

HOME DEVELOPMENT MUTUAL FUND
Interim Performance Scorecard

Performance Measures				Targets	Accomplishments		CGO-A Validated		Supporting Documents	Evaluation
Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
MFO 1: Provident Savings										
Quantity	Members' Savings (P Billion)	7%	Simple Average (i.e. Actual/Target), but shall not exceed 100%	26.205	26.134	6.98%	26.134	6.98%	Report to HUDCC	<p>HDMF missed its target due to typhoons and calamities that visited the country, making savings remittance the last priority of members/employers. The months of August and October had the lowest accomplishment rate. This is especially true for the informal sector. The formal sector is relatively unaffected because of the withholding mechanism in place.</p> <p>A notable accomplishment is the introduction of innovative products like Pag-IBIG II and Modified Pag-IBIG II (MP2), which seek to make the savings program more attractive to members.</p>
Quality	Provident Benefit Claims (Percentage of qualified applicants for claims served)	7%	100%: 7% <100% 0%	100%	100%	7.00%	100%	7.00%	Report from General Accounting Department	

Performance Measures				Targets	Accomplishments		CGO-A Validated		Supporting Documents	Evaluation
Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
Financial	Percentage of Dividend to Net Income	7%	Simple Average (i.e. Actual/Target), but shall not exceed 100%	70% (9.888 B)	70% (10.106 B)	7.00%	70% (10.106 B)	7.00%	Copy of the Board Resolution approving the dividend payout rate for 2013	<p>First, Net income or Total Revenues is a better indicator since Section 4, Rule IX of the IRR of RA 9679 already requires a mandatory minimum of 70% dividend payout ratio.</p> <p>Second, dividend payout ratio is not a complete measure of the performance of the provident savings fund because it should be balanced with the appropriate level of capital or retained earnings to cover HDMF's major risk exposures.</p>
Timeliness	Provident Benefit Claims Processing Time (computer time)	4%				2.55%		2.55%	Report from operating units to corporate planning group	<p>HDMF missed some of its timeliness targets. One reason is lack of manpower. The staffing pattern is no longer appropriate considering that it was approved as far back as 2006. The membership base has grown since then and so has transaction volumes.</p> <p>A related issue is the slow implementation of the UMID system which seeks to centralize an ID system for all members of GSIS, SSS, HDMF, and ECC. The project is administered by GSIS and SSS, pursuant to law. To date, issuance of UMID cards is slow and does not cover a significant portion of HDMF members.</p>
	1. Regular Claims									

Performance Measures				Targets	Accomplishments		CGO-A Validated		Supporting Documents	Evaluation
Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
	a. All records are available within the receiving/processing branch	0.70%	> 4 WD: 0% >2-4 WD: 0.35% ≤ 2 WD: 0.7%	2 WDs	2.9 WDs	0.35%	2.9 WDs	0.35%		
	b. With records from other branch/es	0.80%	> 10 WD: 0% >6-10 WD: 0.4% ≤ 6 WD: 0.8%	6 WDs	5.9 WDs	0.80%	5.9 WDs	0.80%		
2. Maturity Claims										
	a. All records are available within the receiving/processing branch	0.70%	> 6 WD: 0% >3-6 WD: 0.35% ≤ 3 WD: 0.7%	3 WDs	9.1 WDs	0.00%	9.1	0.00%		
	b. With records from other branch/es	0.80%	> 10 WD: 0% >6-10 WD: 0.4% ≤ 6 WD: 0.8%	6 WDs	7.1 WDs	0.40%	7.1 WDs	0.40%		
	3. Optional Withdrawal	1.00%	> 10 WD: 0% >6-10 WD: 0.5% ≤ 6 WD: 1.0%	6 WDs	5.3 WDs	1.00%	5.3 WDs	1.00%		
		25%			Subtotal	23.53%		23.53%		

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Performance Measures				Targets	Accomplishments		CGO-A Validated		Supporting Documents	Evaluation
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MFO 2: STL Availment										
Quantity 1	Multi-Purpose Loans (MPL) Availment (Php billion)	4%	Simple Average (i.e. Actual/Target), but shall not exceed 100%	45.32	37.417	3.30%	37.417	3.30%	Formal HUDCC report	HDMF missed its targets for MPL availment.
Quantity 2	Multi-Purpose Loans (MPL) Availment (Borrowers)	4%	Simple Average (i.e. Actual/Target), but shall not exceed 100%	2,303,147	1,885,008	3.27%	1,885,008	3.27%	Formal HUDC report	<p>First, there is tight competition for loans due to the entry of other banks / financial institutions which are able to offer loans at lower interest rates and with no collateral required. In addition, some companies or employers have their own cooperative offering loans to members at lower or zero interest rate.</p> <p>Second, some members who availed of Calamity Loans were unable to borrow MPLs even though they are eligible. This is because of late posting of payments in the operating units' ledgering system. This issue, however, can be addressed by improving HDMF's internal processes.</p> <p>Third, the Net Take Home Pay (NTHP) requirement for government agencies also limits the borrowing eligibility of some member-borrowers in the public sector.</p>

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Performance Measures				Targets	Accomplishments		CGO-A Validated		Supporting Documents	Evaluation
Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
Quality	Calamity Loan (Percentage of qualified calamity loan applicants served)	6%	100%: 6% <100%: 0%	100%	100%	6.00%	100%	6.00%	Formal HUDC report	There is a preference for Calamity Loan over MPL due to lower interest rates. Members maximize their Calamity Loan availment first before availing the MPL. For targeting purposes, HDMF may consider setting targets for STL taking into consideration the expected utilization rate of the total loanable amount under the program (not as the sum of the MPL and CL targets). If CL availment is high, then HDMF will exert effort to increase MPL availment.
Timeliness	Multi-Purpose Loan Processing Time (computer time)	2%				2%		2%	Report from operating units to corporate planning group	
	1. New Loans									
	a. All records are available within the receiving/processing branch	0.25%	> 2 WD: 0% >1-2 WD: 0.125% ≤ 1 WD: 0.25%	1 WD	0.9 WD	0.25%	0.9 WD	0.25%		
	b. With records from other branch/es	0.25%	> 7 WD: 0% >5-7 WD: 0.125% ≤ 5 WD: 0.25%	5 WDS	3.1 WDS	0.25%	3.1 WDS	0.25%		
	2. Loan Renewals									

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Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
	a. All records are available within the receiving/processing branch	0.75%	> 2 WD: 0% > 1-2 WD: 0.375% ≤ 1 WD: 0.75%	1 WD	1.0 WD	0.75%	1.0 WD	0.75%		
	b. With records from other branch/es	0.75%	> 4 WD: 0% > 2-4 WD: 0.375% ≤ 2 WD: 0.75%	2 WD	1.5 WDS	0.75%	1.5 WDS	0.75%		
Financial	Collection Efficiency for Short-term Loans	4%	Simple Average (i.e. Actual/Target), but shall not exceed 100%	100%	92% (Actual 49.147Collectibles 53.273)	3.68%	86.2% (Actual 49.147 / Collectibles 57.002)	3.45%	Report from operating units to corporate planning group	<p>Amount of STL collectible was revised based on submission of moving target for CL and MPL by HDMF.</p> <p>In principle, all STLs are fully provisioned because members' savings serve as security. However, salary deduction is a preferred mode of collecting delinquent loans because members' savings serve as equity.</p> <p>The less than 100%collection efficiency is due to a lag time in off-setting at the second year in the term of the loan.</p> <p>Another reason is the loss of employment of the member.</p>

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Performance Measures				Targets	Accomplishments		CGO-A Validated		Supporting Documents	Evaluation
Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
		20%			Subtotal	18.25%		18.02%		
MFO 3: Home Financing										
Quantity 1	Retail Home Lending Availment (PhP Billion)	13%	Simple Average (i.e. Actual/Target), but shall not exceed 100%	45	46.581	13.00%	46.581	13.00%	Report from operating units to corporate planning group	Transactions at the Registry of Deeds (RD) on transfer of Title/Ownership and annotation of mortgage contract slowed down due to migration from manual to computerized system. (Normal processing time takes 30 days)
Quantity 2	Retail Home Lending Availment (No. of Units)	13%	Simple Average (i.e. Actual/Target), but shall not exceed 100%	62,000	63,148	13.00%	63,148	13.00%	Report from operating units to corporate planning group	
Timeliness	Home Lending Processing Time	10%				10%		10%	Report from operating units to corporate planning group	
	1. Window 1: Developer-assisted Prime Accounts	2%	> 11 WD: 0% >9-11 WD: 1% ≤ 9 WD: 2%	9 WDs	8.3 WDs	2.00%	8.3 WDs	2.00%		
	2. Window 2: Developer-assisted Regular Accounts									

Performance Measures				Targets	Accomplishments		CGO-A Validated		Supporting Documents	Evaluation
Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
	a. Loan Approval	2%	> 17 WD: 0% >14-17 WD: 1% ≤ 14 WD: 2%	14 WDs	12.8 WDs	2.00%	12.8 WDs	2.00%		
	b. Loan Takeout	2%	> 6 WD: 0% >3-6 WD: 1% ≤ 3 WD: 2%	3 WDs	1.9 WDS	2.00%	1.9 WDS	2.00%		
	3. Window 3: Retail									
	a. Loan Approval	2%	> 20 WD: 0% >17-20 WD: 1% ≤ 17 WD: 2%	17 WDs	15.5 WDs	2.00%	15.5 WDs	2.00%		
	b. Loan Takeout	2%	> 6 WD: 0% >3-6 WD: 1% ≤ 3 WD: 2%	3 WDs	2.1 WDs	2.00%	2.1 WDs	2.00%		
Financial	Collection Efficiency for Housing Loan	9%	Simple average (i.e. Actual / Target), but shall not exceed 100%	100%	103% (Actual: 30.720 / Collectibles 29.909)	9.00%	81% (Actual: 31.921 / Collectibles 39.386)	7.29%	Report from operating units to corporate planning group	<p>The reported accomplishment is derived by excluding accounts under Asset Recovery and extrajudicial foreclosure, which gives an accomplishment of 100.36% (30.72 / 30.61).</p> <p>The denominator "collectibles" was derived from an estimate of the performing loans ratio of HDMF. This yields an accomplishment of 81%, for a weight of 7.20%.</p> <p>This is also for consistency, since HDMF is publicly reporting its 2013 housing loan collectibles at Php 39.386 Million.</p>

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Indicator	Description	Weight	Rating	2013	Raw Score	Rating	Raw Score	Rating		
		45%			Subtotal	45.00%		43.29%		
GASS: Admin and Expense Loading										
Financial 1	Capital Adequacy Ratio	2%	Simple average (i.e. Actual / Target), but shall not exceed 100%	22.60%	20.28%	1.79%	20.28%	1.79%	Report from General Accounting Department	
Financial 2	Fund Administration Cost of 2%	8%	> 2%: 0% >1.87% - 2%: 4% ≤ 1.87%: 8%	1.87%	1.39%	8.00%	1.74%	8.00%	Notes to FS 2013	
		10%			Subtotal	9.79%		9.79%		
		100%			TOTAL	96.57%		94.63%		

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