



Department of National Defense  
**PHILIPPINE VETERANS AFFAIRS OFFICE**  
Quality Management System for Adjudication of Pension Claims  
ISO 9001:2008 Certified



28 October 2016

OFFICE CIRCULAR

NUMBER: 16-09

SUBJECT: Guidelines on the Grant of the CY 2016 Performance Based Bonus (PBB) including the Criteria on Rating and Forced Ranking of PVAO's Delivery Units

**I. REFERENCES:**

1. Executive Order No. 80, s. 2012, *"Directing the Adoption of a Performance-Based Incentive System for Government Employees"*;
2. Administrative Order No. 25, s.2011, *"Creating an Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems"*;
3. 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"*;
4. Memorandum Circular No. 2016-1 dated 12 May 2016 from AO 25 Inter-Agency Task Force (IATF), *"Guidelines on the Grant of the Performance-Based Bonus for Fiscal Year 2016 under Executive Order (EO) No. 80 and EO No. 201"*;
5. Memorandum Circular No. 2016-2 dated 12 October 2016 from AO 25 IATF, *"Guidelines on the Identification and Determination of Delivery Units Relative to the Grant of the Performance-Based Bonus (PBB) for Fiscal Year (FY) 2016"*

**II. PURPOSE:**

This Office Circular prescribes the criteria and conditions for the grant of FY 2016 Performance-Based Bonus, and the internal guidelines on the system of rating and ranking of PVAO's Delivery Units.

**III. COVERAGE:**

All officials and employees of PVAO holding regular plantilla positions, 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.

#### IV. GENERAL AND SPECIFIC GUIDELINES:

##### 1. ELIGIBILITY OF THE AGENCY

To qualify for the grant of FY 2016 Performance-Based Bonus (PBB), PVAO must:

- 1.1 Achieve all performance targets under its respective Major Final Outputs (MFOs) under the Performance Informed Budget (PIB) of the FY 2016 General Appropriations Act (GAA), and the targets for Support to Operations (STO) and General Administration and Support Services (GASS) as reflected in Sections 5.2 and 5.3 of Memorandum Circular No. 2016-1;
- 1.2 Satisfy 100% of the Good Governance Conditions set by the AO 25 IATF for FY 2016 as identified in Section 6.0 of the same circular.

##### 2. ELIGIBILITY CRITERIA FOR PVAO OFFICIALS AND EMPLOYEES

- 2.1 Third Level Officials should receive a rating of at least "Satisfactory" under the CESPES. Payment of their PBB shall be contingent on the release of results of the CESPES;
- 2.2 Employees belonging to the First and Second Levels should receive a rating of at least "Satisfactory" based on the CSC-approved Integrated Personnel Performance Management System (IPPMS);
- 2.3 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 parent agency;
- 2.4 Personnel who transferred from one gov't. agency to another shall be rated by the agency where he/she served the longest. If equal months were served, he/she will be included in the recipient agency;
- 2.5 An employee who has rendered a minimum of nine (9) months of service in FY 2016 and with at least Satisfactory Rating may be eligible to the full grant of the PBB;
- 2.6 An employee who rendered less than nine (9) months but with a minimum of three (3) months of service in FY 2016 and with at least Satisfactory Rating shall be eligible to the grant of the PBB on a pro-rated 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-rated basis:

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

### 3.0 EXCLUSIONS FROM THE FY 2016 PBB

- 3.1 An employee who is on vacation or sick leave, with or without pay, for the entire year is not eligible to the grant of PBB;
- 3.2 Personnel found guilty of administrative and/or criminal cases in FY 2016 by formal 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;
- 3.3 Officials and employees who failed to submit their 2015 SALN as prescribed in the rules provided under CSC Memorandum Circular No. 3 (s.2015) shall not be entitled to the FY 2016 PBB;
- 3.4 Officials and employees who failed to liquidate within the reglementary period their Cash Advances received in FY 2016 as required by the COA shall not be entitled to the FY 2016 PBB;
- 3.5 Officials and employees who failed to submit their complete IPPMS forms shall not be entitled to the FY 2016 PBB.

### 4.0 PERFORMANCE RATING AND RANKING OF DELIVERY UNITS

- 4.1 Agencies and their corresponding delivery units that meet the aforementioned criteria and conditions are eligible to the FY 2016 PBB. The delivery units eligible to the PBB shall be forced ranked according to the following categories:

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

- 4.2 For purposes of FY 2016 PBB, a delivery unit is defined under Memorandum Circular No. 2016-2 issued by the AO 25 IATF on 12 October 2016 to be the primary subdivision of an agency performing substantive line functions,

technical services or administrative support, as reflected in the agency's organizational structure and/or functional chart;

- 4.3 As mandated in the same circular, agencies attached to a department shall be treated as an agency separate from its parent department and shall have a separate ranking of its delivery units;
- 4.4 For purposes of FY 2016 PBB, PVAO shall have ten (10) Delivery Units based on the agency's Organizational Structure approved by the DBM:
1. Office of the Administrator
  2. Claims Division
  3. Finance Division
  4. Mgt. Information Division
  5. Legal Affairs Division
  6. Planning & Mgt. Division
  7. Veterans Records Mgt. Division
  8. Administrative Division
  9. Veterans Memorial & Historical Division
  10. Veterans Affairs & Mgt. Division
- 4.5 Delivery units shall be rated and ranked using a Rating System with the following criteria and score weights (Details in Annex A):

Criteria	Points Score
1. Accomplishment based on FY 2016 Office Performance Commitment Review (OPCR) covering Strategic and Core Functions of the Delivery Units	60
2. Initiatives	20
3. Good Governance Condition Requirements	10
4. Human Resource (HR) Related Requirements	10
Total Score	100

- 4.6 The criteria (no. 2) in determining the requirements and equivalent scores for Initiatives shall be agreed upon and disseminated by the top management on or before 30 November 2016, taking into consideration the impact of said initiatives towards continual improvement, operational efficiency, customer satisfaction, among others;
- 4.7 The criteria (no. 3) on Good Governance Condition Requirements shall be limited to (a) Liquidation of Employee Cash Advances within the reglementary period and (b) Submission of SALN within the prescribed timeline which are equivalent to 5 pts. each in case of 100% compliance.

- 4.8 The criteria (no. 4) in determining the requirements and equivalent scores for HR Related Requirements shall be disseminated by the Administrative Division on/or before 30 November 2016, taking into consideration pertinent civil service requirements;
- 4.9 The PBB Rates of individual employees shall depend on the performance of the delivery unit where they belong. There shall no longer be a ranking of individuals within a delivery unit.

## 5.0 RATES OF THE FY 2016 PBB

- 5.1 The amount of PBB shall be based on the following percentages of the employee's monthly basic salary as of 31 December 2016 per EO No. 201, s.2011, but not lower than Php5,000.

### 5.1.1 PBB Rates for Head of Agency

Performance of Agency	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 deficiencies in some of its physical targets due to <i>uncontrollable</i> reasons	57.5%
Agency achieved all GGCs, and has deficiency in <i>one</i> of its physical targets due to <i>controllable</i> reasons	50%

### 5.1.2 PBB Rates for Individual Employees

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

**6.0 COMPLIANCE VALIDATION**

- 6.1 PVAO has designated Focal Persons to ensure the adequate compliance and timely submission of all FY 2016 PBB Requirements (see Annex B);
- 6.2 For the results of Internal Rating of PVAO’s Delivery Units, the following divisions are assigned to tally and validate the scores of each delivery unit and report the same to top management NLT 6 January 2017:

Criteria	Validator/s
1. Accomplishment based on FY 2016 Office Performance Commitment Review (OPCR)	Planning & Mgt. Division
2. Initiatives	Administrative & Planning & Mgt. Divisions
3. Good Governance Condition Requirements	
a. Liquidation of Cash Advances w/in reglementary period	Planning & Mgt. Division
b. Submission of SALN w/in prescribed timeline	Administrative Division
4. HR Related Requirements	Administrative Division

**7.0 SEPARABILITY CLAUSE**

Should any provision of this Circular be declared invalid, the other provisions not affected thereby shall remain valid and subsisting.


**8.0 EFFECTIVITY**

This Circular takes effect upon approval.

Endorsed by:

  
**MGEN RAUL Z CABALLES AFP (RET)**  
Deputy Administrator

Approved by:

  
**LTGEN ERNESTO G CAROLINA AFP (RET)**  
Administrator

**PVAO CRITERIA ON RATING AND RANKING OF DELIVERY UNITS**  
**(ANNEX A)**

**Criteria No. 1: Accomplishment based on FY 2016 Office Performance Commitment Review (OPCR) Form (60 pts.)**

**A. EQUIVALENT POINTS**

OPCR Category	Maximum Equivalent Points
a. Strategic Functions (Based on Kagitingan Roadmap 2022)	20
b. Core Functions	40
<b>Total Points</b>	<b>60</b>

**B. ASSIGNED WEIGHT (IN %) ON ACTUAL ACCOMPLISHMENTS (As of 31 December 2016)**

Weight (in %)	100%	90%	80%	70%	60%
<b>Description (CSC- Prescribed Performance Standards)</b>	Performance is of extraordinary level of achievement - exceeding planned targets by 30% or more	Performance is of exceptional level of achievement -exceeding planned targets by 15% to 29%	Performance is of acceptable level of achievement – exceeding/ meeting planned targets by 14% or 90%, respectively	Performance is below the acceptable level of achievement – meeting planned targets by 51% to 89%	Performance is of unacceptable level of achievement – meeting planned targets by 50% and below

**C. SAMPLE COMPUTATION OF EQUIVALENT POINTS**

Actual Accomplishment vs. Target	% Weight	Strategic Functions (20 pts.)	Core Functions (40 pts.)	Total Pts./Score
		Equivalent Pts. (Max. Pts. x % Weight)		
130% and above	100%	20	40	60
115% - 129%	90%	18	36	54
90% - 114%	80%	16	32	48
51% - 89%	70%	14	28	42
50% and below	60%	12	24	36

In case the Delivery Unit has no Strategic Function, the maximum pts. allowed for Core Functions shall be equivalent to 60 pts. which will result in the following computation:

Actual Accomplishment vs. Target	% Weight	Core Functions (60 pts.)
		Equivalent Pts. (Max. Pts. x % Weight)
130% and above	100%	60
115% - 129%	90%	54
90% - 114%	80%	48
51% - 89%	70%	42
50% and below	60%	36

### Criteria No. 2: Initiatives (20 pts.)

This criteria recognizes the Delivery Unit's undertakings to initiate reforms with measurable outputs/outcomes such as approved policies, system enhancements, cost savings measures, etc. The determination of requirements and equivalent scores for each initiative/undertaking shall be agreed upon and disseminated by top management on or before 30 November 2016, taking into consideration the impact of said initiatives towards continual improvement, operational efficiency, customer satisfaction, among others.

### Criteria No. 3: Good Governance Condition Requirements (10 pts.)

The criteria (no. 3) on Good Governance Condition Requirements shall be limited to (a) Liquidation of Employee Cash Advances within the reglementary period and (b) Submission of SALN within the prescribed timeline which are equivalent to 5 pts. each for 100% compliance. The following scores will apply in case compliance is below 100%.

Percentage of non-compliant employee/s within the Delivery Unit	Non-liquidation of Employee Cash Advance/s within the reglementary period	Non-submission of SALN within the prescribed timeline
1% to 5%	4 pts.	4 pts.
6% to 10%	3 pts.	3 pts.
11% to 15%	2 pts.	2 pts.
16% to 20%	1 pt.	1 pt.
20% and above	0 pt.	0 pt.

### Criteria No. 4: Human Resource (HR) Related Requirements (10 pts.)

The criteria in determining the requirements and equivalent scores for HR Related Requirements shall be disseminated by the Administrative Division on/or before 30 November 2016, taking into consideration pertinent Civil Service requirements.



# ANNEX B

## DIRECTORY / CONTACT DETAILS FOR FY 2016 PBB

**NAME OF AGENCY:** PHILIPPINE VETERANS AFFAIRS OFFICE

**ADDRESS:** VETERANS COMPOUND, CAMP GENERAL EMILIO AGUINALDO, QUEZON CITY

DESIGNATION	NAME	OFFICE	POSITION	CONTACT DETAILS
Head of Agency	LTGEN ERNESTO G CAROLINA AFP (RET)	Philippine Veterans Affairs Office	Administrator	<ul style="list-style-type: none"> <li>▪ <i>Email address:</i> nesty_carolina@yahoo.com</li> <li>▪ <i>Office number:</i> (02) 912-4526 loc. 5567</li> </ul>
EA of Head of Agency	LIZA T. DELA CRUZ	Office of the Administrator	Supervising Veterans Assistance Officer	<ul style="list-style-type: none"> <li>▪ <i>Email address:</i> liza_pvaombd@yahoo.com</li> <li>▪ <i>Office number:</i> (02) 912-4526 loc. 5567</li> <li>▪ <i>Cellphone Number:</i> 0908.887.7714</li> </ul>
PBB focal Person	COL OMAR L TONSAY PN (M) (RET)	Planning and Management Division	Chief Administrative Officer	<ul style="list-style-type: none"> <li>▪ <i>Email address:</i> otonsay@pvao.mil.ph</li> <li>▪ <i>Office number:</i> (02) 912-2533</li> <li>▪ <i>Cellphone Number:</i> 0939.846.4306</li> </ul>
Alternate PBB Focal Person	MARICIEL E. ESTACIO, MNSA	Administrative Division	Chief Administrative Officer	<ul style="list-style-type: none"> <li>▪ <i>Email address:</i> leic.estacio@gmail.com</li> <li>▪ <i>Office number:</i> (02) 912-1929</li> <li>▪ <i>Cellphone Number:</i></li> </ul>
PBB Spokesperson	ROBERTO C. DELA CRUZ	Planning and Management Division	Administrative Officer V	<ul style="list-style-type: none"> <li>▪ <i>Email address:</i> robertodlacrz@gmail.com</li> <li>▪ <i>Office number:</i>(02) 912-2533</li> <li>▪ <i>Cellphone Number:</i> 0927.837.3290</li> </ul>
Contact person/s	ROBERTO C. DELA CRUZ	Planning and Management Division	Administrative Officer V	<ul style="list-style-type: none"> <li>▪ <i>Email address:</i> robertodlacrz@gmail.com</li> <li>▪ <i>Office number:</i>(02) 912-2533</li> <li>▪ <i>Cellphone Number:</i> 0927.837.3290</li> </ul>
	ISABELITA B. ENCIENZO	Administrative Division	Planning Officer III	<ul style="list-style-type: none"> <li>▪ <i>Email address:</i> pvao.hrds@gmail.com</li> <li>▪ <i>Office number:</i> (02) 912-1929</li> </ul>

Endorsed by:



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