it must be issued by any of the certification bodies (CBs) accredited by the International Accreditation Forum (IAF) members. Preferably, the CB is accredited by the Philippine Accreditation Bureau under the Department of Trade and Industry, which is an IAF member and the recognized national accreditation body in the Philippines pursuant to Executive Order No. 802, s. 2009.

The ISO 9001:2015 certification(s)/recertification(s) must be valid as of December 31, 2019 and must be posted in the agency TS webpage not later than **December 31, 2019**.

ISO 9001:2015 QMS-equivalent certifications/attestations granted by similar internationally recognized bodies promoting Total Quality Management (TQM) shall be considered, e.g., Philippine Quality Award, ISO/IEC 17025 or 17020 Accreditation, Accreditation Canada International's Qmentum International Gold Award, Universal Postal Union's Quality Management Certification, and Accrediting Agency of Chartered Colleges and Universities in the Philippines, Inc. (AACCCUP)'s Institutional Accreditation.

A certified true copy of the QMS certificate shall be submitted to the Government Quality Management Committee (GQMC), through its DBM

Secretariat - Systems and Productivity Improvement Bureau (SPIB), not later than **December 31, 2019** for validation purposes.

For frontline agencies, it is expected that the core process to be covered by the QMS pertains to an agency process most demanded by citizens and business, and targeted for improvement under Sections 5.1 and 5.2 above.

**5.4 GASS Targets.** The common GASS targets shall include the following:

a. **Budget Utilization Rate (BUR)**, which shall consist of:

**1) Obligations BUR** is computed as obligation rates for Maintenance and Other Operating Expenses (MOOE) and Capital Outlays (CO) of all programs, activities and projects funded in FY 2019 from all appropriation sources, including those released under the 2019 General Appropriations Act as the Allotment Order policy, net of savings from procurement and implementation of cost-cutting measures.

Hence:

$$\text{Obligations BUR} = \frac{\text{Obligations for MOOE and CO for 2019 appropriations}}{\text{Allotments for MOOE and CO for 2019 appropriations}}, \quad \text{Net of savings in allotment from efficiency and cost-cutting measures}$$

**2) Disbursement BUR** is measured as the ratio of total disbursements (cash and non-cash, excluding PS) to total obligations for MOOE and CO from FY 2019 appropriations, net of goods and services obligated by December 31, 2018 but executed and paid only in 2019. The objective is to measure the disbursements and obligations for MOOE and CO for the 2019 appropriations.

Hence:

$$\text{Disbursement BUR} = \frac{\text{Disbursements for MOOE and CO for 2019 appropriations}}{\text{Obligations for MOOE and CO for 2019 appropriations}}$$

**3) BUR for GOCCs** is computed as follows:

- I. Obligations BUR** = Total Obligations / DBM Approved Corporate Operating Budget (both net of PS)
- II. Disbursement BUR** = Total Actual Disbursement / Total Actual obligations (both net of PS)

**4) BUR for SUCs is computed as follows:**

- I. Obligations and Disbursements BUR** will be the same as those for department/agencies.
  - II.** Because all income of the SUCs (e.g. trust funds, internally generated income, and revolving funds) should benefit and improve the SUCs operations, its Obligations and Disbursements utilization rates will also be reported following the reporting format in *Annex 5: FY 2019 GAA Accomplishments and BUR Form for SUCs*.
- b. **Sustained Compliance with Audit Findings.** Fully implement 30% of the prior years' audit recommendations as shown in the Report on Status of Implementation of Prior Years' Recommendations. These recommendations will exclude the Property, Plant and Equipment (PPE)-related items of the Annual Audit Report (AAR). Audit findings closed since FY 2017 should also not recur. The objective is to improve the agency's internal control processes, enhance operational effectiveness, and eliminate, resolve and remedy most, if not all, of the agency audit findings, by the end of 2020.
  - c. **Compliance with Quarterly Submission of Budget and Financial Accountability Reports (BFARs) Online Using the DBM's Unified Reporting System (URS)** 30 days after end of every quarter, as provided in Section 102 of the FY 2019 GAA.
  - d. **Submission of Annual Procurement Plan (APP-non CSE)** approved by the Head of Procuring Entity (HOPE) to the Government Procurement Policy Board (GPPB) in the format prescribed under GPPB Circular No. 07-2015.

**1) FY 2019 APP-non CSE** should have been submitted to the GPPB-TSO on **March 31, 2019**<sup>1</sup>. The same should be posted on the agency TS page on not later than one month after the issuance of this Circular.

The APP non-CSE submissions must indicate: "APP for CY <Year> of <Complete Name of Head Office / Agency><Regions \_ to \_, if applicable> for PBB" in the subject line and must be sent through email at [app@gppb.gov.ph](mailto:app@gppb.gov.ph).

The list of agencies complying with the APP submission requirement shall be posted in the GPPB website ([www.gppb.gov.ph](http://www.gppb.gov.ph)).

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<sup>1</sup> As per GPPB Circular No. 02-2019

- e. **Submission of FY 2020 Annual Procurement Plan-Common-Use Supplies and Equipment (FY 2020 APP-CSE)** to the DBM-Procurement Service on or before **October 31, 2019** in the prescribed format by DBM-PS. The same should be posted in the agency TS webpage not later than **October 31, 2019**.
- f. **Undertaking of Early Procurement for at least 50% of the value of goods and services based on the department's/agency's budget submitted to the Congress consistent with the NEP.** In implementing the cash budgeting system, departments/agencies should subject at least 50% of their budget for works, goods and services requirements to be procured for their FY 2020 operations to Early Procurement, short of award as early as the submission of the NEP to Congress. Departments/Agencies should update their PhilGEPS postings for Early Procurement by posting the Approved Contract and Notice to Proceed in PhilGEPS on or before **January 31, 2020**. The GPPB shall soon be issuing a Budget Circular on this.

To support Early Procurement, the Indicative FY 2020 APP-non CSE consistent with the FY 2020 National Expenditure Program (NEP) should be posted on the agency TS page not later than **September 30, 2019**.

- g. **Submission of results of FY 2018 Agency Procurement Compliance and Performance Indicators (APCPI) System**, per GPPB Resolution No. 39-2017, 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 or before **March 31, 2019**. The APCPI Tool may be downloaded from the GPPB website using this link: <http://www.gppb.gov.ph/apcpi/apcpi.html>. Submit either in electronic (Excel) format through [apcpi@gppb.gov.ph](mailto:apcpi@gppb.gov.ph) indicating: "2018 APCPI Initial Results of <Complete Name of Head Office / Agency> for PBB" in the subject line; or printed (signed) copies hand carried/mailed through the GPPB-TSO front desk. The list of agencies complying with the APCPI requirement shall be posted in the GPPB website ([www.gppb.gov.ph](http://www.gppb.gov.ph)).

**5.5 Other cross-cutting requirements.** The AO 25 IATF sets the following cross-cutting requirements:

- a. **Establishment and Conduct of Agency Review and Compliance Procedure of SALN** pursuant to Section 10 of the Code of Conduct and Ethical Standards for Public Officials and Employees (RA No. 6713), and CSC Resolutions Nos. 1300455 and

1500088. Each department/agency shall have a SALN Review and Compliance Committee to implement the provisions on reviewing and complying with SALN requirements to determine whether said statements have been submitted on time, are complete, and are in proper form.

Agency heads should ensure that officials and employees covered by RA No. 6713 submitted their 2019 SALN to the respective SALN repository agencies, as prescribed in the rules provided under CSC Memorandum Circular No. 3 s. 2015. The Agency Review and Compliance Procedure of SALN used by the department's/agency's SALN Review and Compliance Committee should be cascaded to all employees. The scanned copy of the same shall be uploaded in the agency TS webpage not later than **October 1, 2019**. *See also Section 6.11, 6.14 and 10.3 on SALN requirement.*

b. **Comply with the Freedom of information (FOI) Program** pursuant to Executive Order No. 2, s. 2016, based on the enhanced requirements of the Presidential Communications Operations Office (PCOO). Agencies should comply to the following FOI requirements within the set deadline:

- 1) The Updated People's FOI manual (including new designated list of FOI Receiving Office/rs and its contact details, if any) duly signed by the Head of the Agency and uploaded in the agency TS page on or before **November 30, 2019**;
- 2) The FOI Reports (Agency Information Inventory, 2019 FOI Registry, and 2019 FOI Summary Report) uploaded in the agency TS page on or before **January 31, 2020**; and,
- 3) A screenshot of the agency website's home page containing a visible and functional FOI logo linked to the electronic FOI portal ([www.foi.gov.ph](http://www.foi.gov.ph)) submitted through email: [foi.pco@gmail.com](mailto:foi.pco@gmail.com) on or before on or before **January 31, 2020**.

Agencies should submit the accomplished FOI Reports strictly in **one (1) Excel format (.xls)** based on templates provide in this link: [www.bit.ly/2018FOIReports](http://www.bit.ly/2018FOIReports). Submissions not compliant to the file format and templates will not be considered. All agencies including those already onboard the eFOI portal, are required to send the soft copy submissions to [foipco@gmail.com](mailto:foipco@gmail.com). Policy issuances and memoranda can be accessed in this link: [www.foi.gov.ph/resources](http://www.foi.gov.ph/resources).

In case a department/agency is not able to meet any of the above performance targets, the Department Secretary/Head of Agency should submit the justifications/explanations and supporting

documents to warrant reconsideration. For validation purposes, justifiable reasons are factors that are considered outside the control of the agency. Acceptance of justifications/explanations shall be subject to the recommendation of validating agencies

- 5.6** To reinforce fairness in the assessment of the performance of each delivery unit under operations with those under support services, departments/agencies should also declare non-frontline services provided to units/employees performed by the latter delivery units. Doing so will strengthen the accountability of every delivery unit in streamlining and improving their processes and services to citizens/clients, internal units/employees, and to the Composite Team from AO 25 IATF agencies. Likewise, it will also provide performance data to support the equitable ranking of each delivery unit. Departments/Agencies shall also report applicable baseline information enumerated in Section 5.1 and 5.2.

## **6.0 ELIGIBILITY OF INDIVIDUALS**

- 6.1** 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 maximum PBB rate for FY 2019 shall be equivalent to 65% of their monthly basic salary as of December 31, 2019. They should not be included in the Form 1-Report on Ranking of Delivery Units.
- 6.2** 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 2019 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.
- 6.3** 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 requirement prescribed by the CESB.
- 6.4** 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.

- 6.5** 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.
- 6.6** 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 PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency, as stated in Section 6.8.
- 6.7** 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.
- 6.8** 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 the PBB on a pro-rata basis corresponding to the actual length of service rendered, as follows:

<b>LENGTH OF SERVICES</b>	<b>% OF PBB</b>
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
- 6.9** 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.

- 6.10** Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2019 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.
- 6.11** Officials and employees who failed to submit the 2018 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 2019 PBB.
- 6.12** Officials and employees who failed to liquidate all cash advances received in FY 2019 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 2019 PBB.
- 6.13** Officials and employees who failed to submit their complete SPMS Forms shall not be entitled to the FY 2019 PBB.
- 6.14** Agency heads should ensure that officials and employees covered by RA No. 6713 submitted their 2018 SALN to the respective SALN repository agencies, liquidated their FY 2019 Cash Advances, or completed the SPMS Forms, as these will be the basis for the release of FY 2019 PBB to individuals.
- 6.15** Officials and employees responsible for the implementation of the prior years' audit recommendations, QMS certification, or posting and dissemination of the department/agency system of ranking performance of delivery units, shall not be entitled to the FY 2019 PBB if the Department/Agency fails to comply with any of these requirements.

**7.0 RANKING OF DELIVERY UNITS**

- 7.1** Departments/Agencies and their corresponding offices/delivery units that meet the criteria and conditions in Section 4.0 are eligible to the FY 2019 PBB. Bureaus, offices or delivery units eligible to the PBB shall be forced ranked according to the following categories:

<b>Ranking</b>	<b>Performance Category</b>
Top 10%	Best Delivery Units
Next 25%	Better Delivery Units
Next 65%	Good Delivery Units

The declarations of responsible bureaus/offices/delivery units in the completion of each critical service or other key processes shall be the basis for equitable performance ranking of delivery units. The resulting ranking of bureaus/offices/delivery units shall be indicated in the Annex 7: Form 1- Report on Ranking of Delivery Units.

**7.2** When identifying and determining delivery units, departments/agencies must be guided by the Master List of Departments/Agencies and Prescribed Delivery Units per Department/Agency (See Annex 1).

- a. A delivery unit is the primary subdivision 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.

The identification of a delivery unit will depend on the type of government entity, with due consideration to its mandate, organizational level, and scope of operations, as follows:

TYPE OF GOVERNMENT ENTITY	DELIVERY UNITS
<p align="center"><b>Department or Department-Level</b></p>	<ul style="list-style-type: none"> <li>• Offices</li> <li>• Bureaus</li> <li>• Services</li> <li>• Regional Offices, if any</li> </ul>
<p align="center"><b>Agency</b></p>	<p>Intermediate Level</p> <ul style="list-style-type: none"> <li>• Offices</li> <li>• Bureaus</li> <li>• Services</li> <li>• Regional/Field Units, if any</li> </ul>
	<p>Division Level</p> <ul style="list-style-type: none"> <li>• Divisions</li> <li>• Field Units, if any</li> </ul>
<p align="center"><b>State University or College</b></p>	<ul style="list-style-type: none"> <li>• Offices</li> <li>• Services</li> <li>• Campuses</li> <li>• Colleges</li> </ul>
<p align="center"><b>GOCC</b></p>	<ul style="list-style-type: none"> <li>• Offices</li> <li>• Departments</li> </ul>

- a. For purposes of this Circular, agencies attached to a department or department-level entity shall be treated as an agency separate from its parent department and shall have a separate ranking of delivery units. Elementary and Secondary Schools under DepEd and Hospitals, Medical Centers and Treatment Facilities under DOH shall also be treated as agencies separate from their parent department as well as other agencies indicated in Annex 1.
- b. To facilitate the ranking of delivery units, agencies may group or cluster the delivery units based on similarities of tasks and responsibilities, and rank the units within each group or cluster, provided that the resulting ranking distribution shall be in accordance with Section 7.1.

- 7.2** Only the personnel belonging to eligible delivery units are qualified for the PBB. Refer also to exclusion of individuals as cited in Section 7. While individual ranking shall be the basis for merit increase, promotion, further training and/or disciplinary action, individual ranking shall no longer be included in the Form 1 (See Annex 7).
- 7.3** To recognize high performance of government employees in relation to the achievement of agency targets and requirements for the grant of the FY 2019 PBB, departments/agencies shall list the names of employees who belong in the Best Delivery Unit/s using the Form 1 (See Annex 7).
- 7.4** The GCG, the LWUA, the DILG, and the DepEd shall issue pertinent Guidelines on the ranking of delivery units for GOCCs covered by GCG, LWDs, LGUs, and DepEd Delivery Units respectively.
- 7.5** To heighten transparency among delivery units and employees, departments/agencies shall cascade to their employees the agency guidelines/mechanics in ranking delivery units for the grant of the FY 2019 PBB. Departments/Agencies shall prepare the System of Agency Ranking Delivery Units for FY 2019 PBB using the Form for the Guidelines/Mechanics in Ranking Delivery Units (See Annex 8). The duly completed and signed agency guidelines in ranking delivery units shall be posted on the agency TS webpage on or before October 1, 2019.

**8.0 RATES OF THE PBB**

The rates of the PBB for each individual shall be based on the performance ranking of the individual's bureaus or delivery units with the rate of incentive as a multiple of one's monthly basic salary as of December 31, 2019, based on the table below:

<b>PERFORMANCE CATEGORY</b>	<b>MULTIPLE OF BASIC SALARY</b>
Best Delivery Unit	0.65
Better Delivery Unit	0.575
Good Delivery Unit	0.50

**9.0 SUBMISSION OF REPORTS**

- 9.1** Departments/Agencies should submit FY 2019 accomplishments using the Modified Form A-Department/Agency Performance Report, Modified Form A1-Details of Bureau/Office Performance Report, Citizen/Client Satisfaction Report, Form 1 and the PBB Evaluation Matrix. They should submit duly completed and signed forms and reports to the IATF (two hard copies and e-copies, ie. PDF and editable MS Word files, of Modified Form A-Department/Agency Performance Report, Modified Form A1-Details of Bureau/Office Performance Report, Citizen/Client Satisfaction Report, Form 1 and supporting documents) through the AO 25 Secretariat which

shall endorse copies to the oversight/validating agencies for review/evaluation. All forms and reports should be signed by the agency head or the duly designated official.

- 9.2** Submission of agency physical accomplishments and other requirements will be until **February 28, 2020** for small agencies, and **August 31, 2020** for big departments. Agencies shall ensure that all explanations and justifications are already attached in their submission.
- 9.3** The COA Audit Team Leaders shall verify/monitor compliance of their respective agencies with the audit recommendations shown in the Status of Implementation of Prior Years' Audit Recommendations in the Annual Audit Report/Management Letter and submit a report thereon, to the concerned Supervising Auditor (SA). The SA will then prepare a summary report for submission to the concerned Cluster Director. Based on the reports submitted by the SAs, the Cluster Director shall submit to the IATF Secretariat, copy furnished the Sector Head and RMBO, PFMS, both of COA, a Summary List of Agencies that complied with the required minimum 30% full implementation of audit recommendations.
- 9.4** Results of the validation showing non-compliant agencies shall be posted in the RBPMS website. The IATF shall conduct spot-checks to validate claims and certifications made by departments/agencies.
- 9.5** The Department of Education shall have the same implementation timeline of GGCs, Physical Targets, STO and GASS targets as indicated in Section 9.6.
- 9.6** The AO 25 IATF sets the following implementation timeline for the FY 2019 PBB.

REQUIREMENTS	VALIDATING AGENCY	DEADLINE OF SUBMISSION	START OF VALIDATION
<b>Physical Targets</b>			
<b>Operations</b>			
1. Streamlining and Process Improvement of Agency Services	Composite Team from AO 25 IATF agencies	February 28, 2020 (small agencies)	March 1, 2020 (small agencies)
		August 31, 2020 (big agencies)	September 1, 2020 (big agencies)
2. Citizen/Client Satisfaction <ul style="list-style-type: none"> <li>• Departments</li> <li>• OEOs</li> <li>• GOCCs covered by DBM</li> <li>• GOCCs covered by RA 10149</li> </ul>	Composite Team from AO 25 IATF agencies	February 28, 2020 (small agencies)	March 1, 2020 (small agencies)
		August 31, 2020 (big agencies)	September 1, 2020 (big agencies)
3. Physical Targets for the following: <ul style="list-style-type: none"> <li>• SUCs (<i>See Annex 5</i>)</li> <li>• GOCCs covered by RA 10149</li> </ul>	CHED GCG	February 28, 2020 Based on GCG timeline	March 1, 2020 Based on GCG timeline
		LWUA DILG	February 28, 2020 February 28, 2020

REQUIREMENTS	VALIDATING AGENCY	DEADLINE OF SUBMISSION	START OF VALIDATION
<b>Support to Operations (STO)</b>			
1. QMS Certification <ul style="list-style-type: none"> <li>Post QMS Certification in TS page</li> <li>Submit certified true copy of QMS certificate to GQMC through DBM-SPIB</li> </ul>	GQMC	December 31, 2019	From January 1 to 31, 2020
<b>General Administration and Support Services (GASS)</b>			
1. BUR <ul style="list-style-type: none"> <li>Departments, OEOs and GOCCs covered by DBM</li> <li>SUCs (<i>See Annex 5</i>)</li> </ul>	DBM-BMBs concerned	February 28, 2020 (small agencies)	March 1, 2020 (small agencies)
	DBM Regional Offices and DBM-BMB-F	August 31, 2020 (big agencies)	September 1, 2020 (big agencies)
2. Sustained Compliance with Audit Findings	COA	December 31, 2019	December 31, 2019
3. Submission of BFARs online through the URS <ul style="list-style-type: none"> <li>First Quarter</li> <li>Second Quarter</li> <li>Third Quarter</li> <li>Fourth Quarter</li> </ul>	DBM and COA	April 15, 2019 July 15, 2019 October 15, 2019 January 15, 2020	April 15, 2019 July 15, 2019 October 15, 2019 January 15, 2020
4. COA Financial Reports <ul style="list-style-type: none"> <li>Small Agencies</li> <li>Big Agencies</li> </ul>	COA	March 30, 2019 April 30, 2019	March 30, 2019 April 30, 2019
5. Procurement Documents <ul style="list-style-type: none"> <li>FY 2019 APP-non CSE</li> <li>Indicative FY 2020 APP-non CSE</li> <li>FY 2020 APP-CSE</li> <li>Undertaking of Early Procurement for at least 50% of goods and services</li> <li>Results of FY 2018 APCPI System</li> </ul>	GPPB-TSO	March 31, 2019	One (1) month after the issuance of resolution
	GPPB-TSO	September 30, 2019	September 30, 2019
	DBM-PS	October 31, 2019	October 31, 2019
	GPPB-TSO	January 31, 2020	January 31, 2020
	GPPB-TSO	March 31, 2019	March 31, 2019
<b>Good Governance Conditions (GGCs)</b>			
1. Transparency Seal	DBM-OCIO	October 1, 2019	October 1, 2019
2. PhilGEPS Posting (transactions above P1,000,000 and with December 31, 2019 as cut-off), including the Early Procurement of FY 2020 Non-CSE items.	PhilGEPS	January 31, 2020	February 1, 2020
3. Citizen's/Service Charter <ul style="list-style-type: none"> <li>Certificate of Compliance (CoC) pursuant to Section 4.1.c</li> </ul>	Anti-Red Tape Authority	December 31, 2019	January 1, 2020
<b>Other Cross-cutting Requirements</b>			
1. Submission of SALN of employees	Office of the President, Ombudsman, CSC	April 30, 2019	April 30, 2019
2. Agency Review and Compliance Procedure of Statement and Financial Disclosures. <i>Note: Departments/Agencies shall submit a list of SALN non-filers using Form 1.</i>	CSC	October 1, 2019	October 1, 2019
3. FOI Compliance <ul style="list-style-type: none"> <li>People's FOI Manual</li> <li>Agency Information Inventory</li> <li>2019 FOI Registry and 2019 FOI Summary Report</li> <li>Screenshot of agency's home page</li> </ul>	PCOO	November 30, 2019 January 31, 2020 January 31, 2020	November 30, 2019 January 31, 2020 January 31, 2020
		January 31, 2020	January 31, 2020
4. Posting of Agency's System of Ranking Delivery Units	DAP	October 1, 2019	October 1, 2019
5. Submission of Agency Report on Ranking of Delivery Units (Form 1.0 and PBB)		February 28, 2020 (small agencies)	March 1, 2020 (small agencies)

REQUIREMENTS	VALIDATING AGENCY	DEADLINE OF SUBMISSION	START OF VALIDATION
Evaluation Matrix) <ul style="list-style-type: none"> <li>• Departments</li> <li>• OEOs</li>   <li>• GOCCs covered by DBM</li> <li>• SUCs</li>   <li>• LWDs</li> </ul>	DBM-BMBs DBM-BMBs and DBM-NCR DBM-BMB-C DBM-RO and DBM-BMB-F LWUA and DBM-BMB-C	August 31, 2020 (big agencies)	September 1, 2020 (big agencies)

## 10.0 EFFECTS OF NON-COMPLIANCE

**10.1** For FY 2019, agencies that are unable to comply with all the Good Governance Conditions shall be considered ineligible for the FY 2019 PBB.

**10.2** Departments/Agencies that are unable to comply with a maximum of two (2) Performance Targets due to controllable factors as determined by the validating agencies shall be considered ineligible for the FY 2019 PBB.

**10.3** In the event the AO 25 IATF conducted random check of submitted SALN of employees and found non-compliance with the guidelines prescribed by the CSC and the posted Review and Compliance Procedure of the concerned department/agency, such incident could be a cause to disqualify the department/agency in the succeeding cycle of the PBB.

**10.4 Prohibited Acts:** A Department/Agency/GOCC/LWD/LGU, which, after due process by the oversight agency has been determined to have committed the following prohibited acts, shall be disqualified from the PBB in the succeeding year of its implementation. Moreover, the CSC or Ombudsman shall file the appropriate administrative case:

- a. Misrepresentation in the submitted reports required for the PBB, commission of fraud in the payment of the PBB and violation of the provisions of this Circular; and
- b. Evenly distributing PBB among employees in an agency, in violation of the policy of paying the PBB based on the ranking of delivery units.

## 11.0 FEEDBACK AND CHANGE MANAGEMENT

**11.1** Department Secretaries/Head of Agencies with the support of their Performance Management Groups should enhance the implementation of their internal communications strategy on PBIS, and fulfill the following:

- a. Engage their respective employees in understanding the PBIS, the performance targets of their respective departments/agencies, as

well as the services and outputs that they will need to deliver in order to meet these targets.

- b. Disseminate the performance targets and accomplishments of their departments/agencies to their employees through the intranet and other means, as well as publish these on their respective websites for the public's information.
- c. Set up a Help Desk to respond to queries and comments on the targets and accomplishments of their departments/agencies. The Help Desk may be a facility that is embedded in the respective websites of departments/agencies.
- d. Set up a Complaints Mechanism to respond to the PBIS-related issues and concerns raised by officials and employees of their respective departments/agencies. Such may be incorporated in the functions of their Grievance Committee.

**11.2** The Department Secretary/Head of Agency shall designate a senior official who shall serve as a PBB focal person. The offices responsible for the performance management may be tasked to provide secretariat support to the PMG and to recommend strategies to instill a culture of performance within the Department/Agency.

## **12.0 INFORMATION AND COMMUNICATION**

**12.1** The Department Secretary/Head of Agency shall confirm with the IATF the name, position and contact details (e-mail, landline, facsimile, cellular phone) of the senior officials designated as the PBB focal person and the spokesperson, respectively.

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

**12.3** The IATF shall maintain the following communication channels:

- a. AO 25 Secretariat at [ao25secretariat@dap.edu.ph](mailto:ao25secretariat@dap.edu.ph)
- b. RBPMS website [www.dap.edu.ph/rbpms](http://www.dap.edu.ph/rbpms)
- c. Telephone: (02) 400-1469, (02) 400-1490, (02) 400-1582
- d. Facebook: [www.facebook.com/PBBsecretariat](http://www.facebook.com/PBBsecretariat)
- e. Twitter: [@pbbsecretariat](https://twitter.com/pbbsecretariat)

### **13.0 APPLICABILITY TO THE CONSTITUTIONAL BODIES, LEGISLATIVE AND JUDICIAL BRANCHES**

Congress, The Judiciary, Constitutional Commissions, and the Office of the Ombudsman are encouraged to follow these guidelines to be eligible to the FY 2019 Performance-Based Bonus.

### **14.0 EFFECTIVITY CLAUSE**

This Memorandum Circular shall take effect immediately.

Certified true copies shall be posted in the RBPMS website and the Official Gazette, and shall be filed in the University of the Philippines (UP) Law Center.



  
**WENDEL E. AVISADO**  
Acting Secretary, Department of Budget and Management  
and Chairman, AO 25 Inter-Agency Task Force