

## **ADMINISTRATIVE ORDER**

No. \_\_\_\_\_

Series of 2018

### **SUBJECT: GUIDELINES IN RANKING DSWD DELIVERY UNITS FOR THE GRANT OF FY 2018 PERFORMANCE-BASED BONUS**

#### **I. RATIONALE**

The Performance-Based Bonus (PBB) is a top-up bonus provided to government officials and employees through the Performance-Based Incentive System (PBIS) which was established in the Executive Order No. 80<sup>1</sup>, Series of 2012.

The PBB is given to government employees on the basis of their Offices' performance and contributions in achieving the targets committed by the Agency. The provision of PBB aims to recognize government personnel who play greater roles and carry heavier responsibilities in attaining performance targets and delivering results.

The Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (AO25 IATF)'s Memorandum Circular No. 2018-1 or Guidelines on the Grant of the Performance-Based Bonus (PBB) for Fiscal Year 2018 outlines the basic requirements for the grant of the FY 2018 PBB. This memorandum circular requires all government agencies to develop a system of ranking delivery units in terms of office performance as basis for the grant of the Performance-Based Bonus.

Thus, the issuance of this guidelines in order to meet the conditions stipulated in the Memorandum Circular No. 2018-1.

#### **II. ELIGIBILITY CRITERIA**

1. The identified DSWD Delivery Units<sup>2</sup> as per the approved organizational structure of the Department indicated in the 2005 DSWD Rationalization and Streamlining Plan (RSP) are listed in Annex A.
2. The Department and its corresponding delivery units that meet the criteria and conditions stipulated in Sections 4.0 and 7.0 of the AO 25 IATF MC No. 2018-1 (attached as Annex B) are eligible for the FY 2018 PBB.

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<sup>1</sup> Directing the Adoption of a Performance-Based Incentive System for Government Employees

<sup>2</sup> A delivery unit is the primary division of the Department performing substantive line functions, technical services or administrative support, as reflected in the Department's/Agency's organizational structure/functional chart (as defined in AO 25 IATF MC No. 2018-1).

3. In the case of isolation as recommended by the AO 25 IATF due to non-compliance to conditions stipulated in Sections 5.0 (FY 2018 Good Governance Conditions) and 6.0 (FY 2018 Performance Targets) of the AO 25 IATF MC No. 2018-1, all officials (Salary Grade 25 and above) of identified Offices are ineligible for the PBB.

### III. RANKING SYSTEM AND PROCEDURE

1. The ranking of the DSWD Delivery Units shall be based on the final Office Performance Contract Review (OPCR) ratings received during the FY 2018 Performance Review and Evaluation.
2. Eligible Delivery Units shall be forced-rank according to their respective performance ratings following the distribution<sup>3</sup> below:

<b>Delivery Unit Distribution</b>	<b>OBS Distribution</b>	<b>Rating</b>
Top 10%	3	Best Delivery Units
Next 25%	7	Better Delivery Units
Next 65%	19	Good Delivery Units

3. In case of tie, decimal places of the OPCR ratings shall be stretched until the tie is broken or as deliberated by the Performance Management Team (PMT).

### IV. RATES FOR FY 2018 PBB

The amount of PBB received by eligible officials and employees<sup>4</sup> shall depend on the performance ranking of the Delivery Unit where they belong, with the rate computed as a multiple of one's basic monthly salary (including Step Increment) based on the table below:

<b>Performance Category</b>	<b>PBB as % of Basic Monthly Salary</b>
Best Delivery Units	65%
Better Delivery Units	57.5%
Good Delivery Units	50%

### V. INSTITUTIONAL ARRANGEMENTS

1. The PMT shall determine and finalized the office performance ranking, list of PBB eligible employees, and the corresponding budget allocated for the grant of the PBB in the Department. Further, as the designated policy-making body for the performance management system, the PMT shall address issues/concerns and appeals/grievances arising out of the policies and criteria adopted for the grant of the PBB.

<sup>3</sup> The distribution of delivery units shall be computed top-down, and by rounding-up the number of delivery units allotted per section.

<sup>4</sup> Section 7.0 of the AO25 Secretariat Memorandum Circular No. 2018-1.

2. All Heads of Offices, Bureaus, Services and Regional Director shall be responsible in complying with the Good Governance Conditions (GGCs) and in accomplishing the performance targets committed by the Department for FY 2018.
3. Focal Offices listed below shall lead the monitoring and compliance to the FY 2018 PBB requirements:

Requirements	Responsibility Center
<b>A. GOOD GOVERNANCE CONDITIONS</b>	
1. Maintaining/Updating Transparency Seal	ICTMS
2. Posting/Updating the PhilGeps Posting	PMS
3. Maintaining/ Updating the Citizen's/ Service Charter <ul style="list-style-type: none"> <li>• Submission of Certificate of Compliance (CoC)</li> </ul>	OSG
<b>B. PERFORMANCE TARGETS</b>	
1. Streamlining and Process Improvement of Agency's Services	Task Force on Ease of Doing Business with PDPB providing technical support.
1.1. Modified Form A- Department Performance Report (Part I); and 1.2. Modified Form A1- Details of Bureau/Office Performance Report	PDPB
2. Citizen/Client Satisfaction	Task Force on Ease of Doing Business with PDPB providing technical support.
3. Certification/Recertification of QMS Certification	NHTO and NRLMS
4. General Administration and Support Services (GASS) Targets	
4.1. Budget Utilization Rate (BUR) <ul style="list-style-type: none"> <li>• Obligations BUR</li> <li>• Disbursements BUR</li> </ul> 4.2. Sustained Compliance with Audit Findings 4.3. Submission of Quarterly BFARs online thru Unified Reporting System (URS) 4.4. Submission of COA Financial Reports	FMS
4.5. Procurement Documents <ul style="list-style-type: none"> <li>• FY 2018 Annual Procurement Plan (APP) non-Common Supplies and Equipment (APP NON-CSE);</li> <li>• Indicative FY 2019 APP non-CSE</li> <li>• FY 2019 APP CSE;</li> </ul>	PMS

<ul style="list-style-type: none"> <li>• Undertaking of Early Procurement for at least 50% of goods and services;</li> <li>• Submission of Result of FY 2017 APCPI System</li> </ul>	
<b>C. OTHER CROSS-CUTTING REQUIREMENTS</b>	
4.6. Establishment and Conduct of Agency Review and Compliance Procedure of Statement and Financial Disclosures <ul style="list-style-type: none"> <li>• Submission of SALN of Employees</li> </ul>	HRDS  All Heads of Offices, Bureaus, Services (HRDS to consolidate)
4.7. Compliance to Freedom of Information (FOI) <ul style="list-style-type: none"> <li>• Peoples FOI Manual;</li> <li>• Agency Information Inventory;</li> <li>• 2017 and 2018 FOI Summary Report;</li> <li>• 2017 and 2018 FOI Registry;</li> <li>• Screenshot of Agency's website page linked to the electronic FOI portal</li> </ul>	SMS
4.8. Requirements for Reporting of Compliance <ul style="list-style-type: none"> <li>• Modified Form A (Part II-V)</li> <li>• Form 1: Report on Ranking of Offices/Delivery Units</li> </ul>	HRDS

The compliance for which shall follow the timeline stipulated in Section 10 of the AO25 IATF MC No. 2018-1.

MISS (ICTMS) shall be responsible in posting and ensuring the completeness of the documents posted in the DSWD website's Transparency Seal (TS) page. Moreover, the following Offices shall be responsible in preparing and endorsing the following documents to ICTMS:

<b>Transparency Seal Requirements</b>	<b>Responsibility Center</b>
I. Agency's Mandates, Vision, Mission and List of its officials with their position and designation, and contact information	HRMS (HRDS)
II. DBM Approved Budget and corresponding Targets for FY 2018	
a. Budget for FY 2018	FMS
b. GAA performance targets for FY 2018	PDPB
III. Modifications made pursuant to the General and special provisions in the FY 2018 GAA (indicate if not applicable)	FMS

IV. Procurement Documents	PMS
a. FY 2018 Annual Procurement Plan	
b. FY 2018 APP Non-CSE	
c. Indicative FY 2019 APP Non-CSE	
d. FY 2019 APP CSE	
V. Major Projects, and Programs and Activities, Beneficiaries, and Status of Implementation for FY 2018 (Indicate if not applicable)	PDPB
a. Major Projects, Programs 2018	
b. Beneficiaries 2018	
c. Status of Implementation 2018	
VI. Annual Financial Reports (whole year/ as of December end of the year/4th quarter)	
a. 2014-2018 FAR No. 1:SAAAOBDB (Statement of Appropriations, Allotments, Obligations, Disbursements and Balances as of December YEAR)	FMS
b. 2014-2018 BAR No. 1-Annual Physical Report on Operations/Physical Plan	PDPB
VII. Annual Reports on the Status of Income authorized by law to be deposited outside the National Treasury (indicate if not applicable)	FMS
VIII. Quality Management System (QMS) Certification of at least one core process	NHTO and NRLMS
IX. System of Agency Ranking Delivery Units for FY 2018 PBB	HRMS (HRDS)
X. Agency Review and Compliance Procedure of Statement and Financial Disclosures	
XI. Final People's FOI Manual signed by Head of Agency	SMS
b. Agency Information Inventory	
c. 2017 and 2018 FOI Summary Report	
d. 2017 and 2018 FOI Registry	
e. Visible and functional FOI logo linked to the e-FOI portal	

4. All Cluster Heads shall likewise monitor the compliance to the PBB requirements of the OBS under their cluster.
5. The Policy Development and Planning Bureau (PDPB) and the Human Resource Development Service (HRDS) shall be the FY 2018 PBB Secretariat. The PBB Secretariat shall be responsible in, ushering all DSWD Offices and PBB Focal Persons in complying the FY 2018 PBB Requirements of the Department and shall likewise serve as liaison between the DSWD's Performance Management Team (PMT) and AO25 IATF on the grant of the FY 2018 PBB.

**VI. REPEALING CLAUSE**

All previous issuance contrary to or inconsistent with this Administrative Order are hereby repealed, modified or amended accordingly.

**VII. EFFECTIVITY**

This Administrative Order shall take effect immediately.

Issued in Quezon City this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

**VIRGINIA N. OROGO**  
DSWD Acting Secretary