

**Memorandum No. 2023-093**

Date : September 22, 2023

To : All Regular and Casual Personnel of SMWD

From : Office of the General Manager

Re : Guidelines on the Grant of PBB for FY 2023

Pursuant to Inter-Agency Task Force Memorandum Circular No. 2023-1 dated August 22, 2023 and LWUA-DBM Joint Memorandum Circular No. 2021-1, the Santa Maria Water District hereby adopts and present the Guidelines on the Grant of Performance-Based Bonus (PBB) for FY 2023.

Copy of the guidelines will be posted at HR Bulletin for your reference.

For your information and guidance.

  
**ENGR. CARLOS N. SANTOS JR.**  
*General Manager*

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**GUIDELINES ON THE GRANT OF  
PERFORMANCE-BASED BONUS (PBB) FOR FISCAL YEAR 2023**  
(Based on Inter-Agency Task Force Memorandum Circular No. 2023-1 dated August 22, 2023 and  
LWUA-DBM Joint Memorandum Circular)

**1. PURPOSE**

- 1.1 The Santa Maria Water District (SMWD) issued this guideline to prescribe the criteria and conditions on the grant of the PBB for FY 2023 performance, to be given in FY 2024. In pursuit of the goal of the Philippine Development Plan (PDP) 2023-2028 to practice good governance and improve bureaucratic efficiency, the FY 2023 PBB will contribute to raising the productivity, performance, transparency, and accountability of SMWD and its employees, using the enhanced Results-based Performance Management System and the simplified Performance-based Incentive System.
- 1.2 The four (4) accountability dimensions – Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results remain relevant in achieving the PDP goals such as good governance and bureaucratic efficiency. The FY 2023 PBB through the Performance and Financial Results, will intensify transparency and disclosure in public spending information through the timely delivery of programs and projects even during the periods of adversity, such as health emergencies and natural hazards like Covid-19 pandemic. For Process Results, ease of transaction in government services may be achieved through the continuous full implementation of process improvement efforts contributing to the Ease of Doing Business and Efficient Delivery of Government Services and strengthened adherence to quality management programs. Getting the citizen's feedback to ensure that the transacting public is satisfied with the delivery of public services is monitored under the Citizen/Client Satisfaction Results. The FY 2023 PBB shall continue to measure and evaluate SMWD performance highlighting the public's satisfaction with the quality of public service delivery, utilization of resources, and reinforced agency stewardship. With the FY 2023 PBB, SMWD will be able to conduct self-assessment of their overall performance through the provided transparent PBB scoring system tied-up to the rates of incentives.

**2. COVERAGE**

- 2.1 The FY 2023 PBB covers the personnel of Santa Maria Water District holding regular and casual positions. Excluded from the coverage herein are individuals engaged without employer-employee relationship i.e. Job Orders and COS.



### 3. ELIGIBILITY CRITERIA

To be eligible for the grant of the FY 2023 PBB, SMWD 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 test results of water source/s.
2. Current in Debt Service Status
3. LWUA-approved water rates
4. Compliance with ISO-certification
5. On-time submission of the following documents prior to the evaluation of eligibility to FY 2023 PBB
  - a. Monthly Data Sheet and Financial Statements (January to December 2023)
  - b. Approved Budget for FY 2023
  - c. Updated Business Plan covering FY 2023
  - d. FY 2023 Annual Report

SMWD must also satisfy the criteria and conditions under the four (4) dimensions of accountability: **Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results** and attain a total score of at least 70 points based on the PBB Scoring System as will be discussed in Section 4. The FY 2023 PBB shall be guided by the following these definitions:

#### 3.1 Performance Results

The Performance Results refer to the accomplishment of SMWD targets under the Major Final Outputs for FY 2023 as identified by the Local Water Utilities Administration (LWUA) in a joint memorandum circular to be issued by LWUA and DBM.

#### 3.2 Process Results

Refer to the achievements in ease of doing business/ease of transaction with the SMWD as a result of streamlining, digitization, standardization, systems and procedures reengineering, and other related improvements.

#### 3.3 Financial Results

Refer to the financial viability and sustainability of SMWD 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

This results refer to the achievements of the SMWD in satisfying the quality expectations of the transacting public/client.

For FY 2023 PBB, the Agency Accountability requirements discussed in Section 5. Shall be maintained and used to determine the eligibility of responsible units and individuals.

## 4. FY 2023 PBB TARGETS, ASSESSMENT, AND SCORING SYSTEM

The SMWD accomplishments for each of the criterion shall be rated using this scoring system. Each criterion has an assigned point, as shown below. The total maximum score that the SMWD may obtain is 100 points. Therefore, to be eligible for the FY 2023 PBB, SMWD must attain a total score equivalent to at least 70 percent (%) of each criterion, except for the Process Results, and an overall total score of at least 70 points.

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 2023
C. Financial Results	10	Actual points must be at least 7
D. Client/Citizen Satisfaction Results	13	At least 70% of the complaints received must be acted upon, with the following equivalent points: At least 70% = 7 At least 75% = 8 At least 81% = 9 At least 86% = 10 At least 91% = 11 At least 94% = 12 At least 97% = 13
TOTAL	100	Overall Total Score must be <u>at least 70 points</u>

In such a case, while SMWD will be eligible, the unit/s most responsible for the criteria/MFOs with a performance rating below 70% will be isolated from the grant of the FY 2023 PBB.



#### 4.1 Performance Results

The targets under Performance Results enable SMWD to concentrate its efforts and available resources on its mandate and core functions, as well as ensure delivery of high quality and high impact activities. The Performance Results shall be assessed and scored as follows:

CRITERIA	MAX PTS	CONDITION
<b>Performance Results</b>		Actual points must be at least 49
Major Final Outputs (MFOs):		
a. Access to Potable Water	12	
b. Reliability of Service (24/7 supply)	6	
c. Adequacy	6	
d. COVID-19 Response Measure	5	
e. Non-Revenue Water	12	
f. Potability ( <i>Chlorine Residual</i> )	5	
g. Adequacy and Reliability of Service ( <i>Response time to restore service</i> )	5	
h. Staff Productivity Index	4	
i. Water Quality Reports ( <i>Bacteriological/Physical &amp; Chemical</i> )	15	

#### 4.2 Process Results

For FY 2023, the target under Process Results is the greater ease of doing business/ease of transaction of frontline services covering all government-to-citizens (G2C), government-to-business (G2B), and government-to-government (G2G) transactions, and the administrative and supporting services (internal) within the Santa Maria Water District.

Ease of transaction of critical external and internal services may be achieved through more rigorous approaches such as reengineering, streamlining, digitalization and other technological applications, and other types of process innovations implemented to assure the quality of service through ISO-Certified Quality Management System.

Compliance with the criteria would automatically render seven (7) points for the Process Results. However, failure to do so would result ineligibility of the SMWD to the FY 2023 PBB.

SMWD shall submit a report on the digitalization initiatives or digital transformation of external and internal services.

#### 4.3 Financial Results

The requirements under the Financial Results shall be scored as follows:

CRITERIA	MAX PTS	CONDITION
<b>Financial Results</b>		Actual points must be at least 7
Collection efforts and financial performance:		
a. Collection Efficiency	3	
b. Current Ratio	4	
c. Positive Net Balance in the Ave. Net Income for twelve (12) months	3	

#### 4.4 Citizen/Client Satisfaction Results

Achieve the Citizen/Client Satisfaction through acting on requests/complaints received directly by SMWD (in-house) and resolutions of reported complaints from **Hotline #8888, Contact Center ng Bayan (CCB) and Presidential Complaints Center (PCC).**

SMWD shall ensure the resolution of all reported complaints and grievances on government service and procedure, 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 and its compliance to the 72-hour prescribed period to take actions on complaints as provided in EO No. 6, s. 2016.

SMWD shall submit a report summarizing the complaints they have received and those received by Hotline #8888, CCB and PCC in FY 2023, as well as the status of the same, either resolved or pending.

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

CRITERIA	MAX PTS	CONDITION
<b>Citizen/Client Satisfaction Results:</b>	13	At least 70% of the complaints must be acted upon, with the following equivalent points:
a. Hotline #8888		At least 70% = 7
b. Contact Center ng Bayan (CCB)		At least 75% = 8
c. Presidential Complaint Center (PCC)		At least 81% = 9
d. Direct request/s complaints to the Water District ( <i>in-house</i> )		At least 86% = 10
		At least 91% = 11
		At least 94% = 12
		At least 97% = 13



## 5. SMWD ACCOUNTABILITIES

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

a. Updating of Transparency Seal	b. Compliance to Audit Findings and Liquidation of Cash Advances
c. Compliance with the Freedom of Information (FOI) Program	d. Designation of the SMWD CART
e. PhilGEPS posting of all invitations to bids and awarded contracts	f. FY 2023 Non-Common Use Supplies and Equipment (APP Non-CSE)
g. Updating Citizen's or Service Charter	h. FY 2024 APP-CSE
i. Establishment and Conduct of the Agency Review and Compliance of SALN	j. Posting of Indicative FY 2024 APP-non-CSE
k. Continuing ISO-QMS certification	l. Administered Client Satisfaction Measurement (CSM)
m. Report on the digitalization initiatives or digital transformation of external and internal services	

## 6. ELIGIBILITY OF DELIVERY UNITS AND INDIVIDUALS

6.1 For FY 2023 PBB, the eligible delivery units (DUs) shall no longer be ranked, however, the unit/s most responsible for the deficiencies shall be isolated.

To be eligible for the FY 2023 PBB, SMWD must attain a total score of at least **70 points** and achieve at least a rating of 4 for at least three (3) in the four (4) accountability dimensions. To be able to attain at 70 points, SMWD should achieve a performance rating of 4 in at least three (3) criteria. The unit/s most responsible (including its head) for the criteria stated in Section 3 with a performance rating of below 4 will be isolated from the grant of the FY 2023 PBB.

The unit/s most responsible (including its head) for the non-compliance with the SMWD Accountabilities provided in Section 5 shall also be isolated from the grant of the FY 2023 PBB.

6.2 Eligible DUs shall be granted FY 2023 PBB at uniform rates across SMWD, including its officials and employees. The corresponding rates of the PBB shall be based on the achieved total score as shown in Section 7.

- 6.3 To be eligible for FY 2023 PBB, employees belonging to the First, Second, and Third levels should receive a rating of at least “Very Satisfactory” based on the CSC approved SPMS.
- 6.4 The General Manager is eligible only if the SMWD is eligible, which shall be equivalent to the rate as stated in Section 7 and shall be based on the monthly basic salary (MBS) as of December 31, 2023.
- 6.5 The member of the Board of Directors may be eligible to the PBB with the equivalent rates following Section 7 and these conditions:
- The SMWD has qualified for the grant of the FY 2023 PBB;
  - The Board Member has 90% attendance to duly called board meetings and committee meetings as certified by the Board Secretary;
  - The Board Member has eleven (11) months aggregated service in the position;
  - The SMWD has submitted the appropriate annual Board-approved Corporate Operating Budget.
  - Submission of Board Member’s FY 2022 accomplishments (policies or resolutions made that will help address the operation as well as the guidelines of the LWD)
- 6.6 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.
- 6.7 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 to the actual length of service to the participating implementing agency, as stated in Section 6.9
- 6.8 An official or employee who was rendered a minimum of nine (9) months of service during the fiscal year and with at least Very Satisfactory rating may be eligible to the full grant of the PBB.
- 6.9 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 Very Satisfactory rating shall be eligible for 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%

- 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-rate 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

6.10 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.

6.11 Personnel found guilty of administrative and/or criminal cases by final and executory judgement in FY 2023 shall not be entitled to the PBB. If the penalty meted out is only a reprimand, such penalty will not cause disqualification to the PBB.

6.12 Officials and employees who failed to submit the 2022 SALN as prescribed in the rules provided under CSC Memorandum Circular No. 3 s. 2015; and 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 2023 PBB.

6.13 Officials and employees who failed to liquidate all cash advances received in FY 2023 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 2023 PBB.

**7. RATES OF THE PBB**

The total score as stated in Section 4 shall be the basis in determining the amount of the PBB. The maximum rate of the PBB for agencies that will achieve 100 points shall be 100% of the 65% MBS of an individual as of December 31, 2023.

TOTAL SCORE	PBB RATES
100 points	65% (100% of the 65% monthly basic salary)
95 points	61.75% (95% of the 65% monthly basic salary)
90 points	58.5% (90% of the 65% monthly basic salary)
85 points	55.25% (85% of the 65% monthly basic salary)
80 points	52% (80% of the 65% monthly basic salary)
75 points	48.75% (75% of the 65% monthly basic salary)
70 points	45.5% (70% of the 65% monthly basic salary)

**8. TIMELINES AND SUBMISSION/POSTING OF REPORTS AND REQUIREMENTS**

As part of the AO25 efforts in digitalizing and streamlining the assessment process, beginning FY 2023 PBB, the submission of accomplishment reports shall be fully online through the Government Executive Information System (GEIS) platform.

Deadline	Requirements	Validating Agency
Mar 31, 2023	Submit FY 2023 APP Non-CSE	GPPB-TSO
July 31, 2023	Submission of the FY 2024 APP-CSE through the PS-DBM Virtual Store	PS-DBM
Sept 30, 2023	Posting of Indicative FY 2024 APP Non-CSE in SMWD TS	DBM-OCIO
Oct 01, 2023	Maintain/Update SMWD Transparency Seal	DBM-OCIO
Oct 01, 2023	Post in the SMWD TS the Review and Compliance Procedure, RCC and Certificate of Compliance of SALN	Ombudsman
Dec 31, 2023	Sustained Compliance with Audit Findings	COA
Dec 31, 2023	Posting of ISO QMS Certification at SMWD Website	LWUA/GQMC-DBM



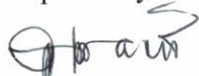
Jan 31, 2024	Update all procurement requirements for transactions above 1 million from January 1, 2023 to December 31, 2023 in the PhilGEPS	PS-PhilGEPS
Jan 31, 2024	Submit FOI requirements to PCOO	PCOO
Feb 29, 2024	Report on the digitalization initiatives or digital transformation of external and internal services to be submitted to the AO25 Secretariat	AO25
Feb 29, 2024	Designation of SMWD's Committee on Anti-Red Tape (CART); Compliance and submission of requirements to ARTA pertaining to the CART as stated in ARTA MC No. 2020-007	ARTA
	Administered Client Satisfaction Measurement of CSM be aligned with the ARTA MC No. 2022-05	ARTA
Jan 2, 2024 until Feb 29, 2024/April 11, 2024	Validation on agency compliance with the ISO QMS Certification requirements	LWUA/GQMC-DBM
March 31, 2024	Submit Form A and Form A-1 and other documents as proof of compliance	LWUA

These guidelines were cascaded to all regular and casual employees through Memorandum No. 2023-093 issued by the General Manager on September 22, 2023

References:

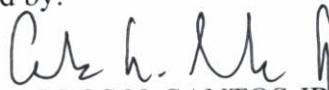
- IATF Memorandum Circular No. 2023-1 dated August 22, 2023 and Annexes
- LWUA-DBM Joint Circular No. 2021-1 dated October 19, 2021

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