



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

097.13 DPWH
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DEPARTMENT ORDER)

No. 89)

Series of 2020 *At 9/30/20*)

SUBJECT : Mechanics of Ranking Delivery Units as Basis for the Grant of Performance-Based Bonus (PBB) for FY 2020

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. 2020-1 dated June 02, 2020 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 2020** are hereby prescribed:

1.0 ELIGIBILITY OF THE DEPARTMENT

As provided in Section 3.0 of MC No. 2020-1, 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 2020 set by the AO 25 Inter-Agency Task Force (IATF) as provided in Section 4.0 of MC No. 2020-1.
- b. **Performance Targets:** Achieve each one of the Physical Targets, Support to Operations (STO) and General Administration and Support Services (GASS) requirements for FY 2020. 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. 2020-1.
- 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. 2020-1, 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 2020 PBB.
- 2.5** It is hereby understood that Memo Circular No. 2020-1 of AO25-IATF dated June 02, 2020 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 7.8a of MC No. 2020-1, 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. 2020-1 are as follows:

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

¹ 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 2020 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
TOTAL	100	100

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 2020, 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
TOTAL	100

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:

Performance Category	Distribution
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 2020, with the rate of incentive as a multiple of the individual's monthly basic salary as of December 31, 2020, as follows:

Performance Category	% of Monthly Basic Salary
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. 2020-1.

This Order, which supersedes Department Order No. 102, series of 2019, shall cover the performance of delivery units for FY 2020 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. 2020 -1 dated June 02, 2020

1.3 VTL/MSV/ARM

Department of Public Works and Highways
Office of the Secretary

