



22 October 2018

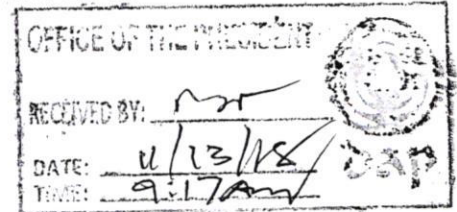
ATTY. ENGELBERT C. CARONAN, JR.

President

DEVELOPMENT ACADEMY OF THE PHILIPPINES (DAP)

DAP Building, San Miguel Avenue

Ortigas Center, Pasig City



RE: VALIDATION RESULT OF THE 2017 PERFORMANCE SCORECARD OF DAP

Dear Pres. Caronan,

This is to formally transmit the validation result of DAP's 2017 Performance Scorecard. Based on the Governance Commission's validation of documentary submissions and conduct of on-site validation on 30 July 2018, DAP gained an overall score of **55.81%** (See **Annex A**). The same is to be posted in DAP's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

We note that DAP did not submit its application for the grant of 2017 PBB to eligible officers and employees. Be that as it may, DAP fails to satisfy the requirements of **GCG MEMORANDUM CIRCULAR (MC) No. 2017-01**² and the *Checklist of Documents to be submitted by GOCCs to Qualify for the 2017 Performance-Based Bonus (PBB)*, particularly the achievement of a weighted-average score of at least 90% in its 2017 Performance Scorecard. In this regard, the Board is reminded that any unilateral action to release the PBB 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 R.A. No. 10149.³

Consequently, pursuant to GCG M.C. No. 2014-06,⁴ failure to qualify for the PBB means that the Appointive Members of the Governing Board of DAP shall not be qualified to receive the Performance-Based Incentive (PBI).

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 – DAP

¹ Code of Corporate Governance for GOCCs dated 28 November 2012.

² Interim Performance-Based Bonus (PBB) dated 09 June 2017.

³ GOCC Governance Act of 2011.

⁴ Compensation Framework for Members of the GOCC Governing Boards dated 10 May 2016.

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DEVELOPMENT ACADEMY OF THE PHILIPPINES (DAP)
Validated 2017 Performance Scorecard

CUSTOMERS/ STAKEHOLDERS	Performance Measures				GOCC Submission		GCG Validation		Supporting Documents	Remarks																																						
	Description	Formula	Weight	Target	Actual	Rating	Score	Rating																																								
	SO 1 Enhanced Competence of Government Officials																																															
SM 1	Key Government Officials (Senior Executives & Middle Managers) Capacitated	Actual number of key government officials (Senior executives & middle managers) graduated or completed the programs	10%	Graduate Degree Programs: GSPDM: 850 PMDP: 140	GSPDM: 802 PMDP: 120	9%	GSPDM: 802 PMDP: 120	9%	- GSPDM List of Graduates/ Students for 2017 - PMDP List of Graduates (Senior Executives & Middle Managers) for CY2017	<table border="1"> <thead> <tr> <th colspan="2">GSPDM Graduates:</th> </tr> <tr> <th>Course</th> <th>No. of Graduates</th> </tr> </thead> <tbody> <tr><td>CCNI</td><td>30</td></tr> <tr><td>CPQM</td><td>24</td></tr> <tr><td>MLGP</td><td>15</td></tr> <tr><td>MPMDS</td><td>412</td></tr> <tr><td>MPRD</td><td>66</td></tr> <tr><td>MPQMS</td><td>39</td></tr> <tr><td>DOE</td><td>6</td></tr> <tr><td>MPM</td><td>4</td></tr> <tr><td>MPMHSD</td><td>101</td></tr> <tr><td>CLGP</td><td>105</td></tr> <tr><td>Total</td><td>802</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">PMDP Graduates:</th> </tr> <tr> <th>Course</th> <th>No. of Graduates</th> </tr> </thead> <tbody> <tr><td>MMC 11</td><td>40</td></tr> <tr><td>MMC 12</td><td>39</td></tr> <tr><td>MMC 13</td><td>41</td></tr> <tr><td>Total</td><td>120</td></tr> </tbody> </table>	GSPDM Graduates:		Course	No. of Graduates	CCNI	30	CPQM	24	MLGP	15	MPMDS	412	MPRD	66	MPQMS	39	DOE	6	MPM	4	MPMHSD	101	CLGP	105	Total	802	PMDP Graduates:		Course	No. of Graduates	MMC 11	40	MMC 12	39	MMC 13	41	Total	120
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SM 2	Re-Entry Plans (REPs) or Action Plans & Projects (APPs) Success Rate	Proportion of participants or students with accepted/ implemented REPs & APPs	10%	GSPDM: 95% PMDP: 85%	GSPDM: 100% PMDP: 84%	10%	GSPDM: 99.8% PMDP: 100%	10%	- GSPDM List of APPs for 2017 - PMDP List of REPs for 2017	627 out of the 628 GSPDM graduates had their APPs accepted in 2017; while all 120 graduates in PMDP successfully implemented their REPs.																																						

SO 2 Improved Effectiveness and Efficiency of Government Organizations Assisted																			
SM 3	Government Offices with ISO 9001-Certifiable QMS	Actual number of agencies with ISO 9001 Certifiable QMS	10%	90%	100%	10%	100%	10%	- List of Government Client Agencies with ISO 9001 Certifiable QMS	16 out of 16 agencies were assisted by DAP to be ISO 9001-certifiable. Of which, 7 agencies already obtained ISO Certifications.									
SM 4	Participation Rate of National Government Agencies in RBPMS/PBIS Implementation	No. of NGAs that participated in RBPMS-PBIS implementation over total no. of NGAs	5%	100%	99%	9.9%	99%	4.97%	- List of National Government Agencies (NGAs) participating in RBPMS/PBIS	307 out of 309 agencies participated in the RBPMS/PBIS Implementation.									
SO 3 Ensured Delivery of Relevant High Quality Training, Education, Technical Assistance and Research Services																			
SM 5	Customer Satisfaction	Proportion of DAP clients that are satisfied with technical assistance services	8%	87%	No data	N/A	No data	0%	- Timeline of activities on the conduct of Customer Satisfaction Survey - Request for renegotiation dated 26 Oct 2017	Delay in the conduct of customer satisfaction survey was caused by the non-approval of the contract in 2017, following the exit of DAP's former president, Atty. Cruz, from office. Approval of the consultancy contract for the survey was only obtained in 2018.									
Sub-total			43%			38.9%		33.97%											
SO 4 Sustained Financial Viability																			
FINANCIAL	SM 6	Revenue Growth Rate	(Target-Previous Year)/ Previous Year x 100	15%	10% (743.64 Million)	-7% (599.73 Million)	0%	-11.29% (599.70 Million)	0%	- DAP's 2017 COA-audited Financial Statements	<table border="1"> <thead> <tr> <th>Revenues</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>676.04</td> </tr> <tr> <td>2017</td> <td>599.70</td> </tr> <tr> <td>Growth Rate</td> <td>-11.29%</td> </tr> </tbody> </table> <p>2016 Revenues is based on restated figures in DAP's 2017 Audited FS.</p>	Revenues	Amount	2016	676.04	2017	599.70	Growth Rate	-11.29%
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	SM 7	Earnings Before Income Tax, Depreciation and Amortization (EBITDA)	(Target-Previous Year)/ Previous Year x 100	10%	9% (104.23 Million)	41% (53.53 Million)	5%	-28.60% (68.27 Million)	0%	- DAP's 2017 COA-audited Financial Statements	<table border="1"> <thead> <tr> <th>Item</th> <th>In Millions</th> </tr> </thead> <tbody> <tr> <td>Net Income</td> <td>42.84</td> </tr> <tr> <td>Add back:</td> <td></td> </tr> <tr> <td>Interest</td> <td>0.06</td> </tr> <tr> <td>Depreciation</td> <td>25.37</td> </tr> <tr> <td>2017 EBITDA</td> <td>68.27</td> </tr> <tr> <td>2016 EBITDA</td> <td>95.62</td> </tr> <tr> <td>% Growth</td> <td>-28.60%</td> </tr> </tbody> </table> <p>2016 EBITDA is based on restated figures in DAP's 2017 Audited FS.</p>	Item	In Millions	Net Income	42.84	Add back:		Interest	0.06	Depreciation	25.37	2017 EBITDA	68.27	2016 EBITDA	95.62	% Growth	-28.60%
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		Sub-total		25%			5%		0%																		
INTERNAL PROCESS	SO 5	Achieved Operational Efficiency																									
	SM 8	Budget Utilization Rate for Major Government Programs from NG	Amount Utilized / Total Budget	7%	90%	88%	6.84%	88%	6.84%	- Budget Utilization Schedule for 2017	₱231.2M was utilized for the year against a total allotment of ₱264M for government-funded projects & programs.																
	SM 9	On-Time Delivery Rate	Amount Accrued over Total Accruable Amount	8%	88%	98%	8%	97.70%	8%	- Certification on On-Time Delivery Rate - List of Projects	218 projects implemented in 2017 with accrued revenue of ₱488.86M over accruable amount of ₱500.39M.																
	SM 10	Quality Management System (QMS) Conformance Rate	Sustained ISO Certification (Project Management System; Support Systems; and Conference Facilities Management)	7%	Continued Certification ISO 9001:2015 (with closed NCs)	Continued Certification ISO 9001:2015 (with closed NCs)	7%	Continued Certification ISO 9001:2015 (with closed NCs)	7%	- Copy of 2016 Certification on ISO 9001:2015 by TUV Rheinland	DAP sustained its ISO Certification on the following processes: Project Management System for the Provision of Research, Training, Education, Technical Assistance Services, and Conference Facilities Management. The Certification was issued on 29 November 2017.																
			Sub-total		22%			21.84%		21.84%																	

SO 6 Developed and Sustained High Performing Talents										
SM 11	Organizational Climate/ Employee Morale Index	100% Developed	5%	Satisfactory Rating	3.87	5%	3.87	0%	- Copy of Organizational Climate Employee Morale Survey Report - Copy of the tool/ instrument	The 2016 index was at 3.84, translating to an "above average" rating. The index in 2017 is at 3.87, translating to "ambivalence" under the index of the new survey provider.
SM 12	Adoption and Implementation of Competency-Based Human Resource Management Framework	Implementation of the competency-based framework	5%	100% of Identified Competency Gaps Addressed with Competency Interventions (for Fellow 1 positions)	100% Incumbents in the Support Offices underwent position and person profiling	5%	100% Incumbents in the Support Offices (316 employees) underwent position and person profiling	0%	- List of Employees/ Staff who undertook Position and Person Profiling - Request for Renegotiation	The new DAP Management employed new people for the Fellow 1 positions comprising 45% of the total Fellow 1 personnel as of end of 2017, as well as effected personnel transfer among offices, which included the reassignment to other units of some Fellow 1 incumbents and Human Resource staff responsible for the CBHRM. Because of the occurrence of such events, the Academy's HR Unit deemed it impractical to address with competency interventions target Fellow 1 personnel with the identified competency gaps.
		Sub-total	10%			10%		0%		
	TOTAL		100%			75.74%		55.81%		