



REPUBLIC OF THE PHILIPPINES
Department of Finance
Bureau of Internal Revenue
Quezon City

June 29, 2010

REVENUE MEMORANDUM ORDER NO. 61-2010

To : All Deputy Commissioners, Assistant Commissioners, Regional Directors, Regional Division Chiefs, and Others Concerned

Subject : BIR 2010 Regional Divisions' Key Performance Indicators, Accomplishment Reporting and Office Performance Evaluation

I. OBJECTIVES

The ability to monitor and evaluate performance is a key element in improving productivity and enhancing the BIR's revenue performance. In this regard, this Order is being issued to:

1. Prescribe and provide details of the BIR's CY 2010 Regional Divisions' Performance Measures, by indicating the Priority Programs, Key Performance Indicators (KPIs), Weights, and Formulae to be used in implementing and monitoring each Priority Program;
2. Prescribe the policies and procedures for monitoring and evaluating the performance of the Regional Divisions vis-a-vis their respective Office Performance Measures; and,
3. Attain the goals and objectives set forth in the BIR Initiatives and Tax Reform Agenda under the Performance Governance System (PGS).

II. POLICIES AND GUIDELINES

1. The KPIs shall serve as a basis for monitoring and evaluating the performance of the incumbent Regional Division Chiefs, beginning with the period covering July – December 2010.
2. Each KPI shall have an overall total score of 100%. The National Office shall prescribe the KPIs with a total weight of 60%. Programs and tasks that fall under the category "Other Priority Projects/ Activities" in the 2010 Strategy Map which have a 40% weight shall be rated by the Regional Directors concerned.

3. Each Regional Division shall determine *at least* four (4) projects/activities that shall constitute its “Other Priority Projects/Activities” in the 2010 Strategy Map, subject to the approval of the Regional Director. These projects/ activities shall then be incorporated with the KPIs provided in Annex A of this Order.
4. The Performance Contract (please refer to Annex B of this Order) of each Regional Division, which shall provide details of the Division’s Priority Programs/Projects, KPIs, Program/Project Weights, KPI Weight and Targets, shall be signed by the Regional Division Chief, and noted by the Regional Director concerned. The Contract shall then be submitted to the Assistant Commissioner (ACIR), Policy and Planning Service not later than June 30, 2010.
5. In the event of any request for clarification or definition/ explanation of the KPIs prescribed by the National Office, the ACIR concerned who is the Measure Owner of the KPI in question, shall issue a Memorandum to address such clarification/ explanation, subject to the approval of the Commissioner.
 - 5.1. For purposes of this Order, the Measure Owner of the “On Time: BIR Time” (OT:BT) Program shall be the concerned ACIR to whom the Regional Divisions shall submit their identified priority reports.
6. The ACIRs and Regional Directors shall perform periodic verification and documentation of the progress of the Regional Divisions’ Performance Contracts. Any issues/outstanding accomplishments shall be elevated by the Regional Director to the ACIR concerned.
7. An Annual Regional Divisions Performance Evaluation shall be conducted, to determine the rating of a Regional Division, taking into account its targets vis-a-vis actual performance.
 - 7.1. A straightforward method of computation shall be employed in arriving at the rating of a Regional Division’s performance, using the following formula:
$$\text{Rating} = \text{Actual Accomplishment} \times \text{Project/KPI Weight}$$

- 7.2. The Overall Rating of a Regional Division shall be the sum of all points earned per Priority Project/ KPI.

III.PROCEDURES

The following guidelines and procedures shall be observed in the preparation and submission of the required accomplishment reports, and the conduct of the office performance evaluation, for the CY 2010 Priority Programs and KPIs for the Regional Divisions:

1. Accomplishment Reports shall be prepared and submitted in accordance with the following schedule, by the concerned official:

REPORT	OFFICE/ PERSON RESPONSIBLE	SUBMITTED TO	DUE DATE
<i>Monthly Accomplishment Reports</i>			
• Regional Divisions' Accomplishment Report on KPIs (see Annex C1)	Regional Division Chief	Regional Director concerned	On or before the 7 th day after the end of each month
• Consolidated Regional Divisions' Accomplishment Report on KPIs (see Annex C2)	Regional Director	Assistant Commissioner concerned	On or before the 12 th day after the end of each month
<i>Quarterly Accomplishment Reports</i>			
• Regional Divisions' Quarterly Accomplishment Report on KPIs (see Annex D1)	Regional Division Chief	Regional Director concerned	On or before the 10 th day of the month following each Quarter
• Consolidated Quarterly Accomplishment Report of all Regional Divisions (see Annex D2)	Regional Director	Assistant Commissioner concerned	On or before the 15 th day of the month following each Quarter
• Consolidated Quarterly Accomplishment Report of all Regional Divisions, by Functions (see Annex D3)	Assistant Commissioner concerned	Deputy Commissioner concerned	On or before the 20 th day of the month following each Quarter
<i>Semestral Accomplishment Reports</i>			
• Consolidated Semestral Accomplishment Report of all Regional Divisions (see Annex E)	Regional Director	Assistant Commissioner concerned	On or before the 18 th day of the month following each Semester
• Progress Report of the Regional Divisions (see Annex F)	Assistant Commissioner concerned	The Commissioner and the Deputy Commissioner concerned	On or before the 20 th day of the month following each Semester
<i>Annual Office Performance Evaluation</i>			
• Annual Regional Office Performance Evaluation of the Regional Divisions, per "Other Priority Projects/ Activities" in the 2010 Strategy Map [40%] (see Annex G1)	Regional Director	Assistant Commissioner concerned	On or before the 20 th day of the month after the end of the year

REPORT	OFFICE/ PERSON RESPONSIBLE	SUBMITTED TO	DUE DATE
<i>Annual Office Performance Evaluation</i>			
• Consolidated Annual Regional Office Performance Evaluation of the Regional Divisions [National and Regional Offices - prescribed KPIs] (see Annex G2)	Assistant Commissioner concerned	ACIR, Policy and Planning Service	On or before the 23 rd day of the month after the end of the year
• Ranking of the Regional Divisions, by function	ACIR, Policy and Planning Service, through the Planning Division	The Commissioner	On or before the 26 th day of the month after the end of the year

2. The Planning Officer of each Regional Office shall be responsible for the consolidation and submission of all documents prepared and submitted by the Regional Division Chiefs and Regional Directors. They shall likewise be responsible for the monitoring and follow-up with the Regional Division Chiefs, Assistant Regional Directors and Regional Directors regarding the consolidation and submission of all Accomplishment Reports (on a monthly, quarterly and semestral basis), and the Annual Performance Evaluation.
3. The Planning Division shall be furnished copies of the following reports prepared and submitted in accordance with Section III (1) of this Order:
 - Consolidated Quarterly Accomplishment Report of all Regional Divisions, by Functions (to be prepared by Assistant Commissioner)
 - Progress Report of the Regional Divisions (to be prepared by Assistant Commissioner)

Such reports shall be used to validate the Annual Office Performance Evaluation of the Regional Divisions relative to: (i) KPIs prescribed by the National Office (60%); and (ii) KPIs for “Other Priority Projects/ Activities” in the CY 2010 Strategy Map prescribed by the Regional Director (40%).

4. The reports shall be used as bases/ inputs in the formulation of the CY 2011 Strategy Map and Priority Programs that shall be presented to MANCOM for review and approval.
5. The ACIR, Policy and Planning Service, shall prepare the following documents, for submission to the Commissioner on or before the 31st of January of the following year:

- A compilation of the Office Performance Evaluation Reports, per Region, and per Regional Division; and,
- An Analysis Report on the results of the accomplishment of KPIs

IV. TRANSITORY PROVISIONS

The implementation of the Regional Divisions' KPIs, and the Accomplishment Reports to be prepared relative thereto, shall cover the period beginning in the month of July 2010.

V. REPEALING CLAUSE

All revenue issuances or portions thereof that are inconsistent herewith are hereby repealed or amended accordingly. However, regular Reports required by other Revenue Services which are being prepared and submitted by the Regional Divisions, other than the Reports required in this RMO, shall continue.

VI. EFFECTIVITY

This Order takes effect immediately.

(Original Signed)
JOEL L. TAN-TORRES
Commissioner of Internal Revenue

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