



## **GUIDELINES / MECHANICS ON THE GRANT OF PERFORMANCE BASED BONUS (PBB) FOR FISCAL YEAR 2021**

In view of the Local Water Utilities Administration (LWUA) – Department of Budget and Management (DBM) Joint Memorandum Circular No. 2021-1, the Inter-Agency Task Force (AITF) on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems Memorandum Circular No. 2021-1, and Executive Order No. 80, the following **Guidelines/Mechanics on the Grant of Performance-Based Bonus for the Year 2021** is hereby proposed for adoption.

### **1.0 PURPOSE**

As Digos Water District (DWD) shall be evaluated based on the criteria and conditions set forth in LWUA-DBM Joint MC No. 2021-1 according to four (4) dimensions of accountability: **Performance Results, Process Results, Financial Results and Citizen/Client Satisfaction Results**, thus, this guideline is being issued to prescribe the criteria and conditions to measure and evaluate delivery units and individuals for the grant of PBB for FY 2021 performance.

### **2.0 COVERAGE**

Personnel of DWD holding regular, contractual, and casual positions are covered by this guideline. Excluded from the coverage herein are individuals engaged without employer-employee relationship and funded from non-Personnel Services budget.

### **3.0 ELIGIBILITY CRITERIA**

To be eligible for the grant of the FY 2021 PBB, DWD must first satisfy the following eligibility requirements:

1. Compliance with the following Philippine National Standards for Drinking Water (PNSDW) requirements:
  - a. Monthly summary of daily residual chlorine test results;
  - b. Water quality reports must have twelve (12) months of compliance with microbiological test results; and
  - c. Compliance with physical-chemical tests results of the DWD's source/s;
2. Current in Debt Service Status;
3. LWUA-approved Water Rates;
4. Compliance with ISO-certification or its equivalent;

5. On-time submission of the following documents prior to the evaluation of its eligibility to FY 2021 PBB:
  - a. Monthly Data Sheet and Financial Statements (January to December 2021);
  - b. Approved DWD FY 2021 Budget;
  - c. Updated Business Plan covering FY 2021; and
  - d. FY 2021 Annual Report

DWD must also satisfy the criteria and conditions under the four dimensions of accountability and attain a total score of at least 70 points based on the PBB Scoring System (Section 4.0).

### 3.1 Performance Results

In the context of the FY 2021 PBB, the Performance Results refer to the accomplishment of the LWD targets under the Major Final Outputs (MFO).

### 3.2 Process Results

Refer to the achievements in ease of transaction with the water district as a result of streamlining, standardization, i.e., through ISO-certified QMS or its equivalent.

### 3.3 Financial Results

Refer to financial viability and sustainability of DWD as indicated by the liquidity ratio, which determines the capacity to meet short-term obligations (current ratio), positive net income balance, and collection performance (collection efficiency).

### 3.4 Citizen/Client Satisfaction Results

These results refer to the achievements of DWD in satisfying the quality expectations of the transacting public. Good Governance Conditions (GGC) shall no longer be required in determining the overall PBB eligibility of DWD. Nonetheless, compliance with these conditions shall be used as the basis in determining the **eligibility of responsible units and individuals**. See Section 5.0 for details of Agency Accountabilities.

## 4.0 FY 2021 PBB TARGETS, ASSESSMENT, AND SCORING SYSTEM

DWD accomplishments for each criterion shall be rated using the following scoring system. Each criterion has an assigned point, as shown in Table No. 01. The total maximum score is 100 points. Therefore, to be eligible for the FY 2021 PBB, DWD must attain a total score equivalent to at least 70% of each criterion, except for the Process Results, and an overall total score of at least 70 points.

TABLE NO. 01 – SCORING SYSTEM		
CRITERIA	MAX PTS	CONDITION
a. Performance Results	70	Actual points must be at least 49
b. Process Results	7	Compliance would automatically render 7 points; non-compliance would result in ineligibility to FY 2021 PBB
c. Financial Results	10	Actual points must be at least 7
d. Client/Citizen Satisfaction Results	13	At least 70% of the complaints must be acted upon, with the following equivalent points:
<b>TOTAL</b>	<b>100</b>	Overall Total Score must be <b>at least 70 points</b>

In such a case, while DWD will be eligible, the unit/s most responsible for the criterion/MFOs with a performance below 70% will be isolated from the grant of the FY 2021 PBB.

4.1 **Performance Results.** The Performance Results shall be assessed and scored as follows:

TABLE NO. 02 – RATING SCALE FOR PERFORMANCE RESULTS			
CRITERIA	MAX PTS	SCORE	DESCRIPTION
Major Final Outputs (MFOs)			
a. Access to Potable Water	12	12	Accomplished 100% of target or more
		0	Accomplished less than 100% of target
b. Reliability of Service (24/7 supply)	6	6	Accomplished 100% of target or more
		0	Accomplished less than 100% of target
c. Adequacy	6	6	Accomplished 100% of target or more
		0	Accomplished less than 100% of target
d. Covid-19 Response Measures	5	5	Implemented all of the following response measures: <ul style="list-style-type: none"> <li>- Wash hand facilities</li> <li>- Water delivery services</li> <li>- Public Information Drives</li> <li>- Sanitation and hygiene activities</li> <li>- Disinfection initiatives</li> <li>- Issuance of Health Protocols</li> </ul>
		0	Did not implement all of the above response measures
e. Non-Revenue Water	6	6	Accomplished 100% of target or more
		0	Accomplished less than 100% of target

4.2 **Process Results.** For DWD, the target is to assure the quality-of-service delivery through ISO-certified QMS or its equivalent certification of frontline services.

TABLE NO. 03 – RATING SCALE FOR PROCESS RESULTS			
CRITERIA	MAX PTS	SCORE	DESCRIPTION
ISO certified QMS for LWDs under Categories A and B	7	7	With valid ISO-certified QMS or equivalent certification
		0	Without valid ISO-certified QMS or equivalent certification

Failure to comply with this criterion would result in the **ineligibility** of the water district to the FY 2021 PBB.

4.3 **Financial Results.** The requirements under Financial Results shall be scored as follows:

TABLE NO. 04 – RATING SCALE FOR FINANCIAL RESULTS			
CRITERIA	MAX PTS	SCORE	DESCRIPTION
Collection efforts and financial performance			
a. Collection Efficiency	3	3	Accomplished 100% of target or more
		0	Accomplished less than 100% of target
b. Current Ratio	4	4	Accomplished 100% of target or more
		0	Accomplished less than 100% of target
c. Positive Net Balance in the average Net Income for twelve	3	3	Positive Average Net Income
		0	Negative Average Net Income

4.4 **Citizen/Client Satisfaction Results.** Achieve the Citizen/Client Satisfaction through acting on requests/complaints received directly by DWD (in-house) and resolution of reported complaints from Hotline #8888, Contact Center ng Bayan (CCB) and the Presidential Complaint Center (PCC). DWD shall ensure resolution of all complaints and grievances on government service procedures, acts of red tape, corruption, and/or other interferences to public service delivery by any government agency, individuals, or instrumentalities reported to Hotline #8888, CCB, and PCC. To provide evidence on this DWD shall submit a report summarizing the complaints they have received and those received by Hotline #8888, CCB, and PCC in FY 2021, as well as the status of the same, i.e., if resolved or pending.

The requirements under the Citizen/Client Satisfaction Results shall be scored as follows:

TABLE NO. 05 – RATING SCALE FOR CITIZEN/CLIENT SATISFACTION RESULTS			
CRITERIA	MAX PTS	SCORE	DESCRIPTION
% of complaints from the following are acted upon:	13	13	At least 97% of all the complaints are acted upon
a. Hotline #8888		12	At least 94% of all the complaints are acted upon
b. Contact Center ng Bayan (CCB)		11	At least 91% of all the complaints are acted upon
c. Presidential Complaint Center (PCC)		10	At least 86% of all the complaints are acted upon
		9	At least 81% of all the complaints are acted upon
		8	At least 75% of all the complaints are acted upon
		7	At least 70% of all the complaints are acted upon
		0	Less than 70% of all the complaints are acted upon

## 5.0 AGENCY ACCOUNTABILITIES

To sustain the institutionalization of compliance to existing government-mandated laws and standards, DWD and the Performance Management Team (PMT) shall continue to implement, monitor, and enforce compliance with the following requirements within the agency:

- a. Updating of Transparency Seal
- b. Compliance with the Freedom of Information Program
- c. Updating of Citizen's or Service Charter
- d. Compliance to Audit Findings and Liquidation of Cash Advances
- e. Submission and Review of SALN
- f. PhilGEPS posting of all invitations to bids and awarded contracts
- g. Submission of FY 2022 Annual Procurement Plan-Common Use Supplies and Equipment (APP-CSE), FY 2021 Non-Common Use Supplies and Equipment (APP-non CSE), and Indicative FY 2022 APP

While the conditions mentioned above are no longer required in determining the overall PBB eligibility of LWDs, **compliance with these conditions shall be used as the basis in determining the eligibility of responsible units and individuals.** DWD should submit these legal requirements directly to the oversight agencies.

## 6.0 ELIGIBILITY OF DELIVERY UNITS AND INDIVIDUAL EMPLOYEES

- 6.1 For FY 2021 PBB, the delivery units (DUs) shall no longer be ranked. However, **the unit/s most responsible for deficiencies shall be isolated.**

Based on Table No. 01, to be eligible for the FY 2021 PBB, DWD must attain a total score of at least 70 points.

**The unit/s most responsible (including its Head) for the non-compliance with the Agency Accountabilities provided in Section 5.0 will also be isolated from the grant of the FY 2021 PBB.**

- 6.2 Eligible DUs shall be granted FY 2021 PBB at uniform rates across the water district, including its officials and employees. The corresponding rates of the PBB shall be based on DWD's achieved total score, as shown in Section 7.0.
- 6.3 The General Manager is eligible only if DWD is eligible. If eligible, his/her PBB rate for FY 2021 shall be equivalent to the rates stated in Section 7.0 and shall be based on his/her basic monthly salary (MBS) as of December 31, 2021.
- 6.4 The delivery units shall have met at least an average of 70% of all the targets set in their respective Division Performance Commitment and Review (DPCR) forms. Otherwise, the employees under such delivery unit shall be isolated from the grant of FY 2021 PBB.

- 6.5 To be eligible for FY 2021 PBB, employees belonging to the First, Second, and Third Levels should receive a rating of at least "Very Satisfactory" based on the agency's CSC-approved Strategic Performance Management System (SPMS).
- 6.6 Personnel in detail to another government agency for six (6) months or more shall be included in the recipient agency that rated his/her performance. The payment of the PBB shall come from the mother agency.
- 6.7 Personnel who transferred from one government agency to another agency shall be included 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.
- 6.8 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 the PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency, as stated in Section 6.10.
- 6.9 An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least a Very Satisfactory rating may be eligible for the full grant of the PBB.
- 6.10 An official or employee who rendered less than nine (9) months but a minimum of three (3) months of service and with at least a Very Satisfactory rating shall be eligible for the grant of the PBB on a pro-rata basis corresponding to the actual length of service rendered, as follows:

TABLE NO. 06 – PERCENTAGE OF PBB	
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/or
- h. Sabbatical Leave

- 6.10 An employee who is on vacation or sick leave, with or without pay, for the entire year is not eligible for the grant of the PBB.
- 6.11 Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2021 shall not be entitled to the PBB. However, if the penalty meted out is only a reprimand, such penalty shall not cause the disqualification to the PBB.
- 6.12 Officials and employees who failed to submit the 2020 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 2021 PBB.
- 6.13 Officials and employees who failed to liquidate all cash advances received in FY 2021 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 2021 PBB.

## 7.0 RATES OF THE PBB

The total score as stated in Section 4.0 shall be the basis in determining the amount of the PBB an LWD is eligible for. The maximum rate of the PBB if DWD will achieve 100 points shall be 100% of the 65% monthly basic salary (MBS) of an individual as of December 31, 2021. For illustration, see the table below:

TABLE NO. 07 – RATES OF THE PBB	
TOTAL SCORE	PBB RATES
100 points	<b>65.00%</b> (100% of the 65% monthly basic salary)
95-99 points	<b>61.75%</b> (95% of the 65% monthly basic salary)
90-94 points	<b>58.50%</b> (90% of the 65% monthly basic salary)
85-89 points	<b>55.25%</b> (85% of the 65% monthly basic salary)
80-84 points	<b>52.00%</b> (80% of the 65% monthly basic salary)
75-79 points	<b>48.75%</b> (75% of the 65% monthly basic salary)
70-74 points	<b>45.50%</b> (70% of the 65% monthly basic salary)

## 8.0 TIMELINES AND SUBMISSION/POSTING OF REPORTS AND REQUIREMENTS

- 8.1 DWD should submit Form A and A1 as evidence of accomplishments of Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results (as provided in Section 4.0) on or before **February 28, 2022**.

8.2 The AO25 IATF will conduct spot checks to validate claims and certifications made by DWD on the submitted/posted reports and/or requirements.

8.3 Responsible employees/delivery units are encouraged to provide information to the AO25 Secretariat on compliance with the Agency Accountabilities provided in Section 5.0.

*Approved per BOD Resolution No. 21-70, s. 2021 dated December 20, 2021.*



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PMT Chairperson

Date: 12/23/2021



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General Manager

Date: 12/23/2021