



GUIDELINES ON THE GRANT OF FISCAL YEAR 2023 PERFORMANCE- BASED BONUS (PBB) FOR LOCAL WATER DISTRICTS (MANWAD) ISSUED PURSUANT TO EXECUTIVE ORDER (EO) NO. 80, S. 2012, EO NO. 201, S. 2016 AND ADMINISTRATIVE ORDER NO. 25 INTER-AGENCY TASK FORCE (IATF) MEMORANDUM CIRCULAR NO. 2023- 1

SECTION 1. PURPOSE

Manaoag Water District (MANWAD) hereby adopts the Local Water Utilities Administration (LWUA) and Department of Budget and Management (DBM) Joint Memorandum Circular 2023-1 dated December 29, 2023, issued Pursuant to Executive Order (EO) No. 80, s. 2012, EO No. 201, s. 2016 and Administrative Order No. 25 Inter-Agency Task Force (IATF) Memorandum Circular No. 2023- 1 prescribing the guidelines on the grant of Performance-Based Bonus (PBB) for Fiscal Year (FY) 2023.

SECTION 2. COVERAGE

The FY 2023 PBB covers all Manaoag Water District (MANWAD) personnel holding regular, contractual, and casual positions. Excluded from the coverage herein are individuals engaged without an employer-employee relationship and funded from non-Personnel Services budget.

SECTION 3. ELIGIBILITY CRITERIA

To be eligible for the grant of the FY 2023 PBB, MANWAD 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. Twelve (12) months of compliance with microbiological test results; and
 - c. Compliance with physical-chemical tests results of the MANWAD's source/s.
2. Current in Debt Service Status with LWUA;
3. General Reserves;
4. Positive Net Balance in the Average Net Income for twelve (12) months for FY 2023;
5. LWUA-approved Water Rates;
6. Compliance with Commercial Practices System; and
7. On-time submission of the following documents prior to the evaluation of its eligibility to FY 2023 PBB:
 - a. Monthly Data Sheet and Financial Statements (January to December 2023);
 - b. Approved Budget FY 2023;
 - c. Updated Business Plan covering FY 2023; and
 - d. FY 2023 Annual Report.



MANWAD must also satisfy the criteria and conditions under the four 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. The FY 2023 PBB of MANWAD shall be guided by these definitions:

3.1 Performance Results

In the context of the FY 2023 PBB, the Performance Results refer to the accomplishment of MANWAD targets under the Major Final Outputs.

- 3.1.a Major Final Output (MFO) - are the goods or services that MANWAD is mandated to provide to its external clients through the implementation of programs, activities, and projects. It may be a single output or group of outputs targeted at the same organizational/sectoral outcome and capable of being summarized by a common performance indicator.
- 3.1.b Performance Indicator (PI) - a characteristic of performance (quality, quantity, timeliness, or cost) that is to be measured and will illustrate the standard by which MANWAD is expected to deliver its MFO, Performance Indicators should be verifiable, observable, credible, and sustainable.
- 3.1.c Performance Target (PT) - predetermined numerical target level of performance (quantity, quality, timeliness, and cost of an output) against which actual performance can be compared.
- 3.1.d Delivery Units (DUs) - divisions of MANWAD responsible for the achievement of MFO and are committed to the performance targets that are tracked through a reporting system within the year and verified by LWUA.
- 3.1.e Potability - the quality of water that renders it safe and fit for human consumption. MANWAD performance concerning this indicator (residual chlorine) shall mean compliance with the PNSDW and all issuances and guidelines issued by the Department of Health and LWUA.
- 3.1.f Adequacy and Reliability of Service - performance of MANWAD rated in accordance with the 24/7 availability of supply and the capacity to meet the present and future water demand.
- 3.1.g Access and Coverage - performance of MANWAD in pursuing the goal of providing water access and service to the greater percentage of the population within its respective service areas.
- 3.1.h Submission of MANWAD Board-Approved Water Safety Plan - To ensure the delivery of safe drinking water, the Department of Health (DOH) has issued Administrative Order No. 2014- 0027, requiring all drinking-water services providers, including Local Water Districts, to develop and implement Water Safety Plan (WSP). The DOH has adopted the WSP Framework as a preventive health strategy.



3.2 Process Results

Refer to the achievements in ease of transaction with the MANWAD as a result of streamlining and standardization, through compliance with the Commercial Practice System (CPS).

3.3 Financial Results

Refer to the financial viability and sustainability of MANWAD 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

These results refer to the achievements of MANWAD in satisfying the quality expectations of the transacting public.

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

MANWAD accomplishments for each criterion shall be rated using this scoring system. Each criterion has an assigned point, as shown in Table No. 01. The total maximum score that MANWAD may obtain is 100 points. To be eligible for the FY 2023 PBB, the Agency must attain a total overall score of at least 70 points.

Table No. 01: Scoring System for FY 2023 PBB for MANWAD		
CRITERIA	MAX PTS	CONDITION
A. Performance Results	70	Actual points should be at least 49
B. Process Results	7	At least 90% Compliance with the Commercial Practice System (CPS) will render 7 points; below 90% will result in isolation
C. Financial Results	10	Actual points should be at least 7
D. Client/Citizen Satisfaction Results	13	At least 70% of the complaints 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 at least 70 points



In case MANWAD obtains an overall score of at least 70 points, but fails to achieve at least 70% of each rating for Performance, Financial and Client/Citizen Satisfaction Results, the unit/s most responsible will be isolated from the grant of the FY 2023 PBB. For the Process Results, less than 90% compliance will result in isolation.

- 4.1 **Performance Results.** The targets under Performance Results will enable MANWAD to concentrate its efforts and available resources on its mandates and core functions and ensure the delivery of high- quality and high-impact activities.

The Performance Results shall be assessed and scored as follows:

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

(*) Included in the Compliance with 2017 PNSDW Pre-Qualifications

- 4.2 **Process Results.** The target under Process Results is the greater ease of transaction of frontline services covering all government-to-citizens (G2C), government-to-businesses (G2B), and government-to-government (G2G) transactions. This may be achieved through streamlining, especially of frontline services; and standardization of frontline processes.

MANWAD target is to ensure the quality-of-service delivery through its compliance with its respective Commercial Practice System (CPS).

Compliance of at least 90% with the criteria would automatically render seven (7) points for the Process Results. Failure to do so will result in the isolation of the responsible unit/s.

CRITERIA	CONDITION
Process Results	At least 90% Compliance with the Commercial Practice System (CPS) will render 7 points; below 90% will result in isolation
Compliance with CPS for all MANWAD.	



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

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

4.4 Citizen/Client Satisfaction Results. Achieve Citizen/Client Satisfaction by acting on requests/complaints received directly by MANWAD (in-house) and resolution of reported complaints from Hotline #8888, Contact Center ng Bayan (CCB), and the Presidential Complaint Center (PCC) and/or Presidential Action Center (PACe). MANWAD shall ensure the resolution of all complaints and grievances on government service procedures, 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/or PACe. To provide evidence on this, MANWAD shall submit a report summarizing the complaints received and those received by Hotline #8888, CCB, and PCC and/or PACe in FY 2023, as well as the status of the same, i.e., if resolved or pending.

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

CRITERIA	MAX PTS	CONDITION
Citizen/Client Satisfaction Results: a. Hotline #8888 b. Contact Center ng Bayan (CCB) c. Presidential Complaint Center (PCC) and/or Presidential Action Center (PACe) d. Direct requests/complaints to the water district (in-house)	13	At least 70% of the complaints 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



SECTION 5. AGENCY ACCOUNTABILITIES.

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

a. Updating of Transparency Seal	
b. Compliance with Audit Findings and Liquidation of Cash Advances	
c. Compliance with the Freedom of Information (FOI) Program	
d. Establishment and Conduct of Agency Review and Compliance of Assets, Liabilities, and Net Worth (SALN)	
e. PhilGEPS posting of all invitations to bids and awarded contracts - Notices of Award/ Bid Results, Actual Approved/ Awarded Contracts, and Notices to Proceed/ Purchase Orders for public bidding transactions above one million (Php 1,000,000.00)	
f. FY 2023 Non-Common Use Supplies and Equipment (APP Non-CSE)	
g. Posting of Indicative FY 2024 APP-Non CSE	
h. FY 2024 Annual Procurement Plan - Common Use Supplies and Equipment (APP-CSE)	
i. Results of FY 2022 Agency Procurement Compliance and Performance Indicators (APCPI) System	
j. Undertaking of Early Procurement Activities covering FY 2024 Procurement Projects	
k. Designation of the Agency's Committee on Anti-Red Tape (CART)	
New Agency Accountabilities beginning FY 2023 PBB	l. For MANWAD under Categories A and B , continuing ISO-QMS certification or equivalent certification of at least one (1) critical frontline service or core process
	m. Administered Client Satisfaction Measurement (CSM)
	n. Report on the digitalization initiatives or digital transformation of external and internal services



While the conditions mentioned above are no longer required in determining the overall PBB eligibility of MANWAD, compliance with these conditions shall be used as the basis for determining the eligibility of responsible units and individuals. MANWAD should submit these legal requirements directly to the oversight agencies.

SECTION 6. ELIGIBILITY OF DELIVERY UNITS AND INDIVIDUALS

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

Based on Table No. 01, to be eligible for the FY 2023 PBB, MANWAD must attain a total score of at least 70 points.

The unit/s most responsible (including its Head) for the non-compliance with the Agency Accountabilities provided in Section 5.0 will 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 the MANWAD, including its officials and employees. The corresponding rates of the PBB shall be based on MANWAD's achieved total score, as shown in Section 7.0.

- 6.3 MANWAD General Manager is eligible only if MANWAD is eligible. If eligible, her PBB rate for FY 2023 shall be equivalent to the rates stated in Section 7.0 and shall be based on her monthly basic salary (MBS) as of December 31, 2023.

- 6.4 MANWAD Board Members may be eligible for the Performance-Based Incentives (PBI) subject to the following conditions:

- a. MANWAD has qualified for the grant of the FY 2023 PBB;
- b. The Board Member has 90% attendance to duly called board meetings and committee meetings as certified by the Board Secretary;
- c. The Board Member has eleven (11) months of aggregated service in the position
- d. MANWAD has submitted the appropriate annual Board-approved Corporate Operating Budget to LWUA; and
- e. Submission of Board Member's FY 2023 accomplishments (policies or resolutions made that will help address the operations as well as the guidelines of the MANWAD).

- 6.5 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 agency's CSC-approved Strategic Performance Management System (SPMS).

- 6.6 Personnel in detail to another government agency for six (6) months or more shall be included in the recipient agency that rated his/her performance. The payment of the PBB shall come from the mother agency. 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:

- 6.7 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.

- 6.8 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 the PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency, as stated in Section 6.11.

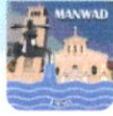
- 6.9 An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least a Very Satisfactory rating may be eligible for the full grant of the PBB.
- 6.10 An official or employee who rendered less than nine (9) months but a minimum of three (3) months of service and with at least a Very Satisfactory rating shall be eligible for the grant of the PBB on a pro-rata 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-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; and/or
- h. Sabbatical Leave.

- 6.11 An employee who is on vacation or sick leave, with or without pay, for the entire year is not eligible for the grant of the PBB.
- 6.12 Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2023 shall not be entitled to the PBB. However, if the penalty meted out is only a reprimand, such penalty shall not cause the disqualification to the PBB.
- 6.13 Officials and employees who failed to submit the 2022 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 shall not be entitled to the FY 2023 PBB.



- 6.14 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.

SECTION 7. RATES OF THE PBB.

The total score as stated in Section 4.0 shall be the basis in determining the amount of the PBB that MANWAD is eligible for. The maximum rate of the PBB for MANWAD that will achieve 100 points shall be 100% of the 65% monthly basic salary (MBS) of an individual as of December 31, 2023. For illustration, see the table below:

RATES OF THE FY 2023 PBB	
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

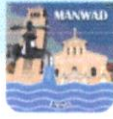
SECTION 8. TIMELINES AND SUBMISSION/POSTING OF REPORTS AND REQUIREMENTS

- 8.1 MANWAD should submit Form A and AI as evidence of accomplishments of Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results (as provided in Section 4.0), together with its pertinent supporting documents to LWUA, on or before April 30, 2024.
- 8.2 The AO25 IATF shall conduct spot checks to validate claims and certifications made by the MANWAD on their submitted/posted reports and/or requirements.
- 8.3 MANWAD are encouraged to provide information to the AO25 Secretariat on compliance with the MANWAD Agency Accountabilities provided in Section 5.0.

SECTION 9. EFFECTS OF NON-COMPLIANCE

MANWAD, which, after due process by the oversight agency, has been determined to have committed a prohibited act, shall be disqualified from the PBB in the succeeding year of its implementation.

Moreover, the CSC or Ombudsman shall file the appropriate administrative case for misrepresentation in the submitted/posted reports and requirements for the PBB, a commission of fraud in the payment of the PBB, and violation of the provisions of this Circular.



SECTION 10. COMMUNICATION AND CHANGE MANAGEMENT

- 10.1 The General Manager of MANWAD, with the support of its PMT, should enhance the implementation of its internal communications strategy on the PBB and fulfill the following:
- a. Engage its employees in understanding the PBB, the performance targets of MANWAD, and the services and outputs they will need to deliver to meet these targets.
 - b. Disseminate the performance targets and accomplishments of MANWAD employees through the internet and other means, and publish these on agency website for the public's information.
 - c. Set up a Help Desk to respond to queries and comments on the targets and accomplishments. The Help Desk may be a facility that is embedded in MANWAD website.
 - d. Set up a Complaints Mechanism to respond to the PBS-related issues and concerns raised by officials and employees of MANWAD. Such may be incorporated into the functions of its Grievance Committee.
- 10.2 The General Manager shall designate, if necessary, a senior official who shall serve as a PBB focal person. In addition, the offices responsible for performance management may be tasked to provide secretariat support to the PMT and recommend strategies to instill a culture of performance within the agency. The name, position, and contact details (e-mail, landline, facsimile, cellular phone) of PBB focal persons should be submitted to the AO25 Secretariat .
- 10.3 The AO25 IATF shall maintain the following communication channels:
- a. Local Water Utilities Administration (LWUA):
Telephone: (02) 8929-4511
Email Addresses:
 1. Institutional Development Service: ids@lwua.gov.ph
 2. Utilities Development Divisions (UDEVs):
 - a). udev1.wsudd@lwua.gov.ph;
 - b). udev2.wsudd@lwua.gov.ph;
 - c). udev3.wsudd@lwua.gov.ph;
 - d). udev4.wsudd@lwua.gov.ph;
 - b. AO25 Secretariat at ao25secretariatdap.edu.ph
 - c. RBPMS website www.rbpms.dap.edu.ph
 - d. Telephone: (02) 8400-1469, (02) 8400-1490, (02) 8400-1582
 - e. Facebook: www.facebook.com/PBBsecretariat

SECTION 11. FUNDING SOURCE

- 11.1 The PBB shall be sourced from MANWAD Corporate Fund.
- 11.2 Local Water Districts are prohibited to source payment of PBB from the following:
- a. Loans;
 - b. Subsidy from the National Government of LWD operations; and




- c. Sale of the LWD assets for the sole purpose of paying the PBB and is otherwise not in the ordinary course of business.

SECTION 12. EFFECTIVITY

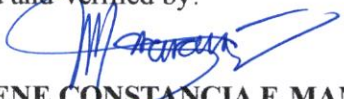
This guideline shall take effect immediately and shall remain in force unless revoke, cancelled or superseded by a subsequent issuance.

Likewise, this guideline shall be on the Transparency Seal (TS) of Manaoag Water District website.

Prepared by:


CHARLIE D. LORILLA, JR.
Administrative and General Services Officer B

Checked and Verified by:


MARLENE CONSTANCIA F. MANAOIS, J.D.
Division Manager C,
Administrative and General Services

Approved by:


FLORDELIZAN. TEJANO
General Manager C