



23 October 2014

HON. SILVESTRE C. AFABLE, JR.

Chairman

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

President and CEO (PCEO)

JOHN HAY MANAGEMENT CORPORATION

John Hay Special Economic Zone

Camp John Hay, Baguio City



John Hay Management Corporation
 a member of the BCDA Group



**RE : AUTHORIZATION TO GRANT PBI TO JHMC
 BOARD OF DIRECTOR FOR FY 2013**

Dear Chairperson Afable and PCEO Agbayani,

The **JOHN HAY MANAGEMENT CORPORATION (JHMC)** has satisfied the requirements of **GCG MEMORANDUM CIRCULAR (MC) No. 2013-06 (RE-ISSUED)** and the *Checklist of Documents to be submitted by GOCCs to Qualify for the FY 2013 Performance-Based Incentive (PBI)*. This is based on:

1. Certifications executed under oath by the Corporate Secretary;
2. Review by the GCG of the completeness of required submissions from JHMC for FY 2013 PBI, including actual attendance rates (**Annex A**) and compliance with Good Governance Conditions specific to the GOCC Sector; and
3. Revised validation of the accomplishments of JHMC for FY 2013 with a final Performance Scorecard rating of 100% (**Annex B**), based on the supporting document that was provided to GCG for the evaluation of MFO 2, Quality 1 indicator (Compliance of JHMC to Environment and Forestry Standards, Laws, Rules and Regulations in the John Hay Special Economic Zone).

Accordingly, JHMC is hereby **AUTHORIZED** to grant the **FY 2013 PBI** in accordance with the entitlement scheme provided under Section 3 of GCG MC No. 2013-06 (Re-issued), with a grand total of **₱1,463,000**, to the following eligible Appointive Directors:

Name	Position	Total Annual Authorized Per Diems Received	Incentive Entitlement Factor	PBI Amount
Silvestre C Afable Jr.	Chairman	153,000	100%	153,000
Jamie Eloise M. Agbayani	Member	192,000	100%	192,000
Reynaldo U. Agranzamendez	Member	187,000	100%	187,000
Emerito P. Manalo	Member	187,000	100%	187,000
Ceasar G. Oracion	Member	192,000	100%	192,000

h.

Gloria F. Peralta	Member	178,000	100%	178,000
Teddy Esteban F. Rigoroso	Member	187,000	100%	187,000
Antonio H. Tengco	Member	187,000	100%	187,000
Grand total		₱1,463,000		₱1,463,000

We respectfully remind the Governing Board to ensure that JHMC's grant of the FY 2013 PBI should observe the following conditions:

1. The funding to support the PBI shall be charged by JHMC to its corporate funds, subject to Section 5, GCG MC No. 2013-06 (Re-Issued);
2. The total cost of the PBI shall not result in a net loss for CY 2013 computed before subsidy and unrealized gains/losses, and after taxes; and
3. In the event that the total amount of PBI to be distributed exceeds the Corporate Operating Budget (COB) level, the Governing Board shall request from DBM the approval of the Supplemental Budget necessary for this purpose.

This is a one-time approval applicable only for FY 2013.

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,

BY AUTHORITY OF THE COMMISSION

CESAR L. VILLANUEVA
Chairman

MA. ANGELA E. IGNACIO
Commissioner

RAINIER B. BUTALID
Commissioner

Cc: DOF Secretary CESAR V. PURISIMA
DBM Secretary FLORENCIO B. ABAD
COA Chairperson MA. GRACIA M. PULIDO-TAN
COA Resident Auditor – JHMC

JOHN HAY MANAGEMENT CORPORATION
Interim Performance Scorecard

Indicator	Weight	Targets	Accomplishment		CGO A Validation		Supporting Documents	Remarks
	2013	2013	Actual	Rating	Score	Rating		
MFO 1: Asset Management Services								
Quantity: Number of proposal/s for Barangay Segregation submitted to the BCDA Board	5%	1 (Barangay Hillside)	1 (Barangay Hillside)	5.00%	1 (Barangay Hillside)	5.00%	<ul style="list-style-type: none"> Secretary's Certificate Letter to BCDA 	<ul style="list-style-type: none"> Acceptable
Quantity: Number of Proposal/s for Property Disposal submitted to BCDA Board	5%	1 (for 0.8 ha.)	1 (for 0.86 ha.)	5.00%	1 (for 0.86 ha.)	5.00%	<ul style="list-style-type: none"> Secretary's Certificate Letter to BCDA 	<ul style="list-style-type: none"> Acceptable
Financial: Revenue generated from Ticket Sales at the Historical Core	10%	₱2.07 Mn	₱2.39 Mn	10.00%	₱2.39 Mn	10.00%	<ul style="list-style-type: none"> Monthly summary of revenue from ticket sales at the historical core 	<ul style="list-style-type: none"> Acceptable
Financial: Remittance of Collections from Lease Rentals of BCDA assets	10%	₱25.3 Mn	₱25.78 Mn	10.00%	₱25.78 Mn	10.00%	<ul style="list-style-type: none"> Monthly schedule of remittances of revenue earned from BCDA assets 	<ul style="list-style-type: none"> Acceptable
<i>Sub total</i>	<i>30%</i>			<i>30.00%</i>		<i>30.00%</i>		
MFO 2: Environment, Forest and Watershed Management								
Quality: Compliance of JHMC to Environment and Forestry Standards, Laws, Rules and Regulations in the John Hay Special	10%	Zero	Zero	10.00%	Zero	10.00%	<ul style="list-style-type: none"> Copy of the resolution from the Multipartite 	<ul style="list-style-type: none"> According to JHMC, the DENR issues notices when there are noted violations. No notice was issued to JHMC in CY 2013

Indicator	Weight	Targets	Accomplishment		CGO A Validation		Supporting Documents	Remarks
	2013	2013	Actual	Rating	Score	Rating		
Economic Zone (JHSEZ)								
Quantity 1: Compliance of JHMC to National Ambient Air Quality Standards on Total Suspended Particulates (TSP) within the JHSEZ	10%	<230 µg/NCM	<22 µg/NCM	10.00%	<22 µg/NCM	10.00%	<ul style="list-style-type: none"> Ambient Air Quality Sampling Result for Total Suspended Particulates (TSP) for 2013 	<ul style="list-style-type: none"> Large variance (around 90%) on the target and accomplishment Target is based on the National Ambient Air Quality Guideline for Criteria Pollutants as provided in the Republic Act No. 8749 or the Clean Air Act of 1999
Quantity 2: Compliance of JHMC to National Ambient Air Quality Standards on Particulate Matter 10 (PM 10) within the JHSEZ	10%	<150 µg/NCM	<11 µg/NCM	10.00%	<11 µg/NCM	10.00%	<ul style="list-style-type: none"> Ambient Air quality sampling and monitoring results for particulate matter - PM10 	<ul style="list-style-type: none"> Recommend to adjust target in line with JHMC baseline performance instead of benchmarking with statutory minimum compliance
<i>Sub total</i>	30%			30.00%		30.00%		
MFO 3: Regulatory Services								
Quantity 1: Number of Accredited Enterprise in the JHSEZ	5%	106	110	5.00%	110	5.00%	<ul style="list-style-type: none"> Summary list of accredited enterprise 	<ul style="list-style-type: none"> Acceptable
Quantity 2: Increase in the number of jobs generated in the JHSEZ	5%	3,100	3,473	5.00%	3,473	5.00%	<ul style="list-style-type: none"> Consolidated Report on Employment in the JHSEZ for the years 2012 and 2013 	<ul style="list-style-type: none"> Acceptable
Timeliness 1: Issuance of Permit to Operate (PTO) for Business Enterprises in the	5%	30 mins. for renewal 30 calendar	18 mins. for renewal 2 calendar days for	5.00%	18 mins. for renewal 2 calendar days for start	5.00%	<ul style="list-style-type: none"> Copies of Logbook Letters of intent from the locators Certifications of Accreditation and 	<ul style="list-style-type: none"> JHMC implemented changes in which resulted to lower processing time For 2014, to renegotiate that the target would be 18

Indicator	Weight	Targets	Accomplishment		CGO A Validation		Supporting Documents	Remarks
	2013	2013	Actual	Rating	Score	Rating		
JHSEZ from the date of receipt of complete documents (For renewals: 30 Mins. For new/startup business: 30 calendar days)		days for start up	start up		up		PTO	minutes for renewal and 2 days for start up
Timeliness: Issuance of Certificate of Environmental Compliance (CEC) in the JHSEZ	5%	100%	100% (73/73)	5.00%	100% (73/73)	5.00%	<ul style="list-style-type: none"> • Certificates of Environmental Compliance issued 	<ul style="list-style-type: none"> • Acceptable
Financials: Revenue generation from Regulatory Fees in the JHSEZ	10%	₱1.6 Million	₱2.1 Million	10.00%	₱2.1 Million	10.00%	<ul style="list-style-type: none"> • Schedule of collections of Regulatory Fees 	<ul style="list-style-type: none"> • Acceptable
<i>Sub total</i>	<i>30%</i>			<i>30.00%</i>		<i>30.00%</i>		
General Administrative Services (GAS)								
Quality: Number of processes manualized	7.5%	3 ¹ out of 6	4 ²	7.50%	4	7.50%	<ul style="list-style-type: none"> • Secretary's Certificate • Copy of the Operations Manual 	<ul style="list-style-type: none"> • Acceptable
Quality: Compliance Rate to Auditing Rules and Regulations	2.5%	100%	100%	2.50%	100%	2.50%	<ul style="list-style-type: none"> • Summary of COA AOM for the year 2013 and the Status 	<ul style="list-style-type: none"> • Acceptable
<i>Sub total</i>	<i>10%</i>			<i>10.00%</i>		<i>10.00%</i>		
Total of Weights	<u>100%</u>			<u>100.00%</u>		<u>100.00%</u>		

¹ Includes the Manuals of Special Economic Zone Administration Department, Finance and Environment Division

² Includes the Manuals of Special Economic Zone Administration Department, Environment Division, Project Management Division and Internal Audit Division