



**MEMORANDUM CIRCULAR NO. 06**

**Series of 2018**

**SUBJECT: GUIDELINES ON RANKING THE BUREAUS/OFFICES/DELIVERY UNITS IN THE AVAILMENT OF THE 2018 PERFORMANCE-BASED BONUS (PBB)<sup>1</sup>**

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### **Section 1. BACKGROUND**

Executive Order No. 201 s. 2016 provides that the existing PBB granted to qualified government personnel shall be enhanced to strengthen its results orientation. The Inter-Agency Task Force (IATF) on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems created under Administrative Order (AO) No. 25, s. 2011, herein referred to as the AO 25 IATF, shall prescribe the conditions on the eligibility and procedure for the grant of the enhanced PBB, including the ranking system to recognize differences in levels of performance.

Pursuant thereto, the AO 25 IATF issued Memorandum Circular (MC) No. 2018- 1 to prescribe the guidelines on the grant of the FY 2018 PBB.

### **Section 2. OBJECTIVES AND COVERAGE**

The Memorandum Circular (MC) is issued by the DAR to set rules and procedures in granting the 2018 Performance-Based Bonus for officials and personnel of the DAR central, regional and provincial (including municipal) offices consistent with the guidelines provided under MC 2018-1 issued by the AO 25 Inter-Agency Task Force (IATF) pursuant to Executive Order No. 201 series of 2016.

### **Section 3. COMPOSITION OF THE PERFORMANCE MANAGEMENT GROUP (PMG), WORKING COMMITTEE, TECHNICAL WORKING GROUP (TWG) AND REGIONAL PBB FOCAL PERSON**

3.1 The Performance Management Group (PMG) created under Memorandum Circular No. 07 series of 2013 shall be reconstituted to assist the Secretary and ensure the compliance of the requirements of the AO 25 IATF on granting of the 2018 PBB in the Department. The Performance Management Group shall:

- a. Directly oversee and observe the performance of all offices;
- b. Ensure that the set guidelines is followed thoroughly;
- c. Adopt a communication strategy that engages employees in the process of understanding and meeting the targets and outputs of the Department under the PBB;
- d. Undertake the system of ranking of delivery units;
- e. Ensure that Working Committees are organized to ensure compliance of the PBB requirements within their sectors;
- f. Set-up a Help Desk to respond to queries and comments on the targets and accomplishments of the Department; and
- g. Set-up an appeal mechanism which can respond to and redress PBB-related issues and concerns brought by officials or employees.

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<sup>1</sup> *A requirement for the Department's eligibility of the 2018 Performance-Based Bonus*

**3.2 The PMG shall be composed of the following:**

- Chair:** Undersecretary, Finance, Management and Administration Office (FMAO)  
Designated DAR-PBB Focal Person
- Members:** Undersecretary, Field Operations Office (FOO)  
Undersecretary, Legal Affairs Office (LAO)  
Undersecretary, Support Services Office (SSO)  
Undersecretary, Policy, Planning and Research Office (PPRO)  
Undersecretary, Foreign Assisted and Special Projects Office (FASPO)  
Undersecretary, Special Concerns  
Head Executive Assistant, Office of the Secretary  
Representative, DAR Employees Association (DAREA)

**3.3 To assist the PMG and to ensure compliance with the requirements of the 2018 PBB, Working Committees shall be organized to be headed by the following:**

<b>Committee</b>	<b>Official/Delivery Unit</b>
Streamlining and Process Improvement Committee for <ul style="list-style-type: none"><li>• Office of the Secretary</li><li>• Field Operations Office</li><li>• Support Services Office</li><li>• Legal Affairs Office</li><li>• Finance, Management and Administration Office</li><li>• Policy, Planning and Research Office</li></ul>	Head Executive Assistant Assistant Secretary, FOO Assistant Secretary, SSO Assistant Secretary, LAO Undersecretary, FMAO  Undersecretary, PPRO
STO, GASS, Good Governance and Performance Monitoring Committee	Undersecretary, FMAO
Freedom of Information and Transparency Seal Committee	Director, PAMRS

**The Working Committee shall:**

- Ensure compliance of the requirements of their delivery units;
- Address specific PBB related issues;
- Engage the participation of employees and officials concerned in the implementation of the PBB requirements;
- Spearhead in streamlining and process improvement of critical services;
- Ensure client satisfaction survey is administered, consolidated and reported with corresponding improvement plan to address issues raised by clients based on the client satisfaction survey;
- Report to the Secretary and the PBB Focal Person the status of compliance;
- Recommend solutions to issues/problems arising in complying the PBB requirements to the PMG; and
- Disseminate all good governance information.

3.4 The technical staff of the concerned delivery unit shall serve as the secretariat of the Committee. They shall provide the technical and administrative tasks to their concerned Committee.

3.5 A Technical Working Committee (TWG) shall undertake all the technical and administrative work needed by the PMG and shall meet once a month. The TWG shall be composed of the following:

Chair:	Director, Planning Service (PS)
Co-Chair:	Director, Agrarian Reform Capacity Development Service (ARCDs)
Members:	Director, Administrative Service (AdServ)
	Director, Financial Management Service (FMS)
	Director, Public Assistance and Media Relations Service (PAMRS)
	Director, Management Information Systems Service (MISS)
	Senior Staff, Office of the Secretary
	Senior Staff, Office of the USec-FMAO
	Senior Staff, Office of the USec-FOO
	Senior Staff, Office of the USec-SSO
	Senior Staff, Office of the USec-LAO
	Senior Staff, Office of the USEC-PPRO
	Senior Staff, Office of the Special Concerns Representative, DAREA

3.6 At the Regional Offices, the Assistant Regional Assistant Director for Support to Operations shall be considered as the Regional PBB Focal Person with the technical and administrative assistance of the Regional Chief Administration Office (RCAO). They shall:

- a. ensure that the regional and provincial offices shall comply all the PBB required documents and compliance reports and shall submit the same to the concerned DARCO offices within the prescribed timeline;
- b. attend to meeting/ conferences regarding PBB concerns, and
- c. disseminate all PBB information at the regional, provincial and municipal offices.

#### **Section 4. RATING AND RANKING OF DELIVERY UNITS**

- 4.1 If the DAR will be eligible for the 2018 PBB , the rating and ranking of the delivery units (excluding ARMM) will be done in three groups, namely:
- a. Group I - ranking of 73 DAR Provincial Offices (DARPOs),
  - b. Group II – ranking of the 15 DAR Regional Offices (DARROs), and
  - c. Group III - ranking of the 14 Bureaus/Services/Offices in the DAR-Central Office (DARCO).

The DARCO units are grouped into Bureaus and Services and Executive Offices, to wit:

1. Executive Offices (OSEC Proper, Offices of all USECs and All ASECs)
2. Administrative Service (AdServ)
3. Agrarian Reform Capacity Development Service (ARCDs)
4. Policy and Planning Service (Planning Service and Policy and Research Service) <sup>2/</sup>
5. Financial Management Service (FMS)
6. Management Information Systems Service (MISS)

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<sup>2</sup> Based on approved 2013 Rationalization Plan, the office is Policy and Planning Service

7. Project Management Service (PMS)
8. Legal Service (LS)
9. Bureau of Agrarian Reform Beneficiaries Development (BARBD)
10. Bureau of Agrarian Legal Assistance (BALA)
11. Bureau of Land Tenure Improvement (BLTI)
12. Public Assistance and Media Relations Service (PAMRS)
13. PARC Secretariat
14. DARAB and DARAB Secretariat

- 4.2 The DAR Planning Service (PS) with the assistance of the PMG-TWG shall undertake the rating and ranking of the delivery units. Sources of the official data shall be the following: **PS for the physical accomplishment report of the performance indicators, FMS for the Budget Utilization Rate (BUR), and ARCDs for the compliance to the good governance conditions and streamlining and process improvement of the agency's critical services.**

The rating of each delivery unit in the good governance conditions and streamlining and process improvement of the agency's critical services shall be based on the specific guidelines set by Memorandum Circular No. 2018-1 dated May 28, 2018 issued by the AO 25 Task Force and percentage distribution set by the Department in Annex A of this guidelines.

The guidelines in rating the DARPOs, DARROs and DARCOs particularly on the achievement of the GAA Performance Indicators are outlined below:

- 4.2.1 For the DARPOs, the rating and ranking shall be based on the accomplishments on the following:
- a. 2018 GAA- PBB and non- PBB indicators, Support to Operations (STO) and General Administration and Support Services (GASS which contain the BUR);
  - b. Streamlining and Process Improvement of the Agency's Critical Services; and
  - c. Compliance to the good governance conditions.
- 4.2.2 For the DARROs, the rating and ranking shall be based on the following:
- a. Average rating of all DARPOs which are being supervised by the DARRO;
  - b. Accomplishment of the legal sector (AJDP) at the DARRO;
  - c. Accomplishment of the DARRO 2018 Work and Financial Plan;
  - d. Support to Operations (STO) and General Administration and Support Services Accomplishment (GASS which contain the BUR);
  - e. Streamlining and Process Improvement of the Agency's Critical Services; and
  - f. Compliance to the good governance conditions.
- 4.2.3 For the DARCO units, the rating and ranking shall be based on the following:
- a. Accomplishment of the Office 2018 Work and Financial Plan;
  - b. National Average Rating of the sector (LTSP, AJDP, ARBDSP and Good Governance Conditions) where the office/bureau/service belongs
  - c. Support to Operations (STO) and General Administration and Support Services Accomplishment (GASS which contain the BUR);
  - d. Streamlining and Process Improvement of the Agency's Critical Services; and
  - e. Compliance to the good governance conditions.

#### 4.3 Determining the Rating of the Performance Indicators on Land Tenure Security Program (LTSP)

- 4.3.1 For LTSP performance indicators, the rate of accomplishment versus the targets is the basic consideration in rating each delivery unit.
- 4.3.2 The performance indicators that are considered for ranking with the following weight assignment, are as follows:

##### A. PBB-INDICATORS

- 1. Number of hectares with completed claim folders documentation **20%** (10% for accomplishment rate (accomplishment/target X 100%) and 10% for contribution to the total national accomplishment)
- 2. Number of hectares (gross area) with EP/CLOA registration **45%**
  - i. rate of accomplishment-15%
  - ii. share in the national total accomplishment- 20%
  - iii. degree of difficulty in moving the lands as evidenced as LBP compensable lands — 10%

##### B. NON-PBB INDICATORS/ ADDITIONAL INDICATORS

- 1. Number of hectares in collective CLOA (subdivision survey and documentation)— **15%** (7.5% accomplishment and 7.5% for contribution to the total national accomplishment)
  - 2. No. of hectares under Distributed but not yet documented (DNYD), distributed but not yet paid (DNYP), Final Survey Documentation (FSD) **10%** (5% for accomplishment rate and 5% for contribution to the total national accomplishment)
  - 3. No. of LADIS covered- **5%** (2.5% for accomplishment rate and 2.5% for contribution to the total national accomplishment)
  - 4. No. of ARBs installed out of the uninstalled ARBs- **5%** (2.5% for accomplishment rate and 2.5% for contribution to the total national accomplishment)
- 4.3.3 For provinces with no targets in some indicators but with accomplishments, there shall be reconfiguration of the weight assignment to come up with a total of 100%.
  - 4.3.4 For provinces with no targets in certain indicators, the weight assignment shall be realigned to indicators with targets to come up with a total of 100%.
  - 4.3.5 The ratings shall be based on ranges and scales to be determined based on the highest and lowest accomplishments/rates for the year.
  - 4.3.6 The DARPOs will be ranked accordingly based on their scores.

#### 4.4 Rating of the performance indicators under the Agrarian Justice Delivery Program (AJDP)

4.4.1 The AJDP has two sub-programs, namely: (1) the adjudication of cases delivered by the DAR Adjudication Board (DARAB) at the Central, Regional Agrarian Reform Adjudication Board (RARAD) and Provincial Agrarian Reform Adjudication Board (PARAD); and (2) Agrarian Legal Assistance delivered by the Legal Offices at the DARCO, DARROs and DARPOs. Separate ratings shall be done by each delivery unit.

#### 4.4.2 Sub-program on Agrarian Legal Assistance (ALA)

- a. The basis for the rating is the rate of accomplishment and its share in the national accomplishment. The two major indicators with the corresponding weight assignments are as follows:
  - a.1 Representation for cases – 40%
    - Judicial cases – 100% (rate of accomplishment = 5%; share in the national accomplishment = 5%)
    - Quasi-judicial cases-30% (rate of accomplishment = 15%; share in the national accomplishment = 15%)
  - a.2 Resolution of ALI cases — 60% (rate of accomplishment = 30%; share in the national accomplishment = 30%)
- b. For provinces with no targets in certain indicators but with accomplishments, there shall be reconfiguration of the weight assignment to come up with a total of 100%.
- c. For provinces with no targets in certain indicators, the weight assignment shall be realigned to indicators with targets to come up with a total of 100%.
- d. The ratings shall be based on ranges and scales to be determined based on the highest and lowest accomplishments rates for the year.

#### 4.4.3 Sub-program on Adjudication of Cases

- a. There is only one indicator for the adjudication of cases. The rate of accomplishment based on caseload is 80% and contribution to total national accomplishment is 20%.
- b. For provinces with no targets in certain indicators but with accomplishments, there shall be reconfiguration of the weight assignment to come up with a total of 100%.
- c. For provinces with no targets in certain indicators, the weight assignment shall be realigned to indicators with targets to come up with a total of 100%.
- d. The ratings shall be based on ranges and scales to be determined based on the highest and lowest accomplishments rates for the year.

4.4.4 For AJDP, the provincial offices will be ranked accordingly based on their total scores for ALA and Adjudication of cases.

**4.5 Rating of the performance indicators under the Agrarian Reform Beneficiaries Development and Sustainability Program (ARBDSP)**

**4.5.1** The main consideration in coming up with the ARBDSP rating is the rate of accomplishment based on targets and multiplied by the weight assignment for each indicator.

**4.5.2** The performance indicators considered with weight assignments are as follows:

**A. PBB INDICATORS**

1. No. of ARBs with access to credit and microfinance services **20%**; (rate of accomplishment- 10%; contribution to national accomplishment = 10%)
2. No. of ARBs trained - **20%**; (rate of accomplishment- 10%; contribution to national accomplishment = 10%)
3. No. of ARBOs provided with technical, enterprise and farm productivity support and physical infrastructure - **10%** (rate of accomplishment 5%; contribution to national accomplishment = 5%)

**B. NON-PBB INDICATORS/ ADDITIONAL INDICATORS**

1. No. of new members in organizations — **10%**; (rate of accomplishment - 5%; contribution to national accomplishment= 5%)
2. No. of organizations provided with credit — **10%**; (rate of accomplishment - 5%; contribution to national accomplishment= 5%)
3. No. of organizations covered in ITeMA- **10%**; (rate of accomplishment- 5%; contribution to national accomplishment= 5%)
4. No. of ARBOs covered in partnership programs **10%** (rate of accomplishment- 5%; contribution to national accomplishment= 5%)
5. No. of completed physical infrastructures monitored- **10%**, (rate of accomplishment- 5%; contribution to national accomplishment= 5%)

**4.5.3** For provinces with no targets in certain indicators but with accomplishments, there shall be reconfiguration of the weight assignment to come up with a total of 100%.

**4.5.4** For provinces with no targets in certain indicators, the weight assignment shall be realigned to indicators with targets to come up with a total of 100%.

**4.5.5** The ratings shall be based on ranges and scales to be determined based on the highest and lowest accomplishments/rates for the year.

**4.5.6** The provincial offices will be ranked accordingly based on their scores.

**4.6 Rating and Ranking of the DAR-Provincial Offices (DARPOs)**  
(Please see Annex A for the percentage distribution)

**4.6.1** The DAR-Provincial Offices shall be ranked based on:

- a. Land Tenure Security Program - **8.3%**;

- b. Agrarian Justice Delivery Program - **8.3% (ALA- 60% of 8.3= 4.98% and DARAB- 40% of 8.3 = 3.32%)**
  - c. Agrarian Reform Beneficiaries Development and Sustainability Program – **8.3%;**
  - d. Streamlining and Process Improvement of Critical Services – **25%;** and
  - e. Compliance of the documentary requirements to the Good Governance Conditions and other cross-cutting requirements – **50%;**
- 4.6.2 Based on the forced ranking guidelines issued by AO 25 IATF, 10% of the DARPOs shall be considered as best , 25% as better and 65% as good offices.
- 4.6.3 Out of the 73 DARPOs, there would be 7 best DARPOs, 18 better DARPOs and 48 good DARPOs.
- 4.6.4 Hence, DARPOs ranked 1-7 would be best DARPOs, those ranked no. 8 to 25 shall be better DARPOs and those in rank no. 26 to 73 shall be the good DARPOs.
- 4.7 Rating and Ranking of the DAR-Regional Offices (DARROs)  
(Please see Annex A for the percentage distribution)
- 4.7.1 The rating and ranking of the DARROs shall be based on the following major considerations, namely:
  - a. Average rating of all the DARPOs supervised by the Regional Management – **12.5%;**
  - b. Regional Work and Financial Plan Accomplishment including DARRO AJDP accomplishments– **12.5%;**
  - c. System and Process Improvement of Critical Services – **25% and**
  - d. Compliance to the other STO-GASS Requirements, Good Governance Conditions and other cross cutting requirements-**50%.**
- 4.7.2 Based on the forced ranking guidelines, 10% shall be best DARROs, 25% better and 65% good DARROs. Since there are 15 DARROs, there shall be 1 best DARRO, 4 better DARROs and 10 good DARROs.
- 4.7.3 Hence, the DARRO ranked 1 shall be the best DARRO, those ranked 2 to 5 shall be the better DARROs and those ranked 6 to 15 shall be the good DARROs.
- 4.8 Rating and Ranking of the Bureaus/Services/Offices in DAR-Central Office  
(Please see Annex A for the percentage distribution)
- 4.8.1 To rate and rank the 14 units/clusters of the DAR-Central Office, considerations shall be based on the following:
  - a. Accomplishment of the Office Work and Financial Plan – **12.5%;**
  - b. National Average Rating of the sector (LTSP, AJDP, ARBDSP and Good Governance Conditions) where the office/bureau/service belongs – **12.5%**
  - c. System and Process Improvement of Critical Services – **25% and**



- d. Compliance to the other STO-GASS Requirements, Good Governance Conditions and other cross cutting requirements-50%.

4.8.2 In cluster of offices (e.g. Executive Offices and Policy and Planning Service), the final rating shall be based on the average rating of all offices included in the cluster. It should be noted that if one office in the cluster failed in some criteria, the entire cluster shall be affected. For example, if one office in the cluster failed to submit the accomplishment report, the rating would be 0. If the other office scored 90%, then the average rating =  $(0+95)/2=45\%$

4.8.3 Based on the forced ranking guidelines, 10% would be best office, 25% better and 65% good offices. Since there are 14 DARCO bureaus, services or offices, there would be one (1) best office, four (4) better offices and nine (9) good offices.

4.8.4 Hence, the bureaus/services/offices ranked 1 shall be the best offices, those ranked 2 to 5 shall be the better offices and those ranked 6 to 14 shall be the good offices.

#### 4.9 Final Ranking the DARPOs, DARROs and DARCO Units

The initial forced ranking of DARPOs, DARROs and DARCO units done by PS with the assistance of the PMG-TWG shall be deliberated by the PMG who will come up with final ranking which shall also be submitted to the DAR Secretary for approval. The approved ranking of offices shall be submitted to the AO 25 Task Force based on current guidelines and format and shall also be disseminated to all offices at the provincial, regional and DARCO levels.

### Section 5. DETERMINING ELIGIBILITY OF INDIVIDUALS

Consistent with MC 2018-1 issued by the AO 25 IATF, the following guidelines shall apply:

- 5.1 All officials and employees of eligible delivery units holding regular plantilla positions (permanent, co-terminus, CTI); and contractual and casual personnel having employer-employee relationship with the DAR, and whose compensation are charged to the lump sum appropriation under Personnel Services, or those occupying positions in the Department of Budget and Management -approved contractual staffing pattern of the agencies concerned may be eligible for PBB.
- 5.2 Employees who belong to the First and Second Levels shall receive rating of at least "Satisfactory/" in their IPCR/OPCR for the 1<sup>st</sup> and 2<sup>nd</sup> semesters of 2018.
- 5.3 Third (3<sup>rd</sup>) Level Officials holding or who are designated to Career Executive Service (CES) positions should receive a rating of at least "Satisfactory" under the Career Executive Service Performance Evaluation System (CESPES) for 1<sup>st</sup> and 2<sup>nd</sup> semesters of 2018. DARAB members, RARADs, and PARADs should receive a rating of at least "Satisfactory" under the Adjudicators Performance Evaluation Card (APEC).
- 5.4 Personnel on detail to another government agency (outside of DAR) for at least 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.

- 5.5 Re-assigned staff within DAR (provincial, regional or central) covering the entire CY 2018 shall be included in the ranking of staff in his/her current office. For staff who were re-assigned for less than a year, he/she shall be ranked in the office where most of his/her time was spent.
- 5.6 Personnel who transferred from one government agency to another shall be rated and ranked by the agency where he/she served the longest. If the same number of months were served for each agency, he/she shall be included in the recipient agency.
- 5.7 An official or employee who has rendered a minimum of nine (9) months of service in FY 2018 and with a least Satisfactory rating may be eligible to the full grant of the PBB.
- 5.8 An official or employee who 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 (Table 3):

Table 3. Length of Service for 2017 and % of PBB Amount

Length of Service	% of PBB Amount
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%

- 5.9 The following are the valid reasons for an employee who may not meet the nine (9)-month actual service requirement to be considered for PBB on a pro-rata basis:
- Being a newly hired employee;
  - Retirement;
  - Resignation;
  - Rehabilitation Leave;
  - Maternity Leave and/or Paternity Leave;
  - Vacation or Sick Leave with or without pay;
  - Scholarship/Study Leave; and
  - Sabbatical Leave.
- 5.10 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.
- 5.11 Personnel found guilty of administrative and/or criminal cases in FY 2018 by final 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.
- 5.12 Officials and employees who failed to submit the 2017 Statement of Assets, Liabilities and Networth (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 2018 PBB.

- 5.13 Officials and employees who failed to liquidate all cash advances received in FY 2018 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 2018 PBB.
- 5.14 Officials and employees who failed to submit their complete Career Executive Service Performance Evaluation System (CESPES), Adjudicators Performance Evaluation Card (APEC) and Systems for Performance and Management System (SPMS) Forms, respectively shall not be entitled to the FY 2017 PBB.
- 5.15 Heads of Office shall ensure that officials and employees covered by RA No. 6713 submitted their 2017 SALN to the respective SALN repository agencies, liquidated their FY 2018 Cash Advances, and completed the SPMS and CESPES/APEC Forms, as these will be the basis for the release of FY 2018 PBB to individuals.
- 5.16 Officials and employees responsible for the implementation of the prior years' audit recommendations, QMS certification, or posting and dissemination of the department/agency system of ranking performance of delivery units, shall not be entitled to the FY 2018 PBB if the Department/Agency fails to comply with any of these requirements.

#### **Section 6. RATES OF PERFORMANCE-BASED BONUS**

- 6.1 The final rank of officials and employees of DAR shall be done by the Performance Management Group to ensure conformance with MC 2018-1 issued by the AO 25 IATF. The PBB rates of employees shall depend on the ranking of their delivery units (Table 4) where they belong and based on the individual's monthly basic salary.

Table 4. Performance Category and PBB as % of Basic Monthly Salary

<b>PERFORMANCE CATEGORY</b>	<b>PBB AS % OF BASIC MONTHLY SALARY</b>
Best Office/ Delivery Unit (10%)	65%
Better Office/ Delivery Unit (25%)	57.5%
Good Office/ Delivery Unit (65%)	50%

- 6.2 The PBB rates of the third level officials shall be based on the performance category of their office, whether best, better or good offices (e.g. if the DARPO is categorized as best office, the PARO II and PARO I shall get PBB rates equivalent to 65% of their salary).

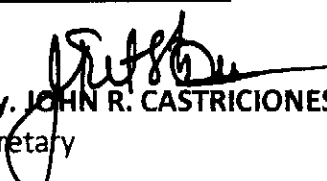
## **Section 7. DISTRIBUTION OF THE PERFORMANCE-BASED BONUS**

The time frame in the distribution of the PBB shall be based on the timeline set by AO 25 IATF. DBM shall release the funds to DAR based on the total amount required, as reflected in the prescribed forms in Memorandum Circular No. 2018-1.

## **Section 8. EFFECTIVITY**

This Memorandum Circular shall take effect immediately and supersedes all other circulars/issuances inconsistent herewith.

OCT 18 2018 Diliman, Quezon City.

  
Atty. JOHN R. CASTRICIONES  
Secretary

Department of Agrarian Reform  
Office of the Secretary



ISU-18-04552

**ANNEX A: 2018 PERFORMANCE-BASED BONUS  
PERCENTAGE DISTRIBUTION OF EACH PBB PARAMETER**

PERFORMANCE TARGETS	DARPO		DARRO		DARCO		REMARKS
<b>2018 GAA PERFORMANCE INDICATORS AND NON-PBB INDICATORS</b>	<b>25%</b>		<b>25%</b>		<b>25%</b>		
<b>SOURCE: PS OFFICIAL REPORT</b>							
	LAND TENURE SECURITY PROGRAM (LTSP)= 8.3% AGRICULTURAL JUSTICE DELIVERY PROGRAM (AJDP) = 8.3%	Based on the accomplishment report submitted to Planning Service and confirmed by the Sector Heads	12.5%	Average Rating of all DARPOs within the Region	12.5%	National Average Rating of the sector where the office/bureau/service belongs FOO offices- LTSP Rating; LAO offices/DARAB- AJDP Rating; SSO/FASPO offices- ARBDSP; FMAO, PPRO, Special Concerns Offices and OSEC- Rating of Good Governance Conditions	Accomplishment Reports to be considered shall be January to December 2018; based on the official report prepared by Planning Service
	AGRICULTURAL REFORM BENEFICIARIES DEVELOPMENT AND SUSTAINABILITY PROGRAM (ARBDSP) = 8.3%		12.5%	2018 Accomplishment of the Regional Management Plan Accomplishment including DARRO AJDP accomplishments as submitted to Planning Service	12.5%	2018 Work and Financial Plan Accomplishment signed by the Secretary	
<b>STREAMLINING AND PROCESS IMPROVEMENTS</b>	<b>25%</b>	Shall include all DARPO-identified processes in the Citizens Charter and additional ARBDSP critical processes	<b>25%</b>	Shall include all DARRO-identified processes in the Citizens Charter	<b>25%</b>	DARCO units whose processes are not included in the Citizens Charter shall formulate at least one internal process improvement	Shall include all procedures/processes included in the Citizens Charter and additional critical services as agreed during the PBB Orientation on Sept. 18-19, 2018; Based on the guidelines stipulated in MC 2018-1 issued by AO 25 TF
<b>SOURCE: OFFICIAL REPORTS COMPILED BY ARCDs</b>							
<b>GOOD GOVERNANCE CONDITIONS</b>	<b>50%</b>		<b>50%</b>		<b>50%</b>		Based on the guidelines stipulated in MC 2018-1 issued by AO 25 TF
<b>SOURCE: OFFICIAL REPORTS COMPILED BY ARCDs</b>							
<b>Budget Utilization Report (BUR)</b>							
Obligations	5%		5%		3%	All DARCO units shall comply	Official report shall be based on the official report submitted to DBM
Disbursements	6%		6%		4%		
<b>APP-CSE</b>							
2018 APP non CSE	2%		2%		2%	All DARCO units shall comply	
Indicative 2019 APP non CSE	2%		2%		2%		
2019 APP CSE	2%		2%		2%		
Early Procurement of 2019 APP non CSE of a least 50%	2%		2%		2%		
<b>PHILGEPS POSTING</b>							
Posting of Bid Invitation above 1M	3%		3%		3%	Accountability of Procurement Division-Admin Service	
Posting and Updating of Opportunities above 1 M	3%		3%		3%		
Posting and Updating of Opportunities below 1 M	1.5%		1.5%		1.5%		

PERFORMANCE TARGETS	DARPO		DARRO		DARCO		REMARKS
<b>Establishment of Agency Review Compliance Procedure (SALN)</b>							
Committee	0.5%		0.5%		0.5%	Accountability of Personnel Div- Admin	
Procedure	0.5%		0.5%		0.5%	All DARCO units shall comply	
Summary Report	1%		1%		1%		
<b>FAR1 (Quarterly)</b>	1.5%		1.5%		3%	Accountability of FMS	
<b>FAR4 (Monthly)</b>	1.5%		1.5%		3%		
<b>COA Financial Reports</b>	2%		2%		2%		
<b>Sustained Compliance with Audit Findings</b>	2%		2%		2%		
<b>Citizen's Charter</b>						Accountability of PAMRS	
Citizen's Charter Posting	1%		1%		1%		
Citizen/Client Satisfaction Report	2.5%		2.5%		2.5%		
Citizen/Client Action Plan	2.5%		2.5%		2.5%		
<b>Agency Procurement Compliance Performance Indicator (APCPI)</b>					1%	Accountability of Admin Service	Department-wide
<b>QMS Certification</b>	2.5%		2.5%		2.5%	Accountability of ARCDs	
<b>Transparency Seal</b>	1%		1%		1%	Accountability of PAMRS	Department-wide;
Directory & Posting of Invitations							DARPOs and DARROs shall submit updated directory of officials and office contact details
Updating							
<b>Freedom of Information (FOI) Requirements</b>							
FOI Manual*					1%	Accountability of PAMRS	
FOI Registry	1%		1%		1%		
FOI Summary Report	1%		1%		1%		
FOI Inventory	1%		1%		1%		
<b>SPMS/CESPEs/APEC</b>	2%		2%		1%	All DARCO units shall comply	
<b>TOTAL</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		