



10 April 2019

**MS. BERNADETTE ROMULO-PUYAT**

*Secretary, Department of Tourism  
and TPB Chairperson*

**MS. MARIE VENUS Q. TAN**

*Chief Operation Officer*

**TOURISM PROMOTIONS BOARD (TPB)**

4/F Legaspi Towers, 300 Roxas Boulevard  
Manila

**RE : VALIDATION RESULT OF 2018  
PERFORMANCE SCORECARD OF TPB**

Dear DOT Secretary Romulo-Puyat and COO Tan,

This is to formally transmit the validation result of TPB's 2018 Performance Scorecard. Based on the validation of documentary submissions, TPB gained an overall score of **42.41%** (See **Annex A**). The same is to be posted in TPB's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07<sup>1</sup>.

In line with Item 2 of **GCG MEMORANDUM CIRCULAR (MC) No. 2017-01**<sup>2</sup>, particularly the achievement of a weighted-average score of at least 90% in its 2018 Performance Scorecard, TPB is ineligible to grant the Performance Based Bonus (PBB) to its officers and employees. 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 Republic Act No. 10149<sup>3</sup>.

Consequently, pursuant to GCG M.C. No. 2016-01<sup>4</sup>, failure to qualify for PBB means that the Appointive Members of the Governing Board of TPB shall not be qualified to receive the Performance-Based Incentive (PBI).

**FOR YOUR INFORMATION AND GUIDANCE.**

Very truly yours,

**SAMUEL G. DAGPIN, JR.**

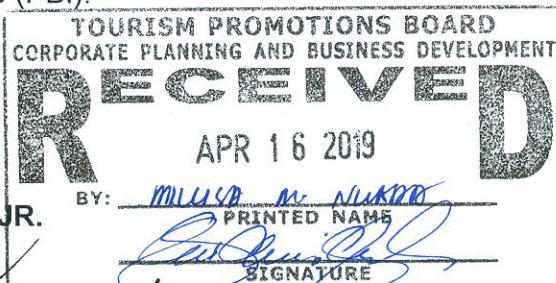
*Chairman*

**MICHAEL P. CLORIBEL**

*Commissioner*

**MARITES C. DORAL**

*Commissioner*



cc: COA Resident Auditor - TPB

<sup>1</sup> Code of Corporate Governance for GOCCs, dated 28 November 2012.

<sup>2</sup> Interim Performance-Based Bonus, dated 09 June 2017.

<sup>3</sup> GOCC Governance Act of 2011.

<sup>4</sup> Compensation Framework for Members of the GOCC Governing Boards, dated 10 May 2016.

**TOURISM PROMOTIONS BOARD (TPB)**  
**Validation Result of 2018 Performance Scorecard**

		Component				TPB Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure		Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating		
CUSTOMERS / STAKEHOLDERS	SO 1 Top of Mind Travel Destination										
	SM 1	Increase Number of International Visitors from TPB Key Markets (12 Key Markets plus Overseas Filipino Markets) <sup>1</sup>	Absolute Number	10%	Below 5.5 million = 0% 5.5 million – 6.0 million = 5% 6.1 million – 6.3 million = 8% Above 6.3 million = 10%	Above 6.3 Million	6,056,526	5%	6,144,324	8%	Visitor Arrivals to the Philippines by Country of Residence 2018 (Report by Department of Tourism)  TPB's accomplishment was below target based on Visitor Arrivals to the Philippines by Country of Residence as published by the Department of Tourism.  The GCG-validated accomplishment already included TPB's request , as hereby approved, to include international visitor arrivals from Macau, Mexico, and Australasia/Pacific.
	SM 2	Generate Return on Marketing Investment (ROMI) of TPB Domestic and International Marketing and Promotions Projects	(Benefit-Cost) / Cost <sup>2</sup>	10%	Below 1179% = 0% 1179% to 1189% = 5% 1190% to 1200% = 8% Above 1200% = 10%	Above 1200%	7110.43%	10%	Cannot be validated	0%	List of Domestic and International Marketing and Promotions Projects  Terminal/ Accomplishment Reports  Cannot be validated. Computation of the Governance Commission using the submitted supporting documents do not tally with the computation of TPB.  Submitted terminal/accomplishment reports reflect the approved budget and/or estimated budget

<sup>1</sup> Malaysia; Singapore; China; Hong Kong; Japan; Korea; Taiwan; Canada; USA; Germany; United Kingdom; Australia; and Overseas Filipinos

<sup>2</sup> Where: Benefit = values generated out of sales (e.g. Tour packages sold, etc.; i.e. but does not include private sector participation fees paid to TPB)  
 Cost = project fund expended by TPB



**Validation Result 2018 Performance Scorecard (Annex A)**

			Component		TPB Submission			GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure			Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating		
											Copies of Disbursement Vouchers for the Identified Sample	utilization <u>instead of the actual cost incurred</u> .
SM 3	Generate Return on Marketing Investment (ROMI) of TPB Marketing Communications Projects	(Media Values – Media Spend) / Media Spend <sup>3</sup>	10%	Below 96.34% = 0% 96.34% - 113% = 5% 114% - 130% = 8% Above 130% = 10%	Above 130%	58,606.80%	10%	Cannot be validated	0%	List of Marketing Communications Projects  Accomplishment / Terminal Reports  Coverage / Activity Report	As requested during the on-site validation, TPB used the formula (Media Values – Media Spend) / Media Spend, instead of the formula indicated in the officially transmitted scorecard. Request to revise the formula is <u>APPROVED</u> . Submitted reports were unverifiable given that the documents provided only showed the approved and estimated utilization per event/project <u>and not the actual cost incurred</u> . Further, the exchange rate for benefits recorded in foreign currency was not identified in the reports; thus, the actual computation for its Philippine Peso equivalent can only be estimated. Reported performance cannot be validated.	

<sup>3</sup> Where: Media Values = impression, reach, etc.; Media Spend = cost paid for placements, etc.

## Validation Result 2018 Performance Scorecard (Annex A)

Objective/Measure		Component		TPB Submission		GCG Validation		Supporting Documents		GCG Remarks	
		Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating		
SM 4	Number of TPB-Assisted Events/Projects held Outside of the Philippines	Absolute Number	10%	(Actual / Target) x Weight	75	74	9.87%	74	9.87%	List of TPB-assisted Events / Projects held Outside of the Philippines; Terminal Reports; Accomplishment Reports; Copies of Disbursement Vouchers	Target not met.
<b>SO 2 Increase Number of Events</b>											
SM 5	Number of TPB-Assisted Domestic and International Events held in the Philippines including Won Bids	Absolute Number	10%	(Actual / Target) x Weight	355	205	5.77%	205	5.77%	List of TPB-Assisted Domestic and International Events held in the Philippines including Won Bids; Terminal Reports; Accomplishment Reports	Target not met.
<b>SO 3 Improve Customer Satisfaction Rating</b>											
SM 6	Percentage of Satisfied Customers	Number of Respondents who gave at least Satisfactory	10%	(Actual / Target) x Weight	90% of Respondents gave at least	On-going Submitted progress	0%	No reported accomplishment yet	0%	Progress Report from All-Asian Centre for Enterprise	No final report on the customer satisfaction survey yet. The rating is without prejudice to TPB's submission of the results



## Validation Result 2018 Performance Scorecard (Annex A)

		Component				TPB Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure		Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating		
		Rating / Total Number of Respondents		0% = If less than 80%	Satisfactory Rating	report with 30 accomplished survey forms				Development (ASCEND) Inc.	and final report of the survey.
		<b>Sub-total</b>	<b>40%</b>				<b>40.64%</b>		<b>23.64%</b>		
FINANCIAL	<b>SO 4 Efficient Utilization of Corporate Operating Budget</b>										
	SM 7	Utilization of Corporate Operating Funds	Total amount obligated/ Total Amount as approved by the DBM	10%	Below 85% = 0% 85% to 87% = 5% 88% TO 89% = 8% 90% and above = 10%	90% of DBM-approved Corporate Operating Budget (Excluding Contingency Funds)	52%	0%	Cannot be validated	0%	TPB Report on Budget Utilization  DBM-Approved COB  In the absence of TPB's submission of its unaudited financial statements, the Governance Commission cannot fully evaluate the accomplishment reported.
	<b>SO 5 Develop Supplemental Revenue Sources</b>										
	SM 8	Revenues from TPB Business Development Initiatives	Actual amount	10%	(Actual / Target) x Weight	P250,000	P263,500	10%	P228,150	9.13%	Copies of the Official Receipts  The GCG-validated accomplishment excludes the 15 March 2018 sale to Eastgate Publishing and all reported transactions for the 4 <sup>th</sup> quarter due to absence of supporting documents.
		<b>Sub-total</b>	<b>20%</b>				<b>10%</b>		<b>9.13%</b>		
INTERNAL PROCESS	<b>SO 6 Alignment with National Tourism Development Plan</b>										
	SM 9	Percentage of Implemented Programmed Events based on the Board-	No. of Implemented Events / Total No. of Programmed	10%	(Actual / Target) x Weight	90% of Targets in Planned Events	19 planned events that met or exceeded the target	7.04%	Cannot be validated	0%	TPB 2018 Work Program Targets and Accomplishment Report  Validation of the supporting documents submitted shows that some events were not supported by



## Validation Result 2018 Performance Scorecard (Annex A)

Component						TPB Submission		GCG Validation		Supporting Documents	GCG Remarks		
Objective/Measure			Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating			
		Approved Work Program	Events based on the Board-Approved Work Program				while 8 planned events failed to meet the targets				Copies of Accomplishment / Terminal Reports	Accomplishment Reports and some of the figures presented for the other events were not consistent with the submitted reports.	
SO 7 Quality Management System													
SM 10	Attain ISO Certification		Actual Accomplishment	5%	All or Nothing	Certification under ISO 9001:2015 standards	Certificate No. CIP/5168/15/9514  Issue Date: 11 July 2018	5%	ISO 9001:2015 Certification Attained	5%	Copies of the Certificates issued by Certification International Philippines, Inc.	Acceptable. Target met.	
Sub-total				15%				12.04%		5%			
LEARNING & GROWTH	SO 8 Develop a Highly Competent and Professional Workforce												
	SM 11	Improve Competency of the Organization		Actual Accomplishment	5%	(Actual / Target) x Weight	Close the Competency Gap on Records Management of fourteen (14) employees	Competency Gap on Records Management of all 14 identified TPB employees were closed	5%	Competency Gap on Records Management of 13 TPB employees were closed	4.64%	Individual Competency Profile per Position  Certificates of Participation	The GCG-validated actual accomplishment excluded one (1) employee as TPB's submission did not include said employee's training certificate.
	Sub-total				5%				5%		4.64%		
	TOTAL				100%				67.68%		42.41%		