



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



04 September 2024

HON. JOSE RIZALINO L. ACUZAR

DHSUD Secretary

and SHFC Chairperson

HON. FEDERICO A. LAXA

President and Chief Executive Officer (PCEO)

SOCIAL HOUSING FINANCE CORPORATION (SHFC)

BDO Plaza, 8737 Paseo de Roxas,
Salcedo Village, Makati City

**RE: VALIDATION RESULT OF SHFC's 2023
PERFORMANCE SCORECARD**

Dear Secretary Acuzar and PCEO Laxa,

This is to formally transmit the validation result of SHFC's 2023 Performance Scorecard (**Annex A**), where SHFC obtained an overall score of **47.08%**. The same is to be posted on SHFC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹


FOR SHFC's INFORMATION AND GUIDANCE.

Very truly yours,


ATTY. MARIUS P. CORPUS
Chairperson




ATTY. BRIAN KEITH F. HOSAKA
Commissioner


**ATTY. GERALDINE MARIE B.
BERBERABE-MARTINEZ**
Commissioner

¹ Code of Corporate Governance for GOCCs.



SOCIAL HOUSING FINANCE CORPORATION (SHFC)
Validation of 2023 Performance Scorecard

Component						SHFC Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating
	SO 1	Improve the Quality of Life of the Informal Settler Families and Low-Income Filipinos through the Provision of Housing Finance										
SOCIAL IMPACT												
	SM 1	Provision of Shelter Security and Improved Housing Quality	Actual Accomplishment	35%	(Actual / Target) x Weight	28,000	30,812	35.00%	Unverifiable	0.00%	<ul style="list-style-type: none">Accomplishment Report (January to December 2023)List of ProjectsSummary and Detailed Recalibrated Target and Accomplishment	<p>Based on the examination of the supporting documents provided, the GCG validated that for Phase 1 on Lot Acquisition, the samples provided were consistent with SHFC's report. However, for Phases 2 and 3, on Site Development and Building Construction, it was confirmed that based on the actual progress of the projects, the samples provided refer to the cumulative number of ISFs as of the end of 2023. This denotes that the reported 20,342 ISFs accomplished for 2023 include ISFS already accounted for as accomplishments in prior years under Phases 2 and 3.</p> <p>Given that SHFC failed to provide supporting documents that will confirm the actual 2023 performance per project and since the samples provided could not be used to determine the isolated number of ISFs being provided financial assistance in 2023, this measure is deemed unverifiable since an objective validation could not be made.</p> <p>SHFC is rated zero for this measure</p>
		Sub-total			35%				35.00%		0.00%	

for

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STAKEHOLDERS	SO 2	Ensure Customer Satisfaction Through the Provision of Quality Service																												
	SM 2a	Percentage of Satisfied Customers (Pre-Takeout)	Number of Stakeholders who gave a Rating of at Least Satisfactory / Total Number of Respondents	5%	(Actual / Target) x Weight	90%	92% Overall Satisfaction Rate for SHFC's External Services	10.00%	92.02%	10.00%	• Results of 2023 Harmonized Client Satisfaction Measurement transmitted by ARTA • Results of 2023 Harmonized Client Satisfaction Measurement transmitted by ARTA	ARTA confirmed SHFC's Client Satisfaction Measurement (CSM) as compliant with the JMC and was submitted on time.																		
	SM 2b	Percentage of Satisfied Customers (Post-Takeout)	Number of Stakeholders who gave a Rating of at Least Satisfactory / Total Number of Respondents	5%	(Actual / Target) x Weight	90%																								
	SO 3	Enhance Financial Viability																												
FINANCE	SM 3	Improve Collection Efficiency Rating of SHFC Program Loans	Cumulative Collections (P+I+MRI) / Cumulative Billings (P+I+MRI)	10%	(Actual / Target) x Weight	65% Cumulative CER	64.98%	9.99%	64.98%	9.99%	• Database Collection Billing of and • Samples Collection Billing of and	<table><tr><th>Particulars</th><th>Billing (in billions)</th><th>Collection</th></tr><tr><td>Mortgage Redemption Insurance</td><td>₱1.006</td><td>₱0.629</td></tr><tr><td>Principal</td><td>9.007</td><td>6.251</td></tr><tr><td>Non-Interest-Bearing Principal</td><td>0.291</td><td>0.222</td></tr><tr><td>Interest</td><td>9.392</td><td>5.696</td></tr><tr><td>Total</td><td>₱19.696</td><td>₱12.798</td></tr></table>	Particulars	Billing (in billions)	Collection	Mortgage Redemption Insurance	₱1.006	₱0.629	Principal	9.007	6.251	Non-Interest-Bearing Principal	0.291	0.222	Interest	9.392	5.696	Total	₱19.696	₱12.798
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CER = 12.798 ÷ 19.696 CER = 64.98%																														

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Objective/Measure		Formula	Wt.	Rating System	Target		Actual	Rating	Actual	Rating		
SM 4a	Improve Status of Problematic Accounts (2021 and previous years)	Actual Accomplishment	2.5%	(Actual / Target) x Weight	3% reduction of problematic accounts		6.42% improvement of accounts as of December 2023	2.50%	11.41% reduction of problematic accounts	2.50%	<ul style="list-style-type: none">List of Improved AccountsSamples of Improved Accounts	Acceptable.
SM 4b	Improve Status of Problematic Accounts (2022 and 2023)	Actual Accomplishment	2.5%	(Actual / Target) x Weight	3% reduction of problematic accounts		-45.09% improvement of accounts as of December 2023	0.00%	45.09% increase in problematic accounts	0.00%	<ul style="list-style-type: none">List of Improved AccountsSamples of Improved Accounts	6,013 new problematic accounts were added during the year, bringing the yearend cumulative number to 14374 which is a 45.09% increase instead of a reduction.
SM 5	Improve the Financial Bottomline	Total Revenues – Total Expenses	5%	(Actual / Target) x Weight	₱74 million		₱74.44 million	5.00%	₱74.44 million	5.00%	<ul style="list-style-type: none">Budget Utilization Report as of 31 December 2023	Acceptable.

for

Component					SHFC Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
SM 6	Budget Utilization Rate									

Item	DBM-approved COB	Obligations
Maintenance and Other Operating Expenses (MOOE)	1,012.72	437.79
Capital Outlay	151.56	46.00
Loan Outlay	7,188.62	3,635.31
Sub-total	8,352.90	4,119.10
Less: Reconciling Items	253.50	253.50
Total	8,099.40	3,865.60

Item	BUR
MOOE	43.23%
CO	30.35%
Loan Outlay	50.57%
Sub-total	49.31%
Less: Reconciling Items	
Total	47.73%

for

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SM 6b	Disbursement BUR	Total Disbursement / Total Obligations (both net of PS)	5%	(Actual / Target) x Weight	90%	91%	5.00%	96.59%	5.00%		<table><tr><td>Less: Reconciling Items</td><td>153.50</td><td>-</td></tr><tr><td>Total</td><td>3865.60</td><td>3,733.82</td></tr></table> <table><tr><th>Item</th><th>BUR</th></tr><tr><td>MOOE</td><td>81.27%</td></tr><tr><td>CO</td><td rowspan="2">91.76%</td></tr><tr><td>Loan Outlay</td></tr><tr><td>Sub-total</td><td>90.65%</td></tr><tr><td>Less: Reconciling Items</td><td></td></tr><tr><td>Total</td><td>96.59%</td></tr></table>	Less: Reconciling Items	153.50	-	Total	3865.60	3,733.82	Item	BUR	MOOE	81.27%	CO	91.76%	Loan Outlay	Sub-total	90.65%	Less: Reconciling Items		Total	96.59%														
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SM 6c		Total Disbursement / DBM-approved COB (both net of PS)	5%	(Actual / Target) x Weight	90%	45%	2.50%	46.10%	2.56%		<table><tr><th>Item</th><th>DBM-approved COB</th><th>Disbursements</th></tr><tr><td>MOOE</td><td>1012.72</td><td>355.78</td></tr><tr><td>CO</td><td>151.56</td><td rowspan="2">3,378.04</td></tr><tr><td>Loan Outlay</td><td>7188.62</td></tr><tr><td>Sub-total</td><td>8352.90</td><td>3,733.82</td></tr><tr><td>Less: Reconciling Items</td><td>253.50</td><td>-</td></tr><tr><td>Total</td><td>8099.40</td><td>3,733.82</td></tr></table> <table><tr><th>Particulars</th><th>BUR</th></tr><tr><td>MOOE</td><td>35.13%</td></tr><tr><td>CO</td><td rowspan="2">46.02%</td></tr><tr><td>Loan Outlay</td></tr><tr><td>Sub-total</td><td>44.70%</td></tr><tr><td>Less: Reconciling Items</td><td>-</td></tr><tr><td>Total</td><td>46.10%</td></tr></table>	Item	DBM-approved COB	Disbursements	MOOE	1012.72	355.78	CO	151.56	3,378.04	Loan Outlay	7188.62	Sub-total	8352.90	3,733.82	Less: Reconciling Items	253.50	-	Total	8099.40	3,733.82	Particulars	BUR	MOOE	35.13%	CO	46.02%	Loan Outlay	Sub-total	44.70%	Less: Reconciling Items	-	Total	46.10%
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		Sub-total	45%				37.71%		37.70%																																			

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Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating				
INTERNAL PROCESS	SO 4	Enhance Internal Process										
	SM 7	Turnaround Time of Process as Prescribed in the Ease of Doing Business Act	Total Number of Loan Applications Processed Within the Prescribed Period / Total Number of Loan Applications Received	5%	(Actual / Target) x Weight	100% Loan Applications Processed Within the Prescribed Time	29% Loan Applications Processed Within the Prescribed Time	1.45%	12.50% Loan Applications Processed Within the Prescribed Time	0.63%	<ul style="list-style-type: none">• Certificate of Compliance• Credit Committee Resolutions• Executive Committee Reports• Letter of Guaranty• Disbursement Voucher• Project Approval• Progression Report	Only three (3) of the seven (7) loan applications were validated by the GCG as accomplishments for this measure.
	SM 8	Enhance Support Systems for Effective and Efficient Process	Number of Deliverables Attained / Total Number of Deliverables	5%	(Actual / Target) x Weight	100% Implementation of Targets under the ISSP as submitted to the DICT	100% Implementation of Targets under the ISSP as submitted to the DICT	5.00%	75% Implementation of ISSP Targets	3.75%	<ul style="list-style-type: none">• 2022-2024 ISSP as submitted to DICT• Screenshots of the System• Date of Release and Acceptance Report	SHFC was only able to complete three (3) out of the four (4) deliverables/projects.
			Sub-total	10%				6.45%		4.38%		
ORGANIZATION	SO 5	Implement Quality Management System										
	SM 9	Attain Quality Management Certification	Actual Accomplishment	5%	All or Nothing	Pass ISO Certification (Head Office only)	Completed Internal Quality Audit	0.00%	No ISO Certification	0.00%	<ul style="list-style-type: none">• Position Paper on their Request for Reconsideration for the ISO Measure	SHFC failed to meet its target of attaining an ISO Certification in 2023.
			Sub-total	5%				0.00%		0.00%		

for

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Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating	
	SO 6	Elevate Personnel Competency										
										<ul style="list-style-type: none">Competency Assessment Final Report for 2022 and 2023Excel file of the Competency Assessment Report for 2022 and 2023Samples of the Accomplished Competency Forms	Based on its reported accomplishments, SHFC attained a Corporate Competency Level (CCL) of 1.87150 among 216 employees assessed in 2023. This represents an increase of 0.64% or 0.011929 from 1.859571 in 2022.	
	SM 10	Improvement of the Competency Baseline of the Organization	Competency Baseline 2023 – Competency Baseline 2022	5%	(Actual / Target) x Weight	Improvement in the Competency Level	0.087% Increase in Corporate Competency Level as of October 2023	5.00%	0.64% improvement in the Competency Level			5.00%

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