



Republic of the Philippines
DEPARTMENT OF FINANCE

Roxas Boulevard Corner Pablo Ocampo, Sr. Street
Manila 1004

OFFICE ORDER No. 106.2018
September 24, 2018

Subject: Internal Guidelines on the Determination of the Eligibility of Delivery Units Within the DOF Proper Relative to the Grant of the Performance-Based Bonus (PBB) for Fiscal Year 2018

1.0 PURPOSE:

This Office Order is issued to provide the internal guidelines on the determination of the eligibility of delivery units, officials and employees in the DOF-Proper and to prescribe the criteria in the ranking of delivery units relative to the grant of FY 2018 Performance-Based Bonus pursuant to the following:

1. Executive Order No. 80 dated July 20, 2012, Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems;
2. Executive Order No. 201, s. 2016, Modifying the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of Additional Benefits for both Civilian and Military and Uniformed Personnel;
3. AO 25 IATF Memorandum Circular No. 2018-1 dated May 28, 2018, Guidelines on the Grant of the Performance-Based Bonus for Fiscal Year 2018 under Executive Order No. 80 s. 2012 and Executive Order No. 201 s. 2016; and,
4. Department of Finance - Strategic Performance Management System (DOF-SPMS) Basic Policies.

2.0 COVERAGE

- 2.1 All identified delivery units of the DOF-Proper per classification (Annex A);
- 2.2 All officials and employees of the DOF-Proper holding regular plantilla positions; and contractual and casual personnel having an employer-employee relationship and whose compensation are charged to the lump-sum appropriation under Personnel Services, or those occupying positions in the DBM-approved contractual staffing pattern.

3.0 ELIGIBILITY CRITERIA

3.1 Eligibility of Offices or Delivery Units:

Item 8.0 of MC 2018-1 states that bureaus, offices or delivery units eligible to the FY 2017 PBB shall be forced ranked according to the following:

Ranking	Performance Category
Top 10%	Best Bureau/Office/Delivery Unit
Next 25%	Better Bureau/Office/Delivery Unit
Next 65%	Good Bureau/Office/Delivery Unit

3.2 Eligibility of the Secretary of Finance:

The eligibility of the Secretary of Finance to the Performance-Based Bonus (PBB) will depend on the eligibility and performance of the Department of Finance;

The Secretary of Finance shall not be included in the ranking and reporting of delivery units but will be provided a separate line under Form 1.0.

3.3 Eligibility of Officials and Employees:

Only the personnel belonging to eligible bureaus, offices or delivery units are qualified for the PBB. There shall no longer be a ranking of individuals within a delivery unit;

The PBB rates of individual employees shall depend on the performance ranking of the bureau or delivery unit where they belong, based on the individual's monthly basic salary as of December 31, 2018, as follows, but not lower than Php5, 000.00:

Performance of Eligible Agency	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%

An official or employee who has rendered a minimum of nine (9) months of service in FY 2018 and with at least Satisfactory rating may be eligible to the full grant of the PBB;

Employees belonging to the First and Second Levels should receive a rating of at least "Satisfactory" based on the DOF's CSC-approved Strategic Performance Management System (SPMS);

Third Level officials should receive a rating of at least "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;

3.4 Eligibility of Officials Performing Managerial/Executive Functions:

Other officials performing managerial and executive functions who are not presidential appointees are covered by the DOF's CSC-approved SPMS and should receive a rating of at least "Satisfactory";

3.5 Eligibility of Personnel on Detail:

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 which rated his/her performance. Payment of the PBB shall come from the mother agency;

3.6 Eligibility of Personnel Who Transferred:

Personnel who are transferred from one government agency to another government 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;

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 on the actual length of service to the participating implementing agency, as stated in Section 3.7.

3.7 Eligibility of Personnel with Less Than 9 Months of Service:

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 to 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 mos. but less than 9 mos.	90%
7 mos. but less than 8 mos.	80%
6 mos. but less than 7 mos.	70%
5 mos. but less than 6 mos.	60%
4 mos. but less than 5 mos.	50%
3 mos. but less than 4 mos.	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. 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

3.8 Ineligibility of Personnel:

1. 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;
2. Personnel found guilty of administrative and/or criminal cases in FY 2018 by final and executory judgment 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;
3. Officials and employees who failed to submit the SALN as of December 31, 2017 as prescribed in the rules provided under CSC Memorandum Circular No. 3, s. 2015 shall not be entitled to the FY 2018 PBB; 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;
4. Officials and employees who failed to liquidate all the cash advances received in FY 2018 within the reglementary period as prescribed 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;
5. Officials and employees who failed to submit their complete SPMS Forms shall not be entitled to the FY 2018 PBB.

4.0 RANKING SYSTEM OF ELIGIBLE DELIVERY UNITS

4.1 The divisions/offices and each personnel of the DOF shall be rated in accordance with the provisions of the DOF-SPMS:

4.1.1 Performance appraisal shall be conducted semi-annually for the Functional Groups, Divisions, and Individual Employees. However, should there be a need for shorter or longer period, the minimum appraisal period is at least ninety (90) calendar days or three (3) months, while the maximum shall not be more than one (1) calendar year.

4.1.2 The final Division Performance Ratings and Functional Group Performance Ratings are recommended by the DOF Performance Management Team (PMT) and approved by the DOF SPMS Champion, shall be the basis in the computation of individual employees' performance.

4.1.3 The Division Chief shall determine the final assessment of the performance level of individual employees in his/her division based on proof of performance using the IPCR form.

4.1.4 The average Overall Numerical Rating of all individual performance assessment in a division shall not go over the numerical range of the Adjectival Rating of the division.

4.2 After the final Division Ratings and Functional Group Performance Ratings have been decided upon during the DOF Performance Review Conference by the PMT every semester and consequently, approved by the SPMS Champion, the respective Directors and Division Chiefs shall then rate their subordinates using the DPCR and IPCR Forms.

Based on DOF approved SPMS commitments made by the individual employee up to the division commitments are computed vis-à-vis their respective performance indicators and actual accomplishments.

4.3 Upon finalization of ratings, ranking of delivery units shall be made per group classification: Operations (MFO Targets), Support to Operations (STO), and General Administration and Support Services (GASS) which shall be forced ranked based on the approved Office Performance Commitment Review (OPCR) and in accordance with Item 8.0 of MC No. 2018-1.

For purposes of forced ranking in case of similar or equal OPCR ratings, the PMT shall determine the applicable criteria to be used for further evaluation of ranking of concerned offices.

5.0 APPEALS

Cases not covered by the guidelines shall be referred to the AO 25 Secretariat, Department of Budget and Management, for resolution.

6.0 EFFECTIVITY

This Office Order shall take effect immediately.



GIL S. BELTRAN
Undersecretary and
Officer-in-Charge



DEPARTMENT OF FINANCE
Republic of the Philippines



092818U8EC000320

IDENTIFIED DELIVERY UNITS WITHIN THE DOF-PROPER PER CLASSIFICATION

General Administration and Support Services

1. Office of the Secretary/ All Undersecretaries, Assistant Secretaries and their Immediate staff/ Office of the Chief Economist
2. Central Financial Management Office
3. Central Administration Office
4. Internal Audit Service

Support to Operation

5. Central Management Information Office
6. Legal Affairs Office
7. Revenue Integrity Protection Service

Operations

8. International Finance Operations Office
9. International Finance Policy Office
10. Corporate Operations Office
11. Privatization Group
12. Fiscal Policy and Planning Office
13. Research and Information Office/ Information and Liaison Office
14. One-Stop Shop and Duty Drawback Center
15. Municipal Development Fund Office
16. Revenue Office/ Financial Analytics and Intelligence Unit
17. Strategy and Results Office
18. Fiscal Economics Research Office