



*Funding the Republic*

REPUBLIKA NG PILIPINAS  
KAGAWARAN NG PANANALAPI  
**KAWANIHAN NG INGATANG-YAMAN**  
(BUREAU OF THE TREASURY)  
Intramuros, Manila 1002

**TREASURY OFFICE ORDER NO. 110-2020**  
28 September 2020

**GUIDELINES ON THE GRANT OF PERFORMANCE-BASED BONUS (PBB)  
FOR FY 2020 INCLUDING THE PROCESS AND CRITERIA FOR RANKING OF ELIGIBLE  
DELIVERY UNITS IN THE BUREAU OF THE TREASURY**

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**I. PURPOSE**

In the interest of the service and pursuant to Memorandum Circular No. 2020 -1 issued by the Inter-Agency Task Force (IATF) on Administrative Order No. 25 (AO 25), the following guidelines on the grant of Performance-Based Bonus (PBB) for CY 2020 is hereby issued to inform and guide all Delivery Units (DUs) on the updated PBB requirements and to adopt a uniform criteria on rating and ranking of DUs.

**II. COVERAGE**

These guidelines cover identified eligible DUs of the Bureau of the Treasury (BTr) and its officers and employees that comply with the requirements and conditions for the grant of FY 2020 PBB.

**III. ELIGIBILITY**

**A. Eligibility of Agency**

Consistent with Item 4.0 of MC 2020-1, the following conditions must be satisfied by BTr to be eligible for PBB:

**1. GOOD GOVERNANCE CONDITIONS (GGCs).** Satisfy 100% of the GGCs for FY 2020 set by AO25 IATF, as follows:

**a. Maintain/ Update the agency Transparency Seal (TS)** which shall include the following:

- 1) Agency mandate and functions, names of officials with their position, designation and contact information
- 2) Annual Financial Reports
  - 2016-2020 FAR No. 1-SAAOBOB
  - 2016-2020 Summary Reports on Disbursements
  - 2016-2020 BAR No. 1- Quarterly Physical Report of Operations/  
Physical Plan
  - 2016-2020 FAR No. 5- Quarterly Report on Revenues and Other  
Receipts
  - 2016-2020 Financial Plan
- 3) DBM-Approved Budget and Corresponding Targets for FY 2020
- 4) Projects, Programs and Activities, Beneficiaries and Status of Implementation for FY 2020 (*indicate if not applicable*)
- 5) FY 2020 Annual Procurement Plan (FY 2020 APP Non-CSE), Indicative FY 2021 APP non-CSE and FY 2021 APP for Common-Use Supplies and Equipment (FY 2021 APP-CSE)

- 6) Quality Management System (QMS) Certification to ISO 9001-2015 issued by any of the certification bodies accredited by the International Accreditation Forum members or similar standards related to Total Quality Management
- 7) System of Ranking of Delivery Units for FY 2020 PBB
- 8) Agency Review and Compliance Procedure of Statements and Financial Disclosures (SALN)
- 9) Updated People's Freedom of Information (FOI) Manual signed by the head of agency, Agency Information Inventory, 2020 FOI Summary Report and 2020 FOI Registry.

**b. Update the PhilGEPS posting of all invitations to bids and awarded contracts** pursuant to the Government Procurement Reform Act (RA 9184) for transactions above Php1 million from January 1 to December 31, 2020, including Early Procurement of FY 2021 Non-Common Use Supplies and Equipment (Non-CSE) items on or before January 29, 2021.

**c. Set-up Most Current and Updated Citizen's or Service Charter**, reflecting the agency's improved and streamline/re-engineered system and procedure for all its government services to citizens, businesses, and government agencies, pursuant to Section 6 of RA No. 11032 and the President's directive to reduce the processing time of all public transactions with government and ensure accessible and convenient delivery of services to the public. The Anti-Red Tape Authority (ARTA) shall conduct a validation of the Citizen's or Service Charter starting in January 2021.

**2. FY 2020 PHYSICAL TARGETS.** The Bureau shall satisfy the FY 2020 performance targets supporting the Administration's focus on the streamlining of government services and seamless public service delivery.

**a. Streamlining and Process Improvement (SPI) of the Agency's Critical Services** covering Government-to-Citizens (G2C), Government-to-Businesses (G2B), and Government-to-Government (G2G) transactions as declared in the Citizen's/Service Charter.

In the government's efforts to further streamline processes and fully maximize the digital capabilities, as well the Information and Communication Technology (ICT) infrastructure and other resources, the Bureau should undertake digitization, develop online systems, and/or transform critical services from manual to contactless transactions, for faster and more efficient public service delivery. Digitization initiatives may vary depending on the particular requirements of the critical services, i.e online applications, payments, permitting, learning and development platforms.

To promote the periodic measurement of agency performance in delivering said services, the Bureau shall determine and report the following streamlining criteria and improvements from reported accomplishments in FY 2019.

- 1) **Number of Steps.** The total number of steps that a particular citizen/client will undergo to ensure the receipt of the complete service from the government. The Bureau shall report in detail the steps necessary to complete the service including front-end and back-end.



- 2) **Turnaround Time (TAT).** The sum of the waiting time and processing time or the total amount of time taken to complete or deliver a service. TAT starts from the moment the transacting client enters the queue or fills out the form, and the waiting time incurred until the service has been completed/delivered.
- 3) **Number of Signatures.** The total number of signatures and initials from the employees and officers of the agency necessary to complete each service.
- 4) **Number of Required Documents.** The total number of required documents that must be provided by the transacting client to the government.
- 5) **Transaction Costs.** The cost incurred by the transacting client in the course of availing of government service. These costs are categorized as follows:
  - a) **Primary Transaction Costs/ Fees.** These are fees declared in the agency's Citizen's/Service Charter to be paid to the agency by the transacting client for availing a government service. Examples are application fees, registration fees, etc.
  - b) **Other Transaction Costs.** Other costs or fees incurred by the transacting client to obtain supporting information from another agency to secure the necessary primary information. These costs also include the other expenses shouldered by the transacting client until the service has been completed by the government. Examples are the costs of birth certificates to secure passports, etc.
- 6) **Substantive Compliance Costs.** Other incremental costs other than administrative costs incurred by the transacting public in the course of complying with a regulation. These costs include implementation costs, direct labor costs, overhead costs, etc.

Baseline information of each abovementioned streamlining criteria based on the agency's Citizen's/Service Charter updated before FY 2020 shall also be reported.

- b. **Citizen/ Client Satisfaction Survey.** To determine the effectiveness of the streamlining and process improvements and institutionalizing Service Quality Standards (SQS) in critical services in the government, concerned units should embed feedback mechanisms and citizen/client satisfaction measurement in their process improvement efforts. Using the FY 2019 and 2020 improvement action plans reported in FY 2018 PBB discussions, for each service, the Bureau shall also report the results of each action plan and the FY 2020 Citizen/Client Satisfaction Survey (CCSS) for each service.

To further incentivize excellence in providing quality and efficient public service among government offices, the Bureau shall report **one (1) agency best practice** in service quality or productivity conducted in FY 2020.

c. **Support to Operations (STO) Target. Initial Certification/ Recertification of the Quality Management System (QMS)** covering at least one (1) core process or critical frontline service as mandated under its existing pertinent laws.

- 1) The ISO 9001:2015 certification(s)/recertification(s) must be valid as of December 31, 2020, and must be posted in the agency TS webpage not later than December 31, 2020.
- 2) **Standardized Agency-wide Processes for Frontline Agencies.** Frontline agencies shall endeavor that their frontline processes are standardized, including those implemented at the Regional, Satellite, and Extension Offices. Beginning FY 2020, departments/agencies shall secure agency-wide QMS certifications for these processes, and continue these efforts aimed at achieving this target by the end of FY 2021.

d. **GASS Targets**, to include the following:

1) **Improved Budget Utilization Rate (BUR) from the previous year's level of accomplishment, which shall consist of:**

- a) **Achievement of at least 90% Obligations BUR.** Obligation BUR is computed as obligation rates for Maintenance and Other Operating Expenses (MOOE) and Capital Outlays (CO) of all programs, activities and projects funded in FY 2020 from all appropriation sources, including those released under the 2020 General Appropriations Act as the Allotment Order policy, net of savings from procurement and implementation of cost-cutting measures.
- b) **Achievement of at least 85% Disbursement BUR.** Disbursement BUR is measured as the ratio of total disbursements (cash and non-cash, excluding Personal Services) to total obligations for MOOE and CO from FY 2019 appropriations, net of goods and services obligated by December 31, 2019, but executed and paid only in 2020. The objective is to measure the disbursements and obligations for MOOE and CO for the 2020 appropriations.

2) **Sustained Compliance with Audit Findings.** Fully implement 30% of the prior years' audit recommendations as shown in the Report on Status of Implementation of Prior Years' Recommendation. Audit findings closed since FY 2018 should also not recur. The objective is to improve the agency's internal control processes, enhance operational effectiveness, and eliminate, resolve and remedy most, if not all, of the agency audit findings, by the end of 2021.

3) **Submission of Annual Procurement Plan for Non-Common-use Supply and Equipment (APP-non CSE)** approved by the Head of Procuring Entity (HOPE) to the Government Procurement Policy Board (GPPB) in the format prescribed under GPPB Circular No. 07-2015.

FY 2020 APP-non CSE should have been submitted to the GPPB-TSO until March 31, 2020, but only for purposes of PBB compliance. The same should be posted on the agency TS page not later than one (1) month after the issuance of this Circular. The APP non-CSE shall be submitted through electronic mail.



- 4) **Submission of FY 2021 Annual Procurement Plan for Common-Use Supplies and Equipment (FY 2021 APP-CSE)** to the DBM-Procurement Service on or before December 15, 2020, in the prescribed format by DBM-PS. The same should be posted on the agency TS webpage not later than December 15, 2020.
- 5) **Undertaking of Early Procurement for at least 50% of the total value of eligible Procurement Projects included in the proposed budget of the agency in the NEP.** Agencies including GOCCs with budgetary support from the national government as provided in the National Expenditure Program (NEP) shall conduct the undertaking of Early Procurement Activities (EPA) for at least 50% of the total value of eligible Procurement Projects as outlined in its Indicative FY 2021 APP-Non CSE consistent with the FY 2021 NEP.

Procurement Projects which will use the following modalities are excluded in determining the total value pursuant to Item 1.4 of GPPB Circular No. 06-2019:

- a) Repeat Order
- b) Shopping
- c) Negotiated Procurement- Emergency Cases
- d) Negotiated Procurement- Take-Over of Contracts
- e) Negotiated Procurement - Small Value Procurement

The Approved Contract and Notice to Proceed for procurement projects successfully undertaken under EPA shall be posted in the PhilGEPS shall be posted within thirty (30) days after the approval of the GAA.

Heads of the Procuring Entity (HOPE) of covered agencies shall submit to the GPPB a Certification under Oath on the compliance with EPA requirement within one (1) month after the approval of the GAA.

Agencies covered by the EPA requirement but were NOT able to comply may submit their respective justifications to the A025 IATF within the compliance validation period. Justifications are subjected to review in accordance with Section 5.6 (b) of this Circular.

The Indicative FY 2021 APP-Non CSE consistent with the FY 2021 NEP, which is the basis for the EPA should be posted on the agency TS page not later than September 30, 2020. Do not submit the indicative APP to the GPPB. Indicative APP submissions will not be accepted and will not be assessed as PBB compliance.

- 6) **Submission of results of FY 2019 Agency Procurement Compliance and Performance Indicators (APCPI) System** on or before June 30, 2020.

#### **7) Other Cross-Cutting Requirements**

- a. **Establishment and Conduct of Agency Review and Compliance of SALN.** Agency heads should ensure that officials and employees covered by RA No. 6713 submitted their 2019 SALN to the respective SALN repository agencies, as prescribed in the rules provided under CSC Memorandum Circular No. 3 s. 2015. The Agency Review and Compliance Procedure of SALN used by the agency's SALN Review and

Compliance Committee should be cascaded to all employees uploaded in the agency TS webpage not later than October 1, 2020.

- b. Comply with the Freedom of Information (FOI) Program** pursuant to Executive Order No. 2, s. 2016, based on the enhanced requirements of the Presidential Communications Operations Office (PCOO).

**8) Fairness in the assessment of the performance**

To reinforce fairness in the assessment of the performance of each delivery unit under operations with those under support services, agencies should declare non-frontline services provided to units/employees performed by the latter delivery units. Doing so will strengthen the accountability of every delivery unit in streamlining and improving their processes and services to citizens/clients, internal units/employees, and to the Composite Team from AO 25 IATF agencies.

**B. Eligibility of Individuals**

1. Heads of Agencies are eligible only if their respective institutions are eligible. If eligible, their maximum PBB rate for FY 2020 shall be equivalent to 65% of their monthly basic salary as of December 31, 2020. They should not be included in the Form 1 - Report on Ranking of Delivery Units.
2. BTr employees belonging to the First, Second and Third Levels should receive a rating of at least "Satisfactory" based on the agency's CSC-approved Strategic Performance Management System (SPMS) or the requirement prescribed by the CESB.
3. 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 that rated his/her performance. Payment of the PBB shall come from the mother agency.
4. 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.
5. Officials and employees who transferred from government agencies that are non-participating in the implementation of PBB, shall be rated by the agency where she/he served the longest; the official/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.
6. An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least Satisfactory rating may be eligible to the full grant of PBB.
7. 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%
4 months but less than 5 months	50%
3 months but less than 4 months	40%

8. 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
9. 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.
10. Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2020 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.
11. Officials and employees who failed to submit the 2019 Statement of Assets, Liabilities and Net Worth (SALN) as prescribed in the rules provided under CSC Memorandum Circular No. 3 s. 2015; or those who are responsible for non-compliance with the establishment and conduct of the review and compliance procedure of SALN, shall not be entitled to FY 2020 PBB.
12. Officials and employees who failed to liquidate all cash advances received in FY 2020 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 FY 2020 PBB.
13. Officials and employees who failed to submit their complete SPMS Forms shall not be entitled to the FY 2020 PBB.
14. Agency heads should ensure that officials and employees covered by RA No. 6713 submitted their 2019 SALN to the respective SALN repository agencies, liquidated their FY 2020 Cash Advances, or completed the SPMS Forms, as these will be the basis for the release of FY 2020 PBB to individuals.
15. Officials and employees responsible for the implementation of prior years' audit recommendations, QMS certification, or posting and dissemination of the agency system of ranking performance of delivery units, shall not be entitled to the FY 2020 PBB if the agency fails to comply with any of these requirements.

#### IV. DELIVERY UNITS

##### A. Delivery Units/ Offices to be Ranked

Pursuant to Annex 1 of MC No. 2020-1, the following are the delivery units of BTr:

1	Office of the Treasurer of the Philippines (including the Offices of the Deputy Treasurers and immediate support staff)
2	Asset Management Service (AMS)
3	Liability Management Service (LMS)
4	Accounting Service (AS)
5	Research Service (RS)
6	Administrative Service (AdS)
7	Management Information Systems Service (MISS)
8	Legal Service (LS)
9	Internal Audit and Security Service (IASS)
10	National Capital Region (NCR)
11	Regional Office I
12	Regional Office II
13	Regional Office III
14	Regional Office IV-A
15	Regional Office IV-B
16	Regional Office V
17	Regional Office VI
18	Regional Office VII
19	Regional Office VIII
20	Regional Office IX
21	Regional Office X
22	Regional Office XI
23	Regional Office XII
24	Regional Office XIII

##### B. Categories and Ranking

1. Delivery units eligible to the PBB shall be forced ranked according to the following categories:

NO. OF DELIVERY UNITS (DUs)	NO. OF DUs TO BE RANKED AS:		
	BEST (Top 10%)	BETTER (Next 25%)	GOOD (Next 65%)
24	2	6	16

2. In addition to the guidelines set by Memorandum Circular No. 2020-1, the Performance Management Team (PMT) shall propose to the Treasurer of the Philippines the rating and ranking of DUs based on the following criteria:

CRITERIA	% WEIGHT IN TOTAL RATING SCORE
a. Delivery Unit's Year-End accomplishments based on the Office Performance Commitment Review (OPCR) form.	50%
b. Accomplishments on the Streamlining and Process Improvement of Services of Delivery Units.	35%
c. Complexity and difficulty of tasks handled and other performance factors.	15%



3. Performance will be evaluated with numeric scores to reflect the relative rankings of the units.
4. The ordinal ranking will be used to determine into which category (Good, Better, Best) each delivery unit belongs.
5. The proposed ranking will be submitted to the Treasurer of the Philippines for the determination of the final ranking in consideration of the quality (complexity), quantity (volume) and timeliness (turnaround time) of the tasks/operations.
6. The result of the PMT's rating and ranking shall be submitted to the Treasurer of the Philippines for approval.
7. There shall no longer be a ranking of individuals within a delivery unit. The PBB rates for each individual employee shall be based on the performance ranking of the delivery unit with the rate of incentive as a multiple of one's monthly basic salary as of December 31, 2020, based on the table below:

PERFORMANCE CATEGORY	MULTIPLE OF BASIC SALARY
Best Delivery Unit	65.0%
Better Delivery Unit	57.5%
Good Delivery Unit	50.0%

#### V. SUBMISSION OF REPORTS

The AO 25 IATF sets the following implementation timeline for the FY 2020 PBB:

DEADLINE	REQUIREMENTS	TO SUBMIT/ REFER
<b>Physica Targets</b>		
February 26, 2021	a. Streamlining and Process Improvement of Agency Services and digitization initiatives ( <i>small agencies</i> )  b. Citizen/Client Satisfaction and agency best practice  c. Report on Ranking Delivery Units	- Annexes 3A and 3B (Forms A/A1)  - Annex 4  - Form 1.0 and PBB Evaluation Matrix
August 31, 2021	a. Streamlining and Process Improvement of Agency Services and digitization initiatives ( <i>departments and agencies</i> )  b. Citizen/Client Satisfaction and agency best practice  c. Report on Ranking Delivery Units	- Annexes 3A and 3B (Forms A/A1)  - Annex 4  - Form 1.0 and PBB Evaluation Matrix
<b>Good Governance Conditions (GGCs)</b>		
October 01, 2020	Transparency Seal	- Annex 2  - Posting/updating of requirements in the TS page

December 04, 2020	Citizen's or Service Charter	- Certificate of Compliance pursuant to Section 4.1(c)
January 29, 2021	PhilGEPS Posting	- Annex 6 - Update the PhilGEPS posting of all invitations to bids and awarded contracts
<b>Support to Operations (STO)</b>		
December 31, 2020	QMS Certification	- Posting of the valid complete set, i.e. including the registration schedule and sub-certificates which could indicate the scope of registration, sites covered and validity period of QMS Certification in the TS page
<b>General Administration and Support Services (GASS)</b>		
March 31, 2020	FY 2020 APP-non CSE	- Submit to GPPB-TSO - Posting in the TS
June 30, 2020	Results of FY 2019 APCPI System	- Accomplish forms from the APCPI tool - Submit results to GPPB-TSO
September 30, 2020	Indicative FY 2021 APP-non CSE	- Posting in the TS
December 15, 2020	FY 2020 APP-CSE	- Submit to DBM-PS - Posting in the TS
December 31, 2020	Sustained Compliance with Audit Findings	
Within thirty (30) days after the approval of the GAA	Early Procurement Activities	- Annex 10 – Certificate of EPA Compliance  - Posting of all Contracts and Notice to Proceed of successful EPAs
<b>Other-cross Cutting Requirements</b>		
October 1, 2020	a. Agency's Establishment and Conduct of Agency Review and Compliance of SALN  b. Agency's System of Rating and Ranking of Delivery Units	- To be posted in the TS webpage
January 29, 2021	a. Updated People's FOI manual  b. FOI Reports: Agency Information Inventory, 2020 FOI Registry, and 2020 FOI Summary of Report  c. Modified One-page FOI Manual  d. Screenshot of agency's home page	- Submission to PCOO - Posting in the TS




## VI. EFFECTS OF NON-COMPLIANCE

- A. For FY 2020, agencies that are unable to comply with all the GGCs shall be considered ineligible for the FY 2020 PBB.
- B. Departments/agencies that are unable to comply with a maximum of two (2) Performance Targets due to controllable factors as determined by the validating agencies shall be considered ineligible for the FY 2020 PBB.
- C. In the event the A025 IATF conducted a random check of submitted SALN of employees and found non-compliance with the guidelines prescribed by the CSC and the posted Review and Compliance Procedure of the concerned agency, such incident could be a cause to disqualify the agency in the succeeding cycle of the PBB.
- D. It is emphasized that failure of DU responsible to satisfy the set conditions and targets may entail **exclusion/ isolation** from the PBB ranking and non-eligibility of its officials and staff for the PBB grant. It is to be noted that unless otherwise specified by AO25 IATF, the BTr-PMT shall have the final decision on the identification of units to be excluded/ isolated from the grant of FY 2020 PBB.

## VII. INFORMATION AND EFFECTIVITY

This Order shall take effect immediately and shall be cascaded and disseminated for compliance of all concerned.

All other issuances inconsistent herewith are hereby deemed revoked and/or modified accordingly.

  
**ROSALIA V. DE LEON**  
Treasurer of the Philippines