



PERFORMANCE AGREEMENT

This Performance Agreement has been executed pursuant to the **PERFORMANCE EVALUATION SYSTEM FOR THE GOCC SECTOR (GCG MC No. 2013-02)** between the—

GOVERNANCE COMMISSION FOR GOCCs (GCG)

- and -

PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO)

WITNESSETH: THAT –

The Parties agree to the following terms:

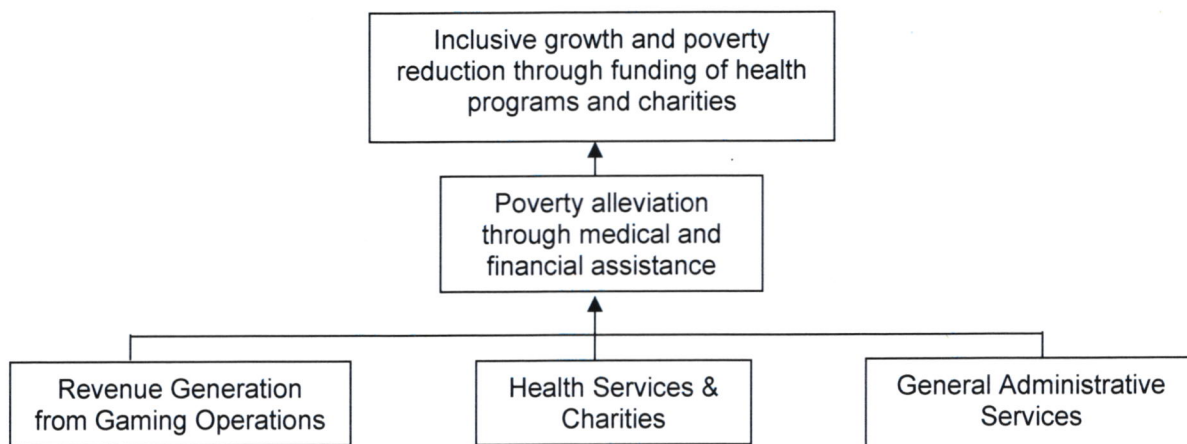
1. **Period.** – This Agreement shall be effective for a period of two (2) calendar years beginning from the execution of this Agreement and ending on 31 December 2014.
2. **Charter Statement and OPIF Logframe.** – PCSO's Charter Statement and OPIF Logframe for the Period specified in Section 1 hereof, shall be as follows:

Mission:

To generate funds for health programs and charities of national character through charity sweepstakes races, lotteries, and other similar activities.

Vision:

By 2016, the PCSO is generating an annual gross income of Php 100 billion and providing timely and responsive health and welfare-related assistance in every municipality.



3. **Measurement of Performance.** – Based on the Interim Performance Scorecard 2013-2014 attached hereto as **Annex A**, the PCSO's Performance for 2013-2014 shall be based on the following Measures/Performance Indicators and Annual Targets, to wit:

Performance Measures				Baseline Data	Target	
Indicator	Description	Formula	Weight	2012	2013	2014
MFO 1: REVENUE GENERATION FROM GAMING OPERATIONS						
Objective: Increase revenues generated through efficient operation of gaming products (<i>Gaming Policies, Sales and Collection</i>)						
Quantity 1	Number of PCSO Branches		10%	30 (+5 Branch Offices)	35 (+5 Branch Offices)	42 (+7 Branch Offices)
Quantity 2	Number of Lotto Outlets / Agents		10%	6,599 (+1,099 Outlets / Agents)	7099 (+500 Outlets / Agents)	7799 (+700 Outlets / Agents)
Financial	Sales Revenue	2012 Amount x 5% (2013 Target)	25%	Php 32.38 Billion	Php 34 Billion (1)	Php 38 Billion without the Loterya ng Bayan. + Php 6 Billion with Loterya ng Bayan (2)
		Sub-total of weights	45%			
MFO 1: HEALTH SERVICES & CHARITIES						
Objective 1: Deliver efficient medical services and provide financial assistance for the hospitalization of indigent beneficiaries. (<i>Medical and Charitable Services</i>)						
Financial	Amount allocated for the delivery of medical services and for the Individual Medical Assistance Program (IMAP)	Total	10%	Php 3.29 Billion	Php 3.5 Billion	Php 4 Billion
Timeliness 1	Length of period in providing medical/financial assistance		10%			
	A: Chemotherapy	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%	100% within 30 days	100% within 21 days	100% within 21 days
	B: For discharge	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%	100% within 1 day	100% within the same day	100% within the same day
	C: Below Php 100T	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%	100% within 5 days	100% within 4 days	100% within 4 days
	D: Above Php 100T	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%	100% within 7 days	100% within 5 days	100% within 5 days

Performance Measures				Baseline Data	Target	
Indicator	Description	Formula	Weight	2012	2013	2014
Timeliness 2	Calamity Assistance	No. of requests processed within turnaround time from (subject to TWG)* / Total no. of requests	5%		100% within 15 working days	100% within 10 working days
		Sub-total of weights	25%			
Objective 2: Augment resources of qualified charitable organizations and institutions to further extend the reach of the agency's charitable services. (Health Development Services)						
Quantity 2	Number of ambulance units released	Total	5%	250 units	50 units	500 units
	A: 1st, 2nd & 3rd Class Municipalities		1.5%	69 units	7 units	150 units
	B: 4th, 5th & 6th Class Municipalities		2.0%	131 units	30 units	250 units
	C: Others (Hospitals, Health Institutions, etc.)		1.5%	50 units	13 units	100 units
Quantity 3	Number of Capability-Building Packages (CBPs) distributed to Rural Health Units (RHUs) and Barangay Health Centers (BHCs) nationwide		10%	2 CBPs	100 CBPs	250 CBPs (including AFP identified housing sites)
Quantity 4	Raising Military and PNP Hospitals to DOH Standard on Equipment		5%		Mapping out and finalizing a program	20% Roll Out
		Sub-total of weights	20%			
GAS: GENERAL ADMINISTRATION & SUPPORT						
Quality 1	Computerization of processes and procedure		5%		Completion of ISSP	Public bidding and test-run of Computerized Accounting System (CAS) and Human Resource Information System (HRIS)
Quality 2	Manualization of core business processes		5%		Completion of the Manual of Operations (3) for the following core functions: -Gaming, Product Development, and Marketing Sector -Charity Sector	Completion of Manual of Operations of all PCSO Offices and Department
Sub-total of weights			10%			
Total of weights			100%			

(1) With pending litigation / TRO with PGMC in the installation of terminals in Luzon (Lotto outlets/agents are required to carry all the game products of PCSO, e.g. KENO, Scratch It Tickets, etc.)
(2) Pending approval of the Loterya ng Bayan IRR from the Office of the President
(3) Subject to regular review in the exigency of the service, for a more dynamic and responsive Agency processes.

It is understood that the GOCC must achieve a weighted-average of at least 90% to be eligible to grant any Performance-Based Bonus.

4. **Quarterly Submission of Performance Monitoring.** – PCSO shall submit a quarterly monitoring report to the GCG within thirty (30) calendar days from the close of each quarter using the monitoring report attached hereto as **Annex B**.
5. **Good Governance Conditions.** – In addition to the covered portions of the Performance Scorecard, the GOCC must fully comply with the Good Governance Conditions enumerated under GCG MC No. 2013-02, namely:

5.1 Conditions Common to National Government Agencies and GOCCs:

- (a) Transparency Seal;
- (b) PhilGEPS Posting;
- (c) Cash Advance Liquidation;
- (d) Citizen's Charter or its equivalent; and
- (e) Compliance with the submission and review requirements covering Statement of Assets, Liabilities and Net Worth (SALN);

5.2 Conditions Specific to GOCCs Covered by R.A. No. 10149:

- (a) Satisfaction of all statutory liabilities, including the payment of all taxes due to the Government, and declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable. Liabilities that are still under dispute and there has been no final and executory judgment/decision as of the date of the release of the PBB by the GOCC shall be excluded for the purpose of this provision.
 - (b) Submission and execution of concrete and time bound action plans for addressing Notices of Disallowances and Audit Observation Memoranda from the Commission on Audit (COA), if any.
 - (c) Adoption of a "*Manual of Corporate Governance*" pursuant to Section 42 of the **CODE OF CORPORATE GOVERNANCE FOR GOCCs (GCG MC No. 2012-07)** that is approved by GCG and uploaded on the GOCC's website.
 - (d) Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG MC No. 2012-07.
 - (e) Adoption of a **No GIFT POLICY** approved by the GCG and uploaded on the GOCC's website pursuant to Section 29 of GCG MC No. 2012-07.
6. PCSO hereby undertakes to have its Performance Scorecard rated by its customers and solicit feedback on how the same may be improved. PCSO shall determine the most effective method for accomplishing the said purpose. Such information shall be reported to GCG together with the quarterly monitoring report. The rating shall not affect the performance indicators/measures in PCSO's Performance Scorecard, and shall be used solely as a reference by GCG and PCSO during Performance Agreement Negotiations/Renegotiations.
 7. Nothing herein shall be construed as limiting the authority of GCG to initiate renegotiations and/or revoke Performance Agreements in accordance with existing laws, rules and regulations.

DONE, this 23 October 2013, in the City of Makati, Philippines.

**GOVERNANCE COMMISSION FOR
GOCCs**


BY AUTHORITY OF THE COMMISSION:


CESAR L. VILLANUEVA
Chairman


MA. ANGELA E. IGNACIO
Commissioner


RAINIER B. BUTALID
Commissioner

**PHILIPPINE CHARITY
SWEEPSTAKES OFFICE
BOARD OF DIRECTORS**


MARGARITA P. JUICO
Chair


JOSE FERDINAND M. ROJAS III
Vice-Chair and General Manager


MA. ALETA L. TOLENTINO
Member


BETTY B. NANTES
Member


MABEL V. MAMBA
Member


FRANCISCO G. JOAQUIN III
Member

Performance Scorecard 2013-2014 (Annex A)

PHILIPPINE CHARITY SWEEPSTAKES OFFICE

Performance Measures				Baseline Data			Target	
Indicator	Description	Formula	Weight	2010	2011	2012	2013	2014
MFO 1: REVENUE GENERATION FROM GAMING OPERATIONS								
Objective: Increase revenues generated through efficient operation of gaming products (<i>Gaming Policies, Sales and Collection</i>)								
Quantity 1	Number of PCSO Branches		10%		25 Branch Offices	30 (+5 Branch Offices)	35 (+5 Branch Offices)	42 (+7 Branch Offices)
Quantity 2	Number of Lotto Outlets / Agents		10%		5,500 Lotto Agents	6,599 (+1,099 Outlets / Agents)	7099 (+500 Outlets / Agents)	7799 (+700 Outlets / Agents)
Financial	Sales Revenue	2012 Amount x 5% (2013 Target)	25%		Php 27.64 Billion	Php 32.38 Billion	Php 34 Billion (1)	Php 38 Billion without the Loteryang Bayan. + Php 6 Billion with Loteryang Bayan (2)
		Sub-total of weights	45%					
MFO 1: HEALTH SERVICES & CHARITIES								
Objective 1: Deliver efficient medical services and provide financial assistance for the hospitalization of indigent beneficiaries. (<i>Medical and Charitable Services</i>)								
Financial	Amount allocated for the delivery of medical services and for the Individual Medical Assistance Program (IMAP)	Total	10%			Php 3.29 Billion	Php 3.5 Billion	Php 4 Billion
Timeliness 1	Length of period in providing medical/financial assistance		10%					

Performance Scorecard 2013-2014 (Annex A)

Performance Measures				Baseline Data			Target	
Indicator	Description	Formula	Weight	2010	2011	2012	2013	2014
	A: Chemotherapy	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%			100% within 30 days	100% within 21 days	100% within 21 days
	B: For discharge	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%			100% within 1 day	100% within the same day	100% within the same day
	C: Below Php 100T	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%		100% within 10-15 days	100% within 5 days	100% within 4 days	100% within 4 days
	D: Above Php 100T	No. of requests processed within turnaround time from date of interview / Total no. of requests	2.5%		100% within 15-20 days	100% within 7 days	100% within 5 days	100% within 5 days

Performance Scorecard 2013-2014 (Annex A)

Performance Measures				Baseline Data			Target	
Indicator	Description	Formula	Weight	2010	2011	2012	2013	2014
Timeliness 2	Calamity Assistance	No. of requests processed within turnaround time from (subject to TWG)* / Total no. of requests	5%				100% within 15 working days (to be submitted by PCSO)	100% within 10 working days (to be submitted by PCSO)
		Sub-total of weights	25%					
Objective 2: Augment resources of qualified charitable organizations and institutions to further extend the reach of the agency's charitable services. (Health Development Services)								
Quantity 2	Number of ambulance units released	Total	5%		26 units	250 units	50 units	500 units
	A: 1st, 2nd & 3rd Class Municipalities		1.5%		20 units	69 units	7 units	150 units
	B: 4th, 5th & 6th Class Municipalities		2.0%		2 units	131 units	30 units	250 units
	C: Others (Hospitals, Health Institutions, etc.)		1.5%		4 units	50 units	13 units	100 units
Quantity 3	Number of Capability-Building Packages (CBPs) distributed to Rural Health Units (RHUs) and Barangay Health Centers (BHCs) nationwide		10%		0	2 CBPs	100 CBPs	250 CBPs (including AFP identified housing sites)
Quantity 4	Raising Military and PNP Hospitals to DOH Standard on Equipment		5%				Mapping out and finalizing a program	20% Roll Out
		Sub-total of weights	20%					

Performance Scorecard 2013-2014 (Annex A)

Performance Measures				Baseline Data			Target	
Indicator	Description	Formula	Weight	2010	2011	2012	2013	2014
GAS: GENERAL ADMINISTRATION & SUPPORT								
Quality 1	Computerization of processes and procedure		5%				Completion of ISSP	Public bidding and test-run of Computerized Accounting System (CAS) and Human Resource Information System (HRIS)
Quality 2	Manualization of core business processes		5%				Completion of the Manual of Operations (3) for the following core functions: -Gaming, Product Development, and Marketing Sector -Charity Sector	Completion of Manual of Operations of all PCSO Offices and Department
Sub-total of weights			10%					
Total of weights			100%					

- (1) With pending litigation / TRO with PGMC in the installation of terminals in Luzon (Lotto outlets/agents are required to carry all the game products of PCSO, e.g. KENO, Scratch It Tickets, etc.)
- (2) Pending approval of the Loteryang Bayan IRR from the Office of the President
- (3) Subject to regular review in the exigency of the service, for a more dynamic and responsive Agency processes.

Monitoring Report (Annex B)

Performance Measures				Baseline Data 2012	2013								
					First Quarter		Second Quarter		Revised Full Year Target	Third Quarter		Fourth Quarter	
Indicator	Description	Formula	Weight		Target	Actual	Target	Actual		Target	Actual	Target	Actual
	A: 1st, 2nd & 3rd Class Municipalities		1.5%	69 units									
	B: 4th, 5th & 6th Class Municipalities		2.0%	131 units									
	C: Others (Hospitals, Health Institutions, etc.)		1.5%	50 units									
Quantity 3	Number of Capability-Building Packages (CBPs) distributed to Rural Health Units (RHUs) and Barangay Health Centers (BHCs) nationwide		10%	2 CBPs									
Quantity 4	Raising Military and PNP Hospitals to DOH Standard on Equipment		5%										
		Sub-total of weights	20%										
GAS: GENERAL ADMINISTRATION & SUPPORT													
Quality 1	Computerization of processes and procedure		5%										
Quality 2	Manualization of core business processes		5%										
		Sub-total of weights	10%										
		Total of weights	100%										

- (1) With pending litigation / TRO with PGMC in the installation of terminals in Luzon (Lotto outlets/agents are required to carry all the game products of PCSO, e.g. KENO, Scratch It Tickets, etc.)
- (2) Pending approval of the Loteryang Bayan IRR from the Office of the President
- (3) Subject to regular review in the exigency of the service, for a more dynamic and responsive Agency processes.