

Annex A

PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO)  
Validation Result of 2019 Performance Scorecard

Component						PCSO Submission <sup>1</sup>		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating		
FINANCIAL	SO 1	Guarantee Sustained Revenue Growth									
	SM 1	Percentage Increase in Gross Revenue/Sales	(Gross Revenue in 2019 – Gross Revenue in 2018) / Gross Revenue in 2018	20%	$\frac{(Actual / Target) \times Weight}{5\% \text{ Increase from 2018 Actual}}$	5% Increase from 2018 Actual	₱44.028 Billion	12%	₱44.028 Billion	0%	2019 COA Annual Audit Report PCSO's 2019 Annual Audit Report Memorandum No. 2021-083 Comparative Monthly Sales per Branch per Game  Considering the impact of TRAIN Law, the GCG revised the target and rating scale for this measure, which was based on the proposal submitted by the PCSO after the technical Panel Meeting for the 2019 PES. The said proposal already took into consideration the implementation of the TRAIN Law.  Despite the adjustment in target, PCSO still failed to reach the same. The validated actual is 31% lower than the 2018 actual of ₱63.57 Billion, hence the grant of 0% score.
	SM 2	Increase PCSO Presence	Number of Provinces with Branches / 81 Provinces	5%	$(Actual / Target) \times Weight$  If below 83% = 0%	90%	69 Branches	0%	96%	5%	List of PCSO Branches and Provincial Coverage Summary of Sales and IMAP Grants per Branch (Samples) Samples of Memorandum of Agreement between  Target exceeded. As of end of 2019, PCSO had established 67 branches nationwide, which already covers 78 of the country's provinces, thus exceeding the year's target of 2019.

<sup>1</sup> Based on PCSO's submission dated 17 May 2021.

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Objective/Measure			Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating		
											PCSO and Provincial Government Units	
Sub-total				25%				12%		5%		
CUSTOMERS	SO 2 Ensure Highly Satisfied PCSO Agents and Partners, Gaming Public and Charity Beneficiaries											
	SM 3	Percentage of Satisfied Customers	Number of Stakeholders who gave a Rating of at least Satisfactory / Total Number of Respondents	5%	(Actual / Target) x Weight  If less than 80% = 0%	90%	The request of PCSO for the conduct of in-house CSS was approved by GCG on 03 October 2019. Meeting between PCSO and GCG for the finalization of survey to be used is still ongoing	No rating provided	Result not acceptable	0%	2019 Annual Accomplishment Report	PCSO failed to comply with the "Standard Methodology for the Conduct of the Customer Satisfaction Survey" issued by the Governance Commission. PCSO's request to use the result of the in-house customer satisfaction survey with binary rating scale is <b>DENIED</b> .
	SO 3 Rationalize Use of Charity Fund											
	SM 4a	Reconciliation of Arrears Arising from Mandatory Contributions	Actual Accomplishment	10%	All or Nothing	Reconciliation of Arrears with 100% of Recipients Identified in the Financial Roadmap	Arrears in Mandatory Contributions reconciled	10%	17 out of the 21 accounts were reconciled	0%	Reply slip from the recipient agencies Confirmation letters from the recipient agencies	PCSO was not able to reconcile the amount of arrears for four (4) accounts: Educational Program (CHED), Greater Medicare Access Program (Philhealth), Program for LGUs, and Shelter and Urban Development Programs (DHSUD). Considering the reconciliation documents submitted, the total

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											arrears is adjusted from ₱3.767 Billion to ₱1.843 Billion.
SM 4b	Settlement of Arrears Arising from Mandatory Contributions	Absolute Amount	10%	All or Nothing	100% Payment of Mandatory Contributions (Arrears)	Arrears in Mandatory Contributions are 100% paid	10%	81% of arrears paid	0%	Official receipts issued by the Bureau of Treasury (BTr) or the recipient agencies Reply slip from the recipient agencies Confirmation letters from the recipient agencies	Target not met. Of the total arrears amounting to ₱1.843 Billion, PCSO was able to pay ₱1.499 Billion.
SM 5	Payment of Mandatory Contributions (Current)	Current Mandatory Contributions paid / Total Current Mandatory Contributions	15%	(Actual / Target) x Weight If less than 90% = 0%	100% Payment of Mandatory Contributions (Current)	Current Mandatory Contributions are 100% paid	15%	Cannot be validated	0%	Official receipts issued by BTr or the recipient agencies Memoran-dum No. 2021-ADMIN-020	PCSO reported to have paid a total of ₱660.12 Million mandatory contributions, however, based on the documents submitted by the PCSO, the GCG was only able to validate the contribution made to CHED amounting to ₱184.36 Million, which corresponds to payments with official receipts issued in 2019. The supporting documents for the other recipient agencies were payments made for either 2017, 2018 or 2020.

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												PCSO also failed to provide the computation for the mandatory contributions for 2019. With this, the GCG cannot objectively validate the amount of required mandatory contributions for 2019, hence, a partial rating cannot be computed. See Appendix 1 for details.
Sub-total				40%				35%		0%		
INTERNAL PROCESS	SO 4	Research, Develop, and Strengthen New and Existing Products and Channels										
	SM 6	Increase in the Number of PCSO Agents (Outlets) and Partners (Expansion of Game Products)	(Number of PCSO Agents and Outlets in 2019 – Number of PCSO Agents and Outlets in 2018) / Number of PCSO Agents and Outlets in 2018	5%	(Actual / Target) x Weight	5% Increase from 2018 Actual	10,277	4%	11,334	0%	Inventory of Lotto and Keno Outlets Briefer on lottery systems providers / third-parties Board Resolution terminating partnerships with Private Hospitals Memorandum from Data Center Division Number of STL-AACs	Target not met. The validated accomplishment for this measure is lower than the 2018 baseline/actual of 12,663.

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SO 5 Deliver Expanded, Efficient and Decentralized Health and Charity Services											
SM 7	Percentage of Guarantee Letter (GL) Payments Processed Within Prescribed Period (Individual Medical Assistance Program)	Number of GLs Utilized Issued with Checks Processed Within Prescribed Period / Total Number of GLs Utilized	10%	(Actual / Target) x Weight	90% <sup>2</sup>	77.14% of GLs with complete documents received processed and submitted to the ABD within 10 working days	10%	Cannot be validated	0%	Database of Processed SOAs (CAPS and Manual) IMAP Database per Branch	<p>The prescribed processing time for IMAP was not disclosed in PCSO's Citizen's Charter posted in its website. Instead of the IMAP process, the Citizen's Charter covering this service presented the process flow for Freedom of Information request.</p> <p>PCSO failed to present accurate and reliable database as basis of validation. Based on a sample of 30 branches which represents 168,581 transactions or 36% of the total nationwide transactions, 34% were invalid<sup>3</sup> entries.</p> <p>We would like to reiterate that since 2016, the GCG has yet to validate the baseline for PCSO's accomplishment under this measure. The reason is mainly due to PCSO's failure to substantiate its reported accomplishment with valid, accurate, and acceptable supporting documents.</p>
SM 8	Number of Partner Hospitals with ASAP Desk	Absolute Number	5%	(Actual / Target) x Weight	+10 Government	14 Approved ASAP Desks, 8 are	5%	+11 Government Hospitals from	5%	List of on-going ASAP Desks	Target exceeded. PCSO recorded 44 ASAP Desks in 2019 with the addition

<sup>2</sup> Prescribed period based on PCSO's compliance with Republic Act No. 11032 otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018.

<sup>3</sup> Includes errors in computations due to black/null entries on start and end dates, transactions received in 2019 but fully processed in 2020 or 2021 and cancelled/redacted transactions.



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Objective/Measure		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating		
					Hospitals from 2018 Actual	operational and 6 with MOA pending with hospitals for signature		2018 Actual Additional Desks		Nationwide (Public Hospitals)  MOA between PCSO and Hospitals	of 11 ASAP Desks from a total count of 33 ASAP Desks in government hospitals in 2018.
SO 6 Sustain and Expand Quality Management System											
SM 9	ISO 9001:2015 Aligned QMS Established	Actual Accomplishment	5%	Maintain ISO 9001:2015 Certification for Management of Gaming Operations (Online Lottery Draw and Prize Claims) and Charity Programs including Support Process (scope and locations covered) = 2.5%	Maintain ISO 9001:2015 Certification for Management of Gaming Operations (Online Lottery Draw and Prize Claims) and Charity Programs including Support Process (scope and locations covered)  Obtain ISO 9001:2015 Certification for Charity Fund Payment Process	PCSO maintained its ISO 9001:2015 Certification for Management of Gaming Operations (Online Lottery Draw and Prize Claims) and for Charity Fund Payment Process	5%	ISO 9001:2015 Certification Management of Gaming Operations (Online Lottery Draw and Prize Claims) and Charity Programs including Support Process (scope and locations covered) and ISO 9001:2015 Certification for	5%	ISO 9001: 2015 Certification issued by TUV Rheinland  Audit Report from TUV Rheinland	Target met.

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					Operations (Online Lottery Draw and Prize Claims) and Charity Programs including Support Process (scope and locations covered) and ISO 9001:2015 Certification for Charity Fund Payment Process Obtained = 5%				Charity Fund Payment Process Obtained		
<b>SO 7 Develop Integrated and Comprehensive Information Systems to Improve Internal Control and Processes</b>											
SM 10	Percentage of Completion / Implementation of ISSP	Actual Accomplishment	5%	100% Attainment of 2019 Deliverables based on the Board-approved ISSP 2019-2021 as submitted to DICT = 5%  Submission of Board-	100% Attainment of 2019 Deliverables based on the Board-approved ISSP 2019-2021 as submitted to DICT	Information Systems Strategic Plan 2019-2021 submitted to the DICT on 26 September 2019.  Implemented the following projects under the ISSP:		5%	Cannot be validated	0%	Transmittal Letters to DICT dated 09 September 2019 and 14 February 2020 submitting the Board-Approved ISSP Board-Approved ISSP as submitted to
											Upon evaluation of the documents submitted, it was observed that four (4) out of the five (5) ICT Projects were operational within 2019. However, absent the ISSP versions submitted to the DICT thru letters dated 09 September 2019 and 14 February 2020, the GCG cannot objectively validate if the completed systems were in line with the targets in the ISSP.

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					approved 2019-2021 ISSP to DICT = 2.5%		1. Development of Computerized Accounting System (CAS) – 91% accepted by the end-user based on Terms of Reference; roll-out to Bulacan Branch 2. Digital Signature and Secure Locket Layer (SSL) Certificate – installed in the server and being used in CAPS, CSIS and CAS 3. Multi-factor Authentication (MFA) – being used in CSIS. For enrollment of employees to MFA, once done, it shall be deployed to all web-based application 4. Connectivity and				DICT dated 17 February 2021  Sample of System Generated Reports  Sample Screenshots of the Systems  Certificate of Completion  Acceptance and Inspection Report	



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Objective/Measure			Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating		
							Redundancy – MPLS connectivity already done in 3 out of 4 branches: Bulacan, Cavite and Davao					
	Sub-total			30%				29%		10%		
LEARNING & GROWTH	SO 8 Recruit, Develop and Retain Competent and Empowered Leaders and Workforce											
	SM 11	Percentage of Employees Meeting Required Competencies	Actual Accomplishment <sup>4</sup>	5%	All or Nothing	Improvement in the Competency Baseline of the Organization	A total of 447 (41.39%) PCSO employees with competency assessment have attended appropriate training based on the Training Analysis Needs (TNA)	5%	No competency assessment conducted in 2019	0%	Training Effectiveness Tracker Personnel Complement Data	Target not met.
	Sub-total			5%				5%		0%		
	TOTAL			100%				81.00%		15.00%		

<sup>4</sup> Improvement in the competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum_{b=1}^B \left[ \frac{\sum_{a=1}^A \left( \frac{\text{Actual Competency Level}}{\text{Required Competency Level}} \right)}{A} \right]}{B}$$

where: a = Competency required, A = Total number of competencies required of position, b = Personnel profiled, B = Total number of personnel profiled

### VALIDATION RESULT FOR SM 5: PAYMENT OF MANDATORY CONTRIBUTIONS (CURRENT)

No.	Beneficiary / Item	Particulars	Payment as Reported by PCSO	Payment as Validated by GCG	Remarks
1	Commission on Higher Education RA No. 7722	1% of Gross Sales	213,587,295.00	184,356,030.20	<b>Noncompliant.</b>  1% of Gross Sales = <del>P</del> 440.28 Million  Only payments with official receipts issued in 2019 were counted.
2	Dangerous Drugs Board RA No. 9165	10% of unclaimed prizes but not less than P12 Million	40,908,014.20	Not acceptable	Supporting documents submitted corresponds to the contributions made in 2020.
3	Philippine Sports Commission RA No. 6847	Six (6) draws per annum based on Lotto 6 digit	2,235,092.35	Not acceptable	Supporting documents submitted corresponds to the contributions made in 2020.
4	Local Government Units and EO No. 357, 357-A	2% (Municipalities) and 5% (Cities) of the Charity Fund of Lotto Sales	400,521,079.18	Cannot be validated	No supporting documents submitted.
5	Philippine Red Cross RA No. 3867	Six (6) draws per annum based on Lotto 6 digit	429,030.36	Cannot be validated	No supporting documents submitted.
6	Philippine Red Cross RA No. 10072	Six (6) draws per annum based on Lotto 6 digit	338,080.32	Cannot be validated	No supporting documents submitted.
7	Girl Scout of the Philippines RA No. 620	Six (6) draws per annum based on Lotto 6 digit	448,556.84	Not acceptable	Supporting documents submitted corresponds to the contributions made in 2017 and 2018.
8	National Council on Disability Affairs RA No. 4564	Six (6) draws per annum based on Lotto 6 digit	302,817.35	Not acceptable	Supporting documents submitted corresponds to the contributions made in 2018.
9	Boy Scout of the Philippines CA 595	Six (6) draws per annum based on Lotto 6 digit	526,380.58	Not acceptable	Supporting documents submitted corresponds to the contributions made in 2018.
10	Quezon Institute RA No. 4703	Six (6) draws per annum based on Lotto 6 digit	370,623.64	Not acceptable	Supporting documents submitted corresponds to the contributions made in 2017 and 2018.
11	Nutrition Foundation of the Philippines RA No. 4621	Six (6) draws per annum based on Lotto 6 digit	449,425.28	Not acceptable	Supporting documents submitted corresponds to the contributions made in 2018.
<b>TOTAL</b>			<b>660,116,395.10</b>	<b>184,356,030.20</b>	