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1. OBJECTIVE

To establish the guidelines for ranking MIRDC officials and employees relative to the implementation and granting of CY 2019 Performance-Based Bonus (PBB) pursuant to Memorandum Circular No. 2019-1 dated September 3, 2019 issued by the Inter-Agency Task Force (IATF) on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems [Administrative Order (AO) No. 25, s. 2011].

2. SCOPE AND COVERAGE

This covers all identified delivery units of MIRDC and all its officials and employee holding regular plantilla positions.



3. BASIC GUIDELINES

3.1 Agency

3.1.1 To be eligible for the PBB, the MIRDC must satisfy the following criteria and conditions as provided in the IATF MC No. 2019-1;

a. **Good Governance Targets.** Satisfy 100% of the Good Governance Conditions set by the AO 25 IATF for the 2019, to wit:

- 1) Maintain/Update the Agency Transparency Seal
- 2) Update the PhilGEPS posting of all Invitation to Bids and awarded contracts for transactions for transactions above P1M from January 1 to December 31, 2019, including Early Procurement of FY 2020 Non-CSE items.
- 3) Maintain/Update the Citizen's Charter reflecting the agency's enhanced service standards for all its government services to citizens, business and government agencies, consistent with the objectives of RA No. 11032 and the President's directive to reduce processing time of all public transactions with government and ensure accessible and convenient delivery of services to the public.

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Non-compliance with any of the good governance conditions will render the MIRDC ineligible for FY 2018 PBB.

- b. **Performance Targets.** Achieve each one of the Physical Targets, Support to Operations (STO) and General Administration and Support Services (GASS) requirements for FY 2018.

- 1) Streamlining and Process Improvements of the Agency's Critical Services covering all Government-to-Citizen (G2C), Government-to-Business (G2B), and Government-to-Government (G2G) transactions as declared in MIRDC's Citizen's Charter. To promote the periodic measurement of MIRDC's performance in delivering services, MIRDC shall determine and report the following streamlining criteria:

- a) Number of steps which refers to number of steps to complete the service. MIRDC shall report in detail the steps necessary to complete the service including flow charts indicating the front end and back end.
- b) Turnaround time (TAT) which is the sum of the waiting time and processing time. It starts from the moment the transacting citizen/client enters the queue or fills out a form, and the waiting time incurred until the service has been completed/delivered.
- c) Number of signatures which refers to the number of signatures and initials from the employees and officers of MIRDC necessary to complete each service.
- d) Number of documents which refers to the total number of required documents that must be provided by the transacting client to the government.
- e) Transaction costs which are the costs incurred by the transacting client in the course of availing of a government service.
 - i. Primary Transaction Costs/Fees which are the fees declared in the MIRDC's Citizen's Charter to be paid to the MIRDC by the transacting client for availing a government service.

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- ii. Other Transaction Costs/Fees which are the other costs incurred by the transacting client to obtain supporting information from another agency in order to secure the necessary primary information.
- f) Substantive compliance costs which are the incremental costs other than administrative costs incurred by the transacting public in the course of complying with a regulation,

g)
MIRDC shall report the baseline information of each streamlining criteria based on the MIRDC's Citizen's Charter updated prior to FY 2019. The MIRDC shall set its FY 2019 Streamlining Improvement Target for each streamlining criteria for every declared service including the following specific targets:

- a) Reduction in the number of signatures to not more than 3
- b) Simplification of application forms or documentary requirements
- c) Reduction in the turnaround time and completion of the transaction in accordance with the provisions of the Ease of Doing Business Law

Supporting documents, such as flow charts, legal bases, additional documents, etc., shall be submitted to show actual improvements and proof of streamlining accomplishments. In the event that MIRDC is unable to achieve the targets set, it shall provide justifications, explanations, and supporting documents using the remarks column of Annex 3A Modified Form A-Department/Agency Performance Report.



- 2) Citizen/Client Satisfaction. To determine the effectiveness of the streamlining and process improvements initiated by MIRDC, the satisfaction level of the citizens/clients will be measured and reported. Feedback mechanisms and citizens/client satisfaction should be embedded in the process improvement efforts. Using the improvement action plan reported by MIRDC for FY 2018 PBB for each service, MIRDC shall report the results of each action plan and the FY 2019 Citizen/Client Satisfaction Survey for each service.

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MIRDC shall report on the following information using the prescribed form (Annex 4: Citizen/Client Satisfaction Report):

- a) Description of the methodology of the Citizen/Client Satisfaction Survey for each reported service
 - b) Results of the Citizen/Client Satisfaction Survey for FY 2019
 - c) Results of the action plan reported in FY 2018
 - d) Continuous improvement plan for FY 2020
- 3) STO Target. Initial Certification/Recertification of the Quality Management System (QMS) covering at least one core process or frontline service issued by any international certification bodies accredited by the International Accreditation Forum (IAF) members.
- 4) Common GASS targets shall include the following:
- a) Budget Utilization Rate (BUR) which shall consist of:
 - i. Obligations BUR
 - ii. Disbursements BUR
 - b) Sustained compliance with at least 30% of the prior years' audit recommendations, as shown in the Report on Status of Implementation of Prior Years' Recommendations of the Annual Audit Report (AAR). Audit findings closed in FY 2017 should also not recur.
 - c) Compliance with quarterly submission of Budget and Financial Accountability Reports (BFARs) online using the DBM's Unified Reporting System (URS) 30 days after end of each quarter.
 - d) Submission of Annual Procurement Plan (APP-non CSE) approved by the Head of Procuring Entity to the Government Procurement Policy Board (GPPB) in the format approved by GPPB Circular No. 07-2015:
 - i. FY 2019 APP-non CSE submitted to the GPPB-TSO on March 31, 2019 and posted on the MIRDC Transparency Seal (TS).
 - e) Submission of FY 2020 Annual Procurement Plan-Common-Use Supplies and Equipment (FY 2019 APP-CSE) to the DBM-Procurement Service on or before October 31, 2019 in the

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prescribed format by DBM-PS and posted on the MIRDC TS page not later than October 31, 2019.

- f) Undertaking of Early Procurement for at least 50% of the value of goods and services based on the MIRDC's budget submitted to the Congress consistent with the NEP.



To support Early Procurement, the Indicative FY 2020 APP-non-CSE consistent with FY 2020 National Expenditure Program (NEP) should be posted on the agency TS page not later than September 30, 2019.

- g) Submission of results of FY 2018 Agency Procurement Compliance and Performance Indicators (APCPI) System per GPPB Resolution No. 39-017, complete with the prescribed forms on or before March 31, 2019.

5) Other Cross-cutting requirements.

- a) Establishment and Conduct of Agency Review and Compliance Procedure of SALN. The Procedure is cascaded to employees and posted on the MIRDC TS not later than October 1, 2019.
- b) Comply with the Freedom of Information (FOI) Program pursuant to EO No. 2 s 2016, based on the enhanced requirements of the Presidential Communications Operations Office within the set deadline:
- The Updated People's FOI Manual duly signed by the Executive Director - uploaded on or before November 30, 2019;
 - The FOI Reports (Agency Information Inventory, 2019 FOI Registry, and 2019 FOI Summary Report) - uploaded on or before January 31, 2020; and
 - A screenshot of the MIRDC website's home page containing a visible and functional FOI logo linked to the electronic FOI portal – on or before January 31, 2020.

Accomplished FOI Reports should strictly be in one Excel Format based on the templates provided.

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In the event that MIRDC is unable to meet any of the above performance targets, the Executive Director should submit the justifications/explanations and supporting documents to warrant reconsideration. For validation purposes, justifiable reasons are factors that are considered outside the control of the agency.



- 6) To reinforce fairness in the assessment of the performance of each delivery unit under operations with those under support services, MIRDC shall declare non-frontline services provided to units/employees performed by the latter delivery units. MIRDC will likewise provide performance data to support the equitable ranking of each delivery unit.
- c. **Performance Rating of Employees and CES Positions.** Use the CSC-approved Strategic Performance Management System (SPMS) in rating the performance of 1st and 2nd level officials and employees, including officials holding managerial and Director positions but are not Presidential appointees.

3.2 Delivery Units

3.2.1 The Executive Director (ED) will be eligible only if MIRDC is eligible for PBB. If eligible, the ED's maximum PBB rate for FY 2019 shall be equivalent to 65% of the ED's monthly basic salary as of December 31, 2019. The ED shall not be included in the Report on Ranking of Delivery Units.

3.2.2 MIRDC delivery units are the following:

- a. Office of the Executive Director (OED)
- b. Planning and Management Division (PMD)
- c. Finance and Administrative Division (FAD)
- d. Analysis and Testing Division (ATD)
- e. Technology Diffusion Division (TDD)
- f. Materials and Process Research Division (MPRD)
- g. Prototyping Division (PD)

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- 3.2.3 The delivery units shall meet the criteria and conditions in 3.1.1 to be eligible for the FY 2019 PBB.

3.3 Individual/Personnel

- 3.3.1 Employees should receive a rating of at least “Satisfactory” based on the agency’s CSC-approved SPMS to be eligible for PBB.
- 3.3.2 Personnel on detail to another government agency for six (6) months or more shall be included in the ranking of employees in recipient agency that rated their performance. Payment of the PBB shall come from the mother agency.
- 3.3.3 Personnel who transferred from one government agency to another shall be rated and ranked by the agency where they served the longest. If equal months were served for each agency, they will be included in the recipient agency.
- 3.3.4 Personnel who transferred from government agencies that are non-participating in the implementation of the PBB shall be rated by the agency where they served the longest; the official/employee shall be employee shall be eligible for the grant of PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency, as stated in 3.3.6.
- 3.3.5 An official or employee who has rendered a minimum of nine (9) months of service in FY2019 and with at least satisfactory rating may be eligible to the full grant of the PBB.
- 3.3.6 An official or employee who has 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 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%

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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
- h. Sabbatical Leave

3.3.7 Personnel who are not entitled to the PBB:

- a. An employee who is in vacation or sick leave, with or without pay, for the entire year.
- b. Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2019. If the penalty meted out is only a reprimand, such penalty shall not cause the disqualification to the PBB.
- c. Officials and employees who failed to submit the 2018 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.
- d. Officials and employees who failed to liquidate cash advances received in FY2019 within the reglementary period as required by COA.
- e. Officials and employees who failed to submit the complete SPMS Forms.
- f. Officials and employees responsible for the non-compliance of the following requirements:

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- 1) Prior years' audit recommendations;
- 2) QMS Certification; or
- 3) Posting and dissemination of the MIRDC system of ranking performance of delivery units.

3.3.8 Agency Heads should ensure that officials and employees covered by R.A. No. 6713 submitted their 2018 SALN to the respective SALN repository agencies; liquidated their FY2019 Cash Advances; and completed the SPMS Forms, as these will be the basis for the release of FY 2019 PBB to individuals.

4.0 RANKING OF DELIVERY UNITS AND PBB RATES OF INDIVIDUAL EMPLOYEES

4.1 Ranking of Delivery Units



4.1.1 Delivery Units (DU) that meet the criteria and conditions in Item 3.1.1 are eligible to the PBB for FY 2019, and shall be forced ranked as follows:

Ranking	Performance Category	No. of DU
Top 10%	Best Delivery Unit	1
Next 25%	Better Delivery Unit	2
Next 65%	Good Delivery unit	4

The declarations of responsible DU in the completion of each critical service or other key processes shall be the basis for equitable performance ranking of DUs.

4.1.2 Performance ranking of eligible delivery units is based on the following criteria:

Indicator	Weight (%)
a. Accomplishment of Performance Targets	50%
b. Streamlining and Process Improvement	15%
c. Submission of All Reports and Documentary Requirements	15%
d. Conformity to Management Systems	10%

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e. Support to Other Division/System	7%
f. Participation to Employees Engagement Programs	3%
Total	100%

4.2 PBB Rates of Individual Employees

4.2.1 Individual employees. Only the personnel belonging to eligible delivery units are qualified for the PBB. PBB rates for each individual shall be based on the performance ranking of the individual's delivery unit with the rate of incentive as a multiple of one's monthly basic salary as of December 31, 2018 based on the table below:

Performance Category	PBB as % of MBS
Best Delivery Unit (10%)	65%
Better Delivery Unit (25%)	57.5%
Good Delivery Unit (65%)	50%

In case of detail, or transfer/assignment from one DU to another (without effect of promotion), employee shall be rated and ranked in the DU where he/she served the longest.

In case of promotion to another DU, employee shall be rated and ranked in the new DU.



5.0 PERFORMANCE REVIEW AND EVALUATION

5.1 Eligible Delivery Units

5.1.1 Accomplishment of Performance Targets. This shall be rated by the PBB Committee based on DPCR/OPCR.

5.1.1.1 To get the score on accomplishment, percentage of accomplishment is multiplied by the weight allocation of 60%.

5.1.1.2 The percentage of accomplishment of the OED shall be computed as follows:

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Employee	Weight (%)
OED for TS	35% of OPCR-TS
OED for RD	35% of OPCR-RD
Attorney IV	10% of IPCR
TSS	10% of the average IPCRs of all TSS Personnel
Immediate Support Staff OED	5% of IPCR
Immediate Support Staff OED-TS	2.5% of IPCR
Immediate Support Staff OED-RD	2.5% of IPCR
Total	100%



For the second semester, TSS shall be under the OED for R&D and the rating shall be as follows:

Employee	Weight (%)
OED for TS	40% of OPCR-TS
OED for RD	40% of OPCR-RD
Attorney IV	10% of IPCR
Immediate Support Staff OED	5% of IPCR
Immediate Support Staff OED-TS	2.5% of IPCR
Immediate Support Staff OED-RD	2.5% of IPCR
Total	100%

5.1.2 Streamlining and Process Improvement. Documented and verifiable improvement in any of the following:

- Number of steps
- Number of signatures required to complete each service/process, including the initials required.
- Number of documents, includes the documents required from the transacting citizens/clients, documents used by the MIRDC in the internal processing until the completion/delivery of the service to the transacting citizen/clients.

This covers external clients. Points shall either be 0 or 10. In the event that the improvement/streamlining was made by a system developer,

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both the system developer and end-user shall earn the points separately.

The **Citizen/Client Satisfaction Report** shall serve as a tool to determine the effectiveness of the streamlining and process improvements initiated by each delivery unit.

5.1.4 Submission of Reports and Documentary Requirements. This shall be evaluated by the PBB Committee based on the percentage of on-time submission of reports, as follows:



Indicator	Points
90-100% of reports submitted on deadlines	100
70-89% of reports submitted on deadlines	80
50-69% of reports submitted on deadlines	60
30-49% of reports submitted on deadlines	40
10-29% of reports submitted on deadlines	20
0-9% of reports submitted on deadlines	0

5.1.3 Conformity to Management Systems. This shall be the indicator to determine the degree of conformity to the MIRDC management system.

5.1.3.1 Conformance to MIRDC's Management Systems based on external audit shall be rated as follows:

Indicator	Points
Zero NC for the year	100
1 NC for the year	90
2 NCs for the year	80
3 NCs for the year	70
4 NCs for the year	60
5 or more NCs for the year	50

Minor NC for QMS and Significant NC for LMS. Major NC or Highly Significant NC shall have a score of 50 points.

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5.1.3.2 Submission of accomplished NCARs Internal and External based on deadline shall be evaluated as follows:

Indicator	Points
Before or on the deadline	100
1 day late	90
2 days late	80
3 days late	70
4 days late	60
5 days or more late	50



N.B.: Exclude NCAR of non-division specific findings.

5.1.3.3 Execution of Corrective Action based on target completion date shall be evaluated as follows:

Indicator	Points
Before or on the deadline	100
1 to 5 working days delayed	90
6 to 10 working days delayed	80
11 to 15 working days delayed	70
16 to 20 working days delayed	60
21 working days or more delayed	50

5.1.4 Participation to Employee's Engagement Programs. This refers to non-work related programs intended to foster nationalism, teamwork, sportsmanship, and health and fitness among others.

These include attendance to flag ceremony, teambuilding, anniversary celebrations, Christmas celebrations and other activities implemented and/ or supported by the MIRDC and DOST that requires ALL employees' participation. Point system is based on the percentage of participation of delivery units in all activities/programs implemented and/or supported as certified by the Administrative and General Services Section (AGSS) of Finance and Administration (FAD), using the formula below:

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$$\% \text{ Participation} = \frac{\text{No. of attendees in activity 1+2+...n}}{\text{Total Number of Employees Required}} \times 100$$

$$\text{Total Number of Activities/Programs Implemented/Supported}$$



Note: Employee/s assigned as skeletal, on official business, on approved leave or by reason of religious affiliation shall be excluded from the Total Number of Employees Required.

Indicator	Points
90-100% participation	100
60-89% participation	80
40-69% participation	60
20-39% participation	40
0-19% participation	20

5.1.5 Support to Other Divisions/Systems. This refers to allowing staff to participate in the activities/programs of other divisions, including DOST agencies, provided that the said activities are not part of the supporting division's performance targets, as follows:

- a. Internal audit
- b. Training
- c. Consultancy

The OED is excluded from this criterion.

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5.1.5.1 **Internal Audit** – refers to the number of available employees who participated; excludes observers for LMS/auditor-in-training for QMS who has undergone audit training.

Indicator	Points
4 or more of division employee	100
3 division employee	75
2 division employee	50
1 division employee	25
none	0



5.1.5.2 Training and consultancy

Indicator	Points
100% of required man-hour	100
75-99% of required man-hour	75
50-74% of required man-hour	50
25-49% of required man-hour	25
Less than 25% of required man-hour	0

Cancelled regular programs may be replaced by packaged programs, subject to approval of the concerned DED. Required man-hour targets may be adjusted as needed.

Training includes FAD-AGSS identified training programs.

---- nothing follows ----

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