



Republic of the Philippines
MANGALDAN WATER DISTRICT

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

“Annex A”

GUIDELINES FOR DELIVERY UNITS AND INDIVIDUALS OF MANGALDAN WATER DISTRICT ON THE GRANT OF PERFORMANCE-BASED BONUS FOR THE FISCAL YEAR 2024 (PBB FY 2024)

Section 1. PURPOSE

The Mangaldan Water District (MAWAD) issued this guideline to prescribe the criteria and conditions on the grant of PBB FY 2024 performance of the delivery units and individuals to be given in FY 2025. The criteria and conditions hereon are pursuant to Local Water Utility Administration (LWUA) and Department of Budget and Management (DBM) Joint Circular No. 2023-1 dated December 29, 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 2024 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 2024 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 2024 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 2024 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.

Per LWUA-DBM Joint Circular No. 2023-1 dated December 29, 2023, Local Water Districts (LWDs), the PBB through the Performance Results, will give emphasis on the accomplishments of each WD targets based on the standard Major Final Outputs (MFO).

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This reflects LWD's overall operational performance. Financial Results shall represent the viability and sustainability of an LWD as indicated by the liquidity ratio. Process Results shall be based on the compliance of the LWDs with the Commercial Practice System (CPS) which is a standardized process governing the transactions of LWDs. Finally, the Citizen/Client Satisfaction Results shall represent the achievement in addressing/acting on requests/complaints received by the LWD, to guarantee quality service/goods are provided to its consumers.

Section 2. COVERAGE

The FY 2024 PBB shall cover the personnel of MAWAD holding regular 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 2024 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 MAWAD's sources.
2. Current in Debt Service Status with LWUA;
3. Existing LWUA-MAWAD Joint Current Account for Reserves;
4. Positive Net Balance in the Average Net Income for twelve (12) months for FY 2024;
5. LWUA-approved Water Rates;
6. Compliance with Commercial Practices System for all LWDs; and
7. On-time submission of the following documents prior to the evaluation of its eligibility to FY 2024 PBB:
 - a. Monthly Data Sheet and Financial Statements (January to December 2024);
 - b. Approved MAWAD FY 2024 Budget;
 - c. Updated Business Plan covering FY 2024; and
 - d. FY 2024 Annual Report.

The MAWAD 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. The FY 2024 PBB of MAWAD shall be guided by the following definitions:

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

- a. Major Final Output (MFO) – 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 with 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. Submission of LWD Board-Approved Water Safety Plan (WSP) -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 LWDs, to develop and implement (WSP). The DOH has adopted the WSP Framework as a preventive health strategy.

3.2 Process Results – Refer to the achievement in ease of transaction with the LWDs 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 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.

Section 4. FY 2024 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 2024 PBB, MAWAD must attain a total overall 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	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 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 <u>at least 70 points</u>

In case the MAWAD 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 2024 PBB. For the Process Results, less than 90% compliance will result in isolation.

4.1 Performance Results – The targets under the Performance Results will enable MAWAD to concentrate its efforts and available resources on its 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
Major Final Outputs (MFOs)		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	

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 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 Compliance with CPS for all LWDs	At least 90% Compliance with the Commercial Practice System (CPS) will render 7 points; below 90% will result in isolation

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	4	
b. Current Ratio	3	
c. Positive Net Balance in the Ave. Net Income for twelve (12) months	3	

4.4 Citizen/Client Satisfaction Results – Achieve Citizen/Client Satisfaction by 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) and or Presidential Action Center PACe). MAWAD 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, the MAWAD shall submit a report summarizing the complaints they have received and those received by Hotline #8888, CCB, and PCC and/or PACe in FY 2024, as well as the status of the same if resolved or pending.

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) and/or Presidential Action Center (PACe)		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 with existing government-mandated laws and standards, MAWAD and its Performance Management Team (PMT), shall continue to implement, monitor, and enforce compliance with the following requirements:

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, Notice of Award/Bid Results, Actual Approved/Awarded Contracts, and Notices to Proceed/Purchase Orders for public bidding transactions above one million (Php1,000,000.00)
f. FY 2024 Non-Common Use Supplies and Equipment (APP Non-CSE)
g. Posting of Indicative FY 2025 APP-Non CSE
h. FY 2025 Annual procurement Plan-Common Use Supplies and Equipment (APP-CSE)
i. Results of FY 2023 Agency Procurement Compliance and Performance Indicators (APCPI) System
j. Undertaking of Early Procurement Activities covering FY 2025 Procurement Projects
k. Designation of the Agency's Committee on Anti-Red Tape (CART)
l. MAWAD as Category 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 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 2024 PBB, the delivery units (DUs) of eligible MAWAD 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 2024 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 2024 PBB.

2. Eligible DUs shall be granted FY 2024 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 is eligible only if MAWAD is eligible. If, eligible, his PBB rate for FY 2024 shall be equivalent to the rate as stated in **Section 7** and shall be based on his monthly basic salary as of December 31, 2024.
4. The Board Members of MAWAD may be eligible for the Performance-Based Incentives (PBI) subject to the following conditions:
 - a. The MAWAD has qualified for the grant of the FY 2024 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 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 2024 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 2024 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 2024 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.
13. Officials and employees who failed to submit 2023 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 2024 PBB.
14. Officials and employees who failed to liquidate all cash advances received in FY 2024 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 2024 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 MAWAD is eligible for. 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, 2024. 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 **April 30, 2025**;

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 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 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 2024 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.

MAWAD regular and casual employees shall be informed of this Resolution including "Annex A" through an Office Memorandum to be issued by the General Manager and copy of the same shall be posted at the MAWAD Bulletin Board located at the ground floor of the MAWAD Building and likewise 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.

Prepared based on the LWUA-DBM Joint Circular No. 2023-1 dated December 29, 2023


DR. MARLYN C. DE GUZMAN
Department Manager B-Administrative

APPROVED BY:


ENGR. MARCELO M. PETONIO
General Manager B

Date: 26 APR 2024





Republic of the Philippines
MANGALDAN WATER DISTRICT

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

BOARD RESOLUTION NO. 12, S. 2024

**BOARD RESOLUTION ADOPTING THE CRITERIA AND CONDITIONS ON
THE GRANT OF FY 2024 PERFORMANCE BASED-BONUS (PBB) FOR
MANGALDAN WATER DISTRICT**

WHEREAS, the Mangaldan Water District (MAWAD) hereby adopts the criteria and conditions stated in the LWUA-DBM Joint Circular No. 2023-1 dated December 29, 2023 known as Guidelines on the Grant of Fiscal Year 2023 Performance-Based Bonus (PBB) for Local Water Districts (LWDs) 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;

WHEREAS, in compliance with the said grant to the employees of MAWAD holding regular and casual positions, the Board hereby adopts and approved the “CRITERIA AND CONDITIONS on the GRANT of PERFORMANCE-BASED BONUS FY 2024” hereto attached and marked as “Annex A” of this Board Resolution;

WHEREAS, the MAWAD shall be using the criteria and conditions set under LWUA-DBM Circular afore-stated for MAWAD PBB FY 2024 for the time being while waiting for the latest issuance of the LWUA-DBM Joint Memorandum Circular;

WHEREAS, the MAWAD shall adopt or if necessary, amend or add any other criteria, conditions and provisions that are included in the DBM-LWUA Joint Circular for the current year once issued;

WHEREFORE, upon motion duly made by Engr. Cesar C. Dizon, seconded by Dir. Nelda A. Cabrera and all the members present, it was;

RESOLVED, AS IT IS HEREBY RESOLVED to adopts and approves “CRITERIA and CONDITIONS on the GRANT of PERFORMANCE-BASED BONUS FY 2024” for regular and casual employees of MAWAD pursuant to LWUA-DBM Joint Circular No. 2023-1 dated December 29, 2023;

RESOLVED FINALLY, that MAWAD regular and casual employees shall be informed of this Resolution including “Annex A” through an Office Memorandum to be issued by the General Manager and copy of the same shall be posted at the MAWAD Bulletin Board located at the ground floor of the MAWAD Building and likewise 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 this 26 APR 2024 at Mangaldan Water District, Mangaldan, Pangasinan.

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

CERTIFIED CORRECT:

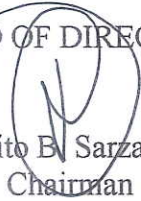

Engr. Francisco M. Evangelista, Jr.
Secretary

ATTESTED BY:


Dir. Tito B. Sarzaba, Jr.
Chairman

“Water is life..... Use it Wisely”

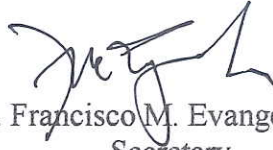
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Dir. Nelda A. Cabrera
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