

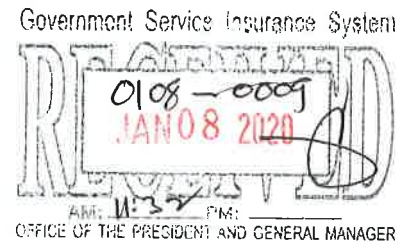


Office of the President of the Philippines  
**GOVERNANCE COMMISSION**  
 FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS  
 3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



02 January 2020

**MR. ROLANDO L. MACASAET**  
*Chairman*  
**GOVERNMENT SERVICE INSURANCE  
 SYSTEM (GSIS)**  
 GSIS Financial Center, Roxas Boulevard  
 Pasay City



**RE : TRANSMITTAL OF 2020 PERFORMANCE SCORECARD**

Dear Chairman Macasaet,

This is to formally transmit the 2020 Charter Statement and Strategy Map (**Annex A**) and 2020 Performance Scorecard (**Annex B**) of GSIS.

The GSIS proposed Charter Statement, Strategy Map and Performance Scorecard submitted through its letters dated 13 August 2019<sup>1</sup> and 30 September 2019<sup>2</sup> were **MODIFIED** based on the discussions made during the Technical Panel Meeting (TPM) held on 21 November 2019 and evaluation of revised documents submitted by GSIS through its letter dated 05 December 2019<sup>3</sup>.

We take this opportunity to inform GSIS that Item 5 of GCG Memorandum Circular No. 2017-02<sup>4</sup> mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter. GSIS is requested to submit its revised Quarterly Targets based on the attached scorecard upon submission of the 1st Quarter Monitoring Report for 2020.

**FOR YOUR COMPLIANCE.**

Very truly yours,

**SAMUEL G. DAGPIN, JR.**  
*Chairman*

**MICHAEL P. CLORIBEL**  
*Commissioner*

**MARITES C. DORAL**  
*Commissioner*

<sup>1</sup> Officially received by the Governance Commission on 29 August 2019.  
<sup>2</sup> Officially received by the Governance Commission on 30 September 2019.  
<sup>3</sup> Officially received by the Governance Commission on 06 December 2019.  
<sup>4</sup> Interim PES for the GOCC Sector, dated 30 June 2017.



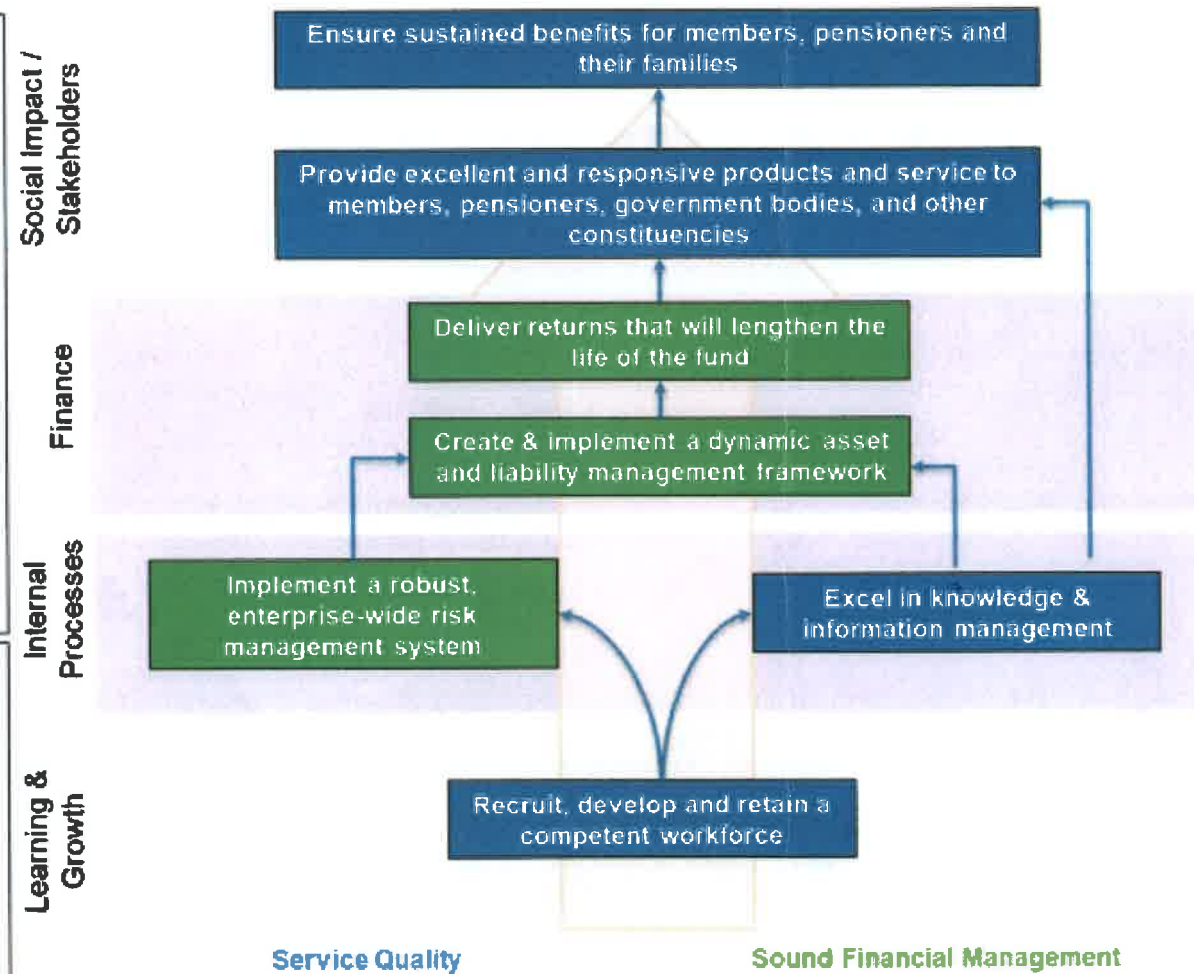
**By 2022, GSIS will have a longer actuarial life with sustained member benefits and responsive service to its stakeholders.**

**MISSION:**  
GSIS commits to –

1. provide social security/insurance and financial benefits to all government employees and their dependents;
2. satisfy the non-life insurance needs of the government;
3. maintain and strengthen the viability of the fund; and
4. build an enduring partnership with its stakeholders.

**CORE VALUES:**

- Professionalism
- Love of Country
- Integrity
- Service Excellence
- Spirituality
- Innovation
- Teamwork
- Mutual Respect



GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS)

Component					Baseline Data		Target	
Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
<b>SO 1</b>	<b>Ensure sustained benefits for members, pensioners and their families</b>							
SM 1	Improvement /Enhancement of benefits and privileges without impairing actuarial life	Number of board-approved programs implemented to improve/enhance the benefits and/or privileges	10%	All or Nothing	- Full implementation of Improvement of GSIS financial literacy program for retiring employees  - Full implementation of Improvement of Education Assistance Loan Program part 2	94.85%	Implementation of the GSIS Financial Literacy Program (GFAL) 2	Full Implementation of one (1) board-approved program

Component					Baseline Data		Target	
Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
<b>SO 2 Provide Excellent and Responsive Products and Services to Members, Pensioners, Government Bodies, and Other Constituencies</b>								
SM 2	Percentage of claims and benefits processed within the Applicable Time	Number of claims and benefits processed within TAT / Number of received applications due for processing - Claims and benefits enrolled in the Ease of Doing Business (EODB) Act  <i>(Processing Time is subject to GSIS' compliance with RA 11032 or the Ease of Doing Business and Efficient Delivery of Government Service Act)</i>	10%	(Actual / Target) x Weight  Below 90% = 0%	87.13%	89.53%	100%	100%
SM 3	Percentage of Satisfied Customers	Number of Respondents who rated GSIS at least satisfactory/ Total number of respondents	10%	(Actual / Target) x Weight  Below 80% = 0%	99.13%	Accomplishment not acceptable	93.7%	93.7%
<b>Sub-total</b>			<b>30%</b>					

Component				Baseline Data		Target		
Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
<b>SO 3</b>	<b>Deliver returns that will lengthen the life of the fund</b>							
SM 4	Minimize Consolidated Loan (CNL) Past Due Rate	<p>Past Due Rate = (Total outstanding principal balance of due and demandable Consolidated Loan accounts - Allowance for Impairment) / (Total outstanding principal balance of all Consolidated Loan accounts - Allowance for Impairment)</p>	10%	<p>{1-[(Actual - Target) / Target] x Weight}</p> <p>Above 25% = 0%</p>	23.88%	7.98%	15%	10%

Component				Baseline Data		Target		
Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
<b>SO 4</b>	<b>Create and implement a dynamic asset allocation and investment framework</b>							
SM 5	Increase in Total Assets	<p>Sum of percentage increases from 2016 to 2020 / 5</p> <p>where:</p> <p>Annual percentage increase in total assets = [(Total assets at the end of CURRENT year - Total assets at the end of PREVIOUS year) / Total asset at the end of the previous year] x 100</p>	10%	<p>(Actual / Target) x Weight</p> <p>Below 6% = 0%</p>	8.95%	7.6%	6.41%	7.9% <sup>1</sup>

<sup>1</sup> Based on GSIS' 2020 submitted Corporate Operating Budget (COB), the 2019 year-end projected asset level will be P1.302 Trillion, while the projected 2020 asset is P1.396 Trillion

Component					Baseline Data		Target	
Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
SM 6	Generate Return on Investment (ROI) on investible funds	Sum of ROI from 2016 to 2020 / 5  where: Annual ROI = Net Investment Income/*Average Investment Asset  *Average Investment Assets = (Total Investment Assets at yearend of the CURRENT year + Total Investment Assets at the end of previous year)/2	10%	(Actual / Target) x Weight  Below 5% = 0%	9.03%	8.60%	7%	6.25%
SM 7	Maintain the Fund Ratio of the Social Insurance Fund	Assets/Reserves of the GSIS Social Insurance Fund	10%	(Actual / Target) x Weight	72.84%	69.12%	74%	70%
<b>Sub-total</b>			<b>40%</b>					
<b>SO 5</b>	<b>Implement a robust, enterprise-wide risk management system</b>							
SM 8	ERM Risk Maturity Rating	Actual Rating	10%	2.80 or higher = 10% 2.70 to below 2.80 = 5% Below 2.70 = 0%	-	3.28	2.70	2.80

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Component					Baseline Data		Target	
Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
<b>SO 6</b>	<b>Excel in Knowledge and Information Management</b>							
SM 9	Maintain / Upgrade QMS Certification	Number of Core Processes ISO Certified	10%	All or Nothing	ISO 9001:2015 Certification covering: 1. Loans processing; 2. Membership Administration; 3. Maturity Claims; 4. Motor Vehicle Claims Processing	ISO 9001:2015 Recertified for:  1. Loans Processing; 2. Membership Administration; 3. Maturity Claims Processing; 4. Motor Vehicle Claims Processing  Note: Including Related Critical Support Processes (Data Center)	Certification under ISO 9001:2015 for Funeral Benefit Claim Processing and Marketing of Non-Life Insurance for the Renewal of all Bidding Accounts  Pass the Surveillance Audit or Maintain Certificate for the following processes:  1. Loans Processing; 2. Membership Administration; 3. Life/Maturity Claims Processing; 4. Motor Vehicle Claims Processing; 5. Critical Support Processes.	A.) ISO 9001:2015 Certification for 2 NEW Processes.  B.) Pass the Surveillance Audit or Maintain Certificate for the following processes: 1. Loans Processing; 2. Membership Administration; 3. Life/Maturity Claims Processing; 4. Motor Vehicle Claims Processing; 5. Critical Support Processes; 6. Funeral Benefit Claim Processing; and, 7. Marketing of Non-Life Insurance for the renewal of all bidding accounts.
	<b>Sub-total</b>		<b>20%</b>					



Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020
<b>SO 7</b>	<b>Recruit, develop and retain a competent workforce</b>							
SM 10	Improve Average Competency Level of the Organization	Competency Baseline <sup>2</sup> 2020 – Competency Baseline 2019	10%	All or Nothing	3.5156	3.77	95% of employees have a rating of 4 for the required competencies	Improvement on the Competency Level of the Organization based on the 2019 year-end assessment
	<b>Sub-total</b>		<b>10%</b>					
	<b>TOTAL</b>		<b>100%</b>					

<sup>2</sup> The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum_{b=1}^B \left[ \frac{\sum_{a=1}^A (\text{Actual Competency Level})}{A} \right]}{B}$$

where: a = Competency required, A = Total number of competencies required of position, b = Personnel profiled, B = Total number of personnel profiled