



06 October 2022

PMGEN. RUFINO G. IBAY, JR. (RET.)

Acting Chairperson

MR. ALLAN R. GARCIA

President and CEO (PCEO)

JOHN HAY MANAGEMENT CORPORATION (JHMC)

John Hay Special Economic Zone

Camp John Hay, Baguio City



**RE : REVALIDATION RESULT OF 2019
PERFORMANCE SCORECARD OF JHMC**

John Hay Management Corporation
 a member of the BCDA Group



OPCEO-IN-2022-1098

Dear Acting Chairperson Ibay and PCEO Garcia,

This refers to the letter of JHMC dated 24 August 2021¹ requesting for reconsideration of the validation of select Strategic Measures (SMs) under the GCG-validated 2019 Performance Scorecard:

- a. *SM 9: Percentage of Regulatory Permits for Business Enterprises Issued within Applicable Processing Time; and*
- b. *SM 11: Number of Processes Automated.*

Review and evaluation of JHMC's request, including the additional documents submitted on 28 March 2022,² are summarized in the Revalidation Result of JHMC's 2019 Performance Scorecard attached as **Annex A**. Foregoing considered, the validated score is hereby increased from 82.83% to **97.61%**. The same is to be posted on JHMC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.³

Further, the Governance Commission formally transmits the Result of the Validation of Good Governance Conditions (GOCs), Support to Operations (STOs), General Administration and Support Services (GASS), and Other Cross-Cutting Requirements provided by the Inter-Agency Task Force (IATF) of the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (**Annex B**) which enumerates the final Non-Compliant agencies who failed to meet the IATF requirements for the grant of the 2019 Performance-Based Bonus (PBB).

Considering that JHMC has satisfied the Good Governance Conditions Common to National Government Agencies and Specific to GOCCs provided in the applicable AO 25 IATF PBB Circular and as enumerated under Item 4.2. of the GCG M.C. No. 2019-02, note that Item 12 of the same M.C. provides:

- 12. **CHECKLIST AND TIMELINE.** – GOCCs applying to grant the PBB within their respective corporations shall submit the complete required documents enumerated in *Annex A* strictly in accordance with the

¹ Officially received by the GCG on 25 August 2021.

² Officially received by the GCG on 29 March 2022.

³ Code of Corporate Governance for GOCCs, dated 28 November 2012.

prescribed forms and within one year from receipt of the GCG-validated Performance Scorecard. (Underline in the original.)

In relation to the grant of the 2019 Performance-Based Bonus (PBB) to eligible officers and employees, JHMC is reminded that it can grant such an incentive only upon receipt of a confirmation letter from the Governance Commission. In this regard, the Board is reminded that any unilateral action to release the PBB before the confirmation will be considered as a violation of the Board's fiduciary duty to protect the assets of the GOCC as provided under Section 19 of Republic Act No. 10149.

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,



Justice ALEX L. QUIROZ (ret.)
Chairperson



Atty. GIDEON D.V. MORTEL
Commissioner



**Atty. GERALDINE MARIE
BERBERABE-MARTINEZ**
Commissioner

cc: The Resident Auditor - JHMC

**JOHN HAY MANAGEMENT CORPORATION (JHMC)
Revalidation Result of 2019 Performance Scorecard**

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks		
Objective / Measure	Formula	Weight		2019	Actual	Rating	Score	Rating				
SO 1 John Hay as a Premier Tourist and Investment Destination												
CUSTOMERS/STAKEHOLDERS/SOCIAL IMPACT	SM 1	Number of New Locators or Developmental Projects ¹ Signed	Absolute number	10%	(Actual / Target) x Weight	4	6	10%	5	10%	<ul style="list-style-type: none"> • Short-Term Lease Agreement • Contract of Lease • Memorandum of Agreement • Permit to Operate 	It should be noted that the target refers to contracts or agreements signed during the year, regardless of the effectivity of lease contracts. Thus, one lease contract was excluded from the 2019 accomplishment since it was formally signed and perfected in 2018 and not in 2019.
	SM 2	Number of Jobs Generated in the JHSEZ	Absolute number	10%	(Actual / Target) x Weight	6,300	6,597	10%	6,048	9.60%	<ul style="list-style-type: none"> • Reports on job generated • Copy of the Employment Reports from the Locators 	The validated accomplishment was based on the review of the locators' employment reports. The 549 difference in the reported accomplishment was excluded due to the absence of

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

Revalidation Result of 2019 Performance Scorecard (Annex A)

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective / Measure	Formula	Weight		2019	Actual	Rating	Score	Rating			
										supporting documents.	
SM 3	Gross Sales of Business Enterprises within the JHSEZ	Absolute number	10%	(Actual / Target) x Weight	₱1.152 Billion	₱1.096 Billion	9.51%	₱1.096 Billion	9.51%	<ul style="list-style-type: none"> Summary of the Total Sales per Locator Locators' Monthly Sales Reports 	Acceptable.
SO 2	Ensure Sustainable Multiple Use of the Forest Watershed										
SM 4	Compliance with National Ambient Air Quality Standards on Particulate Matter 10 (PM 10) within the JHSEZ	Number of tests which resulted in Good Air Quality (0-54 µg/NCM) / Total number of tests	10%	All or Nothing	100% of tests resulted in Good Air Quality	100% of tests resulted in Good Air Quality (8/8 readings resulted in Good Air Quality)	10%	100% of tests resulted in Good Air Quality (8/8 readings resulted in Good Air Quality)	10%	<ul style="list-style-type: none"> Results on Quarterly Ambient Air Quality Monitoring from the City Environment and Parks Management Office 	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 / Total number of respondents	10%	(Actual / Target) x Weight 0% = If less than 80%	90%	92.54%	10%	92.38%	10%	<ul style="list-style-type: none"> Final Report from Saint Louise College Samples of accomplished Survey Questionnaires 	Based on the final survey report, 97 out of 105 locators were either Very Satisfied or Satisfied with JHMC's services.

Revalidation Result of 2019 Performance Scorecard (Annex A)

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective / Measure	Formula	Weight		2019	Actual	Rating	Score	Rating		
										But, there are dimensions of these services that can still be further improved, such as (a) improvement of the Camp facilities (roads, restrooms, signage, streetlights, and trash bins), (b) improve the accessibility and functionality of the JHMC website inasmuch as many resorts to transacting business with JHMC online, and (c) simplify or expedite procedures for transacting business with JHMC.
Sub-total		50%				49.51%		49.11%		
FINANCIAL	SO 4	Increase JHMC Revenues to Attain Financial Viability								
	SM 6	Increase Internally Generated Revenue of JHMC	Actual amount	10%	(Actual / Target) x Weight	₱19.90 Million	₱11,212,516.74	9.42%	₱19.23 Million	9.66%

Revalidation Result of 2019 Performance Scorecard (Annex A)

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective / Measure	Formula	Weight		2019	Actual	Rating	Score	Rating		
									Revenue / Expense Report (EPRER) as submitted to BCDA in a letter dated 12 March 2020 <ul style="list-style-type: none"> BCDA Letter dated 06 November 2020 confirming the EPRER details 	(CUSA) Fee with a budgeted amount of ₱8.0 Million for 2019 per JHMC's submissions. While JHMC initially reported an accomplishment of ₱11.21 Million, it submitted a revised accomplishment of ₱19.23 Million (including CUSA), which was found acceptable.
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 0% = If less than 95%	100%	100%	10%	109.54%	10%	Target Exceeded. Validated based on the submitted EPRER.
Sub-total		20%				19.42%		19.66%		
INTERNAL	SO 5 Improve Efficiency and Effectiveness of Processes									
	SM 8	Issuance of ISO 14001 Environmental Management System	Actual accomplishment	5%	All or Nothing	Pass Surveillance Audit	Passed the Surveillance Audit	5%	Passed the Surveillance Audit	5%

Revalidation Result of 2019 Performance Scorecard (Annex A)

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective / Measure	Formula	Weight		2019	Actual	Rating	Score	Rating			
SM 9	Percentage of Regulatory Permits for Business Enterprises Issued within Applicable Processing Time ²	Number of requests processed within applicable processing time / Total number of requests received	10%	(Actual / Target) x Weight 0% = if less than 95%	100%	100% of requests processed within the applicable processing time ³	10%	97.83%	9.78%	<ul style="list-style-type: none"> • Report from Special Economic Zone Regulatory Information System (SEZRIS) • List of Manually processed applications • Certifications/ Permits • TAT Computations • Proof of Notifications to Locator/Applicant on availability of PTO for release • Process Flowchart for CEC 	Based on the re-evaluation of the submissions, it was identified that only 270 (97.83%) out of 276 applications were processed within the applicable time.
Sub-total		15%				15%		14.78%			

² The applicable processing time for Certificate of Environmental Compliance (CEC), Annual Mechanical Engineer Permit, Electrical Engineer Permit, and Permit to Operate (New and Renewal) will depend on JHMC's compliance with Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018. Processing time begins from the receipt of complete requirements and end on the issuance of advice of payment.

³ Total: 271/271 Regulatory Permits for Business Enterprises were issued within applicable processing time. 72/72 CECs were issued and processed within 15 working days; 61/61 Certificates of Mechanical Inspection and 42/42 Certificates of Annual Inspection were issued within five (5) working days upon payment of annual fees; 96/96 PTOs were processed within 15 minutes for renewal

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective / Measure	Formula	Weight	2019	Actual	Rating	Score	Rating				
SO 6 Establish and Maintain the Quality Management System											
SM 10	ISO Certification for all Processes	Actual accomplishment	5%	All or Nothing	Pass Surveillance Audit	Passed the Surveillance Audit	5%	Passed Surveillance Audit	5%	<ul style="list-style-type: none"> ISO 9001:2015 Surveillance Audit Report 	Acceptable.
SO 7 Improve Technology and Infrastructure											
LEARNING AND GROWTH	SM 11	Number of Processes Automated	Absolute number	5%	All or Nothing	Roll-out/ Implementation of the Board-approved Document Tracking System	The Board-approved Document Tracking System was rolled-out / implemented	5%	5%	<ul style="list-style-type: none"> Final Acceptance and Completion Report of DTS Contract for Consultancy Services User Acceptance Test Certificate of Deployment Computer Screenshots of the System Internal Memorandum with subject "Staff Meeting" Timeline of events 12 December 2019 email on the DTS Roll-out Screenshots of Documents 	Request for reconsideration APPROVED.

Component			Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective / Measure	Formula	Weight		2019	Actual	Rating	Score	Rating			
									Processed in DTS (samples)		
SO 8 Improve Knowledge and Skills, Professionalism, and Career Development											
SM 12	Percentage of Employees Meeting Required Competencies	Total number of competency gaps addressed in 2019 / Total number of remaining competency gaps as of 2018	5%	(Actual / Target) x Weight	90% of gaps for competencies on Quality and Environmental Management System identified in the 2018 assessment are addressed	96.71% of gaps for competencies on Quality and Environmental Management System identified in the 2018 assessment addressed	5%	73% of gaps for competencies on Quality and Environmental Management System identified in the 2018 assessment were addressed	4.06%	<ul style="list-style-type: none"> Internal Memorandum on JHMC's Competency Profile as of 2019 Summary of Competency Assessment Results Competency Assessment Form per employee 	The validated accomplishment was computed based on the target, that is, the percentage of gaps addressed. Consequently, the formula was revised to capture the target correctly. Moreover, it was observed that the assessment conducted covered all the required competencies as they were all classified as either QMS, EMS, or QMS/EMS. Overall, 209 out of 285 competency gaps as of the end of 2018 were addressed in 2019.
		Sub-total	15%				15%		14.06%		
		TOTAL	100%				98.93%		97.61%		