

HOME GUARANTY CORPORATION (HGC) 2015 Performance Scorecard

Performance Measure					HGC Submission			CGO-A Evaluation		Supporting Documents	Remarks	
Objectives / Measures		Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating			
SOCIAL IMPACT	SO 1	Housing and Urban Development Beyond Infrastructure: Mobilized and Sustained Private Funds for Housing Through A Viable System of Guarantees										
	SM 1	Total value of loans guaranteed (P M)	Value of outstanding guaranty for the year	15%	(Actual/Target) * Weight	P90,000 M	P119,996 M	15.00%	P119,996 M	15.00%	<ul style="list-style-type: none">Guaranty Portfolio Report (Outstanding guarantees), Guaranty Portfolio Report (New, Renewals, Outstanding Guarantees)	<ul style="list-style-type: none">Actual is higher than target by 33%Guaranty enrollments and renewals for CY 2015 is equivalent to 79,809 housing units coveredThere is a 6% increase in enrollments of banks from 2014 to 2015HGC continued its active marketing and promotion of guaranty programs in the NCR and the regions and improved financial position of HGC and strong demand for low cost housing
	SO 2	Guaranty Portfolio in Favor of the Low-Income Groups										
	SM 2	Percentage of housing units covered by outstanding guaranty allocated for socialized and low-cost housing (excluding HDMF accounts)	Number of housing units covered by outstanding guaranty allocated for socialized and low-cost housing (excluding HDMF accounts) divided by total number of housing units covered by outstanding guaranty	6%	All or nothing	at least 70%	82.73%	6.00%	82.73%	6.00%	<ul style="list-style-type: none">Guaranty Portfolio Report (Outstanding guarantees),	<ul style="list-style-type: none">Out of the 79,809 housing units covered by outstanding guaranty, 66,028 are allocated for socialized and low-cost housing
		Sub-total		21%			21.00%		21.00%			

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STAKEHOLDERS	SO 3	To Increase Number of New Partner Banks, Developers and Other Financial Institutions in the Regions										
	SM 3	Number of active partner banks, developers and other FIs in the regions	Actual number of active partner banks, developers and other FIs in the regions	5%	(Actual/Target) * Weight	30	47	5.00%	47	5.00%	<ul style="list-style-type: none">List of active partner banks, developers and other FIs in the region for CY2015Clients with enrollments in the regions for 2015Copies of Contracts of Guaranty	<ul style="list-style-type: none">Actual is higher than target by 17%This reflects the efforts of HGC to convince more banks to allocate part of its portfolio to housing loans
	SM 4	Percent of top 100 rural banks engaged in housing doing business with HGC	Number of Top 100 rural banks engaged in housing doing business with HGC divided by Top 100 rural banks engaged in housing	5%	(Actual/Target) * Weight	20%	21%	5.00%	21%	5.00%	<ul style="list-style-type: none">List of top 100 rural banks engaged in housing doing business with HGCCopies of Contracts of Guaranty	<ul style="list-style-type: none">Top 100 rural banks in terms of asset size according to Bangko Sentral ng Pilipinas
	SO 4	Develop Public Image/Reputation As A Dependable/Strong, Efficient and Professional Corporation										
	SM 5	Satisfaction rating based on a survey conducted by a third party	Rating	5%	All or nothing	Achieved rating of 3/5 or "Satisfactory"	Achieved rating of 4/5 or "Very Satisfactory"	5.00%	Achieved rating of 4/5 or "Very Satisfactory"	5.00%	<ul style="list-style-type: none">Board memo on the results of the 2015 HGC Customer Satisfaction Survey including List and scores of attributes in availing guaranty services, Ranking of guaranty benefits and incentives, Suggestions and recommendations from HGC Clients	<ul style="list-style-type: none">CASI conducted the survey. Sample size is 92 (banks, property developers and other financial institutions that availed themselves of HGC services for the past three years) but final sample size is 74 (or 80.43% response rate)Forty-three (43) out of the 74 respondents (58%) to this survey gave HGC an overall satisfaction rating of 4/5 or "Very Satisfactory".

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	SO 5	Generate Feedback and Address Concerns of the Public										
	SM 6	Percentage of clients/public concern addressed within 15 working days upon receipt of query/concern	Number of clients/public concern addressed within 1 working days upon receipt of query/concern divided by total number of clients/public concern received during the year	5%	(Actual/Target) * Weight	100%	97.19%	4.86%	97.19%	4.86%	<ul style="list-style-type: none">HGC Inquiry Monitoring Summary Report (Jan-Dec 2015)	<ul style="list-style-type: none">Out of the 178 received query/concern, 164 have been replied within 15 working daysHGC has a dedicated system in their website for the client/public concerns which the Corporate Planning unit monitors
		Sub-total		20%				19.86%		19.86%		
	SO 6	Increase Revenue To Sustain Guaranty Operations										
FINANCE	SM 7	Net income (P M)	Total revenues minus total expenses	10%	(Actual/Target) * Weight	P237 M	P441 M	10.00%	P441 M	10.00%	<ul style="list-style-type: none">Unaudited Income Statement	<ul style="list-style-type: none">Actual is higher than target by 86%Primarily due to higher income from guarantee/insurance fees
	SM 8	Total Financing fees (Insurance and guarantee) earned for the year (P M)	Absolute amount of financing fees (insurance and guarantee) earned during the year	6%	(Actual/Target) * Weight	P720 M	P1,054.61 M	6.00%	P1,054.61 M	6.00%	<ul style="list-style-type: none">Guaranty Premium per client as of December 31, 2015	<ul style="list-style-type: none">Actual is higher than target by 46.5%Includes 62 clientsThis is also a result of intensified marketing efforts by HGC even to those banks in rural areas
	SM 9	Percentage of bond interest serviced and bonds redeemed as scheduled (%)	Total interest paid and bond redeemed over total maturing obligation for bond interests and redemption	6%	(Actual/Target) * Weight	100%	100%	6.00%	100%	6.00%	<ul style="list-style-type: none">Summary of Projected Bond Interest Payments and RedemptionsCopies of Disbursement voucher	<ul style="list-style-type: none">Total maturing obligation amounting to P100.34 Million has been paid in 2015

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	SO 7	Speed Up Asset Disposition										
	SM 10	Sales value of assets	Sales value of acquired assets sold for the year	6%	(Actual/Target) * Weight	P490 M	P67.79 M	0.83%	P67.79 M	0.83%	<ul style="list-style-type: none">Summary of assets disposedCopies of Routing Slip for Purchase Proposals from the Marketing and Sales Department	<ul style="list-style-type: none">Actual is lower than target by 86% or an equivalent of P422.2 MHGC encountered problems like occupants refusing to be documented claiming that the selling prices are beyond their affordability and some are questioning HGC's ownership of the property, particularly the relocation sites.
	SO 8	Enhance Collection Efficiency To Improve Liquidity										
	SM 11	Collection Efficiency	Value of actual collection over target collection for the year	6%	(Actual/Target) * Weight	88%	91.61%	6.00%	91.61%	6.00%	<ul style="list-style-type: none">Collection of Receivables as of 31 Dec 2015	<ul style="list-style-type: none">Actual accomplishment exceeded target by 4%. This is due to the more aggressive collection strategy being implemented by HGCOut of the P291.97 M target collection, P267.46 M has been actually collectedCER for Current Accounts and Lease Receivables is 96% while CER for Delinquent Accounts is 44.22%
		Sub-total		34%				28.83%		28.83%		

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INTERNAL PROCESS	SO 9	Enhance Operational Efficiency										
	SM 12	Percentage of guaranty enrollment applications completed within 15 working days upon receipt of complete required documentation	Number of guaranty enrollment applications completed within 15 working days upon receipt of complete documentation over Number of guaranty enrollment applications filed with complete documentation	5%	(Actual/Target) * Weight	100%	100%	5.00%	100%	5.00%	<ul style="list-style-type: none">Total number of processed Certificate of Guaranty , Total number of days from Date Started to Released Date (info available per client), Data on the Processing Time of Promissory Note of AKPF Enrollment CY2015Document Routing SlipCopies of Certificate of GuarantyCopies of receipt for the payment of Guaranty Premiums	<ul style="list-style-type: none">From January to December 2015, total number of processed COGs is 1,171, with the highest in January (139) and the lowest in November (78)Reckoning period is from the time the documents were received (complete) and the final date is the issuance of the Certificate of Guaranty
	SM 13	Percentage of approved guaranty calls processed within 30 calendar days upon receipt of complete required documentation	Number of approved guaranty calls paid within 30 calendar days upon receipt of complete documentation over number of approved guaranty calls	5%	(Actual/Target) * Weight	100%	100%	5.00%	100%	5.00%	<ul style="list-style-type: none">List of paid retail guaranty calls from 1 Jan - 31 Dec 2015, Status of Calls (Retail Accounts) including calls carried over from 2014, calls received in 2015, total calls processed in 2015, and details of collateral position (2015 Jan-Dec),Total number of processed COG CY2015 With details-date started and date of release	<ul style="list-style-type: none">9 accounts were processed in 2015. Out this, all were completed within 30 days with average TAT of 14 working daysRate of default is 0.0061%Maximum TAT of 20 days and Minimum TAT of 8 days

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	SM 14	Percentage of sales document executed within 30 working days from receipt of reservation payment/downpayment	Number of sales documents executed within 30 days from receipt of payment divided by total number of sales document with reservation payment/downpayment	5%	(Actual/Target) * Weight	100%	100%	5.00%	95.33%	4.77%	<ul style="list-style-type: none">Monitoring of Sales Document Execution (Disposed Assets for CY2015)	<ul style="list-style-type: none">Based on the CGO validated rating, HGC missed its target from its reported to 100% (69/69 sales documents executed) to 98.59% (71/72 sales documents executed).The CGO noted that there are 3 accounts that were not accounted in the CY 2015 accomplishment since HGC explained that they received the reservation payment/downpayment of these accounts in 2014. However, these were not reflected in their 2014 report since the transaction has not been finalized yet. To maintain consistency in the monitoring, the accounts must be included in their 2015 report
		Sub-total		15%				15.00%		14.77%		
LEARNING AND GROWTH	SO 10	Implement Government Quality Management System (GQMS)										
	SM 15	ISO Certification of business processes		5%	All or nothing	3 core business processes certified	3 core business processes re-certified	5.00%	3 core business processes re-certified	5.00%	<ul style="list-style-type: none">Audit report from TUV Rheinland ISO 9001:2008 Re-certification	<ul style="list-style-type: none">Accomplishment is in line with target
	SO 11	Automate System Processes										
	SM 16	Automation of system processes		2.50%	Actual/target	All programmed automation and	Awaiting GPPB legal Opinion on AX Enhancement	0.00%	Awaiting GPPB legal Opinion on AX Enhancement	0.00%	<ul style="list-style-type: none">Copy of the Memorandum for the Board on the Awarding of Contract	<ul style="list-style-type: none">Per explanation of HGC, they are still waiting for the reply from GPPB on their

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						enhancement of system process per approved 2015-2017 ISSP conducted	TOR and Contract Award. Request submitted last 15 May 2015		TOR and Contract Award. Request submitted last 15 May 2015		for the "AX System Enhancement Project" <ul style="list-style-type: none">• Copy of the TOR• Acknowledgement letter from the GPPB	request for legal opinion on AX Enhancement TOR and Contract Award.
	SO 12	Improve Competencies										
	SM 17	Competency Framework	Framework	2.50%	All or nothing	Developed Competency Framework	Developed Competency Framework	2.50%	Developed Competency Framework	2.50%	<ul style="list-style-type: none">• Graphic illustration of framework• Copy of the Competency Framework Development Project Report from the consultant	<ul style="list-style-type: none">•
		Sub-total		10%				7.50%		7.50%		
		TOTAL		100%				92.19%		91.96%		