REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

August 30, 2021

REVENUE MEMORANDUM ORDER NO. 31-2021

TO : **All Revenue Officials Concerned**

SUBJECT : **Prescribing the Criteria/Conditions and Guidelines on the Reporting Compliance for the Grant of the FY 2021 Performance-Based Bonus per Administrative Order No. 25 Inter-Agency Task Force Memorandum Circular (IATF–MC) No. 2021-1 (published under Revenue Memorandum Circular No. 85-2021)**

I. OBJECTIVES

This Order is issued to:

1. Provide information on the criteria and conditions for the grant of the Performance-Based Bonus (PBB) for the Bureau of Internal Revenue's FY 2021 performance, as stated in the IATF Memorandum Circular (IATF-MC) No. 2021-1;
2. Prescribe the guidelines, procedures and deadlines for the preparation and submission of Accomplishment Reports and other documentary requirements, in compliance with the FY 2021 PBB requirements provided in IATF-MC No. 2021-1; and,
3. Ensure the timely preparation and submission of all PBB requirements by the concerned Offices.

II. ELIGIBILITY CRITERIA[1]

1. To be eligible for the grant of the FY 2021 PBB, the Bureau must satisfy the criteria and conditions under the four dimensions of accountability: Performance Results, Process Results, Financial Results, and Citizen / Client Satisfaction Results.

    1.1. **Performance Results** – the accomplishment of the Congress-approved performance targets under the Performance-Informed Budgeting (PIB) of the FY 2021 General Appropriations Act (GAA).

[1] Sections 3.0 (Eligibility Criteria) and 4.0 (FY 2021 PBB Targets, Assessment, and Scoring System), IATF MC No. 2021-1

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1.2. **Process Results** – the achievements in ease of doing business / ease of transaction with the agency, as a result of streamlining and standardization, i.e. through the ISO-certified QMS or its equivalent, digitization and related improvements in the delivery of services.

1.3. **Financial Results** – the actual spending of the agency's budget allotment vis-à-vis the realization of its committed programs and projects based on the FY 2021 GAA.

1.4. **Citizen/Client Satisfaction Results** – the achievements in satisfying the quality expectations of the transacting public.

2. The FY 2021 PBB Targets for each of the Criteria are as follows:

Table 1: FY 2021 PBB TARGETS

CRITERIA AND CONDITIONS	Performance Targets
Performance Results	**Achieve each one of the Congress-approved performance targets under the PIB of the FY 2021 GAA** The agency performance in the achievement of targets shall be closely monitored through the use of the submitted Unified Reporting System (URS) – generated Budget and Financial Accountability Reports (BFARs), to indicate the progress towards the accomplishment of broader sectoral and societal outcomes targeted by the agency for improving the lives of Filipinos. The quarterly BFARs of the agencies, as uploaded in the DBM URS, shall be submitted in a timely manner, i.e., within thirty (30) days after the end of each quarter, as provided under Item 3.15.2 of National Budget Circular No. 583, pursuant to Section 90, General Provisions of Republic Act No. 11518 (FY 2021 GAA). BFARs will be used to monitor and validate agency accomplishments.
Process Results	**Greater ease of transaction of frontline services covering all government-to-citizens (G2C), government-to-businesses (G2B), and government-to-government (G2G) transactions** This may be achieved through streamlining especially of frontline services; standardization of frontline processes including those implemented at the Regional, Satellite, and Extension Offices; digitization *e.g., by developing electronic or online paperless systems, new service delivery channels, contactless transactions; and other process improvements for faster and more efficient public service delivery.*

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CRITERIA AND CONDITIONS	Performance Targets
Financial Results	**Attainment of the FY 2021 Disbursements Budget Utilization Rate (BURs)** Disbursements BUR is measured by the ratio of total disbursements (cash and non-cash, excluding PS) to the total obligations for MOOE and CO made in 2021, net of goods and services obligated by December 31, 2020, but paid only in 2021. The **total obligations for MOOE and CO** shall refer to those made from the FY 2021 GAA, FY 2020 GAA, and Bayanihan II appropriations due to their extension under RA No. 11519 and RA No. 11520. The objective is to measure the disbursements for the obligations of MOOE and CO made in 2021 from all valid appropriations. These shall be net of transfers to the Procurement Service (PS) the Philippine International Trading Corporation (PITC), and implementing agencies and units which have still to be implemented and outputs delivered. Hence: $$\text{Disbursements BUR} = \frac{\text{Total Disbursements*(cash and non-cash, excluding PS), net of payments made in 2021 for past years' obligations}}{\text{Total Obligations (excluding PS, from valid appropriations)}}$$ **Where Total Disbursements is net of transfers to PS, PITC, and other implementing agencies which have not been delivered*
Citizen/Client Satisfaction Results	**Achieve the Citizen / Client Satisfaction targets** To determine the effectiveness of streamlining, standardization, digitization, and other process improvements in easing transactions with the public, the Bureau shall: • Embed feedback mechanisms; • Systematically measure citizen / client satisfaction in the delivery of services; • Submit reports on the Citizen / Client Satisfaction Survey (CCSS) to provide evidence on the Citizen / Client Satisfaction results; • Resolve all reported complaints from Hotline # 8888 and Contact Center ng Bayan (CCB). The Bureau shall submit a report summarizing the #8888 and CCB complaints received in FY 2021 and their status (whether resolved or pending). The validation shall be complemented with reports and collected data on feedback and complaints from citizens / clients gathered by the OP, PMS, CSC and PCOO from Hotline #8888 and CCB database, as well as the FOI portals.

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3. For FY 2021, the Good Governance Conditions (GGCs) shall no longer be required in determining the overall PBB eligibility of the agency. Nonetheless, compliance with these conditions shall be used as the basis in determining the eligibility of responsible units and individuals. To sustain the institutionalization of the requirement for compliance with existing government-mandated laws and standards, the Bureau shall continue to implement, monitor, and enforce compliance with the following GGCs:
   3.1. Updating of Transparency seal
   3.2. Compliance with the Freedom of Information Program
   3.3. Updating of Citizen's or Service Charter
   3.4. Compliance to Audit Findings and Liquidation of Cash Advances
   3.5. Submission and Review of SALN
   3.6. PhilGEPS posting of all invitations to bids and awarded contracts
   3.7. Submission of the following Procurement Documents:
      3.7.1. FY 2022 Annual Procurement Plan –Common Use Supplies and Equipment (APP-CSE);
      3.7.2. FY 2021 Non-Common Use Supplies and Equipment (APP-non CSE);
      3.7.3. Indicative FY 2022 APP; and,
      3.7.4. Results of FY 2020 Agency Procurement Compliance and Performance Indicators (APCPI) System
   3.8. Undertaking of Early Procurement Activities covering 2022 Procurement Projects

III. FY 2021 PBB ASSESSMENT AND SCORING SYSTEM

1. The Bureau's accomplishments for each of the Criteria shall be rated using a scale of one (1) to five (5), where 5 is the highest. Each criterion shall have an assigned weight, as shown in Table 2 below:

Table 2: FY 2021 PBB SCORING SYSTEM

CRITERIA AND CONDITIONS	Weight	Performance Rating				
		1	2	3	4	5
Performance Results	5	5 pts.	10 pts	15 pts	20 pts	25 pts
Process Results	5	5 pts.	10 pts	15 pts	20 pts	25 pts
Financial Results	5	5 pts.	10 pts	15 pts	20 pts	25 pts
Citizen / Client Satisfaction Results	5	5 pts.	10 pts	15 pts	20 pts	25 pts
TOTAL SCORE				**Maximum = 100 points**		

2. The maximum score that may be obtained by the Bureau is one hundred (100) points. To be eligible for the FY 2021 PBB, the Bureau must attain a ***total score of at least seventy (70) points.***

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3. The Delivery Units (DUs) of eligible agencies shall no longer be ranked. However, the unit(s) most responsible for deficiencies shall be isolated. ***(refer to Annex A for the Accountability of Delivery Units)***

4. Even though the Bureau is eligible and has attained a total score of at least 70 points, the delivery unit most responsible for the criteria stated in Section II with a performance rating of below 4 shall be isolated from the grant of the FY 2021 PBB.

5. The unit/s most responsible (including its head) for the non-compliance with the Agency Accountabilities provided in Section IV.2 and 3 of this RMO will also be isolated from the grant of the FY 2021 PBB.

6. Eligible DUs shall be granted FY 2021 PBB at uniform rates across the Agency, including its officials and employees. The corresponding rates of the PBB shall be based on the Agency's achieved total score as shown in below:

Table 3: 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)

7. The four (4) dimensions of Accountability shall be assessed and scored as follows, as shown in Table 4:

Table 4: RATING SCALE

CRITERIA AND CONDITIONS	RATING				
	1	2	3	4	5
Performance Results	**Met less than 80%** of performance indicators of the Congress-ap-	**Met less than 80%** of performance indicators of the Congress-ap-	**Met at least 80%** of performance indicators of the Congress-ap-	**Met at least 80%** of performance indicators of the Congress-ap-	**Met each one** of the Congress-approved performance targets for FY 2021

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CRITERIA AND CONDITIONS	RATING				
	1	2	3	4	5
	proved performance targets for FY 2021: **deficiencies due to controllable factors**	proved performance targets for FY 2021: **deficiencies due to uncontrollable factors**	proved performance targets for FY 2021: **deficiencies due to controllable factors**	proved performance targets for FY 2021: **deficiencies due to uncontrollable factors**	(all performance indicators)
Process Results	**No demonstrated** ease of transaction	Achieved targets to ease transaction (streamlining, digitization, standardization) only for **non-frontline services**	Achieved targets to ease transaction (streamlining, digitization, standardization) in **less than 80% of frontline services**	Achieved targets to ease transaction (streamlining, digitization, standardization) in **at least 80% of frontline services**	Achieved targets to ease transaction (streamlining, digitization, standardization) in **all frontline services**
Financial Results	**1-19%** Disbursements BUR	**20-39%** Disbursements BUR	**40-59%** Disbursements BUR	**60-79%** Disbursements BUR	**80-100%** Disbursements BUR
Citizen / Client Satisfaction Survey (CCSS) Results	**No submission / Did not conduct CCSS**	**Average to low satisfaction rate** with unresolved #8888/CCB complaints	**Average to low satisfaction rate** with 100% #8888/CCB complaints resolved	**High satisfaction rate** with 100% #8888/CCB complaints resolved	**High satisfaction rate** without #8888/CCB complaints

IV. GUIDELINES AND PROCEDURES

1. The following reports shall be prepared by the concerned offices, using the Forms prescribed in the AO 25 IATF MC No. 2021-1 dated June 3, 2021 and circularized through RMC No. 85-2021:

REPORT	RESPONSIBLE OFFICE	DEADLINE FOR SUBMISSION
A. Performance Results		
Submission of Budget and Financial Accountability Reports (BFARs) online through the Unified Reporting System (URS) • 1st Quarter (Q1) • 2nd Quarter (Q2) • 3rd Quarter (Q3) • 4th Quarter (Q4)	For FAR No. 5 (Quarterly Report of Revenue and Other Receipts): • Collection Service (CS) – Revenue Accounting Division (RAD) • All Revenue Regions through: >Finance Division (FD) and >Collection Division	For FAR No. 5: Within 30 days after the end of each quarter Within 5 days after the end of each quarter

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REPORT	RESPONSIBLE OFFICE	DEADLINE FOR SUBMISSION
Performance Results to achieve the performance targets under the PIB of the FY 2021 GAA which are as follows, the report contained in the BAR: • Filing of RATE cases = 36 cases per year • Audit Effort= 3% of total collection goal • Collection Performance = attained +/- 2% of collection goal • Percentage increase in the number of registered business taxpayers	For BAR No.1 (Quarterly Physical Report of Operations): • Planning and Management Service (PMS) – Planning and Programming Division (PPD) • CS – RAD • Client Support Service (CSS) – Taxpayer Service Programs and Monitoring Division (TSPMD) • Assessment Service (AS) – Assessment Performance Monitoring Division (APMD) • Large Taxpayers Service (LTS) – LT Programs and Monitoring Division (LTPMD) • Enforcement and Advocacy Service (EAS)	On or before: Q1 – Apr 15, 2021 Q2 – July 15, 2021 Q3 – Oct 15, 2021 Q4 – Jan 15, 2022
B. Process Results		
Modified Form A – Department / Agency Performance Report **(Annex 3)** *with Verifiable evidence of Achievements* *(The ISO-certified QMS or its equivalent certification for frontline services, service delivery standards manual, and the like may be used as evidence to the standardization achievements of the agency)*	All concerned Offices with Frontline Services declared in the BIR Citizen's Charter: • CSS • LTS • AS • Legal Service (LS) • CS • EAS • Administrative Service (AdS) • Human Resource and Development Service (HRDS) <u>Support Office</u>: *To be consolidated by PMS, through the PPD*	For CSS/AS/CS - January 25, 2022 Other Offices: January 20, 2022
C. Financial Results		
Disbursement BUR	• All BIR Offices (NO and ROs) <u>Support Office</u>: Finance Service (FS) – Accounting Division (AD) All RRs – FD	DVs submitted to AD/FD within the following month after the goods are received, inspected and accepted/ services rendered Quarterly –within 30 days after the end of each quarter Monthly – every 10th day of the following month Quarterly –within 5 days after the end of each quarter

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REPORT	RESPONSIBLE OFFICE	DEADLINE FOR SUBMISSION
		Monthly – every 5th day of the following month
D. Citizen / Client Satisfaction Results		
Citizen / Client Satisfaction Report **(Annex 4)**	• **For RRs (for CSS):** CSS, through TSPMD • **For National Office/RRs (for OCS and eCAR):** PMS, through the Research and Statistics Division (RSD)	To RSD - January 20, 2022 On or before January 31, 2022

2. The Good Governance Conditions (GGCs) shall no longer be included in the criteria to assess the overall eligibility of the agency. However, compliance with the following conditions (Agency Accountabilities) shall be used as basis in determining the eligibility of responsible units and individuals. The monitoring of their compliance shall now be the primary responsibility of the Head of Agency.

REPORTS	DEADLINE OF SUBMISSION	RESPONSIBLE OFFICE(S)	VALIDATING AGENCY
2.1. Compliance with the Freedom of Information (FOI) Program			
• *People's FOI Manual*	On or before Jan. 29, 2022	• LS • Legal and Legislative Division (LLD)	Presidential Communications Operations Office (PCOO)
• *FOI Reports:* *a. Agency Information Inventory* *b. 2020 FOI Summary Report* *c. 2020 FOI Registry*	On or before Jan. 29, 2022	• **Nat'l. Office** – All concerned ACIRs and designated FOI Receiving Officers (FROs) • **Reg'l. Office** – All Reg'l. Offices and all designated FROs *Support Office:* To be consolidated by PMS – PPD	
• *Screenshot of agency's home page*	On or before Jan. 29, 2022	• PMS – PPD	PCOO
2.2. Maintain / Update the Citizen's / Service Charter or its equivalent Certificate of Compliance (CoC) pursuant to CSC MC No. 14, Series of 2017	On or before Dec. 4, 2021	• CSS – PIED	Anti-Red Tape Authority (ARTA)

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REPORTS	DEADLINE OF SUBMISSION	RESPONSIBLE OFFICE(S)	VALIDATING AGENCY
2.3. Sustained Compliance with Audit Findings and Liquidation of Cash Advances	On or before Dec. 31, 2021	• FS – AD • CS – RAD • Regional Office – FD • Concerned Offices with audit findings (NO and RRs)	Commission On Audit (COA)
2.4. Submission and Review of Statement of Assets, Liabilities and Net Worth (SALN)	On or before Oct. 1, 2021	• Human Resource Development Service (HRDS) – Personnel Division (PD) *Support Office:* *Admin. and Human Resource Management Division (AHRMD)*	• Office of the President • Ombudsman • Civil Service Commission (CSC)
2.5. PhilGEPS Posting of all Invitations to Bids and awarded contracts	On or before Jan. 29, 2022	**National Office:** • AdS – Procurement Division (PrD) **Regional Office:** • Office of the Asst. Reg'l. Director (OARD) and AHRMD	PhilGEPs
2.6. Procurement Documents			
• *FY 2022 APP-CSE*	On or before Dec. 15, 2021	**National Office:** • Head of Procuring Entity (HOPE), AdS and Property Division **Regional Office:** • HOPE, OARD and AHRMD	DBM - Procurement Service (PS) cc: PPD
• *FY 2021 Annual Procurement Plan (APP) – non-Common-Use Supplies and Equipment (Non CSE)*	On or before March 31, 2021	• HOPE • Bids and Awards Committee (BAC) • BAC Secretariat *Support Offices:* • ***National Office** – Resource Management Group (RMG), FS, BD, AdS and PrD* • ***Regional Office** – OARD, FD, and AHRMD*	Government Procurement Policy Board – Technical Support Office (GPPB-TSO), cc: PPD
• *Indicative FY 2022 APP-Non CSE*	On or before Sept. 30, 2021		

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REPORTS	DEADLINE OF SUBMISSION	RESPONSIBLE OFFICE(S)	VALIDATING AGENCY
• *Results of FY 2020 Agency Procurement Compliance and Performance Indicators (APCPI) System*	On or before June 30, 2021	• HOPE • BAC • BAC Secretariat *Support Offices:* • ***National Office*** – *AdS, PrD, BD and AD* • ***Regional Office*** – *OARD, FD and AHRMD*	GPPB - TSO, cc: PPD
2.7. Undertaking of Early Procurement Activities covering 2022 Procurement Projects	Within thirty (30) days after the approval of the GAA	**National and Regional Offices:** • HOPE • BAC • TWG, • BAC Secretariat • Project Proponents	GPPB – TSO cc: PPD
2.8. Other Required Reports:			
• *Form 1.0 – Report on Ranking of Offices / Delivery Units* ***(Annex 2)***	February 28, 2022	• HRDS, through PD	AO 25 Secretariat through PPD

3. The responsible offices shall prepare and post in the BIR Transparency Seal the following conditions, for validation of the concerned oversight agencies:

GOOD GOVERNANCE CONDITION	POSTING DEADLINE	RESPONSIBLE OFFICE(S)	REPORT TO BE POSTED AT
3.1. Maintain / Update the Agency Transparency Seal*			
i. Agency's mandate and functions, names of the officials with their position and designation and contact information	On or before Oct. 1, 2021	• PMS – MD / PPD • HRDS – PD	**BIR Transparency Seal Page** – for validation by DBM-Office of the Chief Information Officer (OCIO)
ii. Annual Financial Reports		• FS – AD • CS – RAD	
iii. DBM-approved Budgets and Corresponding Targets for FY 2021		• FS – BD	
iv. Projects, Programs, and Activities, Beneficiaries and Status of Implementation for FY 2021		• PMS – PPD	

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GOOD GOVERNANCE CONDITION	POSTING DEADLINE	RESPONSIBLE OFFICE(S)	REPORT TO BE POSTED AT
v. FY 2021 Annual Procurement Plan			
• FY 2021 APP Non-CSE	On or before March 31, 2021	**National Office** • AdS and PrD **Regional Office** • OARD and AHRMD	**BIR Transparency Seal Page** – for validation by GPPB-TSO
• Indicative FY 2022 APP Non-CSE	On or before Sept. 30, 2021		
• FY 2022 APP CSE	On or before August 31, 2021		**BIR Transparency Seal Page** – for validation by DBM-PS
vi. QMS Certification of at least one (1) core process by an International Certifying Body (ICB)	On or before Dec. 31, 2021	• CSS – TSPMD	**BIR Transparency Seal Page** – for validation by GQMC
vii. The Agency Review and Compliance Procedure of SALN	On or before Oct. 1, 2021	• HRDS -PD	**BIR Transparency Seal Page** – for validation by CSC
viii. The Final People's Freedom of Information Manual a. Updated FOI Manual b. FOI Reports: • 2021 Agency Information Inventory • 2021 FOI Registry • 2021 FOI Summary	On or before Jan. 29, 2022	• Legal Service / LLD – For Updated FOI Manual • PMS / PPD – For FOI Reports	**BIR Transparency Seal Page** – for validation by Presidential Communications Operations Office (PCOO)
3.2. Update the PhilGEPS Posting of all Invitations to Bids and awarded contracts	On or before Jan. 29, 2022	**National Office** • AdS and PrD **Regional Office** • OARD and AHRMD	PhilGEPs
3.3. Maintain / Update the Citizen's / Service Charter or its equivalent	On or before Dec. 4, 2021	• CSS - PIED	**BIR Website** – for validation by ARTA

* *The Internal Communications Division, under the supervision of Client Support Service, shall coordinate with the Systems Development Division any required revision in the content under the BIR Transparency Seal based on the specifications / request to be given by the designated Responsible Office (Content Manager / Owner of Content).*

V. EFFECTS OF NON-COMPLIANCE

1. A Department / Agency / GOCC / LWD / LGU, 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; and,

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2. The Civil Service Commission or Office of the 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 PBB and violation of the provisions of the IATF MC No. 2021-1.

VI. REPEALING CLAUSE

This Order supersedes Revenue Memorandum Order No. 48-2020, and all other issuances or portions thereof inconsistent herewith are hereby repealed, amended or modified accordingly.

VII. EFFECTIVITY

This Order shall take effect immediately.

CAESAR R. DULAY
Commissioner of Internal Revenue

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