

 **FILE**

Republic of the Philippines
SOCIAL SECURITY SYSTEM

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OFFICE OF THE PRESIDENT AND CEO

10 December 2020

HONORABLE SAMUEL G. DAGPIN, JR.

Chairman

Governance Commission for GOCCs

3rd Floor Citibank Centre, 8741 Paseo De Roxas

Makati City, Philippines 1226

Dear Chairman Dagpin:

In compliance with Governance Commission for GOCCs (GCG) Memorandum Circular No. 2017-01 on the Interim Performance-Based Bonus (PBB), we are respectfully submitting the following duly-approved documentary requirements for the PBB FY 2018:

- a) **PES Form 3** - 2018 Performance Scorecard of SSS with an overall score of 93.62% as validated by the GCG;
- b) **PBB Form 1** – Social Security Commission (SSC) Resolution No. 324 dated 22 May 2019, Adopting the FY 2018 PBB System for the Social Security System in Accordance with Executive Order No. 80, s. 2012 and GCG Memorandum Circulars Nos. 2017-01 and 2018-01;
- c) **PBB Form 2** – Omnibus Certification signed by the SSC Chairperson and the SSS President and CEO; and
- d) **PBB Forms 3a and 3b** – Schedule and summary of the distribution of the PBB to qualified Officers and Employees who will receive the PBB.

Attached also are the supporting documents in electronic form (in CD) and hard copies:

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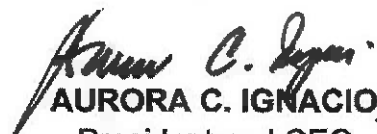

- 1) Time-bound action plan for addressing Notices of Disallowance (NDs) and Audit Observation Memoranda (AOMs) from the Commission on Audit (COA)
 - Agency Action Plan and Status of Implementation
Audit Observations and Recommendations for Calendar Year 2017
 - Agency Action Plan and Status of implementation
2016 and Prior Year's Audit Observations and Recommendations as of November 2018
 - Status of COA Notices of Disallowances as of 21 December 2018
- 2) Certification of Compliance issued by the following agencies for payment of mandatory premiums:
 - a) Bureau of Internal Revenue (BIR)
 - b) Government Service Insurance System (GSIS)
 - c) Philippine Health Insurance Corporation (PhilHealth)
 - d) Pag-IBIG Fund
- 3) Government Corporation Information Sheet (GCIS) FY 2018
- 4) Report on Ageing Cash Advance Liquidation

In view of this, may we respectfully request for the Authorization to release the 2018 PBB for qualified SSS officers and employees.

We hope you find this submission in order.

Thank you.

Very truly yours,


AURORA C. IGNACIO
President and CEO 



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



11 January 2021

MR. CARLOS G. DOMINGUEZ III

*Secretary, Department of Finance
and Chairperson, SSS*

MS. AURORA C. IGNACIO

President and CEO (PCEO)

SOCIAL SECURITY SYSTEM (SSS)

*SSS Building, East Avenue, Diliman
Quezon City*

**RE : AUTHORIZATION TO GRANT 2018 PBB TO
ELIGIBLE OFFICERS AND EMPLOYEES OF SSS**

Dear Secretary Dominguez and PCEO Ignacio,

The Social Security System (SSS) has satisfied the requirements of **GCG MEMORANDUM CIRCULAR (M.C.) No. 2017-01¹** and the *Checklist of Documents to be submitted by GOCCs to Qualify for the 2018 Performance-Based Bonus (PBB)*. This is based on:

1. Certifications executed under oath by the Chairman, PCEO, and other concerned officers of the SSS;
2. Review by the GCG of the completeness of the required submissions from SSS for the 2018 PBB, including compliance with Good Governance Conditions specific to the GOCC Sector;
3. Validation by the GCG of the accomplishments of the SSS for 2018 with a final Performance Scorecard rating of 93.62%; and
4. Validations received from the Civil Service Commission (CSC), PhilGEPS, the Department of Budget and Management (DBM), and the A.O. No. 25 Inter-Agency Task Force (IATF) Secretariat, pursuant to the directive of the A.O. No. 25 IATF.²

In accordance with GCG M.C. No. 2017-01, and the Memorandum from the Executive Secretary dated 17 November 2020,³ the Governing Board of the SSS is hereby **AUTHORIZED** to grant the 2018 PBB, with a maximum amount of **₱130,899,673.45 to 6,895** eligible officers and employees as follows:

¹ Interim Performance-Based Bonus (PBB) dated 09 June 2017.

² Memorandum from the IATF re Final Compliance Validation Results of GOCCs under R.A. 10149 for the FY 2018 PBB, dated 06 February 2020. Officially received by the Governance Commission on 13 February 2020.

³ Officially received by the Governance Commission on 19 November 2020.

LT Authorization to Grant 2018 PBB to Eligible Officers and Employees

Rank	Multiplier	Distribution		Total Approved PBB Amount (P)
		Number	Percent	
Senior Management				
Top: Maximum 10%	0.65	6	10%	867,458.15
Next: Maximum 25%	0.575	15	25%	1,567,200.99
Remaining: Minimum 65%	0.5	39	65%	3,133,412.75
Sub-total		60		5,568,071.89
Below Satisfactory	-	0	-	--
Middle Management				
Top: Maximum 10%	0.65	33	10%	2,507,958.70
Next: Maximum 25%	0.575	82	25%	4,807,499.84
Remaining: Minimum 65%	0.5	215	65%	8,279,264.65
Sub-total		330		15,594,723.19
Below Satisfactory	-	0	-	--
Professional and Supervisory				
Top: Maximum 10%	0.65	551	10%	14,835,596.50
Next: Maximum 25%	0.575	1,378	25%	28,704,765.81
Remaining: Minimum 65%	0.5	3,584	65%	55,544,838.15
Sub-total		5,513		99,085,200.46
Below Satisfactory	-	0	-	--
Clerical/General Staff				
Top: Maximum 10%	0.65	99	10%	1,264,315.65
Next: Maximum 25%	0.575	248	25%	2,780,666.01
Remaining: Minimum 65%	0.5	645	65%	6,606,696.25
Sub-total		992		10,651,677.91
Below Satisfactory	-	0	-	--
Grand Total of Eligible Personnel		6,895		
Total of Below Satisfactory		0		
Grand Total of PBB				130,899,673.45

In an e-mail communication dated 27 December 2020, the SSS informed the Governance Commission that SSS' former PCEO opted to avail the Performance-Based Incentive (PBI) for the Board of Directors instead of the Performance-Based Bonus (PBB).

Pursuant to Item 3.1.13 of GCG M.C. No. 2017-01, the agency heads of GOCCs should ensure that the PBB will only be released to officers and employees who have complied and submitted their Statement of Assets, Liabilities and Net Worth (SALN), liquidated their Cash Advances of the corresponding year, and completed their Strategic Performance Management System (SPMS) forms.

We respectfully remind the Governing Board to ensure that SSS' grant of the 2018 PBB should observe the following conditions:

LT Authorization to Grant 2018 PBB to Eligible Officers and Employees

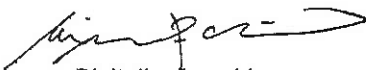
1. The funding to support the PBB shall be charged to SSS' corporate funds, subject to Section 8, GCG M.C. No. 2017-01;
2. In the event the total amount of PBB to be distributed exceeds the Corporate Operating Budget (COB) level, the Governing Board shall request from DBM the approval of the Supplemental Budget necessary for this purpose;
3. The coverage and eligibility requirement under Section 3 of GCG M.C. No. 2017-01 shall be strictly followed in the grant and release of PBB amounts to SSS officers and employees; and
4. No other performance-based bonus or its equivalent has been released or will be released for 2018 in addition to the PBB scheme provided under GCG M.C. No. 2017-01.

FOR SSS' INFORMATION AND GUIDANCE.

Very truly yours,



Digitally signed by:
CHAIRMAN SAMUEL G. DAGPIN, JR.



Digitally signed by:
COMMISSIONER MICHAEL P. CLORIBEL



Digitally signed by:
COMMISSIONER MARITES C. DORAL

cc: The Resident Auditor-SSS



Office of the President of the Philippines
GOVERNANCE COMMISSION
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3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



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MR. CARLOS G. DOMINGUEZ
DOF Secretary and SSS Chairman
MS. AURORA C. IGNACIO
President and CEO (PCEO)
SOCIAL SECURITY SYSTEM (SSS)
SSS Building East Avenue, Diliman
Quezon City

To: VP Ellen Cinco
Fr: OPCEO

09/30/19

**RE : VALIDATION RESULT OF THE 2018
PERFORMANCE SCORECARD OF SSS**

Dear Secretary Dominguez and PCEO Ignacio,

This is to formally transmit the validation result of SSS' 2018 Performance Scorecard. Based on the Governance Commission's validation of documentary submissions, the SSS gained an over-all score of **93.62%** (see **Annex A**). The same is to be posted in SSS' website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

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 - SSS

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

Annex A

SOCIAL SECURITY SYSTEM (SSS)

Component				SSS Submission		GCG Validation		Supporting Documents	Remarks,	
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating		
SO 1	Sustain the Viability of the Social Security Institution									
SM 1	Increase Amount of Contribution Collected	Contribution collection (Employed + Self-employed + Voluntary + OFWs)	20%	(Actual / Target) but not less than end 2017 figure	₱187.12 Billion	₱181.92 Billion	-	₱181.92 Billion	19.44%	Financial Statements prepared by SSS General Accounting Department
				If less than 2017 validated figure = 0% weight						Unaudited Financial Statements as submitted to COA
										DBM Form No. 703-A
Request for the revision of the target to only ₱177.44 Billion is DENIED. The target collection is not anchored on the hike in contribution rate and MSC but the need for SSS to step up and intensify its collection efforts not only against erring companies and individuals but also to collect from those mandatorily covered by the SSS.										
Validated accomplishments-										

¹ 4hr Quarter Monitoring Report submitted did not include self-rating.

Component				SSS Submission			GCG Validation		Supporting Documents	Remarks	
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating			
										ment based on the supporting document submitted.	
SM 2	Improve Return on Investments	Annualized monthly ROI	5%	(Actual / Target) x Weight Below 5% = 0	5.72%	6.12%	-	5.48%	4.79%	Unaudited Financial Statement as submitted to COA Schedule of Investment and Related Income Justification for the modification	Request for the modification of target from 7.85% to 5.72% is <u>APPROVED</u> due to weak 2018 market and pending approval of the President for the increase in contribution and Monthly Salary Credit (MSC). Validated accomplishment based on the supporting document submitted.

Component		SSS Submission		GCG Validation		Supporting Documents		Remarks
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating
SO 2 Effectively Manage the Fund								
SM 3	Percent of Operating Expenses to Charter Limit	Operating Expenses / (12% of Contribution Collections + 3% of Investment and other Income)	Less than or equal to 70% = 5% Above 70% =0%	≤70%	42.9%	-	62.69%	5%
								Financial Statements prepared by SSS General Accounting Department
								Validated accomplishment based on submitted supporting documents: Total Operating Expenses: ₱14.255 Billion Total Charter Limit: ₱22.738 Billion
		Sub-total	30%			-		29.23%
SO 3 Improve Customer Satisfaction								
SM 4	Percentage of Satisfied Customers	Actual rating provided by 3 rd party social research institution	(Actual / Target) x Weight Below 80% = 0%	10%	90%	81% (Individual: 87%, Employer: 75%)	81%	9%
								Third Party Customer Satisfaction Report
								Sample accomplished Customer Satisfaction Sheets
								Acceptable.

STAKEHOLDER

Component				SSS Submission			GCG Validation		Supporting Documents	Remarks	
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating			
									MOA between SSS and PSRC		
									Report on Quality Control Mechanisms		
		Sub-total	10%			-		9%			
SO 4	Adopt a Service Quality Framework In ISO-Certified Processes										
										Acceptable.	
SM 5	Implement Quality Management System	Actual Accomplishment	5%	All or nothing	ISO Certification of all management and support processes in the Main Office (10 processes)	10 management and support processes ISO-Certified in Dec 2018		ID Capture and Identity Management Process including Support and	5%	Attestation from certifying body (AJA Registrars)	Certificate No. AJA19-0219 Scope: ID Capture and Identity Management Process including Support and Management Processes

2.1. Planning and Review Management; 2. Improve Management; 3. Compliance and Risk Management; 4. Relationship, Communication and Feedback Management; 5. Human Resource Management; 6. Facilities Management; 7. Procurement and Supply Management; 8. Information Management; 9. ICT Management; and 10. Financial Resource Management.

Component				SSS Submission			GCG Validation			Supporting Documents	Remarks
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating			
SM 7	Increase Percentage of Paying Members	SSS paying members / (Employed persons less Workers in Gov't Gov't corporations)	10%	(Actual/ Target) x Weight	44%	42.9%		44%	10%	Internal Report on Paying Members Current Labor Statistics for July 2018	Request for revision of target is <u>APPROVED WITH MODIFICATION</u> . Revised target is based on the projections made during the finalization of the 2019 target for this measure. Validated accomplishment based on the supporting documents submitted.
SO 6	Improve Processes, Systems and Procedures										
SM 8	Number of IT-enabled Service Delivery Channels	Number of IT enabled service delivery channels implemented	5%	(Actual/ Target) x Weight	Fully functional systems/ applications: 1. Individual members (SE/ VM/ OFW/ NWS) inquiry of PRN thru mobile app;	6 additional IT-enabled service delivery channels: 1. Individual members (SE/ VM/ OFW/ NWS) inquiry of PRN thru mobile app		5 additional IT-enabled service delivery channels: 1. Individual members (SE/ VM/ OFW/ NWS) inquiry of PRN thru mobile app	4.17%	UAT results Guidelines Communication notice to members Commencement date of development	Validated accomplishment excludes the reported accomplishment on Employer contribution SOA thru the web as the project was already

Component					SSS Submission			GCG Validation			Supporting Documents	Remarks
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating	Agreement with Globe		completed in 2017.	
				2. Individual member's (SE/ VM/ OFW/ NWS) generation and amendment of PRN thru mobile app;	2. Individual member's (SE/ VM/ OFW/ NWS) generation and amendment of PRN thru mobile app		2. Individual member's (SE/ VM/ OFW/ NWS) generation and amendment of PRN thru mobile app					
				3. Salary loan application thru mobile app;	3. Salary loan application thru mobile app		3. Salary loan application thru mobile app					
				4. Employer contribution SOA thru the web;	4. Employer contribution SOA thru the web		4. Employer (regular and household) mobile payment					
				5. Employer (regular and household) mobile payment; and	5. Employer (regular and household) mobile payment		5. PESO Fund contribution mobile payment					
				6. PESO FUND contribution mobile payment.	6. PESO Fund contribution mobile payment							

Component			SSS Submission		GCCG Validation		Supporting Documents	Remarks		
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating	Supporting Documents	Remarks
		Retirement: 3%			Ret: 87.51%		Ret: 86.53%			Validated accomplishment based on the re-computed processing time using the supporting document submitted.
		Death: 2%			Death: 87.46% Disability: 79.07%		Death: 86.84% Disability: 77.50%		Summary Report	
						-		11.27%	Excel data report extracted from the online system's database	
SM 9	Percentage of Applications Processed within the Applicable Time	Total number of applications processed within prescribed time / total number of applications received	Disability: 2% Sickness: 2% Maternity: 2% Funeral: 2% Loans Granting: 2%	(Actual / Target) x Weight 100% of applications processed within the processing time ³	Death: 87.46% Disability: 79.07% Sickness: 84.22% Maternity: 82.56% Funeral: 78.71% Loans: 69.24%		Death: 86.84% Disability: 77.50% Sickness: 79.73% Maternity: 76.88% Funeral: 79.73% Loans: 33.08%			

³ Retirement – 18 Working Days (WD); Death – 33 WDs; Disability – 17 WDs; Sickness – 10 WDs; Maternity- 10 WDs; Funeral – 5 WDs; and Loans Granting – 1 WD.

Component				SSS Submission			GCCG Validation		Supporting Documents	Remarks
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating		
SO 7 Provide a Conducive Member-Centric Environment										
SM 10 Increase Total Number of Branches, Service Office, and Physical/Medical Examination Centers	Actual Accomplishment	15%	All or nothing for each	Cumulative number by end of the year: 173 Branches ⁴ 100 Service Offices 104 Physical/Medical Examination Centers	173 Branches 103 Service Offices 104 ME Centers	-	173 Branches 103 Service Offices 104 ME Centers	15%	Memoranda for the creation of 16 new branches and service offices issued by the Branch Expansion and Management Services Department PCEO approvals all the newly created branches and service offices Office Orders signed by PCEO Pictures of each branch, service office and ME centers	Acceptable.

⁴ Excludes number of branches renovated.

Component				SSS Submission			GCG Validation		Supporting Documents	Remarks	
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating ¹	Actual	Rating			
	Sub-total	55%				-		50.39%			
SO 8 Capacitate and Energize the Organization											
ORGANIZATION	Percentage of Employees Meeting Required Competencies SM 11	Actual Accomplishment	5%	All or nothing	Preparation of competency tables of the whole organization ⁵	Competency tables of the whole organization prepared	-	Competency Table and Matrices for the whole organization	5%	Memorandum of Competency Catalogue	SSS exceeded the target and was able to perform beyond expectation as it was also able to develop the competency matrices for each position.
										Competency Catalogue containing the Table and Matrices	
										Copies of certification for the review and validation of competencies per SSS unit	
	Sub-Total	15%				-		5%			
	TOTAL	100%				-		93.62%			

⁵ The Governance Commission approved the request of SSS to modify the target from "Establish Baseline Competency Level of the Organization" to "Preparation of Competency Tables of the Whole Organization" per letter dated 03 December 2018.

**SUMMARY OF THE RANKING OF
ELIGIBLE OFFICERS AND EMPLOYEES OF SSS**

MULTIPLE / FIXED AMOUNT	Distribution	No. of Personnel	PBB Amount (P)
SENIOR MANAGEMENT			
65.00	10%	6	867,458.15
57.50	25%	15	1,567,200.99
50.00	65%	39	3,133,412.75
Below Satisfactory			
Total: Senior Management		60	5,568,071.89
MIDDLE MANAGEMENT			
65.00	10%	33	2,507,958.70
57.50	25%	82	4,807,499.84
50.00	65%	215	8,279,264.65
Below Satisfactory			
Total: Middle Management		330	15,594,723.19
PROFESSIONAL AND SUPERVISORY			
65.00	10%	551	14,835,596.50
57.50	25%	1378	28,704,765.81
50.00	65%	3584	55,544,838.15
Below Satisfactory			
Total: Professional and Supervisory		5513	99,085,200.46
CLERICAL/GENERAL STAFF			
65.00	10%	99	1,264,315.65
57.50	25%	248	2,780,666.01
50.00	65%	645	6,606,696.25
Below Satisfactory			
Total: Clerical/General Staff		992	10,651,677.91
GRAND TOTAL		6,895	130,899,673.45


JEAN V. LAGRADA

Vice President
Financial and Budget Division and
Concurrent Acting Head,
Controllorship Group

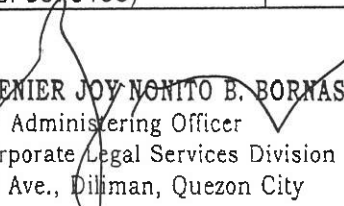

ELVIRA G. ALCANTARA-RESARE

Executive Vice President
Corporate Services Sector and
Concurrent Acting Head,
Human Resource Management Group

SUBSCRIBED AND SWORN to before me this _____ day of DEC 11 2020. Affiants exhibited to me their respective Government issued IDs bearing their photo:

Name of GOCC Officer	Type of Government ID	To Expire on
JEAN V. LAGRADA	851512 SSS Employee Id No	No expiration date
ELVIRA G. ALCANTARA-RESARE	Professional Identification Card (Registration No. 0070198)	09 June 2020

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ATTY. RENIER JOY NONITO B. BORNAS
Administering Officer
SSS Corporate Legal Services Division
East Ave., Diliman, Quezon City