

Republic of the Philippines
MANGALDAN WATER DISTRICT
Serafica St., Mangaldan, Pangasinan

**EXCERPTS FROM THE MINUTES OF THE BOARD OF DIRECTORS
REGULAR MEETING HELD AT MANGALDAN WATER DISTRICT OFFICE
ON NOVEMBER 25, 2022.**

Present:

Former Mayor. Tito B. Sarzaba, Jr..... Chairman
Engr. Francisco M. Evangelista..... Secretary
Engr. Cesar C. Dizon..... Treasurer
Mrs. Nelda A. Cabrera..... Director

Others Present:

Engr. Marcelo M. Petonio General Manager
Terry S. Marticio..... Executive Assistant A
Marlyn C. De Guzman..... Department Manager B
Demmee G. Carbonel..... Utilities/Customer Service Assistant A

BOARD RESOLUTION NO. 46 S, 2022 Resolution Adopting the Criteria and Guidelines set by the Inter-Agency Task Force On The Harmonization Of The National Government Performance Monitoring Information and Reporting Systems and Local Water Utilities Administration (LWUA) and Department of Budget and Management (DBM) Joint Memorandum Circular No. 2021-1 dated October 19, 2021.

WHEREAS, the Mangaldan Water District (MAWAD) hereby adopts the criteria and guidelines set by the Inter-Agency Task Force on the Harmonization of the National Government Performance Monitoring Information and Reporting Systems and Local Water Utilities Administration (LWUA) and Department of Budget and Management (DBM) Joint Memorandum Circular No. 2021-1 dated October 19, 2021;

WHEREAS, the MAWAD further adopts the same above-stated guidelines/mechanics on the qualification of delivery units and eligibility of individuals for the grant of FY 2022 Performance-Based Bonus (PBB) still pursuant to the Joint Circular issued by the Local Water Utilities Administration (LWUA) and Department of Budget and Management in identifying the performance indicators and setting targets for the year 2022 while waiting for the latest issuance of the Joint Memorandum Circular;

WHEREAS, the FY 2021 MAWAD guidelines/mechanics on the qualification of delivery units and eligibility of individuals shall be adopted and becomes its FY 2022 MAWAD guidelines/mechanics on the qualification of delivery units and eligibility of individuals for the time being;

WHEREAS, the MAWAD shall adopt or if necessary, amend or add any other criteria or provisions that are included in the DBM-LWUA Joint Circular for the current year once issued and shall be posted to the MAWAD's website under its Transparency Seal;

WHEREFORE, on motion of Engr. Cesar C. Dizon the MAWAD Board shall approve the Guidelines/Mechanics on the Qualification of Delivery Units and Eligibility of

Individuals for the Grant of FY 2022 Performance-Based Bonus (PBB) hereto attached and marked as “Annex A” pursuant to Inter-Agency Task Force on the Harmonization of the National Government Performance Monitoring Information and Reporting Systems and Local Water Utilities Administration (LWUA) and Department of Budget and Management (DBM) Joint Memorandum Circular No. 2021-1 dated October 19, 2021;

RESOLVED, AS IT IS HEREBY RESOLVED to adopt and approve the Guidelines/Mechanics on the Qualification of Delivery Units and Eligibility of Individuals for the Grant of FY 2022 Performance-Based Bonus (PBB);

RESOLVED FINALLY, that a copy of this Resolution be posted to the MAWAD’s website under its Transparency Seal and to the validating agencies like ao25secretariat@dap.edu.ph; ao25secretariat@dap.gov.ph; and other concerned for their information and appropriate action.

Approved unanimously.

There being no other matters to be discussed the meeting was adjourned.

CERTIFIED CORRECT:



Engr. Francisco M. Evangelista, Jr.
Secretary

ATTESTED BY:



Dir. Tito B. Sarzaba, Jr.
Chairman

1979



Republic of the Philippines
MANGALDAN WATER DISTRICT

Serafica St., Mangaldan, 2432 Pangasinan
Tel. Nos. (075) 523-5884; (075)653-0574

“Annex A”

**GUIDELINES/MECHANICS ON THE QUALIFICATION OF DELIVERY UNITS
AND ELIGIBILITY OF INDIVIDUALS FOR THE GRANT OF FY 2022
PERFORMANCE-BASED BONUS (PBB)**

Section 1. PURPOSE

This Guidelines/Mechanics is hereby established pursuant to the Memorandum Circular No. 2022-1 dated March 24, 2022 and Memorandum Circular No. 2021-2 dated October 25, 2021 of the Inter-Agency Task Force On The Harmonization Of The National Government Performance Monitoring Information and Reporting Systems and Local Water Utilities Administration (LWUA) and Department of Budget and Management (DBM) Joint Memorandum Circular No. 2021-1 dated October 19, 2021, for the qualification of the Mangaldan Water District's (MAWAD) Delivery Units and Eligibility of Individuals for the grant the FY 2022 PBB which shall be given in FY 2023.

The overarching goal of the PBB is strengthen the effectiveness of the incentives system to help agencies achieve the mission-critical objectives and expected outcomes of the government. Based on the LWUA-DBM Joint Circular as aforementioned, for the FY 2022 cycle, the PBB criteria and conditions were refined in order to:

- A. Simplify the PBB process particularly the validation of compliance;
- B. Provide flexibility to the agencies in the implementation of the scheme;
- C. Reinforce the results focus and their inter-linkages in assessing the overall performance of agencies;
- D. Administer a more transparent PBB scoring system;
- E. Strengthen the role of agencies for the criteria and conditions; and,
- F. Facilitate the timely release of incentives to eligible agencies.

The FY 2022 PBB shall measure and evaluate the performance of the Local Water District (LWDs) with emphasis on the public's satisfaction on the realization of the agencies' performance targets, quality of service delivery, efficiency in the use of resources, and strengthened agency stewardship. In relation to the targets in previous PBB cycles, the FY 2022 PBB criteria and conditions shall be categorized according to four (4) dimensions of Accountability, to wit:

1. Performance Results
2. Process Results
3. Financial Results, and
4. Citizen/Client Satisfaction Results

Those requirements set forth in the Good Governance Conditions (GGCs) shall no longer be included in the criteria to assess the overall eligibility of the agency for FY 2022 PBB. However, the observance of these conditions shall still be used to determine the eligibility of delivery units and individuals. Monitoring of their compliance shall be the primary

responsibility of the Heads of the Agencies and it should be submitted directly to the oversight agencies.

The LWUA-DBM Joint Memorandum Circular No. 2021-1 also specifies the modifications in the PBB assessment process to make the PBB Scoring System clear and explicit. The scoring system aims to simplify and make the final eligibility assessment more transparent and enable LWDs to undertake self-assessment vis-à-vis the criteria and conditions to ascertain if they could qualify for the grant of the FY 2022 PBB. However, the AO25 Inter-Agency Task Force (AO25 IATF) shall still determine the final eligibility of the LWDs.

Section 2. COVERAGE

The FY 2022 PBB shall cover the personnel of MAWAD holding regular, contractual, and casual positions. Excluded from the coverage are those individuals engaged without employer-employee relationship and funded from non-personnel services budget.

Section 3. ELIGIBILITY CRITERIA

To be eligible for the grant of the FY 2022 PBB, the Mangaldan Water District (MAWAD) must 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 tests results of the district's sources.
2. Current in Debt Service Status;
3. LWUA-approved Water Rates;
4. Compliance with ISO-certification or its equivalent for LWDs under Category B;
5. On-time submission of the following documents prior to the evaluation of its eligibility to FY 2022 PBB:
 - a. Monthly Data Sheet and Financial Statements (January to December 2022);
 - b. Approved MAWAD FY 2022 Budget;
 - c. FY 2022 Annual Report.

The MAWAD must also satisfy the criteria and conditions under the four (4) dimensions of accountability and attain a total score of at least 70 points based on the PBB Scoring System. The FY 2022 PBB shall be guided by the following definitions of the four (4) dimensions of accountability:

3.1 Performance Results – Accomplishment of performance Targets under the Major Final Outputs (MFO)

- a. Major Final Output – are the goods or services that a water district 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.

- 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 a water district is expected to deliver its MFO, Performance Indicators should be verifiable, observable, credible, and sustainable.
- c. Performance Target (PT) – predetermined numerical target level of performance (quality, quantity, timeliness, or cost of an output) against which actual performance can be compared.
- d. Delivery Units (DUs) – departments and divisions of the LWD responsible for the achievement of the LWD’s MFO and are committed to the performance targets that are tracked through a reporting system within the year and verified by LWUA.
- e. Potability – the quality of water that renders it safe and fit for human consumption. LWDs performance concerning this indicator (residual chlorine) shall mean compliance to the PNSDW and all issuances and guidelines issued by the Department of Health and LWUA.
- f. Adequacy and Reliability of Service – performance of LWDs rated in accordance with the 24/7 availability of supply and the capacity to meet the present and future water demand.
- g. Access and Coverage – performance of LWDs in pursuing the goal of providing water access and service to the greater percentage of the population within their respective service areas.
- h. Coronavirus Disease 2019 (COVID-19) Pandemic Response Measure – performance of LWDs in undertaking resiliency programs such as wash hand facilities, water delivery services, public information drives, sanitation and hygiene activities, disinfection initiatives, issuance of health protocols, and other resiliency programs to mitigate COVID-19.

3.2 Process Results – Achievements in ease of transaction/ease of doing business as a result of streamlining, standardization, i.e., through ISO-certified QMS or its equivalent under Category B.

3.3 Financial Results – Financial viability and sustainability of LWDs 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 – Achievements of the LWDs in satisfying the quality expectations of the transacting public.

Compliance with these conditions shall be used as the basis in determining the eligibility of responsible units and individuals.

Section 4. FY 2022 PBB TARGETS, ASSESSMENT AND SCORING SYSTEM

MAWAD 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 the MAWAD may obtain is 100 points. Therefore, to be eligible for FY 2022 PBB, MAWAD must attain a total score equivalent to at least 70% of each criterion, except for the Process Results, and an overall total score of at least 70 points.

Table No. 01

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 2022 PBB
C. Financial Results	10	Actual Points must 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 such a case, while the MAWAD will be eligible, the unit/s most responsible for the criterion/MFOs with a performance below & 70% will be isolated from the grant of the FY 2022 PBB.

4.1 Performance Results – The targets under the Performance Results will enable MAWAD to concentrate their efforts and available resources on their mandates and core functions and ensure delivery of high quality and high impact activities.

The Performance Results shall be assessed and scored as follows:

CRITERIA	MAX PTS	CONDITION
Performance Results		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 Measures	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	

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-business (G2B), and government-to-government (G2G) transactions. This may be achieved through streamlining, especially of frontline services; standardization of frontline processes.

For MAWAD, the target is to assure the quality-of-service delivery through ISO-certified QMS or its equivalent certification of frontline services.

Compliance with the criteria would automatically render seven (7) points for the Process Results. However, failure to do so would result in the eligibility of the District to the FY 2022 PBB.

Valid ISO QMS Certification or its equivalent may submit to AO25 Secretariat as of December 31, 2022.

CRITERIA	CONDITION
Process Results: ISO-certified QMS	Compliance would render 7 points; non-compliance would result in ineligibility to FY 2022 PBB.

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:		Actual points must be at least 7
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 request/complaints received directly by MAWAD and resolution of reported complaints from Hotline #8888, Contact Center ng Bayan (CCB), and the Presidential Complaint Center (PCC). MAWAD shall ensure 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. To provide evidence on this, the MAWAD shall submit a report summarizing the complaints they have received and those received by Hotline #8888, CCB, and PCC in FY 2022, as well as the status of the same (if resolved or pending) to the AO25 Secretariat and LWUA.

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

CRITERION	MAX PTS	CONDITION
Citizen/Client Satisfaction Results:	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/complaints to the MAWAD		At least 86% = 10
		At least 91% = 11
		At least 94% = 12
		At least 97% = 13

Section 5. MAWAD ACCOUNTABILITIES

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

a. Updating of Transparency Seal	f. PHILGEPS posting of all invitations to bids and awarded contracts
b. Compliance with the Freedom of Information (FOI) Program	g. Submission of FY 2023 Annual Procurement Plan-Common Use Supplies and Equipment (APP-CSE), FY 2022 Non-Common Use Supplies and Equipment (APP-non CSE), and Indicative FY 2023 APP
c. Updating of Citizen's Charter or Service Charter	
d. Compliance to Audit Findings and Liquidation of Cash Advances	
e. Submission and Review of SALN	

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

Section 6. ELIGIBILITY OF DELIVERY UNITS AND INDIVIDUALS

1. For FY 2022 PBB, the Delivery Units (DUs) of eligible LWDs 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 2022 PBB, the MAWAD must attain a total score of at least **70 points**.

The units/s most responsible (including its Head) for the non-compliance with the Agency Accountabilities provided in **Section 5**. will be also be isolated from the grant of the FY 2022 PBB.

2. Eligible DUs shall be granted FY 2022 PBB at the uniform rates across MAWAD, including its officials and employees. The corresponding rates of the PBB shall be based on the MAWAD achieved total score as shown in **Section 7**.
3. The General Manager of MAWAD is eligible only if MAWAD is eligible. If eligible, his PBB rate for FY 2022 shall be equivalent to the rate as stated in **Section 7** and shall be based on his monthly basic salary as of December 31, 2022.
4. The Board Members of MAWAD may be eligible to the PBI subject to the following conditions:
 - a. The MAWAD has qualified for the grant of the FY 2022 PBB;
 - b. The Board 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 aggregated service in the position;
 - d. The MAWAD has submitted the appropriate annual Board-approved Corporate Operating Budget to LWUA; and
 - e. Submission of Board Member's FY 2022 accomplishments (policies or resolutions made that will help address the operations as well as the guidelines of the MAWAD).

5. To be eligible for FY 2022 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. 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.
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.
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 PBB on a pro-rata basis corresponding to the actual length of service to the participating implementing agency, as stated in **Section 6.10**
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.
10. An official or employee who rendered less than nine (9) months but a minimum of three months 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.
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.
 12. Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2022 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.

13. Officials and employees who failed to submit 2021 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 2022 PBB.
14. Officials and employees who failed to liquidate all cash advances received in FY 2022 within the reglementary period, as prescribed in COA Circular 97-002 February 10, 1997, and reiterated in COA Circular 2009-002 dated May 18, 2009, shall not be entitled to the FY 2022 PBB.

Section 7. RATES OF THE PBB

The total score as stated in the Section 4 shall be the basis in determining of the amount of the PBB of eligible LWD. The maximum rate of the PBB for MAWAD that will achieve 100 points shall be 100% of the 65% monthly basic salary (MBS) of an individual as of December 31, 2022. For the illustration, please see the table below:

RATES OF THE 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. TIMELINESS & SUBMISSION OF REPORTS AND REQUIREMENTS

8.1 MAWAD shall submit **Form A and A1** as evidence of accomplishments of Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results (as provided in Section 4) on or before **February 28, 2023**;

8.2 The AO25 IATF shall conduct spot check to validate claims and certifications made by the MAWAD on the submitted/posted reports and/or requirements;

8.3 MAWAD is encourage to provide information to the AO25 Secretariat on compliance with the MAWAD Accountabilities provided in Section 5.

Section 9. EFFECTS OF NON-COMPLIANCE

A LWD, 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 implementation.

Moreover, the CSC and 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 MAWAD, with the support of his PMTs, should enhance the implementation of their internal communication strategy on the PBB and fulfill the following:

- a. Engage their respective employees in undertaking the PBB, the performance targets of the MAWAD, and the services and outputs they will need to deliver to meet these targets.
- b. Disseminate the performance targets and accomplishments to MAWAD employees through meeting/s and post the same in the MAWAD Main Bulletin Board for the public's information.
- c. Set up a Help Desk to respond to queries and comments on the targets and accomplishments.
- d. Complaints or issues raised by officials and employees relative to FY 2022 PBB, if there is any shall be brought to the Grievance Committee.

10.2 The General Manager shall designate a senior official who shall serve as a PBB focal person. In addition, the offices responsible for the 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 phones) of the PBB focal persons should be submitted to the AO25 Secretariat.

Section 11. FUNDING SOURCE

11.1 The PBB shall be sourced from the MAWAD Corporate Fund.

11.2 LWDs are prohibited to source payment of the PBB from the following;


- a. Loans;
- b. Subsidy from the National Government for 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 guidelines/mechanics shall take effect immediately and shall remain in force unless revoke, cancelled or superseded by a subsequent issuance.

Likewise, this guidelines/mechanics shall be on the Transparency Seal (TS) of the Mangaldan Water District website www.mangaldanwaterdistrict.gov.ph on November 25, 2022.

APPROVED BY:


ENGR. MARCELO M. PEÑONIO
General Manager B

Date: 11/25/2022