REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

January 14, 2020

REVENUE MEMORANDUM ORDER 5-2020

SUBJECT : BIR Operational Key Performance Indicators for CY 2020

TO : All Internal Revenue Officials and Employees

I. OBJECTIVES

This Order is being issued to prescribe the CY 2020 Operational Key Performance Indicators (KPIs) for the Revenue Regions (RRs), Revenue District Offices (RDOs), and Large Taxpayers Service (LTS).

II. POLICIES

The following policies and guidelines shall be observed:

1. The details of the Operational KPIs such as the KPI weights, formula, definition of KPI, KPI targets, implementing and monitoring offices are prescribed in Annex A of this Order.

2. The Operational KPI shall be monitored, reviewed and evaluated against goal/target to assess the performance of offices by the concerned Assistant Commissioners (ACIRs) who have been identified as Measures Owners (MOs), in the column "Monitoring Office" in Annex A.

3. There shall be eighteen (18) Operational KPIs.

4. The LTS shall include the following offices as "Implementing Office" for a particular KPI:

KPI No.	KPI Weight	KPI	Implementing Office (s)
1	50	Collection Performance	LT National Office Audit Div. (LTNOADs), LTDs Cebu and Davao, Excise LT Field Operations Division (ELTFOD)

KPI No.	KPI Weight	KPI	Implementing Office (s)
2	10	Percentage increase in collection	LTNOADs, LTDs Cebu and Davao, ELTFOD
10	3	Audit Effort	LTNOADs, LTDs Cebu and Davao, LT VAT Audit Unit (LTVATAU)
11	3	Increase in collection by 5% of previous year's audit previous audit collection	LTVATAU
12	3	Audit Efficiency	LTNOADs, LTDs Cebu and Davao, LTVATAU
13	3	Reduction of Tax Arrears	LTDs Cebu and Davao, LT Collection Enforcement Div. (LTCED)
14	3	Reduction of TAMP Stop-Filer cases	LTDs Cebu and Davao, LTCED
16	1.50	Expedite promotion of qualified employees	Large Taxpayers Service

5. The score for each KPI shall be computed as:

$$\textbf{Score} = \frac{\textit{Applicable KPI Formula}}{\textit{Applicable KPI Target}} \times \textit{KPI Weight}$$

6. The overall rating shall be computed as:

$$\textbf{Overall Rating} = \frac{\textit{Total Score}}{\textit{Total Applicable KPI Weights}} \times \textit{100\%}$$

***NOTE:* Total score** *applies to the summary of applicable KPI scores of an office.*
Total applicable KPI weight *applies to the summary of all applicable KPI weights of an office.*

7. In the event that the actual accomplishment exceeds the KPI target, the score to be given shall be the maximum assigned KPI weight.

8. Figures to be used in all computations required in this Order shall be rounded off to the nearest two (2) decimal places.

9. The Operational KPIs shall be included as measures in the Office Performance Commitment and Review (OPCR) Form, as well as in the Office Index of Success Indicators of the RRs, RDs, RDOs, LTS, LTNOADs, LTDs Cebu and Davao, ELTFOD, LTVATAU, LTCED, LTDPQAD, ELTRD and LTAD in relation to the Strategic Performance Management System (SPMS).

10. The accomplishment report and evaluation report shall be prepared every 1st semester (January to June) and annual based on the cumulative accomplishment covering January to December.

11. Issues arising for a particular Operational KPI, including the implementation, monitoring, evaluation and reporting of accomplishments, among others, shall be the responsibility of the concerned MOs.

12. The Operational KPIs prescribed under this Order shall be adopted in the succeeding years until there shall be amendments/revisions to be recommended by the MOs.

III. GUIDELINES AND PROCEDURES

A. The following are the guidelines and procedures in the preparation and submission of accomplishment and evaluation reports.

1. **RDOs/Regional Divisions, LTNOADs/ LTDs Cebu and Davao/ ELTFOD/ LTVATAU/LTCED/LTDPQAD/ELTRD/LTAD shall:**
   1.1 Prepare the first semester/annual Accomplishment Report for each applicable Operational KPI using the prescribed format in **Annex B**.
   1.2 Ensure accuracy of data prior to submission of the Accomplishment Report to the Regional Director and ACIR-LTS.

2. Regional Director and ACIR-LTS shall:
   2.1 Consolidate the Accomplishment Reports per KPI using the prescribed format in **Annex C**.
   2.2 Validate the accuracy and completeness of data prior to submission of the Accomplishment Report to concerned Measure Owner.

3. The Measure Owner shall:
   3.1 Monitor the timely submission of Accomplishment Report by all Regional Directors and ACIR-LTS.
   3.2 Prepare the semestral (January to June)/annual (January to December) Evaluation Report for each KPI. The Evaluation Report using **Annex D** shall detail the:
   i) Score per KPI of RRs, RDOs, RDs LTS and its implementing offices; and
   ii) Ranking of offices
   3.3 Ensure the completeness and accuracy of the Accomplishment Report received from RRs and LTS; and
   3.4 Submit the Evaluation Report per KPI to the ACIR-Planning and Management Service, Attention: Planning and Programming Division (PPD).

4. Planning and Management Service/PPD shall:
   4.1 Monitor the compliance of concerned ACIR/MO relative to the submission of KPI Evaluation Report.
   4.2 Consolidate the Office KPI Evaluation Report per RR and LTS.

4.3 Prepare the Consolidated Evaluation Report on the result of the rating of KPIs using the prescribed format in Annex E for submission to the Commissioner and all Deputy Commissioners.

B. The **Accomplishment and Evaluation Reports** shall be prepared and submitted in accordance with the following schedules:

Report	Submitted By	Submitted To	Due Date of Submission
Accomplishment Report per Operational KPI	Chiefs, Regional Division and RDOs Chiefs, LT National Office Divisions and LTDs Cebu and Davao	Regional Director concerned Assistant Commissioner, LTS	**Semestral Report:** On or before **July 25** **Annual Report:** On or before **January 25** of the following year
Consolidated Accomplishment Report on KPI	Regional Directors and ACIR-LTS	MO concerned (ACIRs)	**Semestral Report:** On or before **July 30** **Annual Report:** On or before **January 31** of the following year
Evaluation Report on KPI	Measure Owners (ACIRs)	ACIR-PMS Attention: Chief, PPD	**Semestral Report:** On or before **August 25** **Annual Report:** On or before **February 25** of the following year
Consolidated Evaluation Report on KPIs	ACIR-PMS Thru: PPD	CIR All DCIRs	**Semestral Report:** On or before **Sept. 25** **Annual Report:** On or before **March 25** of the following year

IV. REPEALING CLAUSE

This Order supersedes Revenue Memorandum Order Nos. 7-2019 and 50-2019 and all other issuances or portions thereof inconsistent herewith.

V. EFFECTIVITY

This Order takes effect immediately until there shall be amendments/revisions recommended.

(Original Signed)
CAESAR R. DULAY
Commissioner of Internal Revenue

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