

Memorandum Circular	GUIDELINES ON THE RANKING AND RATING OF PERSONNEL FOR THE PERFORMANCE-BASED BONUS OF THE CY2023 (PBB 2023)	<i>DATE:</i>
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1. REFERENCES

- 1.1. GCG MC 2023-01 Performance Evaluation System for the GOCC Sector
- 1.2. GCG MC 2021-02 Good Governance Conditions (GGCs) and Other Conditions and Requirements (OCRs) for the Grant of Interim Performance Based Bonus (PBB)
- 1.3. AO 25 MC No. 2023-1 Guidelines on the Grant of the PBB for Fiscal Year (FY) 2023 under Executive Order (EO) 80 s 2012 and EO 201 s 2016
- 1.4. Presidential Decree No.205: DAP Charter;
- 1.5. COA Circular No.97-002 Rules and Regulations on the Granting, Utilization, and Liquidation of Cash Advances
- 1.6. GCG MC No.2019-02: Interim PBB;
- 1.7. Executive Order 80 s. 2012 Directing the Adoption of a Performance Based Incentive System for Government Employees
- 1.8. Exec Order No.77 dated March 15, 2019 Prescribing Rules and Regulations and Rates of Expenses and Allowances for Official Local and Foreign Travels of Government Personnel

2. ELIGIBILITY OF THE ACADEMY

- 2.1. Pursuant to GCG MC No.2019-02 (Interim PBB), Section 4 (Eligibility of a GOCC to Grant the PBB), "*The grant of PBB shall be based on the overall GOCC performance, and then distributed to individual Officers and Employees based on their performance ranking.*" In order to be eligible to grant the PBB to its qualified Officers and Employees, the GOCC must:
 - 2.1.1. Achieve a weighted-average score of at **least 90%** in its Performance Scorecard;
 - 2.1.2. Satisfy 100% of the **Good Governance Conditions (GGCs)** specified in GCG MCs 2021-02 GCG MC 2023-01.
 - 2.1.2.A. Conditions Specific to GOCCs:
 - 2.1.2.A.01. The GOCC has satisfied all statutory liabilities, including:
 - Payment of all taxes due to the Government as certified/validated by the Bureau of Internal Revenue;
 - Declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable, as certified/validated by the Department of Finance (DOF);
 - Payment of NG Advances as certified/validated by the DOF; and;
 - Remittance of mandatory contributions as certified/validated by the following agencies: GSIS or SSS, Pag-IBIG, and PhilHealth.
 - 2.1.2.A.02. Maintain/update and implement the GOCC's "*Manual of Corporate Governance*" and "*No Gift Policy*" approved by the

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GCG and uploaded on the GOCC's website pursuant to the "Code of Corporate Governance for GOCCs" and amendments thereto;

- 2.1.2.A.03. Compliance with all the requirements mentioned in the "Revised Whistleblowing Policy for the GOCC Sector" and amendments thereto;
 - 2.1.2.A.04. Compliance with posting on the GOCC's website the information enumerated under Section 43 of the "Code of Corporate Governance for GOCCs" and amendments thereto; and,
 - 2.1.2.A.05. Compliance with the applicable financial reporting framework (e.g. PFRS, PPSAS) as certified/validated by the Commission on Audit (COA).
- 2.1.3. Comply with **Other Conditions and Requirements (OCRs)** specified in MCs 2021-02 GCG MC 2023-01:
- 2.1.3.A. Maintain and/or attain certification on the GOCC's Quality Management System (QMS) or its equivalent certification;
 - 2.1.3.B. Timely submission and posting of Annual Procurement Plans (APP) and results of the Agency Procurement Compliance and Performance Indicator (APCPI), PhilGEPS posting of all invitations to bids and awarded contracts, and undertaking of early procurement activities, pursuant to applicable rules and regulations;
 - 2.1.3.C. Timely submission of Corporate Operating Budgets (COBs) to the Department of Budget and Management (DBM);
 - 2.1.3.D. Submission to the GCG of audit observations and notices of disallowances within seven (7) working days from the time it was received from the COA, all written communications between the GOCC and COA on such matters, which shall include, but not limited to, the concrete and time bound actions plans for addressing the audit observations and notices of disallowances;
 - 2.1.3.E. Compliance and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to the policies and guidelines under "Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector" and amendments thereto;
 - 2.1.3.F. Compliance by all Appointive Directors of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to the "Performance Evaluation for Directors (PED)" and amendments thereto;
 - 2.1.3.G. Timely submission of the year-end financial statements and other related financial reports to the COA;
 - 2.1.3.H. Compliance with the Executive Order on Freedom on Information: Executive Order No. 2, s. 2016 as certified /validated by the Presidential Communications Operations Office (PCOO);
 - 2.1.3.I. Compliance to the Energy Efficiency and Conservation (EEC) Act as certified/validated by the Department of Energy (DOE);

- 2.1.3.J. Compliance and submission of requirements to the Anti-Red Tape Authority (ARTA);
- 2.1.3.K. Compliance with the National Competition Policy as validated by the Philippine Competition Commission (PCC);
- 2.1.3.L. Other conditions common to National Government Agencies and GOCCs as stated in the applicable AO 25 IATF PBB Circular, including but not limited to:
 - 3.1.3.L.01 Updating of Transparency Seal;
 - 3.1.3.L.02 Updating of Citizen’s or Service Charter; and
 - 3.1.3.L.03 Undertaking of early procurement activities.

3.1.3. Failure to comply with the terms and conditions of GCG MC 2023-1 shall be considered a serious offense by the Academy in General, and its Governing Board and Management in particular that shall authorize the GCG upon prior notice and an opportunity to be heard, to do any of the following:

- 3.1.4.A. Withdraw any of the incentives that the members of the Governing Board, Officers and rank-and-file employees would otherwise enjoy under RA 10149;
- 3.1.4.B. Recommend to the President the non-reappointment or replacement of the Appointive Directors of the Academy; and
- 3.1.4.C. Render the Academy ineligible for the Performance-Based Bonus/Performance-Based Incentive.

3.1.5. Responsibilities and accountabilities for GGCs and OCRs:

The PPMC as the DAP’s Performance Management Team (PMT) shall continue to implement, monitor, and enforce compliance with the following requirements within the Academy:

Agency Accountability	Responsible Office/Unit
3.1.5.1. Payment of Taxes due to the government	HRMDD and Finance
3.1.5.2. Declaration and payment of all dividends to the State	Finance Department
3.1.5.3. Payment of national government advances	Finance Department
3.1.5.4. Remittance of mandatory contributions to GSIS, Philhealth and Pag-IBIG Fund	HRMD and Finance
3.1.5.5. Maintain, update and implement the Manual of Corporate Governance	Board of Trustees and Board/Corporate Secretary
3.1.5.6. Compliance with the Revised Whistleblowing Policy of the Academy	Management and Compliance Officer
3.1.5.7. Posting on the GOCC’s website of information enumerated under Section 43 of the “Code of Corporate Governance for GOCCs” and amendments thereto	COSM

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Agency Accountability	Responsible Office/Unit
3.1.5.8. Compliance with the applicable financial reporting framework	Finance Department
3.1.5.9. Maintain and/or attain certification on the GOCC's Quality Management System (QMS) or its equivalent certification	DAP Senior Management as the Quality Council
3.1.5.10. APPs, APCPI and PhilGeps posting	Admin-BACSec
3.1.5.11. Timely submission of the Corporate Operating Budget to the DBM	Finance Department
3.1.5.12. Submission to the GCG of audit observations and notices of disallowances within seven (7) working days from the time it was received from the COA, all written communications between the GOCC and COA on such matters, which shall include, but not limited to, the concrete and time bound actions plans for addressing the audit observations and notices of disallowances	Finance Department
3.1.5.13. Compliance and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to the policies and guidelines under " <i>Policies and Guidelines on the Integrated Corporate Reporting System (ICRS) for the GOCC Sector</i> " and amendments thereto;	Finance Department
3.1.5.14. Compliance by all Appointive Directors of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to the " <i>Performance Evaluation for Directors (PED)</i> " and amendments thereto;	Board/Corporate Secretary
3.1.5.15. Timely submission of the year-end financial statements and other related financial reports to the COA	Finance Department
3.1.5.16. Compliance with the Executive Order on Freedom on Information: Executive Order No. 2, s. 2016 as certified /validated by the Presidential Communications Operations Office (PCOO);	Institutional Marketing Center
3.1.5.17. Compliance to the Energy Efficiency and Conservation (EEC) Act as certified/validated by the Department of Energy (DOE);	Admin-GSD
3.1.5.18. Compliance and submission of requirements to the Anti-Red Tape Authority (ARTA); and	CART
3.1.5.19. Compliance with the National Competition Policy as validated by the Philippine Competition Commission (PCC);	Not applicable to DAP

As stipulated in GCG MC 2021-02, Officials and employees responsible for the compliance and implementation of the OCRs, shall not be entitled to the PBB for the applicable year if the GOCC fails to comply with any of these requirements.

4. RATES OF PBB AS PER GCG-MC NO. 2019-02, SECTION 6.2.1

The grant of the PBB shall be based on the performance of the individual officers and employees with the rate of incentive as a multiple of the individual's monthly basic salary as of December 2023 based on the following table, but not lower than P5,000:

Table 01: PERCENTILE of CLUSTER POPULATION	PBB as % of MBS
• TOP: Maximum 10%	65%
• NEXT: Maximum 25%	57.5%
• REMAINING: Minimum 65%	50%

- *The percentile of the "Top" and "Next" are maximum figures with the discretion on the part of the Governing Board/Management to decrease the figures and distribute them to the "Remaining" level.*

5. ELIGIBILITY of INDIVIDUAL OFFICERS and EMPLOYEES

In conformance with GCG MC No. 2019-02, *"all Officers and Employees of GOCCs who occupy regular, casual or contractual positions with employer-employee relationship shall be entitled to full grant of the PBB from their employer at the time of the release of the PBB; Provided, they have rendered an aggregate of at least nine (9) months of service in the public sector for the applicable PBB year. Officers and Employees who do not meet the 9-month service requirement but have served at least 3 months of service shall be entitled to PBB on a pro-rata basis."*

- 5.1. Employees belonging to the First, Second, Third and Fourth Levels should receive a rating of at least "Satisfactory" based on the agency's SPMS, in conformance with GCG MC 2019-02;
- 5.2. Personnel on detail to another government agency for 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;
- 5.3. Personnel who transferred from one government agency to another agency shall be rated and ranked 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;
- 5.4. 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 5.1.6 of GCG MC No.2019-02;
- 5.5. An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least a "Satisfactory" rating is eligible to the full grant of the PBB;
- 5.6. An employee who rendered a minimum of three (3) months but less than nine (9)

months of service and with at least a "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:

Table 1: Length of Service for the Year	% 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%

- 5.7. An employee, who is on vacation or sick leave with or without pay, for the entire applicable year, is not eligible to the grant of the PBB;
- 5.8. Personnel found guilty of administrative and/or criminal cases in the applicable year by formal 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;
- 5.9. Officials and employees who failed to submit the latest Statement of Assets, Liabilities, and Net Worth (SALN) as prescribed under applicable CSC rules; 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 FY2023 PBB;
- 5.10. Officials and employees who failed to liquidate all Cash Advances received in the applicable year within the reglementary/prescribed period, as stated in relevant and prevailing COA Circulars, shall not be entitled to the PBB for the same year;
- 5.11. Officials and employees who failed to submit their complete SPMS Forms, or its equivalent, shall not be entitled to the FY2023 PBB;
- 5.12. Officials and employees responsible for the implementation of the prior year's audit recommendations, QMS certification, or posting and dissemination of the agency's system of performance ranking, shall not be entitled to the FY2023 PBB if the agency fails to comply with any of these requirements;
- 5.13. Any person who was charged with any **administrative case** and has not been resolved in compliance to 2017 Rules on Administrative Cases in Civil Service (2017 RACCS), or with an appointment that has been recalled by Civil Service Commission (CSC) shall be included in the determination of the amount due him/her but shall not be released up until the case has been resolved in favor of the person. The resolution of any case that will be decided against or not in favor of the concerned person shall be forfeited. The allotment for the person/s shall revert to the Academy's corporate funds.

6. EXCLUSIONS

Excluded from the grant of the PBB are those hired without employer-employee relationships, or paid from non-Personnel Services budgets as follows:

- 6.1. Consultants and experts hired to perform specific activities or services with expected outputs;

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- 6.2. Laborers hired through job contracts (pakyaw) and those paid on a piecework basis;
- 6.3. Student laborers and apprentices; and,
- 6.4. Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

7. GROUPING OF ELIGIBLE EMPLOYEES

In determining the distribution of the PBB among qualified DAP officers and employees, all eligible employees are subdivided into the following grouping of personnel in compliance with GCG MC 2019-02:

(n.b. The following re-clustering of DAP's officers and employees is subject to validation with the GCG)

7.1. SENIOR MANAGEMENT

This refers to the executive officers of the Academy who are primarily involved in the development, evolution, and approval of long-term vision across a function or area of specialization, who lead the development of function strategy, implement and maintain policies of the organization for their area of responsibility. The following designated group and center heads are considered as "Senior Managers" of the Academy:

- 7.1.1. The Senior Vice President of the Program Operations Group;
- 7.1.2. The Senior Vice President of the Services Group; and
- 7.1.3. The Vice Presidents of the following Centers:
 - 7.1.3.1. Corporate Concerns Center (CCC)
 - 7.1.3.2. Center for Career Executive Service Development (CCD)
 - 7.1.3.3. Center for Governance (CFG)
 - 7.1.3.4. Productivity and Development Center (PDC)
 - 7.1.3.5. DAP sa Mindanao (DsM)
- 7.1.4. The Dean of the Graduate School of Public and Development Management (GSPDM)
- 7.1.5. The DAP President & CEO has the prerogative to avail of either the Performance-based Incentive (PBI) under the applicable MC on the PBI, or the PBB but not both. If the CEO is included in the PBB application, he/she must meet the eligibility requirements for the PBI and shall be ranked separately on his/her own and shall not be included in the forced ranking of Officers and Employees.

7.2. MIDDLE MANAGEMENT

This covers those whose work is primarily achieved through others, with direct

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accountability for setting direction and deploying resources. They are responsible for people management including performance evaluation and pay reviews, and typically hire/fire decisions. This includes individual contributors who are recognized as subject matter experts with in-depth technical knowledge, project management, and significant influence skills in the area of expertise. The following designated officers are considered as “Middle Managers” of the Academy.

This level includes the **Department Managers, Division Chiefs, Office and Program Directors, Program** and **Office Managers**, who were assigned to exercise management authority over particular undertakings of the Academy.

7.3. **PROFESSIONAL/SUPERVISORY/TECHNICAL**

This level comprises the personnel whose work is primarily achieved by an individual or through project teams. It requires the application of expertise in professional or technical area(s) to achieve results. Individuals grouped in this level typically have a university degree or equivalent work experience that provides knowledge and exposure to fundamental theories, principles, and concepts. This level comprises the **Fellows, Project Officers, and Associate Project Officers**.

7.4. **CLERICAL AND GENERAL STAFF (Rest of the Staff)**

This category includes all clerical, administrative, and secretariat staff with little or no supervisory responsibility but who contribute independently to the organization. This also covers basic computing/data processing staff such as operators, customer service assistants, and skilled craftsmen/technicians.

7.5. The Senior or Middle Management may re-classify or re-group the employee within their group/center/department/office in accordance with employee’s actual roles and responsibilities.

8. RATING AND RANKING SCHEME

For purposes of ranking, all qualified personnel shall be awarded points on a scale of “1” to “10” in accordance with predetermined formulas, tables, and weights appropriate to their levels.

8.1. **SENIOR MANAGEMENT.** The Senior Management cluster/level are composed of group and center heads as stipulated in Section 6.1. of these Guidelines.

The DAP President & CEO has the prerogative to avail of either the Performance-based Incentive (PBI) under the applicable MC on the PBI, or the PBB but not both.

The Senior Management cluster/level shall be awarded points based on three (3) dimensions:

8.1.1. Calculating Individual Points for Senior Management

8.1.1.1. **DIMENSION A: ACCOMPLISHMENT OF NON-FINANCIAL TARGETS ON GROUP AND CENTER SCORECARD/OPCR/DPCR (50%).**

This dimension recognizes the Senior Manager’s achievement of planned targets. The score will be based on the achievement of targets of the Group and Center’s validated accomplishments by the Performance Management Team of the Academy or the Planning and Performance Management Committee (PPMC) for the subject year, based on their Scorecard.

Assigning of point for the Senior Management cluster/level Accomplishment shall be based on the Group’s/Center’s accomplishment of their non-financial targets as reflected in their Scorecard, as indicated in the following matrix:

Table 3: % ACCOMPLISHMENT ON GROUP/CENTER SCORECARD (evaluated by the PPMC)	EQUIVALENT POINTS
a) 130% and above	10
b) 115%-129%	8
c) 90%-114%	6
d) 51%-89%	4
e) 25%-50%	2
f) Below 25%	0

8.1.1.2. **DIMENSION B: FINANCIAL PERFORMANCE (20%).**

8.1.1.2.1. Calculating the Financial Performance of Revenue

The Financial Performance dimension recognizes the Senior Manager’s contribution to the Academy’s bottom line. Performance is determined

Table 2: Dimensions for Rating and Ranking of Senior Management Cluster/Level	Weight
A. Accomplishment of Group/Center Scorecard/Office Performance Commitment Report (OPCR) <i>(excluding the Financial Perspective)</i>	50%
B. Financial Performance	20%
C. Impact of Group/Center Performance to DAP Performance <i>(rated by the DAP President & CEO)</i>	30%
Total	100%

by taking the ratio of a Group’s/Center’s Revenues less Project-related Expenses to the DAP-wide values for the same. The formula, called Net Income Efficiency Ratio (NIER) is defined as follows:

$$\text{NIER}_{Grp} = 100 \times \frac{[A]_{Grp} \text{ minus } [B]_{Grp}}{[C]_{DAP} \text{ minus } [D]_{DAP}}$$

where:

NIER_{Grp} = computed Financial Score to a Revenue Group/Center
 100 x = a multiplier to convert the measure into %

[A]Grp = (Total Accrued Revenues of the Revenue Group/Center)
[B]Grp = (Project Related Expenses of the Revenue Group/Center)
[C]DAP = (Total Accrued Revenues of DAP for the Year)
[D]DAP = (Total Project Expenses of All Revenue Groups)

NOTE: Data used in the formula is derived from audited financial reports of the subject year.

8.1.1.2.2. Calculating the Financial Performance of Support Offices.

For Support Offices (non-revenue), the applicable formula is:

Savings Efficiency Ratio (SER) as follows:

$$SER_{Grp} = \frac{100 \times ([E]_{Grp} \text{ minus } [F]_{Grp})}{[G]_{DAP} \text{ minus } [H]_{DAP}}$$

where:

- SER Grp** = Financial Score assigned to a Support Group/Center
- 100 x = a multiplier to convert the measure into %
- [E] Grp** = (Total Budget Approved for the Support Group/Center)
- [F] Grp** = (Project Related Expenses of the Support Group/Center)
- [G] DAP** = (Total Approved Budget for All of the Support Groups/Center)
- [H] DAP** = (Total Project Expenses of All Support Groups/Center)

NOTE: Data used in the formula is derived from audited financial reports of the subject year.

8.1.1.2.3. Assignment of Points for Senior Management Cluster/Level Financial Performance

Table 4: NIER or SER Share of Group	Point
✓ Above 30%	10
✓ Above 25% to 30%	9
✓ Above 20% to 25%	8
✓ Above 15% to 20%	7
✓ Above 10% to 15%	6
✓ Above 0 to 10%	5
✓ (Negative)	0

8.1.1.3. **DIMENSION C: IMPACT OF GROUP/CENTER PERFORMANCE ON DAP PERFORMANCE (30%).**

This dimension recognizes the leadership of the Senior Manager in the attainment of their committed targets, development of innovations, and their critical contribution to overall agency commitments and government reforms. The rating is done by the DAP President & CEO

in the OPCR/DPCR using a scale of 1-5, where “5” is considered as an outstanding impact & significance and “1” is poor or undesirable impact and significance:

Scoring Group/Center Head’s Impact of Performance will be based on the following matrix:

Table 5: Description of Performance <rated by the President & CEO>	SPMS score	Equivalent Point
✓ Outstanding	5	8.00 - 10.0
✓ Very Satisfactory	4	6.00 – 7.99
✓ Satisfactory	3	4.00 – 5.99
✓ Unsatisfactory	2	2.00 – 3.99
✓ Poor/Undesirable	1	0.0 – 1.99

8.1.2. CALCULATING EARNED WEIGHTED POINTS FOR GROUP/CENTER HEADS

Table 6: Dimensions for SENIOR MANAGEMENT CLUSTER/LEVEL	Earned SCORE	Weight	Earned Weighted Points
a) Accomplishment of Group/Center Scorecard <i>(excluding the Financial Perspective)</i>	J	50%	0.50*J
b) Financial Performance	K	20%	0.20*K
c) Impact of Group/Center Performance to DAP Performance <i>(rated by President & CEO)</i>	L	30%	0.30*L
<i>Group Head’s Individual Score = (0.5J+0.2K+0.3L)</i>			

8.1.3. ASSIGNING SENIOR MANAGEMENT CLUSTER/LEVEL PERFORMANCE POINTS FOR THE PERSONNEL CONSIDERED AS PART OF THE MIDDLE MANAGERS, PROFESSIONAL, TECHNICAL & SUPERVISORY, AND THE CLERICAL & GENERAL STAFFS

In recognition of the contributions made by individuals (below the senior managers, as defined in this MC), the Senior Manager’s earned points shall be cascaded as a component of the point that the Middle Management, the Professional/Supervisors/Technical, as well as the Clerical & General Staff earned.

8.1.4. The ranking of Group/Center Heads is given the following equivalent points.

Table 7: Senior Management cluster Ranking	Group/Center Perf Points
✓ Top (10%)	10
✓ Next (25%)	8
✓ Remaining (65%)	6

8.2. **MIDDLE MANAGERS.** The Middle Managers cluster/level are composed of Department Managers, Office and Program Directors, Division Chiefs and Program and Office Managers, as enumerated in Section 6.2. of these guidelines.

For purposes of ranking, all qualified personnel shall be awarded points on a scale of “1” to “10” in accordance with predetermined formulas, tables, and weights appropriate to their levels.

Ranking of Middle Managers shall be based on the four (4) dimensions with the following weights:

Table 8: Dimensions for designated Middle Managers cluster		Weight
a)	Accomplishment of Center Scorecard <i>(excluding the Financial Perspective)</i>	25%
b)	Financial Contribution to Academy Performance	15%
c)	Impact of Department/Division/Office/Program Performance to Group/Center Performance <i>(rated by those in Senior Management Cluster/Level)</i>	35%
d)	Senior Manager Performance Points <i>(the final points earned by those in the Senior Management Cluster/Level)</i>	25%
Total =		100%

8.2.1. Calculating Individual Points for Middle Managers

8.2.1.1. **DIMENSION A: ACCOMPLISHMENT OF PERFORMANCE SCORECARD/oPCR (25%)**

This dimension recognizes the Middle Manager’s stewardship of their unit’s resources to achieve planned targets. Data is based on the unit’s validated accomplishments by the PPMC for the subject year, based on their Scorecard.

Table 9: %ACCOMPLISHMENT OF SCORECARD FOR MIDDLE MANAGERS CLUSTER/LEVEL (evaluated by the PPMC)	EQUIVALENT POINTS
✓ 130% and above	10
✓ 115%-129%	8
✓ 90%-114%	6
✓ 51%-89%	4
✓ 25%-50%	2
✓ Below 25%	0

8.2.1.2. **DIMENSION B: FINANCIAL PERFORMANCE (15%).**

The Financial Performance Dimension of Revenue offices recognizes the revenue unit’s financial contribution to overall DAP financial performance. Data is provided by the Finance Department. Scores are calculated as follows:

8.2.1.2.1. Calculating the Financial Performance of Revenue Units.

The Financial Performance Dimension recognizes the Middle Manager’s contribution to the Academy’s bottom line. Performance is determined by taking the ratio of the office Revenues less Project- related Expenses to DAP-wide values of all revenue centers. The formula, called Net Income Efficiency Ratio (NIER) is defined as follows:

$$\text{NIER}_{ctr} = 100 \times \frac{[J]_{ctr} \text{ minus } [K]_{ctr}}{([L] \text{ minus } [M]) \text{ all Ctrs}}$$

<i>where:</i>	Financial Score assigned to a Revenue office 100 x= a multiplier to convert the measure into %
NIER Ctr=	
[J] Ctr=	(Total Accrued Revenues of the Revenue office)
[K] Ctr=	(Project Related Expenses of the Revenue office)
[L] Ctr=	(Total Accrued Revenues of All Revenue offices for the Year)
[M]=	(Total Project Expenses of All Revenue offices)
NOTE: Data used in the formula is derived from audited financial reports of the subject year.	

8.2.1.2.2. Calculating the Financial Performance of non-revenue units

For support offices (non-revenue), which are the next sub-units of a group/center, the applicable formula is **Savings Efficiency Ratio (SER)** defined as follows:

$$\text{SER}_{ctr} = 100 \times \frac{[N]_{ctr} \text{ minus } [O]_{ctr}}{([P] \text{ minus } [Q]) \text{ DAPwide}}$$

where:

- SERctr** = computed Financial Ratio assigned to a sub-unit of a Support Group/Center
- 100 x = a multiplier to convert the measure into %
- [N]ctr** = Total Budget Approved for a sub-unit of a Support Group/Center
- [O]ctr** = Project Related Expenses of the sub-unit of a Support Group/Center
- [P]dap** = Total Approved Budget for the Year for All sub-units of All Support Group/Center
- [Q]dap** = Total Project Expenses of All sub-units of All Support Group/Center

NOTE: Data used in the formula is derived from audited financial reports of the subject year

8.2.1.2.3. Assignment of Points for Middle Managers' Financial Performance

Table 10: NIER or SER ratio of the Support unit for Middle Manager cluster	Equivalent Point
✓ Above 30%	10
✓ 25.01% to 30%	9
✓ 20.01% to 25%	8
✓ 15.01% to 20%	7
✓ 10.01% to 15%	6
✓ 0 to 10%	5
✓ (Negative)	0

8.2.1.3. **DIMENSION C. IMPACT OF MIDDLE MANAGER'S PERFORMANCE ON SENIOR MANAGER'S PERFORMANCE (35%).**

This dimension recognizes the strategic significance of the organizational unit's projects and accomplishments to the overall impact of Group/Center performance. The "impact" is based on a rating done by the Group/Center Head in the oPCR/dPCR of the Middle Manager. When a one to five- point scale is used, the highest performance score "5" is set to an equivalent of "10" points. Any "impact-score" shall be multiplied by 2 to convert the rating to an equivalent 10-point system.

Scoring the impact of the Middle Manager will be done by the respective Group/Center Heads based on the following matrix:

Table 11: Description of Impact of Performance for Middle Managers <rated by those in Senior Management Cluster/Level>	Group Head Rating	Earned Weighted Point
✓ Outstanding	5	10.0
✓ Very Satisfactory	4	8.0
✓ Satisfactory	3	6.0
✓ Unsatisfactory	2	4.0
✓ Poor	1	2.0

8.2.1.4. **DIMENSION D. MIDDLE MANAGER PERFORMANCE POINTS (25%)**

As presented earlier, the rating scheme recognizes that Middle Managers (as well as the staffs in general) are the key contributors to group/center results. The Group/Center Performance Points as earlier described is given as the input to arrive at the weighted score for this dimension.

8.2.2. Calculating Individual Points of Middle Managers

Table 12: Dimensions for Middle Managers	Perf SCOR E	Weight	Earned Weighted Points
A. Accomplishment of Middle Manager's Scorecard <i>(excluding the Financial Perspective)</i>	R	25%	0.25*R
B. Financial Performance	S	15%	0.15*S
C. Impact of MM Performance to SM Performance <i>(rated by the Group/Center Head)</i>	T	35%	0.35*T
D. Senior Management Performance Point <i>(based on Table 07: Group/Center Head's <Senior Management cluster> Ranking)</i>	U	25%	0.25*U
<i>Earned Weighted Points (EWP) = (0.25R+0.15S+0.35T+0.25U)</i>			
NOTE: <i>Use of EWP of Middle Managers.</i> The Individual Score of the Middle Manager shall be equivalent to the Middle Manager's performance-points that will be cascaded to the "Professional/Technical Staff" as well as to the "Clerical & General Staff".			

8.3. PROFESSIONAL, SUPERVISORY AND TECHNICAL STAFF (PST). The PST cluster/level are composed of technical staff as defined in Section 6.3. of these guidelines.

For purposes of ranking, all qualified personnel shall be awarded points on a scale of "1" to "10" in accordance with predetermined formulas, tables, and weights appropriate to their levels.

8.3.1. Employees in the PST cluster/level will be ranked based on the following dimensions:

Table 13: Dimensions <for Professional/Supervisory/Technical personnel>	Weight
a) Individual Performance and Commitment Report (IPCR) <i><as validated by the Group/Center Head></i>	50%
b) Center/Department Performance Points <i><based on the points per Table 12: Dimensions for Middle Managers></i>	30%
c) Group Performance Point <i>(based on Table 7: Group/Center Head's <Senior Management cluster> Ranking)</i>	20%
total	100%

8.3.2. Calculating Individual Points for designated PST:

8.3.2.1. **DIMENSION A. IMPACT OF IPCR TO OFFICE SCORECARD (50%).** This dimension recognizes the individual performance of the overall office/division /program's performance. The individual performance commitment report (IPCR) submitted by group/center heads is converted to a 10-point system. When a one to five-point scale is used, the highest performance score "5" is set to an equivalent of "10" points. Any IPCR-score shall be multiplied by 2 to convert the IPCR-score to an equivalent 10-point system.

Table 14: Description of Performance of Professional/Supervisory/Technical personnel	IPCR score	Earned Weighted Point
✓ Outstanding	5	10.00
✓ Very Satisfactory	4	8.00
✓ Satisfactory	3	6.00
✓ Unsatisfactory	2	4.00

8.3.2.2. **DIMENSION B. MIDDLE MANAGER'S PERFORMANCE POINTS (30%).** As presented earlier, the rating scheme recognizes the staff as the key contributors to the department's/ offices' accomplishments. The department's/ offices' performance points, as earlier described, is considered as the input to arrive at the weighted score for this dimension.

8.3.2.3. **DIMENSION C. GROUP/CENTER (SENIOR MANAGEMENT CLUSTER/LEVEL) SCORECARD PERFORMANCE POINTS (20%).** The rating scheme recognizes that Professional, Supervisory, and Technical Staff are the key contributors to the group's performance/results. The group performance points, as earlier described, shall be considered as an additional input to arrive at the weighted score for the entitled Professional /Supervisory /Technical personnel.

8.3.3. The Final Earned Weighted Points (Ewp). For the PST cluster/level, the EWP is computed as follows:

Table 15: Dimensions for PST employee	SCORE	Weight	Earned Weighted Pts
a) Individual Performance and Commitment Report (IPCR) <i><validated by the Group Head></i>	V	50%	0.5*V
b) Middle Manager's Performance Points <i><based on the points per Table 12: Dimensions for MM></i>	W	30%	0.3*W
c) Group/Center Performance Point <i>(based on Table 7: Group Head's <Senior Management cluster> Ranking)</i>	X	20%	0.2*X
Professional/Supervisory/Technical personnel's Individual Score = $(0.5V+0.3W+0.2X)$			

8.4. CLERICAL AND GENERAL STAFF (CGS). The CGS cluster/level refer to the rest of the staff as defined in Section 6.4. of these guidelines.

For purposes of ranking, all qualified personnel shall be awarded points on a scale of “1” to “10” in accordance with predetermined formulas, tables, and weights appropriate to their levels.

8.4.1. Employees in the CGS cluster/level will be ranked based on the following dimensions:

Table 16: Dimensions <for Clerical & General Staffs>		Weight
a)	Individual Performance and Commitment Report (IPCR) <i><as validated by the Group Head></i>	50%
b)	Center/Department Performance Points <i><based on the points per Table 12: Dimensions for Middle Managers></i>	30%
c)	Group Performance Point <i>(based on Table 07: <Senior Management cluster> Ranking)</i>	20%
Total		100%

8.4.2. Calculating Individual Points for the Clerical and General Staff (CGS)

8.4.2.1. **DIMENSION A – IMPACT OF IPCR TO CENTER SCORECARD (50%).** This dimension recognizes the individual performance of the overall center /department /program’s performance. The individual performance commitment rating (IPCR) submitted by center/dept heads is converted to a 10-point system. When a one to five-point scale is used, the highest performance score “5” is set to an equivalent of “10” points. Any ICPR-score shall be multiplied by 2 to convert the IPCR-score to an equivalent 10-point system.

Table 17: Description of Performance of Clerical & General Staff		IPCR score	Earned Weighted Point
✓	Outstanding	5	10.00
✓	Very Satisfactory	4	8.00
✓	Satisfactory	3	6.00
✓	Unsatisfactory	2	4.00
✓	Poor	1	2.00

8.4.2.2. **DIMENSION B. MIDDLE MANAGER’S PERFORMANCE POINTS (30%).** As presented earlier, the rating scheme recognizes the staff as the key contributors to the department/center/programs’ accomplishments. The center/department/program performance points, as earlier described, is considered as the input to arrive at the weighted score for this dimension.

8.4.2.3. **DIMENSION C. GROUP/CENTER SCORECARD PERFORMANCE POINTS (20%).** The rating scheme recognizes that Clerical & General Staff are contributors to the group’s performance results. The group performance point, as earlier described, is considered as an additional input to arrive

at the weighted score for the entitled personnel categorized as Clerical & General Staff.

8.4.3. The **EARNED WEIGHTED SCORE (EWP)** for the Clerical and General Staff's Individual Score is computed as follows:

Table 18: Dimensions for Clerical & General Staffs		SCORE	Weight	Earned Weighted Point
a)	Individual Performance and Commitment Report (IPCR) <i><as validated by the Group/Center Head></i>	AA	50%	0.5*AA
b)	Center/Department Performance Points <i><based on the points per Table 12: Dimensions for Middle Managers></i>	BB	30%	0.3*BB
c)	Group Performance Point <i>(based on Table 07: Group Head's <Senior Management cluster> Ranking)</i>	CC	20%	0.2*CC
Clerical & General Staff's Individual Score = (0.5AA+0.3BB+0.2CC)				

8.5. SUMMARY OF RANKING AND RATING SCHEME.

For a quick overview of determining the EWP of each individual, the differentiation of bases for ranking purposes are as follows:

Table 19: Summary of Earned Weighted Points per GROUPING				
Performance Dimension	Senior Management.	Middle Management	Professional/Supervisory/Tech	Clerical & General Staff
A	Group-level Scorecard =50%	Division/Office/Program-level Scorecard =25%	Individual Rating IPCR =50%	Individual Rating IPCR =50%
B	Group-level Financial Perf =20%	Division/Office/Program-level Financial Cont. =15%	NONE	NONE
C	Impact as rated by the Pres & CEO =30%	Impact as rated by the Group/Center Head =35%	SM Performance Point =30%	MM Performance Point =30%
D	NONE	Group Performance Point =25%	SM Performance Point =20%	MM Performance Point =20%
TOTAL POINTS:	100% = 0.5A+0.2B+0.3C	100% = .25A+.15B+.35C+.25D	100% = .5A+.3C+.2D	100% = .5A+.3C+.2D

9. EFFECTIVITY.

This Memorandum Circular shall take effect immediately and shall remain in force unless modified or superseded by another issuance. All previous issuances inconsistent with the provisions of this Circular are hereby amended, repealed, and superseded.


Atty. ENGELBERT C. CARONAN, JR., MNSA
President and Chief Executive Officer