



10 March 2020

MR. SILVESTRE C. AFABLE, JR

Chairperson

MR. ALLAN R. GARCIA

President and CEO

JOHN HAY MANAGEMENT CORPORATION (JHMC)

John Hay Special Economic Zone

Camp John Hay, Baguio City

**RE: APPEAL FOR RECONSIDERATION OF THE RESULT OF
2018 PERFORMANCE SCORECARD OF JHMC**

Dear Chairperson Afable and PCEO Garcia,

This refers to the letter of JHMC dated 12 December 2019¹, requesting for the reconsideration of the measure “*Percentage of Satisfied Customers*” under the GCG-validated 2018 Performance Scorecard².

Review and evaluation of additional documents submitted are summarized in the Revalidation of 2018 Performance Scorecard attached as **Annex A**. Foregoing considered, the validated score is hereby **INCREASED** to **99.29%** out of 100%. JHMC is reminded that the validated Performance Scorecard shall be posted in JHMC’s website, in accordance to GCG Memorandum Circular No. 2012-07³.

In relation to JHMC’s application for the grant of Performance Based-Bonus (PBB) to its officers and employees, based on our records, JHMC was not included in the list of compliant GOCCs on the dividends law as provided by the Department of Finance (DOF). In line with this, the JHMC is advised to coordinate directly with the DOF to secure the necessary clearance on the matter. Please note that the evaluation of the application for the grant of PBB may only commence upon GCG’s receipt of complete documents.

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,


SAMUEL G. DAGPIN, JR.
Chairman


MICHAEL P. CLORIBEL
Commissioner


MARITES C. DORAL
Commissioner

cc: COA Resident Auditor – JHMC

¹ Officially received by the Governance Commission on 16 December 2019.

² Officially received by the JHMC on 19 June 2018.

³ CODE OF CORPORATE GOVERNANCE OF GOCCs, dated 28 November 2012.

**JOHN HAY MANAGEMENT CORPORATION (JHMC)
Revalidated Result of 2018 Performance Scorecard**

Component					Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective / Measure		Formula	Wt.	2018		Actual	Rating	Score	Rating			
CUSTOMERS/STAKEHOLDERS/SOCIAL IMPACT	SO 1	Develop Camp John Hay as a Premier Tourist and Investment Destination										
	SM 1	Number of New Locators or Developmental Projects ¹ Signed	Absolute number	10%	(Actual / Target) x Weight	4	4	10%	6	10%	<ul style="list-style-type: none"> Short Term Lease Contracts with: Spouses Reyes, Reviving Tradition Foods and Trading Corp.; Amalia R. Soriano; and Securities and Exchange Commission (SEC) Certifications from Psalm Turkish Cuisine and Noodlerama Group, Inc. 	Validated accomplishment includes additional two locators not previously reported but with supporting documents
	SM 2	Number of Jobs Generated in the JHSEZ	Absolute number	10%	(Actual / Target) x Weight	6,300	6,106	9.69%	6,015	9.55%	<ul style="list-style-type: none"> Employment Report sgd. By SEZAD Manager Employment Report from the Locators Certifications from Other Employment Sources in the JHSEZ 	Supporting document only shows 6,073 jobs generated. Validated actual excludes 58 reported jobs generated due to deficiencies in the employment reports submitted, such as, lacking locator's signature and undated reports.

¹ Pertains to projects which are designed to generate infrastructure and economic benefits to the JHSEZ.

Revalidated Result of 2018 Performance Scorecard (*Annex A*)

Component			Rating Scale	Target 2018	Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective / Measure	Formula	Wt.			Actual	Rating	Score	Rating			
SM 3	Gross Sales of Business Enterprises within the JHSEZ	Absolute number	10%	(Actual / Target) x Weight	₱1.048 Billion	₱1.063 Billion	10%	₱1.084 Billion	10%	<ul style="list-style-type: none"> Summary of the Gross Sales of the Business Enterprises Monthly Locators' Sales Report 	Validated actual based on the supporting documents
SO 2	Ensure Sustainable Multiple Use of Forest Watershed										
SM 4	Compliance to National Ambient Air Quality Standards on Particulate Matter 10 (PM 10) within the JHSEZ	Number of tests which resulted to Good Air Quality (0-54 µg/NCM) / Total number of tests	10%	All or Nothing	100% of tests resulted in Good Air Quality	8 out of 8 tests resulted in Good Air Quality ²	10%	100% (8 out of 8 tests resulted in Good Air Quality)	10%	<ul style="list-style-type: none"> Results from DENR-EMB on Quarterly Readings of Air Quality 	Acceptable.
SO 3	Enforce Efficient and Effective Regulation in JHSEZ and JHRA										
SM 5	Percentage of Satisfied Customers	Number of respondents who rated at least Satisfactory (upper 2-boxes of a	10%	(Actual / Target) x Weight 0% = If less than 80%	92% of respondents rated JHMC as Excellent and/or Very Satisfactory (upper two-	SLC submitted its report on 24 January 2019 stating that the customer satisfaction rating of JHMC	10%	94.74%	10%	<ul style="list-style-type: none"> Customer Satisfaction Survey report Samples of accomplished Questionnaires 	<i>Request _____ for reconsideration _____ is APPROVED.</i>

² Q1 – Mile Hi = 22 µg/m³ and Ayala = 25 µg/m³
 Q2 – Mile Hi = 32 µg/m³ and Ayala = 33 µg/m³
 Q3 – Mile Hi = 24 µg/m³ and Ayala Technohub = 5 µg/m³
 Q4 – Mile Hi = 18 µg/m³ and Ayala Technohub = 1 µg/m³

Revalidated Result of 2018 Performance Scorecard (*Annex A*)

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks		
Objective / Measure	Formula	Wt.		2018	Actual	Rating	Score	Rating				
		5-point rating scale) / Total number of respondents		boxes in a 5-point rating scale)	for CY 2018 is 92.54%				• Letter from St. Louis College			
Sub-total		50%				49.69%		49.55%				
FINANCE	SO 4 Increase JHMC Revenues to Attain Financial Viability											
	SM 6	Increase Internally Generated Revenue of JHMC	Actual amount	10%	(Actual / Target) x Weight <i>0% = If less than ₱6.43 Million</i>	₱10.35 Million	₱11.82 Million	10%	₱10.63 Million	10%	<ul style="list-style-type: none"> Estate Performance Revenue/ Expense Report (EPRER) as transmitted to BCDA per letter dated 23 April 2019 Notes to the 2018 Unaudited FS 	The validated actual accomplishment was based the breakdown of actual collections under the EPRER.
	SM 7	Zone Revenue Collection Efficiency (Includes Business Center for CUSA Collection)	Actual collection / Total Zone Revenue due for collection	10%	(Actual / Target) x Weight <i>0% = If less than 85%</i>	100%	100%	10%	103.78%	10%	<ul style="list-style-type: none"> Estate Performance Revenue/ Expense Report (EPRER) as transmitted to BCDA per letter dated 23 April 2019 Notes to the 2018 Unaudited FS 	Validated actual computed based on the breakdown of actual and projected collections under the EPRER.
	Sub-total		20%					20%		20%		

Revalidated Result of 2018 Performance Scorecard (*Annex A*)

	Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks
	Objective / Measure	Formula	Wt.		2018	Actual	Rating	Score	Rating		
INTERNAL PROCESS	SO 5	Improve Efficiency and Effectiveness of Processes									
	SM 8	Issuance of ISO 14001 Environmental Management System	Actual accomplishment	5%	All or Nothing	Certification under ISO 14001:2015 Standards	JHMC was recommended for re-certification for ISO 14001:2015 Standards on 28 December 2018	5%	Certification under ISO 14001:2015 Standards	5%	<ul style="list-style-type: none"> • Attestation from AJA Philippines Inc. for ISO 14001:2015 • Registration Certificate • Registration Schedule
SM 9	Percentage of Regulatory Permits for Business Enterprises Issued within Applicable Processing Time ³	Number of requests processed within applicable processing time / Total number of requests received	10%	(Actual / Target) x Weight 0% = if less than 95%	100%	Total: 267/268 Regulatory Permits for Business Enterprises were issued within applicable processing time ⁴	9.96%	97.39% (261 out of 268)	9.74%	<ul style="list-style-type: none"> • Summary of Certificates of Environmental Compliance (CEC) issued • Copy of CECs • Summary of Mechanical Engineer (ME) Permits and Electrical Engineer Permits (EE) issued • Copy of MEs 	Validated accomplishment based on the supporting documents submitted.

³ The applicable processing time are 15 working days for ME and EE, and 15 minutes for PTO renewal. Processing time begins from the receipt of complete requirements and end on the issuance of corresponding permit.

⁴ 78 out of 79 CECs were issued and processed within 15 working days
 57 out of 57 MEs were issued and processed within five (5) working days upon payment of annual fees
 38 out of 38 EEs were issued and processed within five (5) working days upon payment of annual fees
 94 out of 94 PTOs were processed within 15 minutes for renewal

Revalidated Result of 2018 Performance Scorecard (Annex A)

Component		Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks			
				Objective / Measure	Formula	Wt.	2018			Actual	Rating	Score
									<ul style="list-style-type: none"> Logbook of Permits to Operate (PTO) issued Copy of PTOs issued 			
Sub-total							14.96%		14.74%			
LEARNING AND GROWTH	SO 6	Establish and Maintain the Quality Management System										
	SM 10	Improve Processes to Quality Management System	Actual accomplishment	5%	All or nothing	Certification under ISO 9001:2015 Standards	JHMC was recommended for re-certification for ISO 9001:2015 Standards on 11 December 2018	5%	Certification under ISO 9001:2015 Standards	5%	<ul style="list-style-type: none"> Attestation from AJA Philippines Inc. for ISO 9001:2015 Registration Certificate Registration Schedule 	Acceptable.
	SO 7	Improve Technology and Infrastructure Support										
SM 11	Number of Processes Automated	Absolute number	5%	All or Nothing	2 (Roll out / Implementation of Board-approved ICT Disaster Recovery Plan, and Full roll out / Implementation of a Help Desk Information System)	1) The Disaster Recovery Plan was approved by the JHMC-BOD on 26 October 2018. 2) Rolled-out to JHMC employees as of 19 November 2018	5%	2 (Roll out / Implementation of Board-approved ICT Disaster Recovery Plan, and Full roll out / Implementation of a Help Desk Information System)	5%	<ul style="list-style-type: none"> Board Resolution No. 2018-1026-202 approving the ICT Disaster Recovery Plan (DRP) on 26 October 2018 and copy of the DRP Attendance sheet for ICT DRP Orientation Certificate of Deployment and User Acceptance Test for Helpdesk Information System (HIS) 	Acceptable.	

Revalidated Result of 2018 Performance Scorecard (*Annex A*)

Component				Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective / Measure		Formula	Wt.		2018	Actual	Rating	Score	Rating		
										<ul style="list-style-type: none"> • Attendance sheets on the conduct of training to roll-out the HIS • Internal Report on HIS Acceptance and Completion • HIS User Manual 	
SO 8 Improve Knowledge and Skills, Professionalism and Career Development											
SM 12	Percentage of Employees Meeting Required Competencies	Actual accomplishment	5%	All or Nothing	Improve Competency Baseline	The submitted report by HRSD indicated that 51.24% of the competency gaps identified in 2017 were improved in 2018.	5%	Five (5) or 10% of the fifty (50) employees with competency gaps identified in 2017 meets required competencies	5%	<ul style="list-style-type: none"> • Copies of the 2017 and 2018 Competency Matrix forms • Summary reports 	Target met.
Sub-total			15%				15%		15%		
TOTAL			100%				99.65%		99.29%		