



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

097.13 DPWH
12.14.2011

DEC 13 2011

DEPARTMENT ORDER)
No. 65)
Series of 2011 12.14.11)

SUBJECT : **PAYMENT OF PERFORMANCE-BASED
CNA INCENTIVE TO QUALIFIED
OFFICIALS AND EMPLOYEES OF THE
DPWH FOR CY 2011**

1.0 PURPOSE

The grant of Collective Negotiation Agreement (CNA) Incentive to both management and rank-and-file employees of this Department is in recognition of their efforts in accomplishing performance targets at lesser cost, in attaining more efficient and viable operations through cost-cutting measures and systems improvement, and in pursuing a continuing organizational transformation. This Order is being issued to provide uniform guidelines in the payment of CNA Incentives in the Department.

2.0 LEGAL BASES

The payment of CNA Incentives is hereby authorized pursuant to the provisions of the following issuances:

- 2.1 Administrative Order No. 135, dated 27 December 2005;
- 2.2 Senate and House of Representatives Joint Resolution No. 4 promulgated on 17 June 2009; and,
- 2.3 DBM Budget Circular No. 2006-1 dated 01 February 2006, as reiterated under DBM Budget Circular No. 2011-9 dated 29 September 2011.

3.0 GENERAL GUIDELINES

- 3.1 The cost-cutting measures and systems improvement, provided in Section 3 of Administrative Order No. 135, s. of 2005, identified in the CNA (Article VII-Association Obligations) should have been complied with and strictly followed prior to the payment of CNA Incentives.
- 3.2 By supplementary application, the grant of CNA Incentive shall be in accordance with Section 1 (a, b and c) of Administrative Order No. 24, dated 01 December 2011.
- 3.3 The CNA Incentive shall be paid out of savings generated from the Maintenance and Other Operating Expenses (MOOE), completed projects, Engineering and Administrative Overhead (EAO) of each office (Central Office and Regional and District Engineering Offices) and Personal Services derived from funded vacant positions, subject to the usual accounting and auditing rules and regulations.
- 3.4 Funds for payment of CNA Incentive to qualified personnel in the Regional and District Engineering Offices shall be sourced out of their respective savings.
- 3.5 No payment of CNA Incentive shall be allowed in the future without approval of, or prior clearance from, the Office of the Secretary.

4.0 PROCEDURES/CRITERIA

Consistent with the policy of the Department in giving due recognition to the contributions of its personnel in improving organizational efficiency and productivity, the amount of CNA Incentive shall be determined subject to the following conditions and criteria:

4.1 CENTRAL OFFICE (OSEC Proper/Bureaus/Services)

4.1.1 Criteria (for "Best Group Performance Award")

	MAXIMUM POINTS	WEIGHTS
4.1.1.1 Group Performance Outputs	100	70%

This refers to the average of the employees' performance outputs ratings for the last two (2) semesters computed as a group or an office. Each employee's Responsibility Area shall be rated using the guidelines and scales/numerical values enumerated at the back of the Performance Appraisal Report (PAR) Form. The conversion table is in "Annex A".

	MAXIMUM POINTS	WEIGHTS
4.1.1.2 Group Attendance and Punctuality	100	30%

This refers to the average of the employees' record of attendance and punctuality based on the reports generated by the bio-metric machines under the Time and Attendance System. This shall also be computed as a group or an office. To ensure correctness and accuracy of the ratings given to the personnel concerned on punctuality and attendance, the same shall be reviewed and validated by the Personnel Division, Administrative and Manpower Management Service, using the monthly Reports on Absences, Undertimes and Tardiness (RAUTs) earlier submitted by the offices concerned. Unless allowed and authorized by the proper authority, no RAUT shall be accepted and honored by the Personnel Division except those that are generated out of the biometric machines duly certified and approved by the TAS Officers and Heads of Offices concerned.

The employee's rating on Punctuality and Attendance shall be computed using also the appropriate guidelines and scales/numerical values prescribed in the PAR Form.

Only ratings of personnel that are included in the payroll of the office concerned shall be considered and included in the computation. Detailed/reassigned personnel may be included, provided their detail/reassignment has been for at least six (6) months within the year.

4.1.2 The total weighted maximum points for Group Performance Outputs and Group Attendance and Punctuality, including Public Relations, shall then be computed to determine the Group PAR Rating.

4.1.3 The offices in the Central Office shall be clustered into the OSEC Proper (1), Bureaus (5) and Services (7, including the CPO). Only those personnel of the said offices in the Central Office belonging to the top three (3) in terms of their group ratings either as a Bureau, Service, or an Office (the OSEC Proper) shall be entitled each to the following CNA Incentive:

Rank	CNA Incentive
1	₱ 40,000.00
2	₱ 35,000.00
3	₱ 30,000.00

4.1.4 The rest of the personnel of the other offices below Rank 3 with at least Very Satisfactory performance ratings for the last two rating periods shall be granted a CNA Incentive of P 20,000.00 each.

4.2 IMPLEMENTING OFFICES (ROs/PMOs/DEOs)

CNA Incentive shall be given to qualified personnel in the Regional Offices, Project Management Offices and District Engineering Offices based on the performance of their respective ROs, PMOs and DEOs using the selection criteria for the Annual Year-End Awards as follows:

4.2.1 Criteria

Criterion	Percentage Weights	
	(ROs/DEOs)	(PMOs)
4.2.1.1 Construction Accomplishment	30%	40%
4.2.1.2 Quality Control	30%	40%
4.2.1.3 Maintenance Rating	20%	—
4.2.1.4 Absorptive Capacity	<u>20%</u>	<u>20%</u>
	100%	100%

4.2.2 The Annual Year-End Awards for Implementing Office are:

(1) *Regional Office of the Year Award*, (2) *Project Management Office of the Year Award*, and (3) *Best District Engineering Office within the Region Award*.

4.2.3 The performance of each Regional Office and PMO shall be initially evaluated by the DPWH Awards Technical Working Group (TWG) based on the ratings given for the current year by the Bureau of Construction (BOC), the Bureau of Maintenance (BOM), except for PMO, the Bureau of Research and Standards (BRS) and the Comptrollership and Financial Management Service. Based on the findings of the DPWH Awards TWG and after validation by the DPWH Management Committee (ManCom), the ManCom shall make its recommendation and submit the same to the Secretary for approval.

4.2.4 Only those personnel of Regional Offices and PMOs belonging to the top three (3) in terms of their average ratings and are recipients of year-end awards, depending on their rank/rgs under each category, shall be entitled each to CNA Incentive as follows:

Rank	CNA Incentive
1	₱ 40,000.00
2	₱ 35,000.00
3	₱ 30,000.00

4.2.5 For the "Best DEO within the Region Award", the same selection criteria for ROs shall be adopted. Top DEOs in their respective Regions shall be recommended by the Regional Directors concerned and validated by the ManCom for submission to the Secretary for approval. Only those personnel of the top DEO in each Region shall be entitled to CNA Incentive of P40,000.00 each.

4.2.6 Personnel of the RO or PMO below Rank 3, and DEO below Rank 1, with at least Very Satisfactory performance ratings for the last two rating periods shall be granted a CNA Incentive of P 20,000.00 each.

4.2.7 Each qualified personnel shall be entitled to only one (1) CNA Incentive, whichever category of award gives higher amount.

4.2.8 An award granted to a Regional Office with the corresponding rank shall only entitle the personnel of the concerned Regional Office Proper with the higher CNA Incentive and does not include personnel of its District Engineering Offices, and vice-versa.

This Order supersedes previous issuances to the contrary and shall take effect immediately.


ROGELIO L. SINGSON
 Secretary



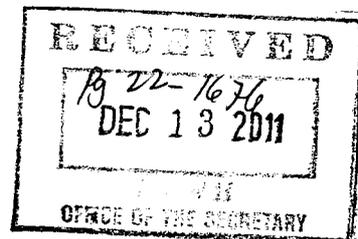
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Conversion Table for PAR Ratings

ADJECTIVAL RATING	AVERAGE OF LAST TWO (2) PERFORMANCE RATINGS	EQUIVALENT POINTS	WEIGHTED POINTS
Outstanding	1.0	100.00	70.00
	1.1	99.26	69.48
	1.2	98.55	68.99
	1.3	97.84	68.49
	1.4	97.13	67.99
	1.5	96.42	67.49
	1.6	95.71	67.00
	1.7	95.00	66.50
Very Satisfactory	1.8	94.00	65.80
	1.9	92.68	64.88
	2.0	91.40	63.98
	2.1	90.12	63.08
	2.2	88.84	62.19
	2.3	87.56	61.29
	2.4	86.28	60.40
	2.5	85.00	59.50



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila



01 December 2011

AIDE MEMOIRE

FOR : The **Secretary**
This Department

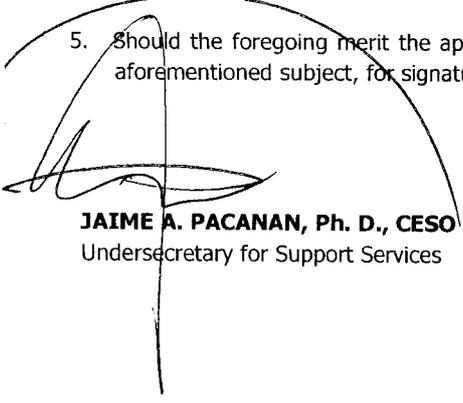
SUBJECT : **PAYMENT OF PERFORMANCE-BASED CNA INCENTIVE TO QUALIFIED OFFICIALS AND EMPLOYEES IN THE DPWH FOR CY 2011**

1. The grant of CNA Incentive (authorized yearly) is anchored on the pertinent provisions of the following:
 - 1.1 A.O. No. 135 dated 27 December 2005;
 - 1.2 Joint Resolution No. 4 (House and Senate) promulgated on 17 June 2009;
 - 1.3 A.O. No. 24 dated 01 December 2011; and
 - 1.4 DBM Budget Circular No. 2006-1, as reiterated under DBM Budget Circular No. 2011-9.
2. Budget Circular No. 2011-9, particularly Section 5-7 thereof, states in part that CNA Incentive for the year shall be paid as a one-time benefit, provided that the planned programs/activities/projects have been implemented and completed in accordance with the performance targets for the year.
3. In view of the significant savings generated from the cost-cutting measures and systems improvement DPWH has implemented in 2011, the MANCOM is proposing that the across-the-board CNA Incentive given to all employees last year be increased this year by P2,500.00, i.e., from P17,500.00 to P20,000.00. For 21,671 qualified DPWH personnel nationwide to be granted P 20,000.00 each, we will be needing at least P433,420,000.00.
4. This year, it is recommended that different levels of CNA Incentive be granted based on performance, as follows:

Central Office (OSEC Proper/Bureaus/Services)		Implementing Offices (ROs/DEOs) (PMOs)		
Criterion	Weight	Criterion	Weight	Weight
1. Group Performance Outputs	70%	1. Construction Accomplishment	30%	40%
2. Group Attendance and Punctuality	30%	2. Quality Control	30%	40%
TOTAL	100%	3. Maintenance Rating	20%	—
		4. Absorptive Capacity	20%	20%
		TOTAL	100%	100%

Personnel of 1st Ranking Offices will get P40,000.00 each, 2nd Ranking will get P35,000.00 each, 3rd Ranking will get P30,000.00 each and the rest, with at least a Very Satisfactory Rating, will get P20,000.00 each. This will require an additional budget of about P86M. The total budgetary requirement then for the CNA Incentive is P519,420,000.00.

5. Should the foregoing merit the approval of the Secretary, attached is a draft Department Order treating on the aforementioned subject, for signature.


JAIME A. PACANAN, Ph. D., CESO I
Undersecretary for Support Services