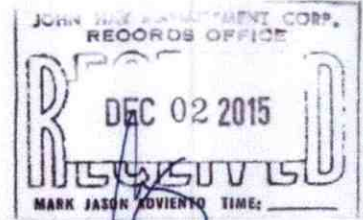




22 October 2015



HON. SILVESTRE C. AFABLE, JR.
Chairman

HON. JAMIE ELOISE M. AGBAYANI
President and CEO

JOHN HAY MANAGEMENT CORPORATION
 Cottage 624, JHMC, Camp John Hay, Loakan Road, 2600
 Baguio City

John Hay Management Corporation
 a member of the BCDA Group
 OPCEO-IN-2015-0962

**RE : GUIDELINES ON THE GRANT OF THE CY 2015
PERFORMANCE-BASED BONUS**

Dear Secretary Alcala and OIC-President Crobalde,

This is to formally transmit a copy of **GCG MEMORANDUM CIRCULAR 2015-05 (Annex A)**, which sets the guidelines on the grant of the Performance-Based Bonus (PBB) to GOCC Employees for FY 2015.

Relative hereto, we are also transmitting a copy of the **IATF MEMORANDUM CIRCULAR 2015-01 (Annex B)**, which may serve as your reference in your compliance to the Good Governance Conditions specified in the attached circulars.

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,
 BY AUTHORITY OF THE COMMISSION

CESAR L. VILLANUEVA
Chairman

MA. ANGELA E. IGNACIO
Commissioner

RAINIER B. BUTALID
Commissioner



GCG MEMORANDUM CIRCULAR NO. 2015 – 05

SUBJECT : 2015 INTERIM PERFORMANCE-BASED BONUS (PBB)

DATE : 15 July 2015

1. **BACKGROUND AND PURPOSE.** – This Circular has been issued to establish the rules and regulations for the grant of the Interim Performance-Based Bonus (PBB) for CY 2015 to qualified GOCC Officers and Employees pursuant to Executive Order No. 80, s. 2012 (E.O. No. 80),¹ pending the approval by the President of the **COMPENSATION AND POSITION CLASSIFICATION SYSTEM (CPCS)**, mandated by Republic Act (R.A.) No. 10149, “*GOCC Governance Act of 2011*”.
2. **PRODUCTIVITY ENHANCEMENT INCENTIVE (PEI).** – The PEI, as determined by the Department of Budget and Management (DBM), shall be granted across-the-board to covered Officers and Employees² of the GOCCs, and shall be distributed at the same time as National Government Agencies, as provided in the particular DBM Circular.
3. **ELIGIBILITY OF A GOCC TO GRANT THE PBB.** – The grant of PBB shall be based on the overall company performance, and then distributed to individual Officers and Employees based on their performance ranking. Pursuant to the “*Performance Evaluation System for the GOCC Sector*” [GCG MC No. 2013-02 (Re-Issued)] or any revised version thereof, a GOCC, in order to be eligible to grant PBB to its qualified Officers and Employees, must:
 - 3.1. Achieve a weighted-average score of at least 90% in its 2015 Performance Scorecard;
 - 3.2. Submit a Quality Management System (QMS) for at least one core process certified by any international certifying body approved by the IATF or submit an Operations Manual covering selected core processes or areas of operation;
 - 3.3. Comply with the Good Governance Conditions provided in GCG MC No. 2013-02 and 2014-02³;

Conditions Common to National Government Agencies and GOCCs:

- (a) Transparency Seal;
- (b) PhilGEPS Posting;
- (c) Cash Advance Liquidation;

¹ E.O. No 80, entitled “*Directing the Adoption of a Performance-Based Incentive System for Government Employees,*” was issued to, among others, provide incentives that support and encourage performance-driven, productive and efficient GOCCs.

² See Section 4.1.

³ *Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector.*

- (d) Citizen's Charter or its equivalent;
- (e) Government Quality Management System Standards (GQMSS) pursuant to E.O. No. 605, s. 2007; and
- (f) Compliance with submission and review of SALN of officials and employees.⁴

Conditions Specific to GOCCs Covered by R.A. No. 10149:

- (a) The GOCC has satisfied all statutory liabilities, including the payment of all taxes due to the Government as certified by the BIR, declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable, and NG Advances, as certified by the Department of Finance (DOF). Liabilities that are still under dispute and there has been no final and executory judgment/decision as of the date of the release of the PBB by the GOCC shall be excluded for the purpose of this provision.
- (b) Submission and execution of concrete and time bound action plans for addressing Notices of Disallowances and Audit Observation Memoranda from the Commission on Audit (COA), if any;
- (c) Maintain/update and implement the GOCC's "Manual of Corporate Governance" and "No Gift Policy" approved by the GCG and uploaded on the GOCC's website pursuant to the "Code of Corporate Governance for GOCCs" (GCG MC No. 2012-07); and
- (d) Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG MC No. 2012-07.

3.4. Comply with all Good Governance Conditions and other reportorial requirements as validated directly by the following oversight/validating agencies:

PBB Requirement	Validating Agency
Transparency Seal	DBM-OCIO
PhilGEPS Posting	PhilGEPS
Citizen's Charter	CSC
Submission of SALN of employees	Office of the President, Office of the Ombudsman and CSC. <i>Note: The SALN validating agencies shall provide the list of SALN non-filers</i>
Report on Ageing of Cash Advances	COA
DBM financial reports including BFARs	DBM
PES Accomplishments	GCG
STO - accomplishment	
• QMS Certification / Operations Manual	GQMC
• STO identified by agency head (If	DBM – BMB A, B, C, D, E and F; OP-

⁴ See Civil Service Commission Memorandum Circular No. 3, s. 2013.

PBB Requirement	Validating Agency
Applicable)	OES; CHED; LWUA
GASS	
• Public Financial Management Reports	DBM
• Submission of Financial Statements, Ageing of Cash Advances Report	COA
• BFARs	DBM and COA
• APCPI	GPPB-TSO
• Submission of APP	GPPB-TSO
Priority Program Accomplishments (If Applicable)	PMS
OP Planning Tool Accomplishments (If Applicable)	OP-OCS
EODB Accomplishments (If Applicable)	NCC
Agency Rating and Ranking Report	GCG

**All submissions shall be made directly with the aforementioned oversight/validating agencies.*

- 3.5. **COMMUNICATION AND INFORMATION.** – The GOCC CEO shall confirm with the GCG and 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.

The IATF oversight/validating agencies may be contacted through the following communication channels:

- (a) AO 25 Secretariat at ao25secretariat@dap.edu.ph
- (b) PBIS Info Board
- (c) RBPMS website www.dap.edu.ph/rbpms
- (d) PCDSPO e-mail at pbb@gov.ph
- (e) Text hotline (Smart: +63920.498.9121)
- (f) Facebook (www.facebook.com/PBBsecretariat)
- (g) Twitter: [@pbbsecretariat](https://twitter.com/pbbsecretariat)

4. **COVERAGE.**⁵ – All Officers and Employees of eligible GOCCs who occupy regular, casual or contractual positions shall be entitled to full grant of the PBB

⁵ Adopted from DBM Circular No. 2011-04 entitled "Guidelines on the Grant of Productivity Enhancement Incentive (PEI) to Government Employees for Fiscal Year (FY) 2011 (05 December 2011)".

from their employer at the time of the payout of the PBB; *Provided*, they have rendered an aggregate of at least nine (9) months of service in the public sector for the year ending 31 December 2015. Officers and Employees who do not meet the 9-month service requirement but have served at least 3 months of service shall be entitled to PBB on a *pro-rata* basis as provided in Section 4.1.7 herein.

4.1. Eligibility of Individual Officers and Employees of GOCCs

- 4.1.1. Employees belonging to the First and Second Levels should receive a rating of at least "Satisfactory" based on the agency's CSC-approved Strategic Performance Management System (SPMS);
- 4.1.2. Third Level officials should receive a rating of at least "Very Satisfactory" under the Career Executive Service Performance Evaluation System (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;
- 4.1.3. Other officials performing managerial and executive functions who are not presidential appointees are covered by the agency's CSC-approved SPMS and should receive a rating of at least "Satisfactory".
- 4.1.4. 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.
- 4.1.5. 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.
- 4.1.6. An 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.
- 4.1.7. An employee who rendered a minimum of three (3) months but less than nine (9) months of service and with at least "Satisfactory" rating shall be eligible for the grant of PBB on a *pro-rata* basis. The PBB of employees shall be *pro-rated* corresponding to the actual length of service rendered, as follows:

Length of Service	% of PBB
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; and
- (h) Sabbatical Leave

- 4.1.8. 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.
- 4.1.9. Personnel found guilty of administrative and/or criminal cases filed against them and meted penalty in FY 2015 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.
- 4.1.10. Officials and employees who failed to submit the 2014 SALN as prescribed in the rules provided under CSC Memorandum Circular No. 3 (s.2015), shall not be entitled to the FY 2015 PBB.
- 4.1.11. Officials and employees who failed to liquidate Cash Advances received in 2015 within the reglamentary period as stated in the prevailing COA Circular, shall not be entitled to the FY 2015 PBB.
- 4.1.12. Agency heads should ensure that officials and employees covered by RA 6713 submitted their 2014 SALN to the respective SALN repository agencies as prescribed in the rules provided under CSC Memorandum Circular No. 3 (s.2015) and also liquidated 2015 Cash Advances, as this will be a basis for the release of FY 2015 PBB to individuals.

4.2. Exclusions. – Excluded from the grant of the PBB are the following:

- 4.2.1. Those hired without employer-employee relationships and paid from non-Personal Services appropriations/budgets as follows:
 - (a) Consultants and experts hired to perform specific activities or services with expected outputs;
 - (b) Laborers hired through job contracts (*pakyaw*) and those paid on piecework basis;
 - (c) Student laborers and apprentices; and

- (d) Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

5. **DISTRIBUTION SYSTEM.** – Distribution of PBB among qualified Officers and Employees of a GOCC who have complied with the eligibility rules in Section 4 above shall be in accordance with the following procedure:

5.1. **Grouping of Personnel.** – In determining the distribution of the PBB among qualified GOCC Officers and Employees, all personnel shall be ranked on a percentile basis within their respective levels as determined by the GOCC Governing Board through Management in accordance with the following guidelines:

- (a) **Senior Management:** This refers to the executive officers of the GOCC, and includes all heads of functional units, which are primarily involved in the development, evolution, and approval of long-term vision across a function or area of specialization. It includes those who lead the development of function strategy, implement and maintain policies of the organization for area of responsibility. (e.g., Deputy Administrator, Sr. Deputy Administrator, Assistant General Manager, Executive Vice President, Sr. Vice President, Vice President, etc.)

The President/CEO, or whoever is the highest ranking executive officer, has the prerogative to avail of either the Performance-Based Incentive (PBI) under GCG MC No. 2015-06, or the PBB, *but not both*. In the event the CEO is included in the PBB application, he/she must meet the eligibility requirements for the PBI and shall be ranked separately on his/her own and shall not be included in the forced ranking of Officers and Employees.

- (b) **Middle Management:** This covers those whose work is primarily achieved through others, with direct accountability for setting direction and deploying resources. Responsible for people management, including performance evaluation and pay reviews and typically hire/fire decisions. Includes individual contributors who are recognized as subject matter experts with in-depth technical knowledge, project management and significant influence skills in area of expertise (e.g., Head of Department or Service).
- (c) **Professional and Supervisory:** This level comprises the personnel whose work is primarily achieved by an individual or through project teams. Requires the application of expertise in professional or technical area(s) to achieve results. Typically has a university degree or equivalent work experience that provides knowledge and exposure to fundamental theories, principles and concepts. Includes supervisors and junior management that may not have full management authority (e.g., Financial Analyst/Specialists, Accountant, HR Officer, etc.)
- (d) **Clerical/General Staff:** This category includes all clerical, administrative and secretarial staff with little or no supervisory responsibility but who contribute independently to the organization. It

also covers basic computing/data processing staff such as operators, customer service assistants and skilled craftsmen/technicians (e.g., Secretary, Clerk, Finance Processor, Administrative Assistant, Chauffeur, Utility Worker, Messenger).

5.2. **Distribution for Qualified Officers and Employees.** – In each level provided for in Section 5.1 above, the ratings of Officers and Employees under the GOCC's SPMS or its equivalent shall be quantified to allow for ranking on a percentile basis for the purpose of distribution as follows:

5.2.1. **For Profitable GOCCs.** – The grant of the PBB shall be based on the performance of the individual Officers and Employees with the rate of incentive as a multiple of the individual's monthly basic salary based on the table below, but not to exceed the ceilings computed by using the same multiple to twice the basic salary of the comparable NG position as provided in **Annex A**. Thus, the PBB for Profitable GOCCs shall be distributed among its Officers and Employees for CY 2015, as follows:

Percentile	Multiple
Top: Maximum 10%	2.50
Next: Maximum 25%	1.50
Remaining: Minimum 65%	1.00

"The percentile of the "Top" and "Next" levels are maximum figures with the discretion on the part of the Governing Board/Management to decrease the figures and distribute them to the "Remaining" level.

Provided, that the total cost of the PBB shall not result in a net loss for CY 2015 computed before subsidy and unrealized gains/losses, and after taxes.

5.2.2. **For Losing GOCCs.** – The grant of PBB shall also be based on the performance of individual Officers and Employees with the following fixed rate of incentive; thus, Losing GOCCs shall distribute PBB among its Officers and Employees for CY 2015, as follows:

Percentile	Amount
Top: Maximum 10%	25,000
Next: Maximum 25%	15,000
Remaining: Minimum 65%	7,500

"The percentile of the "Top" and "Next" levels are maximum figures with the discretion on the part of the Governing Board/Management to decrease the figures and distribute them to the "Remaining" level.

6. **DETERMINATION OF PROFITABILITY.** – The resulting amount following the table below, as may be applicable, shall be the basis for determining a GOCC's profitability, to wit:

Total Comprehensive Income (TCI)
Plus: <ol style="list-style-type: none">1. Unrealized Losses found in Other Comprehensive Income⁶2. Disbursements of Program Subsidies treated as expenses
Less: <ol style="list-style-type: none">1. Subsidies treated as revenues2. Subsidies granted to settle tax obligations for prior years3. Unrealized Gains found in Other Comprehensive Income4. All income or dividends received from Operating Subsidiaries, regardless of accounting entry

However, GOCCs with negative Retained Earnings shall automatically be classified as a "Losing" GOCC regardless of the resulting figure after application of the above formula, and shall use the applicable fixed rates stated in Section 5.3.2. herein, unless the GOCC has been determined as profitable based on the above formula for two (2) consecutive years, inclusive of the current year.

7. **FLEXIBILITY.** – The multiples and amounts herein are intended to provide a cap on the PBB that may be distributed by a GOCC. However, nothing herein shall be construed to limit the business judgment or authority of the Governing Board, when giving due regard to the financial condition and existing policies of a particular GOCC, to reduce (a) the actual amounts to be distributed, and/or (b) the distribution rates under Section 5.
8. **GRIEVANCE MECHANISM.** – The Governing Board through Management shall set up a Complaints Mechanism to respond to the PBB-related issues and complaints raised by Officers and Employees.
9. **FUNDING FOR THE 2015 PBB.** – Pursuant to Section 5(b) of E.O. No. 80, the funding to support the Interim PBB System herein shall be charged by GOCCs from their respective corporate funds, subject to the approval of their respective Governing Boards in accordance with applicable laws, rules and regulations. However, it shall be prohibited to source the payment of the PBB from the following:
- (a) Loans;
 - (b) Subsidy from the NG for the GOCC's operations, except for subsidy income or subsidy given by DBM precisely for the payment of the PBB; and

⁶ Other Comprehensive Income (OCI) is defined as comprising "items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other International Financial Reporting Standards." (See Annex B)

(c) Sale of the GOCC's asset(s) for the sole purpose of paying the PBB and is otherwise not in the ordinary course of business.

10. **CHECKLIST, TIMELINE AND EFFECTS OF SUBMISSION AND NON-SUBMISSION.** – GOCCs applying to grant the PBB within their respective corporations shall submit the required documents enumerated in **Annex B** on or before the last working day of February 2016.

The schedule for the 2015 PBB submissions for the Good Governance Conditions Common to National Government Agencies and GOCCs shall be as follows:

Activity	Deadline
Pre-Assessment of Good Governance Conditions	01 October 2015
Posting of Agency system of ranking delivery units and individuals	On or before 30 October 2015
Submission of Report on Ageing of Cash Advance Liquidation (with 15 November 2015 as cut-off)	On or before 01 December 2015
Submission of Certificate of Compliance with PhilGEPS (with 15 November 2015 as cut-off)	On or before 01 December 2015
Submission of BFARs to COA and DBM	30 Days or one month after the end of quarter
Submission of APCPI Self-Assessment	On or before 29 December 2015
Submission of APP	Within the first month of the year until 29 April 2015.
Validation of QMS Certification/Operations Manual Submission	On or before 15 January 2016
Validating of 2 nd STO Indicator as identified by head of agency	On or before 15 January 2016


11. **EFFECT OF SUBMISSION AND NON-SUBMISSION ON THE PRESCRIBED PERIOD.** – GOCCs that submitted all required documents on the given deadline may be authorized to grant their PBB upon receipt of the authorization letter from the Governance Commission. Failure to comply with the requirements shall render the GOCC ineligible to grant the PBI to its Appointive Directors for CY 2014.
12. **APPEALS FOR DENIAL OF PBB.** – Any appeal for the denial of the grant of PBB based on failure to comply with the Good Governance Conditions Common to National Government Agencies and GOCCs shall be made directly to the respective IATF oversight/validating agency, as indicated in Section 3 herein. All other issues shall be appealed with the Governance Commission.
13. **PBI APPLICATION DEEMED AUTOMATICALLY FILED.** – The Performance-Based Incentive (PBI) for Appointive Directors is deemed to have been applied for by every GOCC which applies for the PBB grant; *Provided that*, the actual authorization for the distribution of PBI shall be conditioned upon compliance with the requirements of GCG MC No. 2015-06.

14. **EFFECTIVITY.** – This Circular shall take effect immediately upon its publication in the Commission's website at www.gcg.gov.ph.


CESAR L. VILLANUEVA
Chairman


CESAR V. PURISIMA
DOF Secretary
027198


MA ANGELA E. IGNACIO
Commissioner


FLORENCIO B. ABAD
DBM Secretary




RAINIER B. BUTALID
Commissioner

MAXIMUM AMOUNT FOR PBB FOR PROFITABLE GOCCS

	Salary Grade	Top (2.5x)	Next (1.5x)	Remaining (1.0x)	Below Satisfactory
Clerical/ General Staff	1	45,000	27,000	18,000	0
	2	48,375	29,025	19,350	0
	3	52,005	31,203	20,802	0
	4	55,905	33,543	22,362	0
	5	60,095	36,057	24,038	0
	6	64,605	38,763	25,842	0
	7	69,450	41,670	27,780	0
	8	74,655	44,793	29,862	0
	9	80,255	48,153	32,102	0
Professional and Supervisory (SG10-25)	10	86,275	51,765	34,510	0
	11	92,745	55,647	37,098	0
	12	99,700	59,820	39,880	0
	13	107,180	64,308	42,872	0
	14	115,220	69,132	46,088	0
	15	124,435	74,661	49,774	0
	16	134,390	80,634	53,756	0
	17	145,140	87,084	58,056	0
	18	156,755	94,053	62,702	0
	19	169,295	101,577	67,718	0
Middle Management (SG 21-26)	20	182,835	109,701	73,134	0
	21	197,465	118,479	78,986	0
	22	213,260	127,956	85,304	0
	23	230,320	138,192	92,128	0
	24	248,750	149,250	99,500	0
	25	268,650	161,190	107,460	0
	26	290,140	174,084	116,056	0
Senior Management	27	313,350	188,010	125,340	0
	28	338,420	203,052	135,368	0
	29	365,495	219,297	146,198	0
	30	394,730	236,838	157,892	0

**CHECKLIST OF DOCUMENTS TO BE SUBMITTED FOR THE GRANT OF
PERFORMANCE-BASED BONUS (PBB) FOR CY 2014**

DOCUMENTARY REQUIREMENTS	SUPPORTING DOCUMENTS	FORM OF SUBMISSION¹
(a) Annual Scorecard/Monitoring Report using <i>Interim PES Form 3</i>	<ul style="list-style-type: none"> • Data/documents indicated in the GOCC Annual Scorecard 	Electronic and hard copies
(b) Board Resolution authorizing the grant of PBB in accordance with applicable laws, rules and regulations (<i>2015 PBB Form 1</i>)		Hard copy
(c) Omnibus Certification signed by the Chairperson and the Chief Executive Officer of the GOCC (<i>2015 PBB Form 2</i>)	<ul style="list-style-type: none"> • Certification of Compliance (COC): <ul style="list-style-type: none"> - PhilGEPS Posting - SALN Submission (together with list of personnel who submitted) • Report on Ageing of Cash Advance Liquidation • Time bound action plan for, or Statement of Compliance to GQMSS • Time bound action plan for addressing NDs and AOMs from COA • Certification issued by the ff. agencies for payment of 	Hard copy

¹ Electronic copies shall be submitted to the Governance Commission through a CD.

DOCUMENTARY REQUIREMENTS	SUPPORTING DOCUMENTS	FORM OF SUBMISSION'
	mandatory premiums: - GSIS - SSS - Pag-IBIG - PhilHealth - ECC	
(d) Schedule and summary of the distribution of the PBB to qualified Officers and Employees who will receive the PBB and those who are in the "Below Satisfactory" category <i>(2015 PBB Forms 3a and 3b)</i>		Electronic and hard copies
(e) Computation of Profitability following the formula found in Item 6 of the GCG - Examples of items found under Other Comprehensive Income (OCI) are the following: <ul style="list-style-type: none"> • Changes in revaluation surplus (IAS 16 and IAS 38) • Actuarial gains and losses on defined benefit plans (IAS 19.93A) • Gains and losses from investments in equity instruments measured at fair value through OCI (IFRS 9) • For those liabilities designated at fair value through profit or loss, changes in fair value attributable to changes in the liability's credit risk (IFRS 9) • Foreign exchange gains and losses 		Hard copy



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. 2015 - 1

August 12, 2015

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, and Local Water Districts.

SUBJECT: Guidelines on the Grant of the Performance-Based Bonus for Fiscal Year 2015 under Executive Order No. 80

1.0 PURPOSE

This Memorandum Circular contains the criteria and conditions for the grant of Performance-Based Bonus (PBB) in FY 2015. The guidelines specify new requirements such as:

- 1.1 Use of the Strategic Performance Management System (SPMS) as basis for ranking performance of First and Second level employees;
- 1.2 Compliance to Public Financial Management (PFM) reporting requirements of the Commission on Audit (COA) and Department of Budget and Management (DBM);
- 1.3 Adoption and use of the Agency Procurement Compliance and Performance Indicators (APCPI) System;
- 1.4 Compliance with Section 3e of Administrative Order (AO) No. 46 s.2015 which requires agencies to submit their respective Annual Procurement Plan (APP);
- 1.5 Submission of separate Forms B and C for Agency Accomplishment for Priority Programs and Initiatives under Executive Order (EO) No. 43, and Agency Accomplishment for OP Planning Tool FY 2015 Targets, respectively.

2.0 COVERAGE

- 2.1 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, Government-Owned or-Controlled Corporations, and Local Water Districts.
- 2.2 All officials and employees of eligible departments/agencies holding regular plantilla positions; and contractual and casual personnel having an employer-employee relationship with the said agencies, and whose compensation is charged to the lump sum appropriation under Personnel Services, or those occupying positions in the DBM-approved contractual staffing pattern of the agencies concerned, are covered by this Circular

- 2.3 The implementation of this circular shall be in close coordination with the following:
- a. DBM for the Departments and their attached agencies;
 - b. OP-Office of the Executive Secretary(OP-OES) and DBM for the Other Executive Offices, including the OP-attached agencies and Government Owned or Controlled Corporations (GOCCs) covered by DBM;
 - c. The Commission on Higher Education for the State Universities and Colleges;
 - d. The Governance Commission for GOCCs for GOCCs covered by Republic Act No. 10149;
 - e. Local Water Utilities Administration (LWUA) for Local Water Districts (LWDs)

3.0 ELIGIBILITY CRITERIA

- 3.1 Each agency must satisfy the following conditions (see Annex 6 - Master List of Agencies):
- a. Achieve at least 90% of each one of the Congress-approved performance targets for the delivery of Major Final Outputs (MFOs) under the Performance Informed Budget (PIB) of the FY 2015 GAA, and the targets for Support to Operations (STO) and General Administration and Support Services (GASS) (*Annex 1 - Form A Department Performance Accomplishment, and Annex 2 - Form A1 Details of Bureau/Office Performance Indicators and Accomplishments*);
 - a.1. For GOCCs under the coverage of DBM without budgetary support, the targets reflected under DBM Form No. 700 in their Corporate Operating Budgets shall be used as basis in assessing their performance and determining eligibility for the Performance-Based Bonus.
 - a.2. GOCCs covered by RA 10149 should achieve a weighted-average score of at least 90% in their respective 2015 Performance Scorecard and comply with the requirements for the Interim Performance Based Bonus of GOCCs specified by GCG;
 - a.3. For LWDs, the MFOs and PIs identified under Memorandum Circular No. 2014-02 dated 29 August 2014, as updated, shall be used as basis in assessing LWD performance and determining their eligibility for the PBB.
 - b. Achieve at least 90% of each one of the priority program/project targets agreed with the President under the five Key Result Areas of Executive Order (EO) No. 43 (*Annex 3 - Form B Key Programs and Projects*). See Annex 7 for the Updated List of Priority Programs and Initiatives (as of March 2015);
 - c. Satisfy 100% of the good governance conditions set by the AO 25 Inter-Agency Task Force (IATF) for FY 2015; and
 - d. Use the CSC-approved SPMS in rating and ranking First and Second Level employees and officials of departments/agencies of the national and local governments (ie. GOCCs with original charters, and State Universities and Colleges) including officials holding managerial and director positions but are not presidential appointees; and Career Executive Service Performance Evaluation System (CESPES) in rating and ranking of Career Executive Service (CES) officials and incumbents of CES positions.

- 3.2 To be eligible for a higher percentage distribution in the ranking of delivery units, the whole Department/Agency must achieve at least 90% of each one of the additional targets of the Secretary/Head of Agency as reflected in the OP Planning Tool Form 1 (*Annex 4 – Form C Agency Targets and Accomplishments for Planning Tool Commitments*) and under the Ease of Doing Business targets (*see Annex 8 - List of Agencies with PT and EODB Commitments*), in addition to the criteria in Section 3.1.

4.0 FY 2015 PERFORMANCE TARGETS

- 4.1 All MFO indicators and targets in the FY 2015 Performance-Informed Budget approved by Congress shall be the basis for assessing eligibility for the PBB.
- 4.2 In addition to the STO indicators and targets in the FY 2015 Performance-Informed Budget, Departments/Agencies shall include the following:
- a. Quality Management System (QMS) for at least one core process certified by any international certifying body approved by the IATF or the submission of an Operations Manual covering selected core processes or areas of operation. (*see Annex 9 - Guideline on Scope of Operations Manual*)
 - b. STO target identified in accordance with the priority of the agency head.
- 4.3 The GASS targets shall be:
- a. Budget Utilization Rate (BUR), which shall consist of:
 - a.1. Obligations BUR computed as obligations against all allotments issued for FY 2015, including those released under the "GAA as a release document" policy; and
 - a.2. Disbursement BUR which is measured by the ratio of total disbursement (cash and non-cash, excluding personnel services) to total obligations for maintenance and other operating expenses (MOOE) and capital outlays (CO) in FY 2015.
 - b. Compliance to Public Financial Management (PFM) reporting requirements of the COA and DBM in accordance with the prescribed content and period of submission under existing laws, rules and regulations. This includes the following:
 - b.1. Budget and Financial Accountability Reports (BFARs)
 - b.2. Report on Ageing of Cash Advances
 - b.3. COA Financial Reports (Statement of Financial Position; Statement of Financial Performance; Statement of Changes in Net Assets/Equity; Statement of Cash Flows; Statement of Comparison of Budget and Actual Amounts; and Notes to Financial Statements)[per COA Resolution 2014-003].
 - c. Adoption and use of the 2014 Agency Procurement Compliance and Performance Indicators (APCPI) System per GPPB Resolution No. 10-2012, applicable to the agencies who are in the list of trained agencies for APCPI (*See Annex 6 - Master List of Agencies*).
 - d. Submission of agency Annual Procurement Plan (APP) based on the approved budget in the GAA to the Government Procurement Policy Board (GPPB) and its Technical Support Office (TSO), as prescribed by Section 3e of AO No. 46 s.2015.

Agencies should send a scanned copy of the APP to GPPB-TSO's email: monitoring@gppb.gov.ph, instead of an Excel file or hard copy.

- 4.4 Priority program/project targets agreed with the President under the five (5) KRAs of EO No. 43.
- 4.5 Commitments of the Department Secretary/Head of Agency approved by the President/Office of the Cabinet Secretary as reflected in the OP Planning Tool for FY 2015 and Ease of Doing Business targets set by the National Competitive Council (NCC), which shall be treated as over and above the Congress-approved PIB/GAA targets.
- 4.6 In case a department/agency is assessed to have deficiencies in meeting its performance commitments, the Department Secretary or Head of Agency may request for re-evaluation of their compliance status and submit the justification/s to warrant a reconsideration of the initial assessment results. For the purpose of re-evaluation, justifiable reasons are factors that are considered outside of the control of the agency.

5.0 GOOD GOVERNANCE CONDITIONS

- 5.1 For FY 2015, the IATF has set three (3) good governance conditions based on the performance drivers of the Results-Based Performance Management System (RBPMS):
 - a. Maintain/Update the Agency Transparency Seal;
 - b. Maintain/Update the PhilGEPS posting; and
 - c. Maintain/Update the Citizen's or Service Charter or its equivalent;
- 5.2 Agency Transparency Seal page should be accessible by clicking on the TS logo on the Home page. Agency Transparency Seal should contain the following documents:
 - a. Agency mandate, vision, mission and list of officials
 - b. Quarterly and Annual Financial Reports
 - b.1 For NGAs/SUCs
 - b.1.1 FY 2013 to FY 2015 FAR No. 1: SAAOBDB
 - b.1.2 FY 2013 to FY 2015 Summary Report on Disbursements
 - b.1.3 FY 2013 to FY 2015 BAR No.1 – Quarterly Physical Report of Operations/Physical Plan
 - b.2 For GOCCs and LWDs
 - b.2.1 FY 2013 to FY 2015 Annual Reports
 - c. DBM-Approved Budget and Targets for FY 2015
 - d. Programs, Projects, and Activities, Beneficiaries, and Status of Implementation for FY 2015. If this portion is not applicable, agencies should indicate "not applicable" (NA).
 - e. Annual procurement plan (APP) FY 2015
- 5.3 Agency Transparency Seal should include the posting of the agency's i) system of ranking delivery units and individuals; and ii) Quality Management Certificate from an international certifying body or the agency Operations Manual whichever is applicable as indicated in Section 4.2.a of this Circular.

- 5.4 The system of ranking delivery units and individuals should be posted in the agency transparency seal and disseminated to employees not later than October 30, 2015. (See *Annex 10 - Guideline on Transparency Seal*)
- 5.5 To submit the Certificate of Compliance with PhilGEPS, see Annex 11 - Guideline on PhilGEPS.
- 5.6 A pre-assessment of agency compliance with the Good Governance Conditions and other PBB requirements shall be conducted starting October 1, 2015.

6.0 ELIGIBILITY OF INDIVIDUALS

- 6.1 The eligibility of Department Secretaries, Heads of Other Executive Offices, Chairpersons and Commissioners of Constitutional Offices, and non-ex-officio heads of GOCCs covered by DBM shall be based on the eligibility of the respective department/agency. Their PBB rate shall be fixed at P35,000 for FY 2015.
- 6.2 Non-ex officio Board Members of GOCCs covered by DBM may be eligible subject to the following conditions:
 - a. 90% attendance to duly called board meetings and committee meetings as certified by the Board Secretary;
 - b. Nine (9) months aggregate service as Members of the Board; and
 - c. Submission of FY 2015 Corporate Operating Budget (COB) to DBM within the set deadline.
- 6.3 The eligibility of SUC Presidents will be based on CHED Memo Order No. 4 s. 2015.
- 6.4 Employees belonging to the First and Second Levels should receive a rating of at least "Satisfactory" based on the agency's CSC-approved Strategic Performance Management System (SPMS).
- 6.5 Third Level officials should receive a rating of at least "Very Satisfactory" under 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.
- 6.6 Other officials performing managerial and executive functions who are not presidential appointees are covered by the agency's CSC-approved SPMS and should receive a rating of at least "Satisfactory".
- 6.7 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.
- 6.8 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.
- 6.9 An employee who has rendered a minimum of nine (9) months of service during the fiscal year and with a performance rating in accordance with items 6.4 and 6.5 hereof may be eligible to the full grant of the PBB.
- 6.10 An employee who rendered a minimum of three (3) months but less than nine (9) months of service and with the required performance rating shall be eligible for the grant of PBB

on a pro-rata basis. The PBB of employees shall be pro-rated corresponding to the actual length of service rendered, as follows:

Length of Service	% of PBB
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
- 6.11 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.
- 6.12 Personnel found guilty of administrative and/or criminal cases filed against them and meted penalty in FY 2015 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.
- 6.13 Officials and employees who failed to submit the 2014 SALN as prescribed in the rules provided under CSC Memorandum Circular No. 3 (s.2015), shall not be entitled to the FY 2015 PBB.
- 6.14 Officials and employees who failed to liquidate Cash Advances received in FY 2015 within the reglementary period as required by the COA shall not be entitled to the FY 2015 PBB.
- 6.15 Agency heads should ensure that officials and employees covered by RA 6713 submitted their 2014 SALN to the respective SALN repository agencies as prescribed in the rules provided under CSC Memorandum Circular No. 3 (s.2015) and also liquidated FY 2015 Cash Advances, as this will be a basis for the release of FY 2015 PBB to individuals.

7.0 RANKING OF DELIVERY UNITS AND INDIVIDUALS

- 7.1 Agencies and their corresponding offices/delivery units that meet the criteria and conditions in Section 3.1 are eligible to the PBB for FY 2015. Bureaus, offices or delivery units eligible to the PBB shall be forced ranked according to the following categories:

Ranking	Performance Category
Top 10%	Best Bureau/Office/Delivery Unit

Ranking	Performance Category
Next 25%	Better Bureau/Office/Delivery Unit
Next 65%	Good Bureau/Office/Delivery Unit

- 7.2 Agencies that meet at least 90% of each one of the FY 2015 targets of the Secretary/Head of Agency other than those in the Congress approved PIB as reflected in the OP Planning Tool commitments for FY 2015 and under the Ease of Doing Business targets, in addition to the criteria and conditions in Section 3.1, shall force rank the offices/delivery units eligible to the PBB according to the following categories:

Ranking	Performance Category
Top 15%	Best Bureau/Office/Delivery Unit
Next 30%	Better Bureau/Office/Delivery Unit
Next 55%	Good Bureau/Office/Delivery Unit

- 7.3 To facilitate the ranking of delivery units, agencies should consider similarities of task and responsibilities to determine the most appropriate grouping or clustering of delivery units and individuals for purposes of evaluating and ranking group and individual performance.
- 7.4 Only the personnel belonging to eligible bureaus, offices or delivery units are qualified for the PBB.
- 7.5 Officials and employees of bureaus, offices or delivery units that qualified for the PBB, based on the criteria and conditions set in Sections 7.1 and 7.2, shall be forced ranked subject to the estimated budget ceiling per agency for FY 2015 PBB.

For the best bureau, office or delivery unit:

Ranking	Individual Performance Category
Top 20%	Best Performer
Next 35%	Better Performer
Next 45%	Good Performer

For the better bureau, office or delivery unit:

Ranking	Individual Performance Category
Top 15%	Best Performer
Next 30%	Better Performer
Next 55%	Good Performer

For the good bureau, office or delivery unit:

Ranking	Individual Performance Category
Top 10%	Best Performer
Next 25%	Better Performer
Next 65%	Good Performer

- 7.6 Eligibility of attached agencies is no longer dependent on the eligibility of the entire department/agency. Payout to attached agencies will be given separately in case one of them is not eligible.
- 7.7 Officials belonging to the Third Level who receive "Satisfactory" rating under the CESPEs, and employees belonging to the First and Second Levels who receive a "Below Satisfactory" rating under the CSC-approved SPMS shall **not** be eligible to the PBB.
- 7.8 The resulting ranking of offices/delivery units and the personnel therein shall be indicated in Form 1.0 (Annex 5).

- 7.9 The GCG and LWUA shall issue pertinent guidelines on the ranking of delivery units and individuals for GOCCs covered by GCG and LWDs, respectively.

8.0 SUBMISSION OF REPORTS

- 8.1 Submit duly completed and signed forms and reports to the IATF (two hard copies and e-copy of Forms A, A-1, B, C, and other 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 agency head or the officially designated OIC.
- 8.2 COA financial reports including the Report on Ageing of Cash Advances shall be submitted directly to COA in accordance with the mandated period of submission. COA will provide the IATF the list of agencies that complied with this condition.
- a. To be eligible, the agency must be able to submit the FY 2014 financial reports not later than March 31, 2015. Large Agencies are given consideration until April 30, 2015.
 - b. Meanwhile, agencies must submit to COA the Report on Ageing of Cash Advance with a cut-off date of November 15, 2015 to the respective resident Auditors on or before December 1, 2015. Upon validation, the Resident COA Auditor will be responsible to forward the validated Report on Ageing of Cash Advances to their respective Supervising Auditor/Cluster Director for proper transmittal to Risk Management and Budget Office in the COA Head Office.
- 8.3 DBM financial reports including BFARs shall be submitted directly to DBM.
- 8.4 Agencies should directly submit to PhilGEPS e-copies of duly accomplished Certificate of Compliance (CoC) on December 1, 2015 signed by the HOPE and BAC Chair thru pbb@philgeps.gov.ph.
- For those with attached agencies/regional field office:
- a. The heads of attached agencies through their respective BAC offices should prepare a separate PhilGEPS CoC.
 - b. The mother agency should submit the consolidated e-copies of PhilGEPS CoCs.
 - c. The PhilGEPS CoC should cover transactions from November 16, 2014 to November 15, 2015.
 - d. Incomplete and non-submission of PhilGEPS CoC will be considered as non-compliance.
- 8.5 For the Transparency Seal and ARTA, certification of compliance is no longer necessary since the concerned oversight agency shall be conducting random validation based on the agreed monitoring schedule.
- 8.6 Departments/Agencies should submit FY 2015 accomplishments using Forms A, A-1 and B/C and Form 1.0 on or before January 15, 2016.
- 8.7 The Department of Education shall submit its accomplishments with April 1, 2016 cut-off date on or before April 18, 2016.
- 8.8 The IATF shall conduct spot-checks to validate claims and certifications made by departments/agencies.

9.0 COMPLIANCE VALIDATION

As with the previous cycles of the PBB, the following oversight agencies are tasked to conduct the validation of the PBB requirement;

PBB Requirement	VALIDATING AGENCY
Transparency Seal	DBM-OCIO
PhilGEPS Posting	PhilGEPS
Citizen's Charter	CSC
Submission of SALN of employees	Office of the President, Office of the Ombudsman and CSC <i>Note: The SALN validating agencies shall provide the list of SALN non-filers</i>
MFO- Physical Accomplishments of <ul style="list-style-type: none"> • Departments • OEOs • GOCCs covered by DBM • GOCCs covered by RA 10149 • SUCs • LWDs 	DBM – BMB A, B, C, D and E OP-OES DBM –BMB F and OP-OES GCG CHED and DBM-ROs DBM-BMB F and LWUA
STO - accomplishment <ul style="list-style-type: none"> • QMS Certification / Operations Manual • STO identified by agency head 	GQMC DBM – BMB A, B, C, D, E and F; OP-OES; CHED; LWUA
GASS <ul style="list-style-type: none"> • BUR of Departments, OEOs and GOCCs covered by DBM • BUR of SUCs • Public Financial Management Reports • Submission of Financial Statements, Ageing of Cash Advances Report • BFARs • APCPI • Submission of APP 	DBM – BMB A, B, C, D, E and F DBM Regional Offices DBM COA DBM and COA GPPB-TSO GPPB-TSO
Priority Program Accomplishments	PMS
OP Planning Tool Accomplishments	OP-OCS
EODB Accomplishments	NCC
Agency Rating and Ranking Report <ul style="list-style-type: none"> • Departments • OEOs • GOCCs covered by DBM • GOCCs covered by RA 10149 • SUCs • LWDs 	DBM-OPCCB DBM-OPCCB and DBM-NCR DBM BMB – F GCG DBM-RO LWUA and DBM BMB-F

10.0 EFFECTS OF NON-COMPLIANCE

- 10.1 For FY 2015 agencies that are unable to comply with all the good governance conditions shall be considered ineligible for the PBB FY 2015.
- 10.2 Upon determination, after due process by the oversight agency, of misrepresentation in the submitted reports for the PBB, commission of fraud in the payment of the PBB and

violation of the provisions of these Guidelines, a Department/Agency shall be disqualified from the PBB in the succeeding year of its implementation. Moreover, the CSC or Ombudsman shall file the appropriate administrative case.

- 10.3 Agencies that are found to evenly distribute PBB among employees, shall be warned and investigated by the IATF. If found guilty, the Task Force has the right to withhold bonuses of these agencies.

11.0 FEEDBACK AND CHANGE MANAGEMENT

- 11.1 Department Secretaries/Head of Agencies with the support of their Performance Management Groups (PMGs) shall develop and implement an 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
 - b. PBIS Info Board
 - c. RPBPMs website www.dap.edu.ph/rbpms
 - d. PCDSPO e-mail at pbb@gov.ph
 - e. Text hotline (Smart: +63920.498.9121)
 - f. Facebook (www.facebook.com/PBBsecretariat)
 - g. Twitter: [@pbbsecretariat](https://twitter.com/pbbsecretariat)

13.0 TIMELINE FOR FY 2015 IMPLEMENTATION

Activity	Deadline
Submission of FY 2014 Financial Reports to COA	On or before March 31, 2015
Submission of FY 2014 Financial Reports to COA <i>(for Big Agencies)</i>	On or before April 30, 2015
Posting of Agency system of ranking delivery units and individuals	On or before October 30, 2015
Submission of Report on Ageing of Cash Advance Liquidation (with November 15, 2015 as cut-off)	On or before December 1, 2015
Submission of Certificate of Compliance with PhilGEPS (with November 15, 2015 as cut-off)	On or before December 1, 2015
<i>Note: Certificate of Compliance for Transparency Seal and Citizen's Charter will not be submitted to DBM-OCIO and CSC) Pre-Assessment will be conducted by the validating agencies starting October 1, 2015. Agencies should ensure compliance to the requirements.</i>	
Submission of accomplishments using Forms A, A1, B, C, and Form 1.0 (see Annexes 1, 2, 3, 4, 5)	
a. With December 31, 2015 as cut-off date	On or before January 15, 2016
b. With April 1, 2016 as cut-off date (FOR DEPED ONLY)	On or before April 18, 2016
Submission of BFARs to COA and DBM	30 Days or one month after the end of quarter
Submission of APCPI Self Assessment	On or before December 1, 2015
Submission of APP	Within the first month of the year until before end of April 2015.
Validation of QMS Certification/Operations Manual Submission	On or before January 15, 2016
Validating of 2 nd STO Indicator as identified by head of agency	On or before January 15, 2016


14. APPLICABILITY TO THE CONSTITUTIONAL BODIES, LEGISLATIVE AND JUDICIAL BRANCHES AND LOCAL GOVERNMENT UNITS (LGUs)

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

LGUs may also participate in FY 2015 PBB. The Department of the Interior and Local Government (DILG), in coordination with the AO25 Technical Working Group, shall craft the Guidelines on the Grant of FY 2015 PBB for LGUs and oversee the implementation of the PBB in LGUs.

15. EFFECTIVITY

This Circular shall take effect immediately.


FLORENCIO B. ABAD
 Secretary, Department of Budget and Management
 and Chairman, AO 25 Inter-Agency Task Force

LIST OF ANNEXES

*All Annexes may be accessed and downloaded online via
the RBPMS website: www.dap.edu.ph/rbpms/policies-issuances*

- Annex 1 - Form A Department Performance Accomplishment
- Annex 2 - Form A1 Details of Bureau/Office Performance Indicators and Accomplishments
- Annex 3 - Form B Key Programs and Projects
- Annex 4 - Form C Agency Targets and Accomplishments for Planning Tool Commitments
- Annex 5 - Form 1 Report on Agency Rating and Ranking
- Annex 6 – Master List of Agencies (with notes for APCPI requirement)
- Annex 7 - List of Priority Programs and Initiatives (as of March 2015)
- Annex 8 - List of Agencies with PT and EODB Commitments
- Annex 9 - Guideline on Scope of Operations Manual
- Annex 10 - Guideline on Transparency Seal
- Annex 11 - Guideline on PhilGEPS

GUIDELINES IN THE FORCED RANKING OF JOHN HAY MANAGEMENT CORPORATION (JHMC) EMPLOYEES FOR THE GRANT OF THE CY 2015 PERFORMANCE BASED BONUS (PBB)

1. All JHMC personnel holding regular plantilla positions are qualified for the PBB and must meet the following requirements:
 - a. Must have rendered at least nine (9) months of service for the year ending December 2015;
 - b. Should receive a rating of at least **“Satisfactory”** under the Performance Appraisal Policy of the JHMC for the two (2) semesters of 2015;
 - c. Must have no outstanding cash advance/s as of November 30, 2015; and
 - d. Must have complied with the submission of SALN per RA 6713.
2. JHMC personnel shall be forced ranked based on their Performance Evaluation covering the period of the PBB following categories below:
 - a. Senior Management;
 - b. Middle Management;
 - c. Professional and Supervisory; and
 - d. Clerical/ General Staff
3. JHMC personnel shall be grouped and forced ranked based their job levels as follows:
 - a. Senior Management- Job level 12
 - b. Middle Management- Job level 11
 - c. Professional and Supervisory- Job level 9-10; and
 - d. Clerical/ General Staff- Job Level 8 and below.
4. Consultants, project-based or fixed- term employees and those under contract shall not be eligible for the grant of the PBB. Personnel who are on sick leave or on leave of absence for the whole period covered by the PBB shall likewise be ineligible. However, JHMC personnel who have reported back and have served JHMC for at least nine (9) months may be given PBB on a pro-rated basis.
5. The total number of filled-up plantilla positions shall be the basis for the number of JHMC personnel to be ranked including those who are on sick leave or on leave of absence for the whole period covered by the PBB but reported back and served JHMC for a least nine (9) months.

JHMC

JOHN HAY MANAGEMENT CORPORATION
a member of The BCDA Group

6. The following percentage distribution for the PBB shall apply individually to officials and employees per category:

Percentile	Multiple
Top : 10%	2.50
Next : 25%	1.50
Minimum : 65%	1.00

7. Senior and Middle Management shall be evaluated based on the following criteria:

Percentage	Criteria
40%	Overall performance rating for the period, if the employee was rated annually or average rating, if rated semi-annually.
40%	Impact of the accomplishment to JHMC (i.e. significance of the accomplishment in relation JHMC's objectives, saving generated, cost effectiveness)
20%	<ul style="list-style-type: none"> Personal qualities towards work, work ethics and professional decorum. This shall be assessed though the forced ranking tool to be routed by the Human Resource Services Division.

8. Professional/Supervisory and Clerical/General Staff shall be evaluated based on the following criteria:

Percentage	Criteria
40%	Overall performance rating for the period, if the employee was rated annually or average rating, if rated semi-annually.
40%	Outstanding performance/ accomplishment considering the following: <ul style="list-style-type: none"> Performance contribution- 15% Impact of the accomplishment- 15% Reliability/ Effectiveness- 5% Consistency of the performance- 5%
20%	<ul style="list-style-type: none"> Personal qualities towards work, work ethics and professional decorum.

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JHMC

JOHN HAY MANAGEMENT CORPORATION
a member of The BCDA Group

	<ul style="list-style-type: none">• This shall be assessed though the forced ranking tool to be routed by the Human Resource Services Division.
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9. The top management may force rank employees to break a tie in cases where two (2) or more employees have the same rating under the same category. The considerations will be the performance aspects of the employees (i.e service quality, output quality, responsiveness and other criteria not quantified and/or included in the performance appraisal form and consultation with their respective supervisors).
10. Personnel found liable of administrative and/ or criminal cases related to their work and meted penalty during the period of the PBB shall not be entitled to PBB. However, if the penalty meted out is only a reprimand, such penalty shall not be a ground for the non-entitlement to the PBB.

An administrative case is an instance whereby an officer or employee of JHMC is being prosecuted for an act or omission punishable in violation of Civil Service Law, Administrative Code and other related laws. This pertains to a case filed by JHMC before a proper government agency/ unit. Thus, an act or omission in violation of the JHMC Code of Discipline and Office Decorum shall not considered as an administrative case.

11. PBB- related issues and concerns raised by any JHMC personnel shall be submitted in writing to the Grievance Committee for appropriate action.

The Grievance Committee is composed of the following:

Chairperson : Vice President and COO
Members : ASD Manager
HR Manager
One Department Manager

Approved:


JAMIE ELOISE M. AGBAYANI, M.D.
President and CEO