



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

097.13 DPWH
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DEPARTMENT ORDER)

NO. 85)

Series of 2022 d 5/25/2022

SUBJECT: Criteria and Conditions on the Grant of Performance-Based Bonus (PBB) for FY 2022

In connection with the implementation of a performance-based incentive system in this Department pursuant to Executive Order No. 80 dated July 20, 2012 and Executive Order 201 dated February 19, 2016, the following mechanics for eligibility as basis for the grant of **Performance-Based Bonus (PBB) for FY 2022** as provided under Memorandum Circular (MC) No. 2022-1 dated March 24, 2022 issued by the Inter-Agency Task Force (IATF) on Administrative Order (AO) No. 25 and published in the Department under Memorandum Circular (DMC) No. 24, series of 2022, are hereby prescribed:

1.0 ELIGIBILITY OF THE DEPARTMENT

As provided in Section 3.0 of MC No. 2022-1, the Department must attain a total score of at least 70 points based on the established PBB Scoring System (see table 1) in the criteria and conditions under the four dimensions of accountability: **Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results.**

- a. **Performance Results** refer to the accomplishment of the Congress-approved performance targets under the Performance-Informed Budgeting (PIB) of the FY 2022 General Appropriations Act (GAA).
- b. **Process Results** refer to the achievements in ease of doing business/ease of transaction with the agency as a result of streamlining, standardization (*i.e., through the ISO-certified QMS or its equivalent*), digitization, and related improvements in the delivery of services.
- c. **Financial Results** refer to the actual spending of the agency's budget allotment vis-a-vis the realization of the committed programs and projects based on the FY 2022 GAA.
- d. **Citizen/Client Satisfaction Results** refer to the achievements in satisfying the quality expectations of the transacting public/client.

TABLE 1: FY 2021 PBB SCORING SYSTEM

CRITERIA AND CONDITIONS	RATING				
	1	2	3	4	5
Performance Results	5pts	10pts	15pts	20pts	25pts
Process Results	5pts	10pts	15pts	20pts	25pts
Financial Results	5pts	10pts	15pts	20pts	25pts
Citizen/Client Satisfaction Results	5pts	10pts	15pts	20pts	25pts
TOTAL SCORE	100 POINTS (MAXIMUM)				

As can be gleaned in Table 1, a performance rating of 4 in all criteria will yield a total score of 80 points. To be able to attain a total score of at least 70 points, the Department should aim for a performance rating of 4 in at least three (3) criteria. In such case, while the Department will be eligible, the unit most responsible (including its head) for the criteria with a performance rating of below 4 will be isolated from the grant of the FY 2022 PBB.

The succeeding sections identify the basis for rating the four (4) dimensions.

- 1.1 **Performance Results.** The Department must achieve each one of the Congress-approved performance targets under the PIB of the FY 2022 GAA. The achievement of targets shall be closely monitored through the use of the submitted Unified Reporting System (URS) - generated Budget and Financial Accountability Reports (BFARs).

The Performance Results shall be assessed and scored as follows:

TABLE 2: RATING SCALE FOR PERFORMANCE RESULTS				
1	2	3	4	5
Met less than 80% of performance indicators of the Congress-approved performance targets for FY 2022; deficiencies due to controllable factors	Met less than 80% of performance indicators of the Congress-approved performance targets for FY 2022; deficiencies due to uncontrollable factors	Met at least 80% of performance indicators of the Congress-approved performance targets for FY 2022; deficiencies due to controllable factors	Met at least 80% of performance indicators of the Congress-approved performance targets for FY 2022; deficiencies due to uncontrollable factors	Met each one of the Congress-approved performance targets for FY 2022 (all performance indicators)

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

For FY 2022, the target will be substantive improvements in ease of doing business/ease of transaction with respect to two (2) critical services consisting of one (1) core service (external) based on the mandated function of the department and one (1) support/administrative service (internal) as declared in the department's updated Citizen's Charter and in line with the Anti-Red Tape Authority (ARTA)'s Whole-of-Government (WOG) Reengineering Manual.

As defined in ARTA MC 2019-002-A, the services may be categorized based on the following:

- a. **External services** - refer to government services applied for or requested by external citizens or clients or those who do not form part or belong to the government agency or office.
- b. **Internal services** - refer to government services applied for or requested by internal clients or individuals who are within the respective government agency or office, such as, but not limited to, its personnel or employees, whether regular or contractual. Internal services include services such as, but are not limited to, backend/support services to regulatory functions related to permitting, licensing, and issuance of a privilege, right, reward, clearance, authorizing, or concession.

For further information on selecting critical services to be prioritized by the department (and which will be validated later by ARTA for purposes of determining eligibility for the PBB), please refer to sections 4.2.2 and 4.3.3 of MC 2022-1.

Report on objectively verifiable evidence of the achievements in ease of doing business must be prepared. Further, the ISO-certified QMS or its equivalent certification for frontline services, service delivery standards manual, and the like may be used as evidence to the standardization achievements of the agency.

The Process Results shall be assessed and scored as follows:

TABLE 3: RATING SCALE FOR PROCESS RESULTS				
1	2	3	4	5
No substantial improvement in ease of both external core and internal services	Achieved substantial improvements to ease transaction in internal service	Achieved substantial improvements to ease transaction in external service only	Achieved substantial improvements to ease transaction in external but non-priority core service and internal service	Achieved substantial improvements to ease transaction in priority core service (external) and internal service

- 1.3 **Financial Results.** Targets reflect final payments made from the agency's annual budget allotment to realize their committed programs and projects based on the valid appropriations for FY 2022 (see section 4.3 of MC 2022-1).

The Financial Results shall be assessed and scored as follows:

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

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

The Citizen/Client Satisfaction Results shall be assessed and scored as follows

TABLE 5: RATING SCALE FOR CITIZEN/CLIENT SATISFACTION RESULTS				
1	2	3	4	5
No submission/ Did not conduct CCSS	Average satisfaction rate with unresolved complaints and at least 30% compliance rate to #8888 and CCB	More than average rate with unresolved complaints and at least 50% compliance rate to #8888 and CCB	High satisfaction rate with 100% complaints resolved and at least 80% compliance rate to #8888 and CCB	High satisfaction rate with 100% complaints resolved and compliance rate to #8888 and CCB

2.0 AGENCY ACCOUNTABILITIES

The Department must continue to comply with the following requirements:

- 2.1 Updating of Transparency Seal
- 2.2 Compliance to Audit Findings and Liquidation of Cash Advances
- 2.3 Compliance with the Freedom of Information (FOI) Program
- 2.4 Submission and Review of SALN
- 2.5 Updating of Citizen's or Service Charter
- 2.6 PhilGEPS posting of all invitations to bid and awarded contracts
- 2.7 FY 2022 Non-Common Use Supplies and Equipment (APP-non CSE)
- 2.8 Posting of Indicative FY 2023 APP-non CSE
- 2.9 FY 2023 Annual Procurement Plan-Common Use Supplies and Equipment (APP-CSE)
- 2.10 Results of FY 2021 Agency Procurement Compliance and Performance Indicators (APCPI) System
- 2.11 Undertaking of Early Procurement Activities covering FY 2023 Procurement Projects
- 2.12 Designation of the Agency's Committee on Anti-Red Tape (CART)
- 2.13 Compliance with the National Competition Policy (NCP)

For items 2.12 and 2.13, please refer to MC 2022-1 for further information.

While the above conditions are no longer required in determining the overall PBB eligibility of the Department, compliance with these conditions shall be used as the basis in determining the eligibility of responsible units and individuals. The assigned Bureau/Service in-charge of the requirements should submit these legal requirements directly to the validating agencies.

3.0 ELIGIBILITY OF DELIVERY UNITS AND INDIVIDUALS

With reference to Section 6.0 of MC No. 2022-1, the following key eligibility requirements for units and individuals are hereby emphasized:

- 3.1 For FY 2022 PBB, the Department's Delivery Units shall no longer be ranked. However, the unit/s most responsible for deficiencies in any of the four dimensions or the Agency Accountabilities shall be isolated.
- 3.2 Eligible Delivery Units shall be granted FY 2022 PBB at uniform rates across the agency, including its officials and employees.
- 3.3 Employees belonging to the First, Second and Third Levels should receive a rating of **"Very Satisfactory"** based on the agency's CSC-approved Strategic Performance Management System (SPMS) or the requirement prescribed by the CESB.

All other provisions stated in section 6.0 in MC No. 2022-1 shall be deemed an integral part of this issuance and shall take effect as applicable. The Corporate Planning and Management Division (CPMD) of the Office of the Secretary shall coordinate with the Human Resource and Administrative Service, for the determination of officials and employees who have met all the Individual Eligibility requirements and therefore entitled to the PBB.

4.0 DELIVERY UNITS

A delivery unit is 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. 2022-1 are as follows:

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

¹Aggregation of 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.

5.0 REPORTING OFFICES

To monitor compliance of all delivery units, the following offices shall provide the evidence of accomplishments following the provisions in Section 8.0 of MC No. 2021-1, to wit:

- Planning Service for the Performance Results
- Finance Service for the Financial Results
- Stakeholders Relations Service for the Citizen/Client Satisfaction Results
- Bureaus/Services with Frontline Services stated in the DPWH Citizen's Charter for the Process Results.

The Corporate Planning and Management Division (CPMD), which is tasked to link incentives to performance, shall consolidate the evidence of accomplishments and submit the said documents with the approval of the PBB Chairperson **on or before February 28, 2023**. Further, the Reporting Offices shall identify the eligibility of the delivery units in the event of isolation as stated in Sections 1.0 and 3.1 of this Order.

6.0 RATES OF THE PBB

The total score of the Department based from the criteria in Section 1.0 shall be the basis in determining the amount of the PBB. If the maximum score is achieved (i.e. 100 points), the maximum rate of the PBB shall be 100% of the 65% monthly basic salary (MBS) of an individual as of December 31, 2022. For illustration, see Table 6 below:

TABLE 6: RATES OF THE PBB	
TOTAL SCORE	PBB RATES
100 points	65.00% (100% of the 65% monthly basic salary)
95 points	61.75% (95% of the 65% monthly basic salary)
90 points	58.50% (90% of the 65% monthly basic salary)
85 points	55.25% (85% of the 65% monthly basic salary)
80 points	52.00% (80% of the 65% monthly basic salary)
75 points	48.75% (75% of the 65% monthly basic salary)
70 points	45.50% (70% of the 65% monthly basic salary)

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 pro-rated grant as per Section 6.0 of MC No. 2022-1.

This Order, which supersedes Department Order No. 100, series of 2021, shall cover the performance of delivery units for FY 2022 and shall take effect immediately.



ROGER G. MERCADO
Acting Secretary

Department of Public Works and Highways
Office of the Secretary



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1.3 VTL/JGT/MAP