

JOHN HAY MANAGEMENT CORPORATION
2015 Performance Scorecard

Performance Measure					JHMC Submission			CGO-A Evaluation		Supporting Documents	Remarks	
	Objectives / Measures		Formula	Weight	Rating Scale	Targets	Actual	Rating	Score			Rating
SOCIAL IMPACT/STAKEHOLDERS	SO 1	Develop Camp John Hay as a Premier Tourist and Investment Destination										
	SM 1	Number of jobs generated in the JHSEZ	Absolute Number	12.5%	Actual Increase/ Target Increase x Weight	4,100	5,090	12.5%	5,090	12.50%	<ul style="list-style-type: none">2015 Monthly Monitoring Report for Job Generation from the locatorsEmployment Report for all the Months of 2015	<ul style="list-style-type: none">Actual is 24.15% higher than the targetFrom 2013 to 2015, the annual growth rate is at 14%
	SM 2	Gross sales of business enterprises within the JHSEZ	Absolute Number	12.5%	Actual/ Target x Weight	200,000,000	835,691,065	12.5%	769,387,565	12.50%	<ul style="list-style-type: none">2015 Monthly Monitoring Report on the Gross Sales of Business Enterprise within JHSEZLocators' Sales Report 2015	<ul style="list-style-type: none">Actual is 285% higher than the targetThe 2014 baseline data shows that the gross sales is at 150 million. Thus, there is a 412.93% increase in the sales of business enterprises in JHSEZ
	SO 2	Ensure Sustainable Multiple Use of the Forest Watershed										
	SM 3	Issuance of ISO 14001 Environmental Management System (EMS)	Absolute Number	10%	All or Nothing	Research and thorough study on ISO 14001 Compliance Processes, Procedures, and Standards (in-house) and Procurement of consultancy service for ISO 14001	a. Research and thorough study on ISO 14001 Compliance Processes, procedures and standards (in-house); and b. Establishment of the JHMC-QMS.	10%	Research and thorough study on ISO 14001 Compliance Processes, Procedures, and Standards	0.00%	<ul style="list-style-type: none">Memo regarding the 2016 Milestones of JHMC Towards the Establishment of Camp John Hay's EMSOthers¹	<ul style="list-style-type: none">JHMC is claiming that the target is only in-house research and thorough study on ISO 14001 Compliance Processes, Procedures, and Standards, however, this was not included in the items for renegotiationIn the 2015 revised Performance Agreement signed by the Board, the target includes the Procurement of consultancy service for ISO 14001In due consideration to the

¹ Attendance Sheet of the Meeting with DENR-EMB regarding the Consultation on the ECC of the CJH Development Project in light of the PDRCI Decision; Memo regarding the Proposed Terms of Reference for the Procurement of Consultancy Services for the Formulation of a Sustainable Forest Management Plan for the JHSEZ and JHRA; Memo on the Executive Summary of the Consultancy Service for the Formulation of a Sustainable Forest Management Plan for Camp John Hay (SFMP); Memo regarding the Draft Terms of Reference for the Procurement of Consultancy Services for the Formulation of a Sustainable Forest Management Plan (SFMP) for Camp John Hay Reservation, inclusive of Estimated Consultancy Cost and Estimated Procurement Timeline; Terms of Reference for the Consultancy Services: Formulation of a Sustainable Forest Management Plan (SFMP) for Camp John Hay Reservation Area

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											things that JHMC had taken for this measure, the All or nothing rating will be based per Target Milestone. Since there are two target milestones and JHMC have only completed one, the rating is 5%
SM 4	Compliance of JHMC to National Ambient Air Quality Standards on Particulate matter 10 (PM10) within the JHSEZ	Non-exceedance in the JHMC set for Particulate Matter 10 (PM10): less than 80 µg/m³	10%	Actual/Target x Weight	Less than 80 µg/Ncm (PM10)	22.67 µg/Ncm (PM10)	10%	22.67 µg/Ncm (PM10)	10.00%	<ul style="list-style-type: none"> 2015 Monthly Monitoring Report of Ambient Air Quality Sampling and Monitoring DENR Memorandum on the First Quarter (2015) Ambient Air Quality Sampling and Monitoring Conducted within the BLISTT Areas Others² 	<ul style="list-style-type: none"> Actual PM 10 reading is 71% lower than the target There was no data for the third quarter as DENR-EMB's 100 High Volume Sampler broke down. The figure is the average of the first quarter, second quarter, and fourth quarter Sites evaluated were Mile Hi Center, Camp John Hay, and Baguio Ayalaland Technohub For two consecutive years, JHMC has been consistent with its result of getting a PM10 in between 22 and 23
SO 3	Enforce Efficient and Effective Regulation in the Special Economic Zone										
SM 5	Stakeholders' Satisfaction Survey	95% or better	10%	Actual/Target x Weight	95%	95%	10%	96.43%	10.00%	<ul style="list-style-type: none"> Sample of Customer Satisfaction Feedback Form External Customer Satisfaction Feedback Analysis for the data Obtained from 01 April 2015 to 31 December 2015 	<ul style="list-style-type: none"> Actual is 1.5% higher than the target JHMC conducted the survey internally The survey used a 5-point scale with 3 being Satisfactory and was conducted from April to December 2015 Based on the results, 96.43% of the respondents are satisfied with JHMC

² Result of the Roadside Ambient Air Quality Monitoring on Particulate Matter (PM10) for June 1-12 from the City Environment and Parks Management Office; Result of the Outdoor Real Time Particulate Monitoring for PM10 from the City Environment and Parks Management Office; Letter Request to EMB for the Second, Third, and Fourth Quarter Result of Ambient Air Quality within the Camp; Letter Request to CEPMO for the Third and Fourth Quarter Monitoring of Ambient Air Quality Patterns and Characteristics within CJH; Letter Request to EMB for the Last Quarter Ambient Air Quality Monitoring; Letter Request to CEPMO for the Last Quarter Roadside Ambient Air Quality Monitoring

Performance Measure						JHMC Submission			CGO-A Evaluation		Supporting Documents	Remarks
	Objectives / Measures		Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating		
		Sub-total		55%				55%		45.00%		
FINANCIAL	SO 4	Increase JHMC Revenues to Attain Financial Viability										
	SM 6	Remittance of Collection from Lease rentals of BCDA Assets	Absolute Number	10%	Actual/ Target x Weight	27,300,000	31,620,000	10%	34,657,800	10.00%	<ul style="list-style-type: none">Schedule of Remittances of Revenues earned from Bases Conversion and Development Authority Assets	<ul style="list-style-type: none">The actual is 26.95% higher than the targetAccording to JHMC, "the remittance increased due to the remittance of Income from the Economic Zone and Other Business Income based on JHMC- BCDA Performance Agreement"
		Sub-total		10%				10%		10.00%		
INTERNAL PROCESS	SO 5	Strengthen Compliance Monitoring of all Business Enterprises to the Rules and Regulations of the JHSEZ										
	SM 7	Frequency of Spot Inspections per Business Enterprise	Average of 20 inspections per week	7.5%	Actual/ Target x Weight	4,420	1,105 or an average of 21.25 inspections per week	7.5%	1,105	1.88%	<ul style="list-style-type: none">Samples of Proof of Conduct of Spot Inspections (for March 2015)2015 Monthly Monitoring Report on the Frequency of Spot Inspection of Business Enterprise	<ul style="list-style-type: none">The average per week for the month of March is 23.75 inspectionsThe initial submission of JHMC (before contesting the target) is 4,440In the initial submission, the last quarter of 2015 holds the bulk of inspections conducted. Out of the 4,440 total inspections, 3,620 were done in the months of October, November, and December
	SM 8	Frequency of Certificate of Environmental Compliance (CEC) Monitoring	Average of 85 inspections every two (2) months	7.5%	Actual/ Target x Weight	140	142	7.5%	136	7.29%	<ul style="list-style-type: none">2015 Environment and Sanitation Inspection Checklists2015 Monthly Monitoring Report on the Frequency of Certificate of Environmental Compliance (CEC) Monitoring	<ul style="list-style-type: none">The actual is 3% lower than the targetFour (4) of the 140 forms were not counted as three were conducted in 2014 and one in 2016

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	SO 6	Improve Efficiency and Effectiveness of Processes										
	SM 9	Issuance of Permit to Operate (PTO) for Business Enterprises in the JHSEZ upon receipt of complete requirements	For renewals: 30 minutes; For new/start-up business: 10 calendar days	5%	All or Nothing	30 minutes for renewal and 10 calendar days for start-up	Renewal: 22.78 minutes New Business: 2 Days	5%	Renewal: 23.60 minutes New Business: 2 Days	5.00%	<ul style="list-style-type: none">• Copy of Logbook• Samples of Receiving Copies of Permits	<ul style="list-style-type: none">• Actual Turn Around Time (TAT) is lower by 21% than target TAT for renewals• There was one establishment (Hen-Lin) given a PTO for 2015• A number of the establishments were miscounted; thus, the change in number for the CGO evaluation differed
		Sub-total		20%				20%		14.17%		
LEARNING AND GROWTH	SO 7	Establish Quality Management System										
	SM 10	ISO Certification for all frontline services	Absolute Number	5%	All or Nothing	ISO Certification 9001:2008 of all frontline services	ISO 9001:2008 Certificate No. AJA-16-0059	5%	ISO Certification 9001:2008 of all services	5.00%	<ul style="list-style-type: none">• ISO 9001 Quality Management System Audit Report	<ul style="list-style-type: none">• Includes frontline and support services
	SO 8	Improve Technology and Infrastructure Support										
	SM 11	No. of processes automated	Absolute Number	5%	Actual/Target x Weight	2 Financial Information System and Human Resource Information System	2 HRIS - Finger ID System and Attendance Management System	5%	1 HRIS - Finger ID System and Attendance Management System	2.5%	<ul style="list-style-type: none">• Screenshot of Attendance Management System	<ul style="list-style-type: none">• Finger ID System and Attendance Management System were considered as one as they both pertain to the negotiated target of a Human Resource Information System
	SO 9	Improve Knowledge and Skills, Professionalism and Career Development										
	SM 12	Overall Training Spread Index	95% of total annual target	5%	Actual/Target x Weight	95%	98%	5%	98%	5.00%	<ul style="list-style-type: none">• List of Employees as of December 31, 2015• List of Employee Trainings as of December 31, 2015	<ul style="list-style-type: none">• Actual is 3% higher than the target• As of end 2015, JHMC has 49 employees. Out of this, 48 have attended trainings for at least 16 hours over a year
		Sub-total		15%				15%		12.50%		
	TOTAL		100%				100%		81.67%			



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HON. SILVESTRE C. AFABLE, JR.

Chairman

HON. JAMIE ELOISE M. AGBAYANI, M.D.

President and CEO (PCEO)

JOHN HAY MANAGEMENT CORPORATION (JHMC)

John Hay Special Economic Zone

Camp John Hay, Baguio City

**RE : REQUEST FOR RECONSIDERATION TO GRANT PBB
TO JHMC OFFICERS AND EMPLOYEES FOR FY 2015**

Dear Chairman Afable and PCEO Agbayani,

We reply to your letter dated 06 June 2016¹ requesting reconsideration of the result of the evaluation of the 2015 Scorecard for the following measures:

1. SM 3: Issuance of ISO 14001 Environmental Management System (EMS);
2. SM 7: Frequency of Spot Inspections per Business Enterprise;
3. SM 8: Frequency of Certificate of Environment Compliance (CEC) Monitoring; and
4. SM 11: Number of processes automated.

With respect to the first item, SM 3, the 2015-2016 Performance Agreement (PA) between GCG and JHMC reflects the two targets of the measure for 2015 namely, "Research and Thorough Study on ISO 14001 Compliance Processes, Procedures, and Standards" and "Procurement of Consultancy Service for ISO 14001", with a rating system of "All or Nothing". JHMC received a rating of 0% having accomplished only one of the targets. In the abovementioned letter to GCG, JHMC avers that the "Procurement of Consultancy Service for ISO 14001" in 2015 is premature and should not have been included as a target. It has also submitted the Strategic Initiative Profile on the development of the JHMC EMS which shows that the procurement of the consultancy services is scheduled for 2017. We find merit in the argument and as proposed by JHMC in the same letter, instead of an "All or Nothing" rating system, the "(Actual/Target) x Weight" formula is used. Since JHMC accomplished one out of the two target milestones, JHMC is given a rating of 5% (or half of the total rating) under this measure.

As for the second item, SM 7, the formula for the measure as stated in the Performance Agreement (PA) is an average of 20 inspections per week. Given that there were 52 working weeks in 2015, the target should have been 1,040 spot inspections. However, the PA reflected that there should have been at least 4,420

¹ Officially received by the Commission on 06 June 2016

spot inspections, which was derived from the multiplication of 52 working weeks and 85 business enterprises. JHMC explained that it is impossible to conduct 4,420 inspections in a year, and that it was an oversight on their part that they agreed to the target. JHMC surpassed the adjusted target of 1,040 spot inspections with actual accomplishment of 1,105 spot inspection or an average of 23.75 inspections per week, hence deserve the full weight of 7.5%.

The third item for reconsideration is SM 8, the initial validation of the CECs revealed three (3) monitoring reports dated 2014 and one (1) dated 2016. As explained by JHMC, there was an error in the process of photocopying and in the dating of one of the reports. To support the request for reconsideration, it submitted CECs to replace the four erroneously submitted reports. The reports were found acceptable. JHMC is given the full rating of 7.5%.

As for the last item, SM 11, JHMC committed to automate two processes: the Human Resource Information System (HRIS), and the Financial Information System (FIS). In its initial submission, JHMC did not attain the automation of the FIS. Instead it reported to have automated two processes: Finger ID System and Attendance Management System. Since the two processes were part of the HRIS, this was counted as one. Upon reconsideration, JHMC offered the automation of the Network Management System (NMS) as replacement for the FIS and submitted documents to support it. Evaluation of the project documents shows that the extent of automation in the NMS is not significant enough to be considered as replacement to the FIS. The rating of 2.5% is retained.

In view of the above, JHMC's rating is revised to 92.50%.

Accordingly, the Governing Board of the JHMC is hereby **AUTHORIZED** to grant the **FY 2015 PBB**, with a grand total of **₱1,668,679.18**, to **51** eligible officers and employees as follows:

Rank	Multiplier	Distribution		Total Approved PBB Amount (₱)
		Number	Percent	
Top Management				
President and CEO	2.5	1	100%	216,371.15
				216,371.15
Senior Management				
Top: Maximum 10%	2.5	1	14%	85,978.58
Next: Maximum 25%	1.5	2	29%	113,847.62
Remaining: Minimum 65%	1.0	4	57%	137,565.72
Sub-total		7		337,391.91
Below Satisfactory	-	0	-	--
Middle Management				
Top: Maximum 10%	2.5	1	11%	69,604.45
Next: Maximum 25%	1.5	2	22%	83,525.34
Remaining: Minimum 65%	1.0	6	67%	172,781.53
Sub-total		9		325,911.32

Rank	Multiplier	Distribution		Total Approved PBB Amount (P)
		Number	Percent	
Below Satisfactory	-	0	-	--
Professional & Supervisory				
Top: Maximum 10%	2.5	2	13%	118,330.05
Next: Maximum 25%	1.5	4	27%	138,282.60
Remaining: Minimum 65%	1.0	9	60%	203,263.86
<i>Sub-total</i>		15		459,876.51
Below Satisfactory	-	0	-	--
Clerical/General Staff				
Top: Maximum 10%	2.5	2	11%	63,050.75
Next: Maximum 25%	1.5	5	26%	97,034.03
Remaining: Minimum 65%	1.0	12	63%	169,043.51
<i>Sub-total</i>		19		329,128.29
Below Satisfactory	-	0	-	--
Grand Total of Eligible Personnel		51		
Total of Below Satisfactory		0		
Grand Total of PBB				1,668,679.18

The authorized amount includes the PBB for the JHMC President who has elected to participate in the PBB for Officers and Employees in lieu of the PBI for Board of Directors. The PBB for the President shall, however, be released together with the PBI for Appointive Directors on condition that the President has satisfied the eligibility requirements for the grant of PBI as provided under GCG MC No. 2015-06.

Moreover, pursuant to Item 4.1.12 of GCG MC No. 2015-05 the Governing Board of JHMC shall ensure that the PBB will only be released to officers and employees who have complied and submitted their Statement of Assets, Liabilities and Net Worth (SALN).

We respectfully remind the Governing Board to ensure that the agency's grant of the FY 2015 PBB should observe the following conditions:

1. The funding to support the PBB shall be charged by the GOCC to its corporate funds, subject to Section 9, GCG MC No. 2015-05;
2. The total cost of the PBB shall not result in a net loss for CY 2015 computed before subsidy and unrealized gains/losses, and after taxes;
3. In the event that the total amount of PBB to be distributed exceeds the Corporate Operating Budget (COB) level, the Governing Board shall request approval of the Supplemental Budget necessary for this purpose from its Parent GOCC, the Peace, Convergence and Development Authority and

4. No other performance-based bonus or its equivalent has been released or will be released for FY 2015 in addition to the PBB scheme provided under GCG MC No. 2015-05.

This is a one-time approval applicable only for FY 2015.

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,


JAIME MA. F. FLORES II
Chairman


CARLOS G. DOMINGUEZ III
DOF Secretary




MICHAEL P. CLORIBEL
Commissioner


BENJAMIN E. DIOKNO
DBM Secretary




SAMUEL G. DAGPIN, JR.
Commissioner

Cc: COA Chairperson **MICHAEL G. AGUINALDO**
COA Resident Auditor – JHMC

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