



DEPARTMENT ORDER NO. 2018 - 11

GUIDELINES FOR THE GRANT OF PERFORMANCE-BASED BONUS FOR FY 2017

Pursuant to the Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems Memorandum Circular (MC) No. 2017-1 dated March 9, 2017, the following guidelines are hereby adopted for the grant of Performance-Based Bonus (PBB) for the Department of Tourism for Fiscal Year (FY) 2017:

I. DELIVERY UNITS

There shall be forty (40) delivery units for the Department based on the existing functional structure, namely:

- (1) Office of the Secretary (including the offices all Undersecretaries, all Assistant Secretary Offices and Legislative Liaison Unit)
- (2) Internal Audit Service
- (3) Planning Service
- (4) Administrative Service
- (5) Financial and Management Service
- (6) Legal Service
- (7) Office of Tourism Development Planning, Information & Research Management
- (8) Office of Product and Market Development
- (9) Office of Public Affairs and Advocacy
- (10) Office of Tourism Standards and Regulations
- (11) Office of Industry Manpower Development
- (12) Farm, Faith and Eco-Tourism and Convergence
- (13) Ilocos Regional Office (Region I)
- (14) Cagayan Valley Regional Office (Region II)
- (15) Central Luzon Regional Office (Region III)
- (16) CALABARZON Regional Office (Region IV-A)
- (17) MIMAROPA Regional Office (Region IV-B)
- (18) Bicol Regional Office (Region V)
- (19) Western Visayas Regional Office (Region VI)
- (20) Central Visayas Regional Office (Region VII)
- (21) Eastern Visayas Regional Office (Region VIII)
- (22) Zamboanga Regional Office (Region IX)
- (23) Northern Mindanao Regional Office (Region X)
- (24) Davao Regional Office (Region XI)
- (25) Central Mindanao Regional Office (Region XII)
- (26) CARAGA Regional Office (Region XIII)
- (27) National Capital Region (NCR)
- (28) Cordillera Administrative Region (CAR)
- (29) Los Angeles Foreign Office
- (30) San Francisco Foreign Office
- (31) New York Foreign Office
- (32) Tokyo Foreign Office

- (33) Osaka Foreign Office
- (34) Seoul Foreign Office
- (35) Taiwan Foreign Office
- (36) Shanghai Foreign Office
- (37) Beijing Foreign Office
- (38) Sydney Foreign Office
- (39) Frankfurt Foreign Office
- (40) London Foreign Office

II. CRITERIA AND RATING OF DELIVERY UNITS

Delivery units shall be ranked based on their physical performance, utilization of the allocated budget for FY 2017 and timeliness in the submission of reports.

A. Physical Performance

Each delivery unit shall be measured in accordance with the targets they have committed under the Organizational Performance Indicator Framework (OPIF) that correlates to the Major Final Outputs (MFOs) under the FY 2017 Performance-Informed Budget approved by the Congress.

The performance indicators which define the standards of performance in terms of quantity, quality, and timeliness or cost shall be used as the measurement tool for the grant of PBB. The rate of accomplishment shall be computed as the ratio of the actual performance over target. The final rating obtained by each delivery unit shall be calibrated into equivalent rating as shown in the table below:

Accomplishment Rate	Equivalent Rating
150 % & up	100%
131-149%	98%
121-130%	96%
111-120%	94%
101-110%	92%
90-100%	90%
80-89%	86%
70-79%	82%
60-69%	78%
50-59%	74%
49% & below	70%

B. Budget Utilization Rate (BUR)

Budget utilization shall pertain to the use of allocated funds in the GAA for a given program/activity/project (PAP) of an office. The work and financial plan submitted by the office serve as basis for obligating funds. The BUR shall consist of 50% Obligations BUR and 50% Disbursements BUR, defined as follows:

- b.1 Obligation BUR which shall be computed as obligations against all allotments in FY 2017, both continuing and current years from all appropriation sources, including those released under the “GAA as

allotment order policy,” for maintenance and other operating expenses (MOOE) and capital outlays (CO) in FY 2017; and

b.2 Disbursements BUR shall be computed as the ratio of total disbursement (cash and non-cash, excluding personnel services) to total obligations for MOOE and CO in FY 2017.

The BUR of an office shall be calibrated into equivalent rating in accordance with how much funds is used by a given office - whether an office is under spending and over spending.

Budget Utilization Rate	Equivalent Rating
90-100%	90%
101-110% / 80-89%	86%
111-120% / 70-79%	82%
121-130% / 60-69%	78%
131-140% / 50-59%	74%
141% & up / 49% & below	70%

C. Timeliness

Delivery units shall be rated based on their timely submission of required reports, as follows:

Submission Date	Equivalent Rating
On time or set deadline	100%
One (1) day after deadline	95%
Two (2) days after deadline	90%
Three (3) days after deadline	85%
Four (4) days after deadline	80%
Five (5) days after deadline	75%
More than five (5) days after deadline	70%

III. RANKING OF DELIVERY UNITS AND RATES OF THE PBB

The forty (40) delivery units shall be ranked according to the total score of their physical performance, budget utilization rate and timeliness in the submission of reports. The office/s whose final rating belongs to the top 10% shall be the Best Delivery Unit/s, office/s whose final rating belongs to the top 25% shall be Better Delivery Unit/s, and the rest shall be Good Delivery Units.

Provided below is the performance bonus to be received by the personnel belonging to the best, better and good delivery units.

Ranking	Performance Category	PBB as of % or Multiple of Basic Salary
Top 10%	Best Delivery Unit	65% or 0.65
Next 25%	Better Delivery Unit	57.5% or 0.575
Next 65%	Good Delivery Unit	50% or 0.50

IV. PERSONNEL ELIGIBILITY TO RECEIVE THE PBB

- 1. First and Second Level employees who have obtained a rating of at least "Satisfactory" in accordance with the Department Strategic Performance Management System (SPMS), as approved by CSC.
- 2. Third Level officials who have obtained a rating of at least "Satisfactory" in the Career Executive Service Performance Evaluation System (CESPES). However, release of the PBB shall be contingent on the release of CESPEC results.
- 3. Other officials performing managerial and executive functions who are not presidential appointees who obtained at least a rating of "Satisfactory" in accordance with the Department's SPMS.
- 4. Personnel on detail to another government agency for six (6) months or more who obtained a "Satisfactory" rating as manifested by the recipient agency. Payment of the PBB shall come from the mother agency.
- 5. Personnel who transferred from one government agency to another 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. An official or employee who has rendered a minimum of nine (9) months of service for FY 2017 with at least "Satisfactory" rating.
- 7. An official or employee who rendered less than nine (9) months but with a minimum of three (3) months of service and with at least "Satisfactory" rating. The grant of PBB, in this case, shall be on a pro-rata basis corresponding to the actual length of service rendered, as follows:

Length of Service	% of PBB Rate
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 that qualifies an employee who have not meet the nine-month actual service requirement for the grant of PBB on a pro-rata basis:

- a. Being a newly-hired employee;
- b. Retirement;
- c. Resignation;
- d. Rehabilitation Leave;
- e. Maternity and/or Paternity Leave;
- f. Vacation or Sick Leave with or without pay;
- g. Scholarship/Study Leave;
- h. Sabbatical Leave

V. MANDATORY REQUIREMENTS FOR PBB ENTITLEMENT

1. 2016 SALN submitted on the prescribed period as provided under CSC Memorandum Circular No. 3 (s. 2015), compliance as certified by HRD;
2. Liquidation of cash advances received in FY 2017 within the reglementary period, compliance as certified by Head Office/Regional Office Accountant; and
3. SPMS forms accomplished by Rank and File Employees (Office/Individual Performance Commitment Rating Forms) Employees, as certified by HRD and CESPES evaluation for CES Officials/Incumbents, as certified by CESB.

VI. DISQUALIFICATION FOR PBB ENTITLEMENT

1. An employee who is on vacation or sick leave with our without pay for the entire year is not eligible for PBB.;
2. Personnel found guilty of administrative and/or criminal cases for FY 2017 by formal and executor judgment shall not be entitled to the PBB. However, if the penalty meted out by an employee is only a reprimand, such shall not cause his/her disqualification for the PBB;
3. Officials and employees responsible for submitting COA Annual Financial Reports and Statements to include Financial Statements (FSs), Annual Financial Reports and Annual Audit Reports (AARs), shall not be entitled to the FY 2017 PBB if the Department/Agency fails to comply with the said reporting requirements as prescribed in COA Resolution 2014-003 dated January 14, 2014 and COA Circular 2015-002 dated March 9, 2015.
4. The Head of Procuring Entity (HOPE), Chairman and Secretariat of the Bids and Awards Committee (BAC) shall not be entitled to the FY 2017 PBB if the Department/Agency fails to submit the following:
 - a. FY 2017 Annual Procurement Plan (APP-non CSE) to the Government Procurement Policy Board (GPPB) not later than one month after the issuance of this Circular in the format prescribed under GPPB Circular No. 07-2015
 - b. FY 2018 Annual Procurement Plan-Common-Use Supplies and Equipment (APP-CSE) to the DBM-Procurement Service on or before November 30, 2017.
 - c. Results of FY 2016 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 before March 31, 2017. The APCPI Tool may be downloaded from the GPPB website using this link: <http://www.gppb.gov.ph/apcpi/apcpi.html>
5. Officials and employees responsible for the non-compliance of prior years' audit recommendations shall not be entitled to the FY 2017 PBB.

6. Officials and employees responsible for the QMS certification or alignment specified in Sections 6.2.a and 6.2.b shall not be entitled to the FY 2017 PBB if the Department/Agency fails to comply with the said requirement.
7. Officials and employees responsible for posting and dissemination of the Department/Agency system of ranking performance of delivery units shall not be entitled to the FY 2017 PBB if the Department/Agency fails to comply.

For the guidance of all concerned.

08 January 2018.


WANDA TULFO- TEO
Secretary

