

PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO)
Validation Result of 2017 Performance Scorecard

		Component				PCSO Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating				
STAKEHOLDERS / CUSTOMERS	SO 1	Responsive and Efficient Fund Provision for Health and Charitable Services of the Government										
	SM 1	Settlement of Arrears Arising from Mandatory Contributions	Absolute Amount	15%	All or Nothing	₱1.250 Billion representing the 2 nd tranche of the GCG-Recommended Roadmap and Reconciled Financial Roadmap Agreed by PCSO and All Beneficiaries of Mandatory Contributions	₱955 Million released as of 31 December 2017	15%	₱110 Million payments made for arrears in mandatory contribution under the 2 nd tranche of the GCG-Recommended Financial Roadmap Reconciled amounts only cover DDB and DOJ	0%	<ul style="list-style-type: none"> • Mandatory Contributions as of 30 September 2018 • 2017 COA Annual Audit Report • GCG-Recommended Roadmap • Communication Letters between PCSO and DDB, DOJ, DFA • Certifications issued by DDB and PSC 	Request for reconsideration <u>DENIED</u> . PCSO presented new evidence on its accomplishment for arrears paid but none on the reconciliation of amounts. Of the reported P138 Million payments made for arrears in mandatory contributions, the Governance Commission evaluated that only P110 Million qualifies as acceptable accomplishment for 2017.
	SM 2	Rationalize Use of the Charity Fund	Mandatory Contributions /Total Charity Fund Expenses Medical and Charity and Financial Assistance Program/	15%	All or Nothing	45%-55%= Mandatory Contributions ² 30%-45%= Implementation of Medical and Charity and	42% = Mandatory Contributions 55% = Implementation of Medical and Charity and	15%	42% = Mandatory Contributions 55% = Implementation of Medical and Charity and	0%	<ul style="list-style-type: none"> • COA Annual Audit Report 	Request for reconsideration <u>DENIED</u> . The justification presented is not acceptable as it runs counter to the principal objective of the measure. We take this opportunity to remind PCSO Board of the recommendation of the Governance Commission to ensure its prudent use of the charity fund and adherence to various mandatory payments expected of PCSO.

¹ Based on the revised Performance Scorecard submitted on 22 October 2018.

² Includes Documentary Stamp Tax paid

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			Total Charity Fund Expenses Other Charges to Charity Fund over Total Charity Fund Expenses		Financial Assistance Program ³ 5%-10% = Other Charges to Charity Fund		Financial Assistance Program 3% = Other Charges to Charity Fund		Financial Assistance Program 3% = Other Charges to Charity Fund			
SM 3	Customer Satisfaction Survey (3 rd Party)	5%	Number of respondents who rated PCSO service with at least VS / Total number of respondents	(Actual / Target) x Weight	90% of respondents gave at least a Very Satisfactory Rating	3%	39% of respondent rated PCSO between 4.5 – 5 (Very Satisfactory)	5%	94.98%	<ul style="list-style-type: none"> 2017 Customer Satisfaction Survey submitted by DAP E-mail correspondence between PCSO and DAP 	PCSO exceeded the target. Validated actual accomplishment reflects the Top 2 Box score.	
		35%	<i>Sub-Total</i>			33%		5%				
FINANCIAL	SO 2 Sustained Revenue Growth											
	SM 4	Gross Sales	Absolute Amount	20%	Above ₱50.99 Billion = 20% ₱46.62 Billion to ₱50.99 Billion = 15% ₱37 Billion to ₱46.61 Billion = 5% Below ₱32 Billion = 0%		₱46.62 Billion	20%	₱51.94 Billion	20%	₱53.01 Billion	<ul style="list-style-type: none"> COA Annual Audit Report (AAR)

³ Includes charges for Medical Assistance and Services, Health and Welfare Programs, Ambulance Donation, Special Projects and Aid to National Calamities and Charity Clinic

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SM 5	Increase in Branches Network	Number of Branches	10%	(Actual / Target) x Weight	+6 Branches (Total of 62 Branches in 2017)	+7 Branches (Total of 63 Branches in 2017)	10%	+7 branches (Total of 63 Branches in 2017)	10%	<ul style="list-style-type: none"> • COA Annual Audit Report • News Clippings • Consolidated Sales Report per Province / Branch 	Request for reconsideration APPROVED . The reported accomplishment is acceptable with PCSO exceeding the target. PCSO provided the 2017 Retail Receipts per Province Report to show that the additional branches in Ifugao, Catanduanes, Lanao Del Norte, and Davao Del Norte were indeed operational and earning.
SM 6	Implementation of Marketing Plan for Existing Products and New Channels	Accomplished deliverables/ Total deliverables based on the Plan	10%	(Actual / Target) x Weight	100% Implementation of Deliverables based on Strategic Sales and Marketing Plan ⁴	Jackpot Bearing Games (accomplished) Digit Games (accomplished) KENO (unaccomplished) Sweeps-takes (accomplished) STL (accomplished) Lotto / KENO Incentive Package (unaccomplished)	7%	4 out of the 29 scheduled projects were accomplished	1.38%	<ul style="list-style-type: none"> • Publication materials • Advertisement materials • Ad placements • Radio Ads • TV Ads 	As represented by the PCSO, 15 out of the 29 scheduled marketing activities for 2017 were accomplished while the remaining unaccomplished activities shall be carried over to its 2018 Marketing Plan. However, validation of supporting documents show that only four (4) planned activities were undertaken in 2017. Materials submitted regarding PCSO's anniversary and charity services offered were excluded. The measure strictly applies to the marketing of PCSO's gaming products and channels
		<i>Sub-Total</i>	<i>40%</i>				<i>37%</i>		<i>31.38%</i>		

⁴ Based on PCSO submitted Strategic and Sales Plan dated 30 May 2017.

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SO 3		Process Automation and Efficiency										
INTERNAL PROCESS	SM 7	Process Automated (CAS)	No. of Branches rolled-out / 56 branches ⁴	5%	(Actual / Target) x Weight	CAS Capacity Building and Roll-Out to at least One (1) Branch per Region except ARMM or roll out to 17 regions	BR 0083, s. 2017 (April 18) Board approved the suspension of CAS from April 1 to July 15, 2017 BR 0161, s. 2017 (July 13) Board approved the extension of suspension of CAS from July 16, 2017 to June 30, 2018.	--	CAS not rolled-out	0%	Secretary's Certificate on Board Resolution No. 0161, series of 2017	Per Board Resolution No. 0161, series of 2017, the Board approved the suspension of work period of Exakt, Inc. from 16 July 2017 to 30 June 2018 per the recommendation of the PCSO CAS Project Team to give more time for the PCSO to comply with the required submission so that Exact, Inc. can fully comply with its deliverables. Per representation during the on-site validation, PCSO is having a difficult time to deliver the required submissions as data will come from branches and agents. Considering that PCSO is also responsible for the delay of the project, the request to delete the measure is DENIED and PCSO is awarded 0% for this measure.
	SM 8	Shorter Processing Time of Guarantee Letter Payments	Percentage of Released and/or Utilized Guarantee Letters (GLs) / Total GLs released or utilized until 20 November of current year	10%	Above 89.99% = 5% 85% to 89.99% = 3% Below 85% = 0%	90% of Released and/or Utilized (GLs) issued until November 20 of the current year are processed for payment within forty (40) days from the	Head Office: 5,964/18,154 vouchers were processed within 45 days Branch Offices: 106,027 / 132,144	8%	Cannot be validated	0%	<ul style="list-style-type: none"> Summary of Total Received Vouchers and Total Issued Checks prepared by the Treasury Department of PCSO Excel sheet of transactions generated from CAS 	Verification of the additional supporting documents submitted after the on-site validation showed that there were 19,292 transactions. Of which, only 3,854 or 19.98% were processed for payment within 40 days from date of receipt of complete documents. Out of the 150,298 transactions, 131,006 transactions do not have supporting documents.

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					date of receipt of complete documents	TOTAL: 111,981 / 150,298 = 74.51%					
SO 4 Quality Management System											
SM 9	Establish Quality Management System a	-	5%	Recertification under ISO 9001:2008 = 2.5% Recertification under ISO 9001:2008 and Readiness for ISO 9001:2015 = 5%	Maintain ISO 9001:2008 Certification for Gaming Processes (Live Lotto Draws) and Prize Claim Services and Readiness for the ISO 9001:2015 for Gaming and Prize Claim	Various activities, trainings and seminars conducted in preparation for the transition to the ISO 9001:2015 version and 9001:20018 ISO Certification maintained	5%	ISO 9001:2008 Certification for Gaming (Live Lotto Draws) and Prize Claims maintained Overall Adequacy and Readiness of PCSO to transition / upgrade to the ISO 9001:2015 Certification confirmed by the Third Party	5%	<ul style="list-style-type: none"> Audit Report by TUV Rheinland Attendance Sheet for Seminars/ Trainings in preparation for the transition to ISO 9001:2015 Minutes of Management Review Certification from the Consultant on Readiness to Transition to ISO 9001:2015 	Request for reconsideration APPROVED . The Overall Adequacy and Readiness of PCSO to transition / upgrade to the ISO 9001:2015 Certification was confirmed by its Third Party consultant.
		<i>Sub-Total</i>	20%				13%		5%		

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LEARNING AND GROWTH	SO 5	Efficient and Empowered Workplace										
	SM 10	Improve the Competency Level of the Organization	Number of Positions assessed / Total number of positions	5%	(Actual / Target) x Weight	Establish Competency Baseline (3rd Party Assessment) covering 50% each of the following level: a) Senior Management; b) Middle Management; c) Professional and Supervisor; and d) Clerical/ General Staff	653 out of 1,089 personnel underwent competency assessment	3%	No third-party competency baseline report	0%	<ul style="list-style-type: none"> Internally-generated Training Needs Analysis Matrix List of Employees who have undergone Training Needs Analysis 	Supporting document submitted is not sufficient to determine that competency assessment was done by the third party. Assessment report from the third party is not available per representation of PCSO.
			<i>Sub-Total</i>	5%				3%		0%		
		TOTAL		100%				86%		41.38%		