REVENUE MEMORANDUM ORDER NO. 29-2004 issued on June 16, 2004 prescribes the policies and procedures in the implementation of the Performance Management System (PMS), which shall apply to first and second level employees of the Bureau of Internal Revenue (BIR).

The PMS shall establish the formation and operation of the Performance Management Review Committee (PMRC) in the following levels: Top Management, Service and the Regional Offices to review and confirm the performance targets, performance standards and evaluation rating before and at the end of the rating period.

Service Chiefs, Regional Directors, Division Chiefs, Revenue District Officers, and Heads of Sections/Units shall be responsible for their employees’ performance, as well as for setting mutually agreed performance targets, evaluation of levels of achievement against performance target and compliance with the system in order to align individual performance with the office strategies and objectives.

The performance targets must be specific and measurable and must be mutually agreed upon by the supervisor and subordinate at the beginning of the appraisal period. The performance of an employee must be evaluated in relation to such performance targets.

Performance evaluation shall be done on a semestral basis ending on June 30 and December 31 of every year. However, if the organizational needs require a shorter or longer period, the minimum appraisal period shall be at least ninety (90) days or three (3) months. No appraisal period shall be longer than one (1) year.

Only employees with Outstanding (O) and/ or Very Satisfactory (VS) performance rating for two (2) consecutive rating periods shall be considered for promotion. Two (2) successive Unsatisfactory ratings or one (1) Poor rating shall be a ground for separation from the service. Outstanding and Poor rating shall be justified. A proof of accomplishment or non-accomplishment and the Logbook of Critical Incidence concurred by the Chairman of the PMRC of that level shall be submitted to the Human Resource Development Service.

All seconded/detailed personnel assigned to Special Project (One Stop Shop, LRA, etc.) shall be rated by their project supervisors and shall submit a copy of the rating to their mother unit for purposes of ranking.

For employees who are sent on training/scholarship for more than three (3) months, the performance rating for the last rating period prior to the grant shall be considered and a certified photo copy of the Training/Scholarship Contract shall be attached to the Performance Management Form (PMF) to be submitted to the PMRC of that service or region.

Employees who shall retire shall submit their accomplished PMF within the prescribed period to be entitled to payment of Productivity Incentive Bonus (PIB). Officials and employees with Unsatisfactory rating either in the 1st semester or 2nd semester or both shall not be entitled to receive the PIB. Employees who failed to submit their signed PMF shall not be given PIB.

Employees who feel aggrieved or dissatisfied with their final performance rating can file an appeal with the PMRC within ten (10) days from receipt of their PMF. Ratings obtained by other employees can only be used as basis or reference for comparison in appealing one’s performance rating.

Non-submission to PMRC of PMS Targets within the specified date and PMS Report Forms within fifteen (15) days after end of each rating period will be a ground for:

a. Employee’s disqualification for performance-based personnel actions such as promotion, training or scholarship grants and productivity incentive bonus, if the failure of the submission of the report form is the fault of the employee.

b. An administrative sanction for violation of reasonable office rules and regulations and simple neglect of duty for the supervisor or employee responsible for the delay or non-submission of said PMS Targets or PMS Report Form or both.