



AMENDED GUIDELINES ON THE SYSTEM OF RANKING AND RATING AS BASIS FOR THE GRANT OF PERFORMANCE-BASED BONUS (PBB)

1.0 BACKGROUND

Pursuant to Executive Order (EO) No. 80, s.2012 (Directing the Adoption of a Performance-Based Incentive System for Government Employees) and Memorandum Circular (MC) 2012-01 (Guidelines on the Cascading of Department Performance Targets in line with EO. No. 80) issued by the Administrative Order (AO) 25 Inter-Agency Task Force (IATF), a Performance Based Incentive System (PBIS) consisting of the Productivity Enhancement Incentive (PEI) and the Performance-Based Bonus (PBB) shall be adopted in the National Government beginning Fiscal Year (FY) 2012.

The PBB shall be characterized by a system of rating and ranking Delivery Units within the Agency according to their contribution to their respective Department/Agency performance. Such performance shall be measured by verifiable and sustainable indicators based on their Major Final Outputs (MFOs), commitments to the President supportive of the priorities under EO 43, s. 2011; and good governance conditions specified in MC 2012-02, MC 2012-02-A, MC 2013-01, MC 2014-1, MC 2014-2, MC 2015-1, MC 2016-1, MC 2016-2, MC 2017-1 issued by the AO 25 IATF on October 16, 2012, October 31, 2012, August 2, 2013, April 21, 2014, October 8, 2014, August 12, 2015, May 12, 2016, October 12, 2016 and March 9, 2017 respectively.

2.0 AGENCY'S CRITERIA FOR ELIGIBILITY TO THE PBB

Per AO25 IATF MCs, to qualify for PBB, the Agency needs to meet all the following criteria and conditions:

2.1 Achieved 100% performance for each Major Final Outputs (MFOs), Operations (OPS), Support to Operations (STO) and General Administrative Support Services (GASS) targets for the Fiscal Year;

2.2 Achieved all good governance conditions under Section 6.0 of IATF MEMORANDUM CIRCULAR NO. 2013-01 based on the performance drivers of the Results-Based Performance Management System (RBPMS) as follows:

a. Maintain/Update the Agency Transparency Seal as mandated in Section 99 of the General Appropriations Act of 2018. The Agency Transparency Seal page should be accessible by clicking on the Transparency Seal logo on the Home page. The Agency Transparency Seal must contain the following documents:

- a.1 The Agency's mandate and functions, names of its officials with their position and designaton
- a.2 Annual Audited Financial Reports
- a.3 DBM-Approved Budget and Targets for PBB Fiscal Year
- a.4 Annual Procurement Plan (APP)
- a.5 Annual Procurement Plan-Common-Use Supplies and Equipment (APP-CSE)
- a.6 Contracts awarded
- a.7 Agency Procurement Compliance & Performance Indicator
- a.8 The system of ranking delivery units and individuals should be posted in the agency transparency seal and disseminated to employees not later than September 30 of the PBB Fiscal Year; and,

a.9 Quality Management Certificate from an international certifying body or the agency Operations Manual whichever is applicable as indicated in Section 4.2.a of MC 2015-01.

b. Maintain/Update the posting of all Invitations to Bid and awarded contracts in the Philippine Government Electronic Procurement System (PhilGEPS) per RA9184.

c. Update the Agency's Citizen's Charter or its equivalent, Service Charter, to reflect at least 3 improvements in service delivery as mandated by RA 9485 and post the Citizen's Charter or its equivalent in the department/agency website.

2.3 Use of the Strategic Performance Management System (SPMS) as basis for rating performance of First and Second level employees;

2.4 Budget Utilization Rate (BUR), which shall consist of:

a. Obligation - computed as obligations against all allotments issued for PBB Fiscal Year.

b. Disbursement - 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 PBB Fiscal Year.

2.5 Compliance to Public Financial Management (PFM) reporting requirements of the Commission on Audit (COA) and Department of Budget and Management (DBM);

2.6 Failure to meet any of the above conditions shall render the Agency ineligible for the PBB.

3.0 PURPOSE

This Guideline aims to provide the mechanics for:

1. Rating and Ranking the Delivery Units of the Agency based on the achievement of performance targets and other criteria; and,
2. Granting of the PBB to qualified personnel of the Agency.

4.0 COVERAGE

4.1 All Delivery Units (Departments/Offices).

4.2 Officials and employees holding a regular, government contractual, co-terminus, and casual positions with an employer-employee relationship with the Agency, and have rendered at least three (3) months of service within the PBB Fiscal Year.

5.0 DELIVERY UNITS TO BE RANKED FOR PBB

5.1 Per Sec 3.1 of AO25 IATF MC 2016-02 issued on OCTOBER 12, 2016 "Guideline on the Identification and Determination of Delivery Units Relative to the Grant of the Performance Based Bonus for Fiscal Year (FY) 2016". A Delivery Unit shall be the primary subdivision of an agency or GOCC performing substantive line functions, technical services administrative support, as reflected in the agency's organization structure and/or functional chart. The identification of a delivery unit will depend on the type of government entity, with due consideration to its mandate, organizational level, and scope of operations, as follows:

TABLE 1. Type of Government Entity

TYPE OF GOVERNMENT ENTITY				
Department or Department-Level	Agency		State Universities and Colleges	GOCCs
	Intermediate Level	Bureau Level		
DELIVERY UNITS				
Offices Bureaus Services Regional Offices, if any	Offices Bureaus Services Regional /Field Units, if any	Divisions Field Units, if any	Offices Services Campuses Colleges	Offices Departments

5.2 Per Sec 3.1 of AO25 IATF MC 2016-02 issued on October 12, 2016, to facilitate the ranking process, agencies may cluster the delivery units based on similarities of functions and responsibilities, provided that the overall ranking distribution for Best and Better Delivery Units shall not exceed 10% and 25%, respectively, of the total number of delivery units in the agency.

Accordingly, the Delivery Units (Departments/Offices) in the Agency shall be clustered and ranked under Operations (OPS), Support to Operations (STO) and General Administrative and Support Services (GASS) as follows:

A. Departments/Offices under Operations (OPS) Cluster

- 1 Office of the Senior Deputy Administrator for Business and Investment
- 2 Office of the Deputy Administrator for Business Group
- 3 General Business and Investment Department
- 4 Business and Investment Department for Manufacturing and Maritime
- 5 Business and Investment Department for Leisure
- 6 Business and Investment Department for Information and Communications Technology
- 7 Business and Investment Department for Logistics
- 8 Land and Asset Development Department
- 9 Office of the Senior Deputy Administrator for Operations
- 10 Office of the Deputy Administrator for Port Operations
- 11 Airport Department
- 12 Seaport Department
- 13 Trade Facilitation and Compliance Department
- 14 Office of the Senior Deputy Administrator for Regulatory Group
- 15 Building Permit and Safety Department
- 16 Ecology Center
- 17 Tourism Department

B. Departments/Offices under Support to Operations (STO) Cluster

1. Office of the Chairman and Administrator
2. Board Secretariat
3. Intelligence Office
4. Internal Audit Service

5. Planning and Development Office
6. Public Relations Office
7. Media Production Department
8. Office of the Deputy Administrator for Public Works and Technical Services Group
9. Engineering Department
10. Maintenance and Transportation Department
11. Telecommunications Department
12. Utilities Department
13. Office of the Deputy Administrator for Legal Affairs
14. Legal Department
15. Labor Department
16. Office of the Deputy Administrator for Health and Safety
17. Fire Department
18. Law Enforcement Department
19. Public Health and Safety Department

C. Departments/Offices under General Administrative Support Services (GASS) Cluster

1. Office of the Senior Deputy Administrator for Support Services
2. Office of the Deputy Administrator for Administration
3. Human Resource Management Department
4. Procurement and Property Management Department
5. Office Services Department
6. Management Information Systems Office
7. Office of the Deputy Administrator for Finance
8. Accounting Department
9. Financial Planning and Budget Department
10. Treasury Department

TABLE 2. Cluster Distribution of SBMA Delivery Units

DISTRIBUTION	SBMA Total Delivery Units (Departments/Offices)	
	%Distribution of Delivery Units	%Distribution of Delivery Units
TOP 10%	4.6	5
NEXT 25%	11.5	12
NEXT 65%	29.9	29
	46	46

DISTRIBUTION	Delivery Units Under Operations(OPS)		Delivery Units Under Support to Operations(STO)		Delivery Units Under General Administrative Support Services	
	% Distribution of Delivery Units	% Distribution of Delivery Units	% Distribution of Delivery Units	% Distribution of Delivery Units	% Distribution of Delivery Units	% Distribution of Delivery Units
TOP 10%	1.7	2	1.9	2	1	1
NEXT 25%	4.25	4	4.75	5	2.5	3
NEXT 65%	11.05	11	12.35	12	6.5	6
		17		19		10

6.0 THE PERFORMANCE MANAGEMENT GROUP (PMG)

Per AO25 IATF MC 2012-03, the Head of the Agency may task a Performance Management Group (PMG) consisting of senior officials (Senior Deputy Administrator, Deputy Administrator, and Department/Office Head) who shall assist the Head of the Agency on the following:

- a) Set consultation meeting with Heads of offices/departments for the purpose of discussing the targets set in the department/office performance commitment and review form;
- b) Ensure that Office/Department targets and measures, as well as the budget, are aligned with those of the Agency's, and that work distribution of offices/departments is rationalized;
- c) Recommend approval of the office/department commitment and rating to the Head of Agency;
- d) Identify potential top performers and provide input to the PRAISE Committee for grant of awards and incentives;
- e) Adopt its own internal rules, procedures and strategies in carrying out the above responsibilities including schedule of meetings and deliberations.
- f) Assist in the ranking of Delivery Units according to performance criteria;
- g) Adopt and undertake a communications strategy on matters pertaining to the PBB;
- h) Publish the performance targets and its progress in the Agency's website for the employees to access;
- i) Set up of a Help Desk to respond to queries and comments on the Agency targets and accomplishments;
- j) Set up an appeal mechanism which can respond to and redress PBB issues and concerns brought forward by an official or employee, and act as appeals body and final arbiter for performance management issues of the Agency;
- k) Ensure adherence to the criteria and guidelines of the PBB;
- l) Conduct spot checking or audit on the Delivery Unit's accomplishment reports and submittals; and,
- m) Develop and implement an internal communications strategy on PBIS for the Feedback and Change Management **as stated in Section 13.0 of AO 25 IATF MC 2016-01**. The PMG shall make sure that the following activities are implemented:

1. Engage all employees in understanding the PBIS, the performance targets of their respective delivery unit, as well as the services and outputs that they will need to deliver in order to meet the set targets;
2. Disseminate the performance targets and accomplishments of the agency to all employees through the intranet and other means, as well as the publication to the agency website for public information.
3. Adopt and undertake a communications strategy to disseminate the Delivery Unit performance targets and accomplishments to their employees through the intranet and other means;
4. Set up a Help Desk to respond to queries and comments on the targets and accomplishments of the agency.
5. Set up a complaints mechanism to respond to the PBIS-related issues and concerns raised by officials and employees.

7.0. DETERMINING ELIGIBILITY OF DELIVERY UNITS FOR PBB

7.1 To be considered to the PBB, Delivery Units must have achieved by December 29 of the Fiscal Year 100% of each of their performance targets laid in the PDO-DPCR form. The said form also includes additional criteria set forth by the PMG for forced ranking. These forms must be submitted to the PMG Secretariat within the required date, and shall serve as the primary basis for determining the Delivery Unit’s over-all rank.

7.2 All Delivery Units must also comply with the applicable good governance conditions (please refer to item 2.2) as an eligibility requirement for the PBB including the set target on Budget Utilization Rate (BUR) for Obligation and Disbursement.

7.3 The performance indicators determined for PBB and the additional criteria developed to supplement them shall be the main parameters to be used by the PMG in ranking the different Delivery Units.

7.4 The PMG may require additional MFO/PI and/or Strategic Priority depending on the Chairman and Administrator’s directive.

7.5 The PMG may identify additional requirements that is considered as a non-performance-based criteria. However, additional requirements must be identified at least three (3) months before the start of the PBB Fiscal Year.

8.0 RATING AND RANKING OF PERFORMANCE OF DELIVERY UNITS

8.1 Delivery Units eligible for the PBB in each cluster shall be subjected to a **forced ranking** according to the achievement of the performance targets and the additional criteria set forth by the PMG. The qualified Delivery Units shall be ranked accordingly:

<u>Ranking</u>	<u>Performance Category</u>
Top 10%	Best Delivery Unit
Next 25%	Better Delivery Unit
Next 65%	Good Delivery Unit

8.2 The PMG shall rate and rank the Delivery Unit based on the Table below:

TABLE 3. PBB FORCED RANKING POINT SYSTEM FOR DELIVERY UNITS

PBB FORCED RANKING POINT SYSTEM FOR DELIVERY UNITS	
A. PERFORMANCE INDICATOR(PI)/MAJOR FINAL OUTPUT(MFO) OVER-ALL TOTAL	90 POINTS
B. ATTENDANCE AND OTHER REQUIREMENTS 1. PBB-SANCTIONED ACTIVITIES - 4pts. 2. FLAG CEREMONY - 4pts. (<i>Flag Raising Ceremonies 2pts. and Flag Lowering Ceremonies 2pts</i>) 4. CORPORATE SOCIAL RESPONSIBILITY - 2pts.	10 POINTS
TOTAL	100 POINTS

- A. **PERFORMANCE INDICATOR(PI)/MAJOR FINAL OUTPUT(MFO)** – Delivery Units that achieved their targets shall receive corresponding points depending on the percentage of achievement. The Table below shows the PBB Equivalent Points:

TABLE 4. Delivery Unit’s Total PIs/MFOs PBB Equivalent Points

% of Delivery Unit's Total PIs/MFOs Equivalent Points Received	PBB Equivalent Points	% of Delivery Unit's Total PIs/MFOs Equivalent Points Received	PBB Equivalent Points
100.0000% - 100.9999%	70 points	112.0000% - 113.9999%	81 points
101.0000% - 101.9999%	71 points	114.0000% - 115.9999%	82 points
102.0000% - 102.9999%	72 points	116.0000% - 117.9999%	83 points
103.0000% - 103.9999%	73 points	118.0000% - 119.9999%	84 points
104.0000% - 104.9999%	74 points	120.0000% - 121.9999%	85 points
105.0000% - 105.9999%	75 points	122.0000% - 123.9999%	86 points
106.0000% - 106.9999%	76 points	124.0000% - 125.9999%	87 points
107.0000% - 107.9999%	77 points	126.0000% - 127.9999%	88 points
108.0000% - 108.8888%	78 points	128.0000% - 129.9999%	89 points
109.0000% - 109.9999%	79 points	130.0000% and Over	90 points
110.0000% - 111.9999%	80 points		

Note: Equivalent points of Delivery Unit’s PIs shall be derived from the Delivery Unit’s total percentage points of accomplished PIs/MFOs over target of the current year based on the SPMS computation of performance. Delivery Unit’s total percentage points are derived from “total sum of the weighted average score of core functions, strategic priority and support functions”.

B. ATTENDANCE AND OTHER REQUIREMENTS

B.1 Attendance at PBB-Sanctioned Activities (4 Points)

The PBB-sanctioned activities shall be guided on the following:

1. The PMG shall identify agency activities to be compulsorily attended by the employees within the first two (2) months of the PBB fiscal year.
2. PBB-sanctioned activities must not have any religious or political undertone.
3. PBB-sanctioned activities to be considered are those activities that are held from Monday – Saturday only.
4. Department/office need only to send at least one (1) representative to attend the PBB-sanctioned activities in order to achieve the maximum 4 points.

Personnel may be exempted in attending the PBB-Sanctioned Activity based on the following:

- a. Personnel is on official leave (Sick Leave, Vacation Leave, Mandatory Leave, Special Leave Privilege, Maternity/Paternity Leave, etc.).
- b. Personnel is on official travel or training.
- c. Personnel of the following department who are on duty/scheduled day off/time out :
 1. Law Enforcement Department
 2. Public Health and Safety Department
 3. Airport Department
 4. Seaport Department
 5. Fire Department
 6. Office Services Department
 7. Treasury Department

- 8. Maintenance and Transportation Department
 - d. Personnel is on official meeting.
 - e. Personnel is a Persons with Disability (PWD)
 - f. Participants/Organizers and Technical Working Committee of the Event

**Note: Department/Office must file a memorandum of exemption to the Human Resource Management Department (HRMD) within two (2) days after the scheduled activity.*

Table 4.1: PBB-Sanctioned Activities Attendance Table Points System for Delivery Unit

% of Attended PBB Sanctioned Activities	PBB Point Equivalent
100%	4.00
90%-99.99%	3.64
80%-89.99%	3.27
70%-79.99%	2.91
60%-69.99%	2.55
50%-59.99%	2.18
40%-49.99%	1.82
30%-39.99%	1.45
20%-29.99%	1.09
10%-19.99%	0.73
.01%-9.99%	0.36
0	0.00

B.2 Attendance at Flag Ceremony (4 points):

Attendance at Flag Ceremony (FC) shall be based on the combined total number of Flag Raising (2 points) and Flag Lowering Ceremonies (2 points) conducted within the Fiscal Year. A Department/Office must have achieved at least 80% of the combined total number of Flag Raising and Flag Lowering Ceremonies to receive the maximum 4 Points.

Computation shall be based on the total number of FC within the PBB Fiscal Year multiplied by the total number of employees under the DU less total absences in FC of all employees under the DU divided by “Total number of FC within the PBB Fiscal Year multiplied by the total number of employees.”

Delivery Unit shall receive the corresponding point based on the percentage of their attended FRC.

TABLE 4.2. Flag Ceremony (FC) Attendance Table Points System

% of FC ATTENDED	Equivalent Points
80.00 -100%	4
60.00 - 79.99%	3.2
40.00 - 59.99%	2.4
20.00 - 39.99%	1.6
.01 - 19.99%	0.8
0	0

Sample Computation of Attendance in Flag Ceremony

Given:

Total expected No. of FC in a year: 52 weeks x (2FCs per week) = 104 FCs

Number of Employees: 10 employees

Total DU/Dept. Employees incurred absences in FC (6 Old Plantilla Employees & 4 Newly Hired Plantillas on July 1, 2017) : 108 absences

Computation 1.

% of FC Attendance	=	$\frac{\begin{aligned} &[(\text{Total Number of Actual FCs MULTIPLIED by the No. of Old Employees of the DU/Dept.}) \\ &+ (\text{Total Number of Actual FCs MULTIPLIED by the No. of New Employees of the DU/Dept.}) \\ &\text{SUBTRACTED by the} \\ &(\text{Number of Total Absences incurred by all employees in FC under the DU/Dept.}) \end{aligned}}{\begin{aligned} &[(\text{Total Number of Actual FCs MULTIPLIED by the No. of Old Employees of the DU/Dept.}) \\ &+ (\text{Total Number of Actual FCs MULTIPLIED by the No. of New Employees of the DU/Dept.}) \end{aligned}}$	X	100%
% of FC Attendance	=	$\frac{[(104 \times 6) + (52 \times 4)] - 108}{[(104 \times 6) + (52 \times 4)]}$	X	100%
% of FC Attendance	=	$652/832 \times 100\% \text{ or } .7837 \times 100\% \text{ or } 78.37\%$		with PBB Equivalent Points of 3.20

Personnel may be exempted in attending the Flag Ceremonies based on the following:

- a. Personnel is on official leave (Sick Leave, Vacation Leave, Mandatory Leave, Special Leave Privilege, Maternity/Paternity Leave, etc.).
- b. Personnel is on official travel or training.
- c. Personnel of the following department who are on duty/scheduled day off/time out :
 1. Law Enforcement Department
 2. Public Health and Safety Department
 3. Airport Department
 4. Seaport Department
 5. Fire Department
 6. Office Services Department
 7. Treasury Department
 8. Maintenance and Transportation Department
- d. Personnel is on official meeting outside the SBFZ.
- e. Personnel is on official meeting with external clients/customers.

**Note: Department/Office may indicate in the HRMD Attendance Sheet of the above exemption in case of non-attendance to the Flag Ceremonies.*

B.3 CORPORATE SOCIAL RESPONSIBILITY (2 Points)

Departments must conduct a Corporate Social Responsibility within the PBB Fiscal Year and shall be guided by the following:

1. Each department must engage in at least one (1) CSR activity within the PBB Fiscal Year.
2. It may be held on weekends or weekdays but not during office hours and may only be held with the Subic Bay Freeport Zone and its contiguous areas (Hermosa, Dinalupihan and Morong in the Province of Bataan, Olongapo City, and Subic Town, Castillejos, San Marcelino, San Antonio in the Province of Zambales).
3. CSR activities must not be part of the mandate of the department. (e.g. Tree Planting to be conducted by Ecology Center)

4. It must be solely organized by the department and not as co-organizer or the like. Departments/offices with less than ten (10) personnel may join other departments/offices in conducting a CSR Activity.
5. CSR activities may vary from:
 - a. Feeding program
 - b. Brigada Eskwela
 - c. Community Health and Medical Drive
 - d. Blood Letting Activity
 - e. Tree Planting
 - f. others.
6. In order to achieve the maximum 2 points, 50% of all plantilla personnel have joined the department's CSR activity. However, Department/Office may conduct several CSR in order to achieve the 50% attendance.
7. Attendance and conduct of the CSR activity certified by the Department Manager and the Head/Officials of the group or community for which the CSR activity has been held must be submitted to PMG Secretariat.
8. For verification purposes, departments/offices may include photos of the activity.

TABLE 4.3. Corporate Social Responsibility (CSR) Attendance Table Points System

% of ATTENDANCE	PBB Equivalent Points
50%-100%	2.00
40%-49.99%	1.8
30%-39.99%	1.6
20%-29.99%	1.4
10%-19.99%	1.2
1.00%-9.99%	1
0	0

Attendance at Corporate Social Responsibility (CSR) Computation shall be based on the total number of employee present on CSR activity divided by the total number of employees.

Sample Computation of Attendance in Corporate Social Responsibility (CSR)

Given:

Total Number of Employees of the DU/Dept. = 10 Employees

Employees who failed to attend on CSR activity = 2 employees

Computation 2.

% of Attendance	=	$\frac{\text{Total Number of Employees of the DU/Dept. SUBTRACTED by the Total Number of Employees failed to attend on CSR activities}}{\text{Total Number of Employees}}$	X	100%
% of Attendance	=	$\frac{10-2}{10}$	X	100%
% of Attendance	=	$8/10 \times 100\% \text{ or } .80 \times 100\% \text{ or } 80.00\%$		with PBB Equivalent Points of 2.00

TABLE 4.4: Computation Attendance at PBB Sanctioned Activities, FC & CSR:

SUMMARY OF DELIVERY UNIT COMPUTATION OF ATTENDANCE AT PBB SANCTIONED ACTIVITIES, FC & CSR			
	% OF		PBB POINTS
	ATTENDANCE	=	CONVERSION*
ATTENDANCE AT PBB SANCTIONED ACTIVITIES	76.19%	=	2.91
ATTENDANCE AT FLAG CEREMONIES (FC)	78.37%	=	3.20
ATTENDANCE AT CORPORATE SOCIAL RESPONSIBILITY (CSR)	80.00%	=	2.00
TOTAL POINTS OF ATTENDANCE AT PBB Sanctioned Activities, FC and CSR			9.11

*See ATTENDANCE TABLE POINT SYSTEM FOR PBB POINTS CONVERSION

8.3 The Performance Management Team-Technical Working Group (PMT-TWG) shall assess, evaluate and validate the performance of all Delivery Units using the Department Performance Commitment and Review Forms. Then the PMT-TWG shall submit a report to the PMG for ranking of all qualified delivery units. The PMG will endorse the final ranking to the Head of Agency for his/her final approval. The Head of Agency shall therein affix his/her signature in the summary page to serve as basis for processing the Performance-Based Bonus (PBB) to be distributed to eligible departments/offices.

8.4 Rounding of ranking the Delivery Units shall be to the highest whole number (0.5 up should be rounded to 1).

8.5 The PMG has developed an objective tie-breaking criteria (please refer to item 11.0) for Delivery Units. In case of tie unresolved among Delivery Units, the PMG shall elevate it to the Chairman and Administrator whose decision shall be enforced as final.

9.0 ELIGIBILITY OF INDIVIDUALS

9.1 The eligibility of the Chairman and Administrator will depend on the eligibility and performance of the Agency. The PBB rate shall be based on the monthly basic salary as of December 31 of the PBB Fiscal Year as follows:

TABLE 5. PBB Rates of the Head of the Agency

Performance Category	PBB as % of Monthly Basic Salary
Agency achieved all Good Governance Conditions(GGCs), and its physical targets in all MFOs STO and GASS Indicators.	65%
Agency achieved all GGCs, and has deficiency/ies in some of its physical target/s due to uncontrollable reasons	57.50%
Agency achieved all GGCs, and has deficiency/ies in one of its physical target/s due to controllable reasons	50%

9.2 Non-ex officio Board Members of GOCCs covered by DBM may be eligible subject to a fixed PBB rate based on the current MC Circular issued by the AO25 IATF subject to the following conditions:

- a. The Agency has qualified for the grant of the PBB.
- b. The Board Member has 90% attendance to duly called board meetings and committee meetings as certified by the Board Secretary;
- c. The Board Member has nine (9) months aggregate service as Members of the Board; and,
- d. The Agency has submitted its Fiscal Year Corporate Operating Budget (COB) to DBM within the set deadline.

9.3 To be eligible to the PBB, personnel must have achieved by December 29 at least 100% of each of their performance targets for the fiscal year laid in the PDO-IPCR for reporting.

9.4 There shall be no ranking for individuals, the PBB rates of individual employees shall depend on the ranking of the Delivery Unit where they are included, and shall also be based on the individual’s monthly basic salary as of December 31 of the fiscal year but not lower than Php 5,000 and as provided for by the AO25 Inter-Agency Task Force:

TABLE 6. PBB Rates of Individual Employees

Performance Category	PBB as % of Monthly Basic Salary
Best Bureau/Office/Delivery Unit(10%)	65%
Better Bureau/Office/Delivery Unit(25%)	57.5%
Good Bureau/Office/Delivery Unit(65%)	50%

9.5 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).

9.6 Personnel on detail to another government agency for six (6) months or more shall be included in the recipient agency that rated his/her performance. Payment of the PBB shall come from the mother agency.

9.7 Personnel who transferred from SBMA to another government office shall be rated and included by the office where he/she served the longest. If equal months were served for each office, he/she will be included in the recipient office.

9.8 Personnel who are promoted or detailed to other department/office by virtue of an office order shall be rated and included by the department/office where he/she served the longest. If equal months were served for each department/office, he/she will be included in the current department/office. In case a personnel has been detailed or transferred more than once within the year, he/she will be rated to the department/office where he/she served the longest.

9.9 Personnel who holds two (2) positions from two different department/office has the option to choose which department/office he/she will be Included. However, he/she must decide by sending a notice to the PMG Secretariat where to be included before the submission of the Individual Performance and Commitment Review and not after the ranking of department/office has been finalized by the PMG. In case of non-submission of a written notice, the personnel shall be rated and ranked in the department/office of his/her original position item.

9.10 Department/Office Heads and Supervisors must ensure that all qualified personnel are included in the Department Consolidated Individual Rating Summary Sheet (DCRISS). Non-inclusion of a qualified personnel in

DCRISS submitted to the PMG Secretariat for consolidation of the Agency’s Form 1.0 submitted to the DBM would mean disqualification for both the Department/Office Head and the Supervisor.

9.11 Personnel who has rendered a minimum of nine (9) months of service during the fiscal year and with at least “Satisfactory” performance rating may be considered to the full grant of the PBB.

9.12 Personnel 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:

TABLE 7. PBB Pro-rated Table

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. Any form of leave with or without pay such as the ff:
 - d.1 Rehabilitation Leave;*
 - d.2 Maternity Leave and/or Extended Paternity Leave;*
 - d.3 Vacation or Sick Leave;*
 - d.4 Scholarship/Study Leave;*
 - d.5 Sabbatical Leave*

9.13 Retired and resigned employees who met the minimum length of service must still submit their IPCR to HRMD to be eligible for pro-rata computation.

9.14 Personnel who is on vacation or study leave, sick leave, with or without pay for the entire year, is not eligible to the grant of the PBB.

9.15 Personnel found guilty of administrative and/or criminal cases filed against them and meted penalty in the PBB Fiscal Year 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.

9.16 Officials and employees who failed to submit their Statement of Assets Liabilities and Networth (SALN) as prescribed in the rules provided under CSC Memorandum Circulars shall not be entitled to the PBB Fiscal Year.

9.17 Officials and employee who failed to liquidate Cash Advances received in the PBB Fiscal Year within the reglementary period as required by the COA shall not be entitled to the PBB.

9.18 Personnel who have incurred an Absence Without Leave (AWOL) within the PBB Fiscal Year shall not be entitled to the PBB.

9.19 Personnel who undergo the annual physical examination within the PBB Fiscal Year shall be entitled to the PBB.

The following shall be the guidelines for the Annual Physical Examination:

1. All employees must undergo the annual physical examinations.
2. Physical examination should be taken on the actual birth month and shall be given at least two (2) months for the evaluation to be completed.
3. If on official leave (i.e. maternity leave), scholarship grants and/or travel for the whole birth month, annual physical examination should be taken within 15 working days after officially reporting for work.
4. Physical examination is considered as completed only after the evaluation of the Doctor is made (schedule as advised by the PHSD). Please note that validity of test results is three (3) months from the date of examination. In case of failure to attend the Doctor's evaluation within the three-month period, physical examination must be taken again.
5. If the employees opted to take the annual physical examination through a private physician, employees must submit the following to the Public Health and Safety Department for evaluation:
 - a. X-Ray
 - b. Dental
 - c. Laboratory (Urinalysis, Complete Blood Count)
 - d. ECG (for 35 years old and above)
6. The above documents must be submitted within the birth month or as required by your private physician.

9.20 Personnel who achieved the required 80% attendance to PBB-Sanctioned Activities and 80% of the total Flag Ceremonies shall be entitled to the PBB, with consideration to the allowed exemptions. For example, if there are twelve (12) identified PBB-Sanctioned Activities the personnel must have attended at least 10 activities to qualify for the PBB. For the Flag Ceremonies, if for example there are fifty-two (52) Flag Raising Ceremonies and fifty-two (52) Flag Lowering Ceremonies for a total of one hundred four (104), the personnel must have attended at least a total of eighty-four (84) Flag Ceremonies to be entitled to the PBB.

9.21 Personnel belonging to the First and Second Levels who received 'Unsatisfactory' or 'Poor' ratings under the CSC guidelines, shall not be eligible to the PBB.

9.22 The Department/Office Head is responsible for the inclusion of all its employees under their direct supervision (where the employee is currently assigned or detailed) in the Department Consolidated Rating Summary Sheet(DCRSS).

9.23 The following are the **sanctions** for Supervisors and Heads of Office who failed to include an employee in the DCIRSS under their direct supervision:

9.23.1. Administrative sanction for violation of reasonable office rules and regulations and simple neglect of duty for the supervisors for the delay or non-submission of the Individual Performance Commitment and Review form.

9.23.2. Failure on the part of the Head of the Office to comply with the required notices to their subordinates for their unsatisfactory or poor performance during the rating period shall be a ground for an administrative offense for neglect of duty.

9.24 The Department/Office shall collate the performance of all personnel using the Department Consolidated Individual Rating Summary Sheet and must be submitted to the PMG Secretariat within the required time.

10.0 APPEAL

10.1 Individual employees who are disqualified to the grant of the PBB can file an appeal with the PMG within ten (10) days from the date of the grant of PBB to all personnel. No appeal shall be entertained before the formal qualification of the Agency on the grant of the PBB.

10.2 The PMT shall decide on the appeals within one (1) month from receipt.

11.0 TIE-BREAKING CRITERIA

In case of a tie in the forced-ranking among the SBMA Delivery Units. The tie breaking points shall be determined based on the Performance Indicator of the DELIVERY UNIT'S TOTAL MFO/PI and it shall be the primary basis for tie breaking.

Example: Seaport Department & Airport had a tie score of 99.9962 PBB points the DELIVERY UNITS' TOTAL MFO/PI shall be the basis for tie breaking.

Table 8. PBB Forced Ranking Point System

DELIVERY UNITS	PBB FORCED RANKING POINT SYSTEM FOR SBMA DELIVERY UNITS	TARGET VS. ACTUAL ACCOMPLISHMENT	PBB EQUIVALENT PTS
1. Seaport Department	DELIVERY UNITS TOTAL MFO/PI	<u>134.6957%</u>	90
	ATTENDANCE & OTHER ACTIVITIES (10 pts) (DELIVERY UNIT'S TOTAL PERSONNEL)	9.9962	9.9962
	TOTAL		99.9962
2. Airport Department	DELIVERY UNITS TOTAL MFO/PI	<u>131.2253%</u>	90
	ATTENDANCE & OTHER ACTIVITIES (10 pts) (DELIVERY UNIT'S TOTAL PERSONNEL)	9.9962	9.9962
	TOTAL		99.9962

SEQ	DELIVERY UNITS	PBB POINTS	PRIMARY TIE BREAKING CRITERIA (DELIVERY UNIT'S TOTAL MFO/PI)	PBB RANKING
1	Seaport Department	99.9622	134.6957%	Best
2	Airport Department	99.9622	131.2253%	Better

12.0 SOURCE OF PBB FUND

The SBMA-PBB shall be charged against Miscellaneous Personnel Benefits Fund (MPBF).

13.0 ADOPTION OF NEW MEMORANDUM CIRCULARS ISSUED BY INTER AGENCY TASK FORCE

The SBMA shall automatically adopt forthcoming Memorandum Circulars Issued by the Inter-Agency Task Force, inconsistent with this Guideline.

14.0 EFFECTIVITY

This Guideline shall take effect immediately and amends/ supersedes all other Office Orders/ Memoranda which are inconsistent herewith.

15.0 References

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR No. 2012-1: Guidelines on the Cascading of Department Performance Targets in Line with Executive Order (EO) No. 80

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR No. 2012-02: Guidelines to Clarify the Good Governance Conditions for Fiscal Year 2012 in Line with the Grant of the Performance-Based Bonus under Executive Order (EO) No. 80

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR No. 2012-02-A: Amendment to MC 2012-02 on Guidelines to Clarify the Good Governance Conditions for Fiscal Year 2012 in Line with the Grant of the Performance-Based Bonus under Executive Order (EO) No. 80

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR No. 2012-03 : Guidelines on Determining Eligibility and Ranking Bureaus, Delivery Units, and Individuals Based on Performance in Line with the Grant of the Performance-Based Bonus (PBB) in FY 2012

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR No. 2012-04: Guidelines on the Submission of Accomplishment Reports and Requests for Release of Funds for Payment of the FY 2012 Performance-Based Bonus (PBB)

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR No. 2012-05: Guidelines to Clarify the Eligibility and the Ranking of Personnel in Line with the Grant of Performance-Based Bonus (PBB) for FY 2012

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR NO. 2013-01: Supplemental Guidelines on the Grant of the Performance-Based Incentives for Fiscal Year 2013 under Executive Order No. 80

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR NO. 2014-01: Guidelines on the Grant of the Performance-Based Incentives for Fiscal Year 2014 under Executive Order No. 80

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR NO. 2014-03: Clarification on the Provision on the Nine-Month Service Requirement

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR NO. 2015-01: Guidelines on the Grant of the Performance-Based Incentives for Fiscal Year 2015 under Executive Order No. 80

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR NO. 2016-01: Guidelines on the Grant of the Performance-Based Incentives for Fiscal Year 2015 under Executive Order No. 80

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR NO. 2016-02: Guideline on the Identification and Determination of Delivery Units Relative to the Grant of the Performance Based Bonus for Fiscal Year (FY) 2016

INTER-AGENCY TASK FORCE MEMORANDUM CIRCULAR NO. 2017-01: Guideline on the Identification and Determination of Delivery Units Relative to the Grant of the Performance Based Bonus for Fiscal Year (FY) 2017

DBM-ORGANIZATIONAL PERFORMANCE INDICATOR FRAMEWORK (OPIF) Manila April 2012: A Guide to Results-Based Budgeting in the Philippines

CIVIL SERVICE COMMISSION DEPARTMENT OF BUDGET AND MANAGEMENT JOINT CIRCULAR NO. 1, S. 2012: Rules and Regulations on the Grant of Step Increment/s Due to Meritorious Performance and Step Increment Due to Length of Service.



SUBIC BAY METROPOLITAN AUTHORITY

Building 662, Taft Street, Subic Bay Freeport Zone, 2222 Philippines 31031

Tel: +6347 252.4097/4053 | Fax: +6347 252.4098 | info@sbma.com