

PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO)

2016 Performance Scorecard Evaluation

Performance Measure				PCSO Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective / Measure	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating			
STAKEHOLDERS/CUSTOMERS	SO 1 Responsive and Efficient Fund Provision for Health and Charitable Programs of the Government									
	SM 1	Settlement of arrears over three years arising from mandatory contributions	15.00%	(Actual / Target) x Weight	Payment of Current Mandatory Contributions and Payment of Arrears over Three Years 1/3 of the Reconciled Figure	Paid a Total Amount of ₱2.002 Billion for Current and Arrears in Mandatory Contributions	15.00%	₱1.001 Billion in Mandatory contributions, ₱327 Million of which are verifiable ₱1.450 Billion for the Settlement of Arrears, ₱1.214 Billion of which are verifiable No Reconciled Figures	6.84%	<ul style="list-style-type: none">• 2016 Summary of Mandatory Contributions• GCG Letter on the Financial Roadmap for Payables of PCSO• GCG MFP on the Financial Roadmap for the PCSO• 2016 COA Annual Audit Report• Certifications from concerned agencies re PCSO's settlement of Current and Arrears on Mandatory Contributions <p>Rating revised. Since there are three targets for the measure, each target is given a 5% weight.</p> <p>(a) <i>Payment of Current Mandatory Contributions.</i> - Verifiable data amounts to ₱327,335,271.32 as current mandatory contributions settled out of ₱554,866,232.98 reported payment made. Although PCSO presented that it was also able to settle its mandatory contribution to the Philippine Red Cross, the National Council on Disability Affairs and various LGUs, no receipts / certifications were submitted.</p> <p>(b) <i>Payment of Arrears Over Three Years.</i> – Out of total arrears amounting to ₱1,559,000,000, verifiable data sourced from the certification provided by the Bureau of Treasury amounts to ₱1,213,743,670 for Education Programs and the National Shelter Program out of the reported ₱1,450,492,704.57. Disbursement to the LGUs cannot be objectively verified since no receipts / certifications from the concerned agencies were provided by the PCSO.</p> <p>(c) <i>Submission of Reconciled Figures.</i> – Reconciled figures from concerned agencies were not submitted. Summary of disbursement submitted remain unverifiable.</p>
	SM 2	Increasing charity fund	12.50%	(Actual / Target) x Weight	₱11.1 Billion	₱11.63 Billion	15.00%	₱11.63 Billion	12.50%	<ul style="list-style-type: none">• 2016 Financial Statements (as prepared by the Accounting and <p>The reported charity fund of ₱11,631,876,787.45 based on the submitted supporting document was compared to the audited report of the Commission on Audit (COA). It was found that there was no</p>

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										<p>Budget Department)</p> <ul style="list-style-type: none">•2016 COA Annual Audit Report <p>discrepancy in the values reported by the PCSO and the audited figure of the COA.</p> <p>The PCSO has requested to increase the weight allocated to the measure. Per representation the request to increase the allocated weight from 12.50% to 15.00% is anchored on the fact that PCSO was able to exceed the target fund allocation for the implementation of charity program under the PCSO flagship program – Individual Medical Assistance Program (IMAP). The IMAP serves individuals requiring financial assistance for hospitalization, chemotherapy and dialysis. Per assessment, financial assistance granted under the program has more than quadrupled to ₱5.2 Billion in 2014 from ₱1.2 Billion in 2009. The expansion of the IMAP raised concerns over the liquidity and sustainability of PCSO.</p> <p>Per the Governance Commission’s financial assessment of PCSO, a financial roadmap for PCSO was recommended to the President. The same roadmap was also transmitted to the PCSO in a letter dated 17 September 2015. In the said communication, the Governance Commission recommended that the PCSO Governing Board should provide a clear budget cap or limit for the charity program. The provision of clear budget cap or limit for the charity program is to ensure that PCSO will be able to settle its liabilities and address its liquidity and sustainability issues. Thus, the justification to increase the weight due to increased allocation to IMAP is not a valid justification. The increase in IMAP allocation in itself should not be considered as an accomplishment as it goes against the purpose and objective of the measure which is to instill effective financial management in the organization. Thus, the request to increase the allocated weight is denied.</p>

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	SM 3	Increase in branches network order to increase delivery presence	10.00%	(Actual / Target) x Weight	+6 Branches (54 Branches)	1. Baler, Aurora 2. Kalinga 3. Romblon 4. North Cotabato 5. Zambo- anga Sibugay 6. Southern Leyte	10.00%	PCSO Opened Branches in Baler, Kalinga, Romblon, North Cotabato, Southern Leyte, Zamboanga Sibugay	10.00%	<ul style="list-style-type: none">Summary of News Clippings on the Opening of PCSO BranchesPCSO 2016 Annual Report	With the opening of the six additional PCSO branches in Baler, Kalinga, Romblon, North Cotabato, Southern Leyte, Zamboanga Sibugay, the PCSO has a total of 56 branch offices nationwide.
	SM 4	Providing access to charity services for the poorest provinces	5.00%	(Actual / Target) x Weight	+4 Provinces from the NAPC-Verified Poorest Provinces	4 Provinces Identified (Lanao del Sur, Maguin- dano, Sarangani, and Sulu) Defined Scope of Charity Services thru the Approval of the I-HOPE Program	5.00%	4 Provinces Identified	5.00%	<ul style="list-style-type: none">Secretary's Certification on Board Resolution No. 279, s. 2016 Identifying the Four Poorest Provinces (Lanao del Sur, Maguindanao, Sarangani, Sulu)Secretary's Certification on Board Resolution No. S-0078, s. 2016 Approving the I-HOPE for 2017Program Plan of I-HOPE Program	Research conducted by the Governance Commission shows that through the I-HOPE Program, the provinces of Lanao del Sur, Maguindanao, Sarangani, and Sulu, the PCSO was able to allot ₱50 Million worth of medical equipment for each province.
SO 2 Efficient and Decentralized Charity Services and Customer Care											
	SM 5	Raising AFP and PNP hospitals to DOH	5.00%	(Actual / Target) x Weight	4 Philippine Army	Letters Seeking Clearance from DOH	2.00%	Letter Seeking Clearance from DOH	5.00%	<ul style="list-style-type: none">PCSO Letter to DOH Seeking Evaluation and Clearance of	During a meeting with the PCSO on 20 December 2016, the Governance Commission requested the PCSO to submit the changes in the concept paper and implementation plan, specifically the

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		standard on equipment			3 Philippine Air Force 1 AFP Medical Center Implementation of DOH-Approved Equipment			Project Concept Paper for the PCSO AFP/PNP Health Facilities Capability-Building Project		Medical Equipment •Secretary's Certification on Board Resolution No. 189, s. 1016 Acknowledging the Need to Review Medical Equipment Requirements •PCSO Memorandum for the Chairman with the Subject "Amendment in the Performance Agreement Targets for CY 2016 – PCSO AFP/PNP Health Facilities Capability-Building Project" •Project Concept Paper for the PCSO AFP/PNP Health Facilities Capability-Building Project	distribution of the equipment for the AFP/PNP hospitals. The PCSO was able to transmit documentation that the PCSO had a series of meetings with its counterparts from the AFP and PNP to discuss the medical equipment requirements of the hospitals. In PCSO's letter dated 28 December 2018, it was able to transmit the Project Concept Paper for the PCSO AFP/PNP Health Facilities Capability-Building Project, which presents that the prioritization of the medical facilities to be assisted, as well as the type of medical equipment to be donated is based on the submission of the AFP and PNP Medical Treatment Facilities / Units (MFTUs). PCSO shall then refer to the DOH for their technical evaluation of the submitted requests of the AFP and PNP MFTUs. With the DOH's Standard Technical Specification (STS) for Hospital Equipment, these MFTUs resubmitted their updated requests which provided information on the type of equipment identified as "priority". Given that PCSO's achievement of its target is lodged to a priority-driven measure and that the prioritization of the medical facilities to be assisted in in consideration of the DOH's Technical Evaluation, the Governance Commission hereby accepts the new submissions of the PCSO and hereby grants the full rating of 5% for the measure.
SM 6	PCSO At Source Ang Processing (ASAP) (Rationalized /		5.00%	(Actual / Target) x Weight	2 Hospitals in Mindanao 2 in Visayas	Batangas Medical Center Bulacan Medical Center	4.38%	Batangas Medical Center Bulacan Medical Center	4.38%	•Secretary's Certification on Board Resolution No. 422, s. 2015 Approving the Pilot Testing of	With the inclusion of the seven new partner hospitals, there is a total of 29 hospitals nationwide with PCSO Help Desks. The agreed upon target for 2016 is the establishment of PCSO Help Desks in two hospitals each in Mindanao, Visayas, Southern Luzon, and Northern Luzon. Lacking one hospital

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		Decentralized Medical Assistance for Indigent Patients)			2 in Southern Luzon 2 in Northern Luzon	Davao Regional and Medical Center Mandaue City Hospital Brokenshire Integrated Health Ministries Inc. Castro Maternity Hospital and Medical Center De La Salle University Center		Davao Regional and Medical Center Mandaue City Hospital Brokenshire Integrated Health Ministries Inc. Castro Maternity Hospital and Medical Center De La Salle University Center		ASAP Service Delivery System • Signed Memoranda of Agreement with Batangas Medical Center, Bulacan Medical Center, Davao Regional and Medical Center, Mandaue City Hospital, Brokenshire Integrated Health Ministries Inc., Castro Maternity Hospital and Medical Center, and De La Salle University Center	in the Visayas area, the PCSO is awarded a weight of 4.38%.
	SM 7	Customer satisfaction survey (3rd party)	5.00%	Below 75% = 0	+5% of 2015 Rating but Not Below Satisfactory Rating	MOA between PCSO and DAP	1.00%	Signed Memorandum of Agreement between PCSO & DAP	3.00%	• Signed Memorandum of Agreement between PCSO and DAP	Similar to 2015, PCSO engaged the services of the Development Academy of the Philippines (DAP) to determine the satisfaction level of indigents seeking financial assistance for hospitalization needs in 2016. The PCSO requested for the decrease the weight allocation of the measure and change the target to signed Memorandum of Agreement (MOA). To acknowledge the efforts of the PCSO, the rating scale of the measure shall be revised to give due consideration to the achievement of milestone activity. The revised rating scale is as follows: • 1% - Board Approval of the Procurement of Third Party Provider; • 3% - Signed MOA with Third Party Provider to Execute Survey;

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FINANCIAL										<ul style="list-style-type: none">• 5% - +5% of 2015 Rating but Not Below Satisfactory. <p>Since PCSO was able to sign a MOA with DAP, the PCSO is awarded a weight of 3%.</p>
	Sub-total Weight		57.50%			52.38%		46.72%		
	SO 3	Sustained Revenue Growth from Gaming Activities								
	SM 8	Gross sales	12.50%	(Actual / Target) x Weight	₱37 Billion	₱39.56 Billion	15.00%	₱39.56 Billion	12.50%	<ul style="list-style-type: none">• 2016 Financial Statements (as prepared by the Accounting and Budget Department)• 2016 COA Annual Audit Report <p>For 2016, the PCSO was able to raise P39,564,206,760 in gross receipts, which is a 5.77% increase from the 2015 performance. The PCSO has requested to increase the weight of the measure from the agreed upon 12.50% to 15.00% to take into account revenue generation reforms initiated by the PCSO. While the efforts made by the PCSO to increase its sales is commendable, it does not warrant a subsequent increase in the weight allocation. Moreover, the proposal of the PCSO is denied as changing the weight allocation by basis of the likelihood a GOCC may or may not achieve its target undermines the integrity of the performance framework.</p>
	SO 4	Research and Development of New Products and Enhancement of Existing Products and Channels								
	SM 9	Development of marketing plan for existing products and new channels	5.00%	(Actual / Target) x Weight	Board-Approved Marketing Plan Conducted by the Third Party	Board-Approved Marketing Plan Conducted by the Third Party	5.00%	Board-Approved Marketing Plan	5.00%	<ul style="list-style-type: none">• Secretary's Certificate on Board Resolution No. D-0083, s. 2016• 2017 PCSO Marketing Plan prepared by the Product and Standard Development Department <p>Rating revised. The Submitted additional documents reflecting Board action and decision to hire a third party to conduct a study and not to develop the marketing plan is accepted as an exercise of sound business judgement and discretion of the Board. Request for reconsideration is <u>ACCEPTED</u>.</p>

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										under the Gaming Sector •Terms of Reference (TOR) on the Hiring of the services of a Research Company •BAC Resolution No. 022, s. 2015 •Secretary's Certificate on Board Resolution No. 126-A, s. 2015 •Minutes of the Meeting of the 4 th Regular Board Meeting CY 2015 •Secretary's Certificate on Board Resolution No. 077, s. 2015	
	Sub-total Weight		17.50%				20.00%		17.50%		
INTERNAL PROCESS	SO 5 Process Automation										
	SM 10	Processing time of service of requests for ambulance	5.00%	(Actual / Target) x Weight Below 75% = 0	90% of Requests Processed within 30 Calendar Days	411 Ambulance Units Released	5.00%	443 Ambulance Requests Approved, 143 of which were from 4 th , 5 th and 6 th class municipalities	5.00%	•2016 Inventory of Released Ambulance •Sample documents of Ambulance Request	Initially, the Governance Commission gave a 0% rating for the measure given the lack of documentary requirements from the PCSO. In its appeal letter, the PCSO provided a summary of the ambulance requests received and acted upon within 2016 which also presents that all requests were processed within 30 calendar days. To conduct due diligence and to further validate PCSO's submission, the Governance Commission requested for documentation showing the validity of the date of receipt of complete documents and

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				All Valid Request of 4 th , 5 th , and 6 th Class Municipalities are Served						date of approval reflected in the presented summary during the on-site validation conducted last 11 September 2019. Since the PCSO was able to substantiate its actual accomplishment, the Governance Commission hereby grants PCSO's appeal for SM 10 and awards the 5% full weight for this measure.
SM 11	Processed automated	5.00%	(Actual / Target) x Weight	CAS – Full Roll Out in Head Office and Specific Module for Branch Offices	No CAS Module Rolled Out in 2016	1.00%	No CAS Module Rolled Out in 2016	-	<ul style="list-style-type: none"> • PCSO 3rd Quarter Accomplishment Report • Sample of CSIS Module • Letter from Third Party Requesting for Extension to Complete the CAS 	Per the representation of the PCSO, the third-party service provider failed to deliver the expected outputs on time. As such, the CAS has not been rolled out in 2016. Thus, the PCSO requested to decrease the weight allocated to the measure and revise the target to "Test Run of CSIS in 4th Quarter of 2016". The submission of the PCSO shows that the third party provider requested for an extension of the CAS Project from 30 September 2016 to 30 September 2017. Given that the nonattainment of the target was beyond the control of the PCSO, the Governance Commission shall disregard the weight allocation of the measure in the total weight. Therefore, the 2016 Performance Scorecard has a total weight of 95%.
SM 12	Shorter processing time for the payment of guarantee letters issued	5.00%	(Actual / Target) x Weight Below 75% = 0	90% of Requests are Processed within 45 Days	165,351 out of the 223,778 Cases Processed within the Specified Timeframe	1.00%	Accomplishment cannot be objectively verified due to inconsistent data submitted	0.00%	<ul style="list-style-type: none"> • Summary of IMAP Requests processed Manually and through the Computerized Accounting System (CAS) • Database of IMAP Requests (Manual and CAS) 	<p>Having no documentary submissions supporting its claim that 165,351 out of the 223,778 of the cases were processed within the specified timeframe, the PCSO was initially given a rating of zero in the measure.</p> <p>In its appeal letter, the PCSO provided additional documentary evidences on the processed disbursement vouchers for 2016, which includes requests processed manually and through the CAS. However, upon the validation of the Governance Commission, the PCSO included in its computation the requests received in prior years and those with no data on the receipt date of the request. Additional documents were then requested from the PCSO, which the Governance Commission found that out of the 226,194</p>

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											requests, only 112,257 were verifiable. Out of the 112,257, 55,375 were processed within the prescribed period of 45 days. Based on the rating scale under the 2016 Performance Scorecard, wherein a minimum acceptable accomplishment of 75% was determined, the 0% score is hereby maintained since the submissions of the PCSO does not reach the minimum requirement to be considered as accomplishment. It shall also be noted that majority of the transactions remain unverifiable and that the submissions are noticeably inconsistent, hence the validity and accuracy of the reported accomplishment cannot be properly and objectively determined.
	Sub-total Weight		15.00%				7.00%		5.00%		
LEARNING AND GROWTH	SO 6 Equipped and Empowered Professional Workforce										
	SM 13	Improve the competency level of the organization	5.00%	3% = Board-Approved Competency Framework / Model 5% = Establishment of the Baseline Competency Level	Establish Baseline Competency Level	Board-Approved PCSO Competency Framework	5.00%	Board-Approved Competency Framework	0.00%	<ul style="list-style-type: none">• Secretary's Certification of Board Resolution D-0069, s. 2016 Approving the Competency Framework of PCSO• Copy of Competency Framework	<p>Per the agreement of the Governance Commission and the PCSO during a meeting last 20 December 2016, the graduated rating scale was introduced to give credit to activities undertaken but short of implementation of the framework. While the PCSO Board of Directors approved the competency framework of the organization, the supporting documents show that only the competency catalogue was completed in 2016. In its appeal letter of the PCSO and subsequent submission last 28 December 2018, the same supporting documents were submitted to the Governance Commission.</p> <p>While the Governance Commission acknowledges the completion of the Competency Catalogue, Competency Framework, and Competency Tables of the Organization, the PCSO has failed to submit the Competency Matrix, Position Profiles, and Competency-Based Job Descriptions. Without the submission of such outputs, the submitted Board-</p>

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										approved Competency Framework could not be considered as an accomplishment for 2016,
SM 14	ISO certification	5.00%	(Actual / Target) x Weight	ISO Certification Charity and Branch Processes	Maintenance of ISO 9001:2008 Certification	10.00%	No ISO Certification for Charity and Branch Processes	0.00%	<ul style="list-style-type: none"> Secretary's Certification of Board Resolution 171, s. 2016 and Board Resolution D-0046, s. 2016 Approving the Deferring of ISO Certification for Charity and Branch Processes 	<p>The PCSO's latest submission showed that the ISO Certification for Branch Offices was deferred due to the non-submission of the required documents and non-participation of any of the Branch Sector officers or representatives in the conduct of review and revision of the PCSO's Quality Manual amid regular reminders of the PCSO Quality Management System (QMS) Committee. Considering that these factors are within PCSO's control, the Governance Commission's previous evaluation to retain the measure is maintained.</p> <p>While the Governance Commission acknowledges the maintenance of PCSO's ISO 9001:2008 Certification on the Prize Claims Processes, the 2016 target, as indicated in PCSO's scorecard, of obtaining "ISO Certification for Charity and Branch Processes" was not accomplished. As such, the Governance Commission maintains that the 0% awarded to the measure shall be RETAINED.</p>
Sub-total Weight		10.00%				15.00%		0.00%		
TOTAL		100%				94.38% out of 100%		69.22% out of 100% 72.86% out of 95%		