



METRO COTABATO WATER DISTRICT

Gov. Gutierrez Avenue, Cotabato City, P.O. Box 657

Tel. No. (064) 4211070; Telefax. No. (064) 4213009

Email Add: mcwd_hrd@yahoo.com.com



GUIDELINES / MECHANICS ON THE OF GRANT OF PERFORMANCE – BASED BONUS (PBB) FOR FY 2023

In view of the Joint Memorandum Circular No. 2023-1 dated December 29, 2023 by the Local Water Utilities Administration (LWUA) and the Department of Budget and Management (DBM). The Metro Cotabato Water District hereby adopts the following Guidelines/Mechanics on the Grant of Performance- Based Bonus for year 2023.

1.0 PURPOSE

Metro Cotabato Water District (MCWD) shall be evaluated based on the criteria and conditions set by the LWUA-DBM Joint Circular No. 2023-1 according to four (4) accountability dimensions are as follows:

- a) Performance Results;
- b) Process Results;
- c) Financial Results; and
- d) Citizen/Client Satisfaction Results

For Metro Cotabato Water District, the FY 2023 PBB through the:

1. Performance Results - will give emphasis on the accomplishments of each MCWD targets based on the standard Major Final Outputs. This reflects MCWD overall operational performance.
2. Financial Results – shall represent the financial viability and sustainability of an MCWD as indicated by the liquidity ratio.
3. Process Results – shall be based on the compliance of the MCWD with the Commercial Practice System (CPS) which is a standardized process governing the transactions MCWD.
4. Citizen/Client Satisfaction Results shall represent the achievement in addressing/acting on requests/complaints received by the MCWD, to guarantee quality service/goods are provided to its consumers.

The FY 2023 PBB shall continue to measure and evaluate the performance of MCWD on public's satisfaction on the realization of the MCWD's performance targets, quality of public service delivery, efficiency in the use of resources, and strengthened agency stewardship. With the FY 2023 PBB, the MCWD will be able to conduct self-assessment of its overall performance through the transparent PBB Scoring System tied-up to the rates of incentives.



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2.0. COVERAGE

1. All personnel of MCWD holding regular and casual positions are covered by this Circular. Excluded from the coverage herein are individuals engaged without an employer-employee relationship and funded from non-Personnel Services budget
2. Excluded from the coverage hereof are LWD's with Join Venture Agreement which covers the entire operation of the LWD's facilities and services.

3.0. ELIGIBILITY CRITERIA:

To be eligible for the grant of the FY 2023 PBB, MCWD must first satisfy the following eligibility requirements:

1. Compliance with the following Philippine National Standards for Drinking Water (PNSDW) requirements.
 - a. Monthly summary of daily residual chlorine test results;
 - b. Twelve (12) months of compliance with microbiological test results; and
 - c. Compliance with physical-chemical tests results of the MCWD's source/s;
2. Current in Debt Service Status with LWUA;
3. Existing LWUA – MCWD Joint Savings Account for Reserves (for MCWD with existing LWUA – MCWD Loan Contract), or General Reserves (for MCWD without LWUA Loan);
4. Positive Net Balance in the Average Net Income for Twelve (12) months for FY 2023;
5. LWUA-approved Water Rates;
6. MCWD Compliance with Commercial Practice System; and
7. On-time submission of the following documents prior to the evaluation of its eligibility to FY 2023 PBB:
 - a. Monthly Data Sheet and Financial Statements (January to December 2023);
 - b. Approved MCWD FY 2023 Budget;
 - c. Updated Business Plan covering FY 2023; and
 - d. FY 2023 Annual report.



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MCWD must also satisfy the criteria and conditions under the four dimensions of accountability: **Performance Results, Process Results, Financial Results, and Citizen/Client Satisfaction Results**, and attain a total score of at least 70 points based on the PBB Scoring System.

3.1 PERFORMANCE RESULTS

In the context of the FY 2023 PBB, the **Performance Results** refer to the accomplishment of the MCWD targets under the Major Final Outputs (MFO).

3.1a 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 single output or group of outputs targeted at the same organizational/sectoral outcome and capable of being summarized by a common performance indicator.

3.1b 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 Indicator should be verifiable, observable, credible, and sustainable.

3.1c Performance Target (PT) - predetermined numerical target level of performance (quantity, quality, timeliness, and cost of an output) against which actual performance can be compare.

3.1d Delivery Units (DU) – departments and divisions of the MCWD shall be responsible for the achievement of the MCWD MFO and are committed to the performance targets that are tracked through a reporting system within the year and verified by LWUA

3.1e Potability – the quality of water that renders it safe and fit for human consumption. MCWD 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.



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- 3.1f Adequacy and Reliability of Service** – performance of MCWD rated in accordance with the 24/7 availability of supply and the capacity to meet the present and future water demand
- 3.1g Access and Coverage** – performance of MCWD in pursuing the goal of providing water access and service to the greater percentage of the population within their respective service areas
- 3.1h Submission of MCWD Board-Approved Water Safety Plan** – to ensure the delivery of safe drinking water, the Department of Health (DOH) has issued Administrative Order No. 2014-0027, requiring all drinking-water services providers, including Local Water Districts, to develop and implement Water Safety Plan (WSP). The DOH has adopted the WSP Framework as a preventive health strategy.

3.2 PROCESS RESULTS

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

3.3 FINANCIAL RESULTS

Refer to financial viability and sustainability of MCWD 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

Refer to the achievements of MCWD in satisfying the quality expectations of the transacting public.

4.0 FY 2023 PBB TARGETS, ASSESSMENT, AND SCORING SYSTEM

The MCWD 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 MCWD may obtain is 100 points. To be eligible for the FY 2023 PBB, the MCWD must attain a total overall score of at least 70 points



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Table No. 01 – Scoring System for FY 2023 PBB for MCWD

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

4.1 Performance Results. The targets under Performance Results will enable MCWD to concentrate their efforts and available resources on their mandates and core functions and ensure delivery high quality and high impacts activities.



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The Performance Results shall be assessed and scored as follows:

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

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

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

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

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

CRITERIA	DESCRIPTION
PROCESS RESULTS	
Compliance with CPS for MCWD	At least 90% Compliance with the Commercial Practice System (CPS) will render 7 points; below 90% will result in isolation



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4.3 Financial Results

The requirements under Financial Results shall be scored as follows:

CRITERIA	MAX PTS	CONDITION
FINANCIAL RESULTS		
a. Collection Efficiency	4	Actual points should be at least 7
b. Current Ration	3	
c. Positive Net Balance in the Average Net Income for twelve (12 months)	3	

4.4 Citizen/Client Satisfaction Results

Achieve the Citizen/Client Satisfaction by acting on requests/complaints received directly by the MCWD (in-house) and resolution of reported complaints from Hotline #8888, Contact Center ng Bayan (CCB), and the Presidential Complaint Center (PCC) and/or Presidential Action Center (PACe). The MCWD 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 MCWD shall submit a report summarizing the complaints received and those received by Hotline #8888, CCB, and PCC and/or PACe in FY 2023, as well as the status of the same, i.e., if resolved or pending.

CRITERIA	MAX PTS	CONDITION
CITIZEN/CLIENT SATISFACTION RESULTS:		
a. Hotline #8888	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
b. Contact Center ng Bayan (CCB)		
c. Presidential Complaint Center (PCC) and/or Presidential Action Center (PACe)		
d. Direct requests/complaints to the water district (in-house)		



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7.0 AGENCY ACCOUNTABILITIES

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

a. Updating of Transparency Seal	
b. Compliance with Audit Findings and Liquidation of Cash Advances	
c. Compliance with the Freedom of Information (FOI) Program	
d. Establishment and Conduct of Agency Review and Compliance of Assets, Liabilities, and Net Worth (SALN)	
e. PhilGEPS posting of all invitations to bids and awarded contracts – 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 2023 Non-Common Use Supplies and Equipment (APP Non-CSE)	
g. Posting of Indicative FY 2024 APP Non-CSE	
h. FY 2024 Annual Procurement Plan – Common Use Supplies and Equipment (APP-CSE)	
i. Results of FY 2022 Agency Procurement Compliance and Performance Indicators (APCPI) System	
j. Undertaking of Early Procurement Activities covering FY 2024 Procurement Projects	
k. Designation of the Agency’s Committee on Anti-Red Tape (CART)	
New Agency Accountabilities beginning FY 2023 PBB	l. MCWD as Category A shall continue 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



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

6.0 ELIGIBILITY OF DELIVERY UNITS AND INDIVIDUALS

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

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

The unit/s most responsible (including its Head) for the non-compliance with the Agency Accountabilities provided in Section 5.0 will also be isolated from the grant of the FY 2023 PBB.

- 6.2 Eligible DUs shall be granted FY 2023 PBB at uniform rates across the MCWD, including its officials and employees. The corresponding rates of the PBB shall be based on the MCWD's achieved total score, as shown in section 7.0.
- 6.3 MCWD General Manager are eligible only if their respective agency is eligible. If eligible, their PBB rate for FY 2023 shall be equivalent to the rates stated in Section 7.0 and shall be based on their monthly basic salary (MBS) as of December 31, 2023.
- 6.4 MCWD Board Members may be eligible for the Performance-Based Incentives (PBI) subject to the following conditions:
- MCWD has qualified for the grant of the FY 2023 PBB;
 - The board Member has 90% attendance duly called board meetings and committee meetings as certified by the Board Secretary;
 - The Board Member has eleven (11) months aggregated service in the position
 - MCWD has submitted the appropriate annual Board-approved Corporate Operate Operating Budget to LWUA; and
 - Submission of Board Member's FY 2023 accomplishments (policies or resolution made that will help address the operations as well as the guidelines of the MCWD).



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- 6.5 To be eligible for FY 2023 PBB, employees belonging to the First, Second, and Third Levels should receive a rating of at least "Very Satisfactory" based on the agency's CSC-approved Strategic Performance Management System (SPMS).
- 6.6 Personnel in detail to another government agency for six (6) months or more shall be included in the recipient agency that rated his/her performance. The payment of the PBB shall come from the mother agency.
- 6.7 Personnel who transferred from one government agency to another agency shall be included by the agency where he/she served the longest. If equal months were served for each agency, he/she will be included in the recipient agency.
- 6.8 Officials and employees who transferred from government agencies that are non-participating in the implementation of the PBB shall be rated by the agency where he/she served the longest; the official/employee shall be eligible for the grant of the PBB on a pro rata basis corresponding to the actual length of service to the participating implementing agency, as stated in Section 6.11.
- 6.9 An official or employee who has rendered a minimum of nine (9) months of service during the fiscal year and with at least a Very Satisfactory rating may be eligible for the full grant of PBB.
- 6.10 An official or employee who rendered less than nine (9) months but a minimum of three (3) months of service and with at least a Very Satisfactory rating shall be eligible for the grant of the PBB on a pro-rata basis corresponding to the actual length of service rendered, as follows:

LENGTH OF SERVICE	% OF PBB
8 months but less than 9 months	90%
7 months but less than 8 months	80%
6 months but less than 7 months	70%
5 months but less than 6 months	60%
4 months but less than 5 months	50%
3 months but less than 4 months	40%



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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 pat;
- g. Scholarship/Study Leave; and/or
- h. Sabbatical Leave.

- 6.11 An employee who is on vacation or sick leave, with or without pay, for the entire year is not eligible for the grant of PBB.
- 6.12 Personnel found guilty of administrative and/or criminal cases by final and executory judgment in FY 2023 shall not be entitled to the PBB. However, if the penalty meted out is only a reprimand, such penalty shall not cause the disqualification to the PBB.
- 6.13 Officials and employees who failed to submit the 2022 SALN as prescribed in the rules provided under the CSC Memorandum Circular No. 3 s. 2015; or those who are responsible for the non-compliance with the establishment and conduct of the review and compliance procedure of SALN shall not be entitled to the FY 2023 PBB.
- 6.14 Officials and employees who failed to liquidate all cash advances received in FY 2023 within the reglementary period, as prescribed in COA Circular 97-002 dated February 10, 1997, and reiterated in COA Circular 2009-002 dated May 18, 2009, shall not be entitled to FY 2023 PBB.

7.0 RATES OF THE PBB

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



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RATES OF THE FY 2023 PBB	
TOTAL SCORE	PBB RATES
100 points	65% (100% of the 65% monthly basic salary)
95 points	61.75% (95% of the 65% monthly basic salary)
90 points	58.5% (90% of the 65% monthly basic salary)
85 points	55.25% (85% of the 65% monthly basic salary)
80 points	52% (80% of the 65% monthly basic salary)
75 points	48.75% (75% of the 65% monthly basic salary)
70 points	45.5% (70% of the 65% monthly basic salary)

8.0 TIMELINES AND SUBMISSION/POSTING OF REPORTS AND REQUIREMENTS

- 8.1 MCWD should 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 4.0) on or before **April 30, 2024**.
- 8.2 The AO25 IATF shall conduct spot checks to validate claims and certifications made by the MCWD on their submitted/posted reports and/or requirements.
- 8.3 MCWD are encouraged to provide information to the AO25 Secretariat on compliance with the MCWD Agency Accountabilities provided in Section 5.0.

9.0 EFFECTS OF NON-COMPLIANCE

MCWD, 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.



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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.

10.0 COMMUNICATION AND CHANGE MANAGEMENT

- 10.1 Head of MCWD, with the support of their PMTs, should enhance the implementation of their internal communications strategy on the PBB and fulfill the following:
- a. Engage their respective employees in understanding the PBB, the performance targets of their respective agencies, and the services and outputs they will need to deliver to meet these targets.
 - b. Disseminate the performance targets and accomplishments to MCWD employees through the internet and other means and publish these on their respective websites for the public's information.
 - c. Set up a Help Desk to respond to the queries and comments on the targets accomplishments. The Help Desk may be a facility that is embedded in the respective websites of MCWD.
 - d. Set up a Complaints Mechanism to respond to the PBB-related issues and concerns raised by the officials and employees of the MCWD. Such may be incorporated in the functions of the Grievance Committee.
- 10.2 The Head of MCWD 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 phone) of PBB focal persons should be submitted to the AO 25 secretariat.
- 10.3 The AO25 IATF shall maintain the following communication channels:
- a) Local Water Utilities Administration (LWUA);
Telephone: (02) 8929-4511
Email Addresses:
 1. Institutional Development Service : ids@lwua.gov.ph



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2. Utilities Development Division (UDEVs):

- a. udev1.wsudd@lwua.gov.ph
 - b. udev2.wsudd@luwa.gov.ph
 - c. udev3.wsudd@luwa.gov.ph
 - d. udev4.wsudd@luwa.gov.ph
- b) AO25 Secretariat at ao25secretariatdap.edu.ph
 - c) RBPMS website www.rpbms.dap.edu.ph
 - d) Telephone: (02) 8400-1469, (02) 8400-1490, (02) 8400-1582
 - e) Facebook: www.facebook.com/PBBsecretariat

11.0 FUNDING SOURCE

- 11.1 The PBB of eligible MCWD shall be sourced from their respective corporate funds.
- 11.2 MCWD are prohibited from sourcing payment of the PBB from the following:
 - a. Loans;
 - b. Subsidy from the National Government for the LWDs operations; and
 - c. Sale of the LWDs assets for the sole purpose of paying the PBB and is otherwise not in the ordinary course of business.

12.0 EFFECTIVITY CLAUSE

These Guidelines shall take effect immediately and shall remain in force unless revoked, cancelled or superseded by subsequent issuances.

Cotabato City, January 31, 2024

MA. MELINDA ELAINE V. BARCIMO

OIC General Manager