

GUIDELINES ON RANKING OF FPRDI DELIVERY UNITS FOR THE GRANTING OF FY 2018 PERFORMANCE-BASED BONUS

1.0 OBJECTIVE

To establish a system of ranking for FPRDI delivery units, officials and employees relative to the grant of CY 2018 Performance-Based Bonus (PBB) pursuant to the Memorandum Circular No. 2018-01 dated 28 May 2018 issued by the Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (Administrative Order No. 25 s.2011)

2.0 COVERAGE

This covers all identified delivery units of FPRDI and all its officials and employee holding regular plantilla positions.

3.0 ELIGIBILITY CRITERIA

To be eligible for the 2018 PBB Grant, FPRDI must satisfy the conditions set by IATF as per Memorandum Circular 2018-01 dated 28 May 2018. *(Please see Annex A)*

- 3.1 **Good Governance Conditions:** Satisfy 100% of the Good Governance Conditions (GGCs) for FY 2018 set by the AO 25 Inter-Agency Task Force (IATF) as provided in Section 4.0;
- 3.2 Performance Targets of Agencies: Achieve each one of the Physical Targets, Support to Operations (STO) and General Administration and Support Services (GASS) requirements for FY 2018; and
- 3.3 Performance Rating of Employees and CES positions. Use the CSC-approved Strategic Performance Management System (SPMS) in rating the performance of the First and Second Level officials and employees FPRDI including officials holding managerial and Director positions but are not Presidential appointees. The rating of the performance of Career Executive Service (CES) officers and incumbents to CES positions shall be based on the requirement to be issued by the Career Executive Service Board (CESB).

4.0 FY 2018 GOOD GOVERNANCE CONDITIONS

4.1 Maintain/Update the Agency Transparency Seal (TS)

- a. FPRDI's mandate and functions; names of its officials with their position and designation, and contact information;
- b. Annual Financial Reports;
- c. DBM Approved Budget and Corresponding Targets for FY 2018 Major Projects, and Programs, Beneficiaries, and Status of Implementation for FY 2018;
- d. FY 2018 Annual Procurement Plan (FY 2018 APP Non-CSE), Indicative FY 2019 APP Non-CSE, and FY 2019 APP for Common-Supplies and Equipment (FY 2019 APP CSE);

- e. Quality Management System (QMS) Certification to ISO 9001:2015 issued by any of the certification bodies (CBs) accredited by the International Accreditation Forum (IAF) members;
- f. FPRDI System of Ranking Delivery Units for FY 2018 PBB
- g. FPRDI Review and Compliance Procedure of Statements and Financial Disclosures; and
- h. FPRDI Final People's Freedom to Information (FOI) Manual signed by the Director; FPRDI Information Inventory; 2017 and 2018 FOI Summary Report, and 2017 and 2018 FOI Registry.

4.2 Post/Update the PhilGEPS posting of all Invitations to Bids and awarded contracts pursuant to the Government Procurement Reform Act (RA No. 9184) for transactions from November 16, 2017 to January 31, 2018, including the Early Procurement of FY 2019 Non-CSE items.

4.3 Maintain/Update the Citizen's or Service Charter or its equivalent, reflecting the agency's enhanced service standards for all its frontline services to citizens, businesses, and government agencies, consistent with the objectives of the Anti-Red Tape Act of 2007 (RA No. 9485), and the President's directive to reduce three (3) processing time of public transactions with government, and ensure accessible and convenient delivery of services to the public, as reiterated in CSC Memorandum Circular No. 14, s. 2016.

Non-compliance with any of the GGCs will render the entire department/agency ineligible for the PBB. Assessment of FPRDI compliance with GGC requirements shall be conducted starting October 1, 2018.

5.0 FY 2018 Performance Targets

5.1 Streamlining and Process Improvement of FPRDI's Critical Services covering (G2C), Government-to-Businesses (G2B), and Government-to-Government (G2G) transactions as cited in the agency's Citizen's/Service Charter. To promote the periodic measurement of FPRDI's performance in delivering said services, FPRDI shall determine and report the following using the Modified Form A Department/ Agency Performance Report (See Annex 3A):

- a. **Number of Steps.** For each critical service, departments/agencies shall report the number of steps necessary to complete the service/process.
- b. **Transaction Costs.** These are the costs incurred by the transacting citizens/clients in securing services from government.
- c. **Substantive Compliance Costs** which are the incremental costs to the target group in complying with a regulation, other than administrative costs (OECD, 2014, p.13). These costs can include implementation costs, direct labor costs, overhead costs, equipment costs, material costs, and external service costs. Examples are the purchase of early warning devices for vehicle owners, installation of accelerograph for building with 10 floors and up, maintenance of waste disposal system for establishments, etc.

- d. **Number of Signatures.** FPRDI shall declare the number of signatures required to complete each service/process, including the initials required.
- e. **Number of Documents.** For each critical service, departments/agencies shall indicate the total number of documents necessary to complete the transaction cycle. The number of documents shall refer to the documents required from the transacting citizens/clients, and the documents that are used by departments/agencies in their internal processing until the completion/delivery of the critical service to the transacting citizens/clients.
- f. **Turnaround Time.** For each critical service, departments/agencies shall estimate the turnaround time to complete the service/process. Turnaround time is the sum of the waiting and processing time. It starts from the moment the transacting citizen/client enters the queue or fills out a form, and the waiting time incurred until the service has been completed/delivered.

FPRDI should aim to achieve the following improvements for each of its critical services/process:

- Reduction in the number of signatures to not more than three (3);
- Simplification of application forms or documentary requirements; and;
- 50% reduction in the turnaround time and completion of the transaction within 15 days.

- 5.2 Citizen/Client Satisfaction.** In order to determine the effectiveness of the streamlining and process improvements initiated by agencies, the satisfaction level of the citizens/clients will be measured and reported. Thus, FPRDI shall embed feedback mechanisms and citizen/client satisfaction measurement in their process improvement efforts. Agencies shall report the results of the Citizen/Client Satisfaction Survey for each service.

The description of the methodology of the survey, and the agency improvement action plan for FY 2019 shall be submitted using Citizen/Client Satisfaction Report

The DAP will be conducting training fora to assist the agencies in these streamlining and process improvement efforts. The AO 25 Secretariat can be contacted for the schedule of these trainings.

- 5.3 STO Target.** Initial certification/Recertification of the QMS for at least one (1) core process or frontline service as mandated under its existing pertinent laws.

The certification must be valid until December 31, 2018 or a later date, and must be posted at FPRDI's TS page not later than December 31, 2018.

5.4 GASS Targets

a. Budget Utilization Rate (BUR), which are consists of:

1. **Obligations BUR** computed as obligation rates for Maintenance and Other Operating Expenses (MOOE) and Capital Outlays (CO) of all programs, activities, and projects funded in FY 2018 from all appropriation sources, including those released under the General Appropriations Act as the allotment order policy, net of savings from procurement, and implementation of cost-cutting measures; and
2. **Disbursements BUR** which is measured by the ratio of total disbursements (cash and non-cash, excluding Personnel Services) to total obligations for MOOE and CO in FY 2018, net of goods and services obligated by December 31, 2018 Disbursements BUR.

b. Sustained Compliance with Audit Findings. Fully implement 30% of the prior years' audit recommendations as shown in the Report on Status of Implementation of Prior Years' Recommendations. These recommendations will exclude the Property, Plant and Equipment (PPE)-related items of the Annual Audit Report (AAR). Audit findings closed in FY 2017 should also not recur.

c. Compliance with Quarterly Submission of Budget and Financial Accountability Reports (BFARs) Online Using the DBM's Unified Reporting System (URS) 15 days after end of each quarter, as provided in Section 95 of the FY 2018 GAA.

d. Submission of Annual Procurement Plan (APP-non CSE) approved by the Head of Procuring Entity (HOPE) to the Government Procurement Policy Board (GPPB) in the format prescribed under GPPB Circular No. 07-2015 by posting it in the agency TS.

1. FY 2018 APP-non CSE should have been submitted to the GPPB-TSO on January 31, 2018 per Section 7.3.5 of the 2016 Revised Implementing Rules and Regulations of RA No. 9184. The same should be posted on the agency TS page on not later than one month after the issuance of this Circular.
2. To support Early Procurement, the Indicative FY 2019 APP-non CSE consistent with the FY 2019 National Expenditure Program (NEP) should be posted on the agency TS page not later than August 31, 2018.

e. Undertaking of Early Procurement for at least 50% of the value of goods and services based on the departments/agency's budget submitted to the Congress consistent with the NEP. In transitioning towards annual cash-based budgeting, FPRDI should subject at least 50% of the volume of their goods and services requirements for the FY 2019 operations to Early Procurement, short of award, from September to December 2018. FPRDI will update their PhilGEPS postings for Early Procurement by posting the

Approved Contract and Notice to Proceed in PhilGEPS on or before January 31, 2019. DBM shall soon be issuing a Budget Circular on this matter.

- f. **Submission of results of FY 2017 Agency Procurement Compliance and Performance Indicators (APCPI) System**, per GPPB Resolution No. 10-2012, complete with the following forms: (1) APCPI - Self-Assessment Form; (2) APCPI Consolidated Procurement Monitoring Report; (3) APCPI - Procurement Capacity Development Action Plan; and the Questionnaire on or before August 31, 2018.

5.5 Other Cross-Cutting Requirements

- a. **Establishment and Conduct of FPRDI Review and Compliance Procedure of SALN** pursuant to Section 10 of the Code of Conduct and Ethical Standards for Public Officials and Employees (RA No. 6713), and CSC Resolutions Nos. 1300455 and 1500088. FPRDI shall have a SALN Review and Compliance Committee to implement the provisions on reviewing and complying with SALN requirements to determine whether said statements have been submitted on time, are complete, and are in proper form.

Agency heads should ensure that officials and employees covered by RA No. 6713 submitted their 2018 SALN to the respective SALN repository agencies, as prescribed in the rules provided under CSC Memorandum Circular No. 3s. 2015. The Agency Review and Compliance Procedure of SALN used by the departments/agency's SALN Review and Compliance Committee should be cascaded to all employees. The scanned copy of the same shall be uploaded in the agency TS page not later than October 1, 2018.

- b. **Comply with the Freedom of Information (FOI) Program** pursuant to Executive Order No. 2, s. 2016, based on the enhanced requirements of the Presidential Communications Operations Office (PCOO). FPRDI shall comply to the following FOI requirements within the set deadline:

1. The People's FOI Manual duly signed by the Head of the Agency and uploaded in the agency TS page on or before September 30, 2018;
2. FPRDI Information Inventory uploaded in the agency TS page on or before September 30, 2018;
3. The 2017 and 2018 FOI Summary Report uploaded in the FPRDI TS page on or before January 31, 2019;
4. The 2017 and 2018 FOI Registry uploaded in the FPRDI TS page on or before January 31, 2019; and
5. A screenshot of the FPRDI website's home page containing a visible and functional FOI logo linked to the electronic FOI portal (www.fof.gov.ph) submitted through email: foipcoqmail.com on or before September 30, 2018.

FPRDI shall submit the accomplished FOI Reports strictly in Excel format (.xls) based on templates provided in this link: www.bit.ly/2018FOIReports. Submissions not compliant to the file format and templates will not be considered. FPRDI shall send the soft copy submissions to foipcoqmail.com. Policy issuances and memoranda can be accessed in this link: www.foimov.ph/resources.

- 5.6 In case a department/agency is not able to meet any of the above performance targets, the FPRDI Director shall submit the justifications/explanations and supporting documents to warrant reconsideration. For validation purposes, justifiable reasons are factors that are considered outside the control of the agency. Acceptance of justifications/explanations shall be subject to the recommendation of validating agencies.
- 5.7 To reinforce fairness in the assessment of the performance of each delivery unit under operations with those under support services, departments/agencies should also declare critical services provided to internal units/employees performed by the latter delivery units. Doing so will strengthen the accountability of every delivery unit in streamlining and improving their processes and services to citizens/clients, and internal units/employees. Likewise, it will also provide performance data to support the equitable ranking of each delivery unit. FPRDI shall also report applicable baseline information enumerated in Section 6.1 and 6.2 of the MC 2018-01.

6.0 ELIGIBILITY OF INDIVIDUAL

1. FPRDI Director is eligible only if FPRDI is eligible. If eligible, his maximum PBB rate for FY 2018 shall be equivalent to 65% of his monthly basic salary as of December 31, 2018. The Director should not be included in the Form 1-Report on Ranking of Delivery Units.
2. Employees belonging to the First, Second and Third Levels should receive a rating of at least "Satisfactory" based on the FPRDI's CSC-approved Strategic Performance Management System (SPMS) or the requirement prescribed by the CESB.
3. 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. 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.
5. Officials and employees who transferred from government agencies that are non-participating in the implementation of the PBB, shall be rated by the agency where he/she served the longest; the official/employee shall be eligible for the grant of PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency.
6. 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.
7. An official or employee who rendered less than nine (9) months but a minimum of three (3) months of service and with at least Satisfactory rating shall be eligible

for the grant of PBB on a pro-rata basis 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
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.
 9. Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2018 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.
 10. Officials and employees who failed to submit the 2017 SALN as prescribed in the rules provided under CSC Memorandum Circular No. 3 s. 2015; or those who are responsible for the non-compliance with the establishment and conduct of the review and compliance procedure of SALN, shall not be entitled to the FY 2018 PBB.
 11. Officials and employees who failed to liquidate all cash advances received in FY 2018 within the reglementary period, as prescribed in COA Circular 97-002 dated February 10, 1997 and reiterated in COA Circular 2009-002 dated May 18, 2009, shall not be entitled to the FY 2018 PBB.
 12. Officials and employees who failed to submit their complete SPMS Forms shall not be entitled to the FY 2018 PBB.
 13. Agency heads should ensure that officials and employees covered by RA No. 6713 submitted their 2017 SALN to the respective SALN repository agencies, liquidated their FY 2018 Cash Advances or completed the SPMS Forms, as these will be the basis for the release of FY 2018 PBB to individuals.
 14. Officials and employees responsible for the implementation of the prior years' audit recommendations, QMS certification, or posting and dissemination of the

department/agency system of ranking performance of delivery units, shall not be entitled to the FY 2018 PBB if FPRDI fails to comply with any of these requirements.

7.0 RANKING OF DELIVERY UNITS

7.1 FPRDI and its corresponding delivery units that meet the criteria and conditions in Section 3.1 are eligible to the FY 2018 PBB. Delivery units eligible to the PBB shall be forced ranked according to the following categories:

RANKING	PERFORMANCE CATEGORY
Top 10%	Best Agency Delivery Unit
Next 25%	Better Agency Delivery Unit
Next 65%	Good Agency Delivery Unit

7.2 FPRDI shall follow the guidelines set by the IATF AO 25 Secretariat in determining identifying the Agency delivery units as per Memorandum Circular 2018-01 dated 28 May 2018. The identified delivery units are as follows:

- Office of the Director
- Finance and Administrative Division
- Materials Science Division
- Technology Innovation Division
- Technical Services Division

The delivery units shall meet the criteria and conditions in 3.1.1 to be eligible for the FY 2018 PBB Grant.

- 7.3 Only the personnel belonging to eligible delivery units are qualified for the PBB. Refer also to exclusion of individuals as cited in Section 7. While individual ranking shall be the basis for merit increase, promotion, further training and/or disciplinary action, individual ranking shall no longer be included in the Form 1.
- 7.4 To recognize high performance of government employees in relation to the achievement of agency targets and requirements for the grant of the FY 2018 PBB, departments/agencies shall list the names of employees who belong in the Best Delivery Unit/s using the Form 1.
- 7.5 To heighten transparency among delivery units and employees, FPRDI shall cascade to their employees the agency guidelines/mechanics in ranking delivery units for the grant of the FY 2018 PBB. FPRDI shall prepare the System of Agency Ranking Delivery Units for FY 2018 PBB using the Form for the Guidelines/Mechanics in Ranking Delivery Units (See Annex 8 of IAFM Memorandum Circular 2018-01). The duly completed and signed agency guidelines in ranking delivery units shall be posted on the agency TS page on or before October 1, 2018.

8.0 CRITERIA IN PERFORMANCE EVALUATION OF DELIVERY UNITS

8.1 Delivery unit performance will be evaluated base on the following criteria:

INDICATORS	WEIGHTING PERCENTAGE
1. Division Performance Commitment Rating	80%
2. Conformity to Quality Management System	5%
3. Behavioral Competence	10%
4. Director's Rating	5%
TOTAL	100%


9.0 RATES OF PBB

9.1 The rates of the PBB for each individual shall be based on the performance ranking of the individual's bureau or delivery unit with the rate of incentive as a multiple of one's monthly basic salary as of December 31, 2018, based on the table below:

PERFORMANCE CATEGORY	Multiple of Basic Salary
Best Agency Delivery Unit (10%)	.65
Better Agency Delivery Unit (25%)	.575
Good Agency Delivery Unit (65%)	.50

The delivery unit performance rating and ranking as determined by the Section Chiefs/ Division Chiefs shall be reviewed and endorsed by the PRAISE Committee for approval of the Director.

Approved by:


ROMULO T. AGGANGAN
Director