

SUMMARY OF AGREEMENTS
SOUTHERN UTILITY MANAGEMENT & SERVICES INC.
PERFORMANCE SCORECARD 2018
TECHNICAL PANEL MEETING, 05 DECEMBER 2017

	Objective/Measure	Component		Formula	Rating Scale	Baseline			PROPOSED TARGET	GCG COMMENTS/ RECOMMENDATIONS
		Weight				2015	2016	2017	2018	
CUSTOMERS/ STAKEHOLDERS	SO 1 To Enhance Customer Satisfaction									
	SM1	% of Satisfied Customers	10%	Suggested Formula: % of customers with rating of at least 3 (satisfactory) / total customers surveyed		86.75%	86.13%	88%	88%	Target to be changed to 90%.
	SO 2 To Efficiently Manage Water Consumption and Conservation									
	SM 2	% of Water Wastages Based on Industry Non-Revenue Water (NRW) Standard of ≤25%	10%	Water Billed /Water produce x 100		12%	5%	≤10%	<15%	Target recommended to be changed to ≤10%. SUMSI to provide causes for possible increase in NRW. This objective and measure shall be moved to Internal Process Perspective.
FINANCIAL	SO 3 To Maintain the Profitability									
	SM 3	EBITDA Margin	15%	(In percentage) EBITDA/Total Revenue		24.95%	32%	30%	21%	Incorporated in the projections are the ff. (a) increase in salaries (based on Modified Salary Scheme application from the GCG) and (b) provision for separation pay in the event of Privatization - amounting to approximately 3.3 Million.
	SM 4	Net Profit	15%	Net Income After Tax/Total Revenue		P3.31 M	P5.8M	P4.35 M	P2.85 M	Decrease due to projected increase in expenses (PS cost).
	SM 5	Collection Efficiency	10%	365 days /AR Turn Over		NA	42.67 days	≤ 45 days	45 days	
	SO 4 To Provide Fair Value for Money on Products & Services									
INTERNAL PROCESS	SM 6	% of Service Area with 24 Hour Water Service	5%	100% less (Total Number of Service Interruption hours per year / Total Number of Hours)		98.90%	98.90%	98.90%	> 95%	SUMSI to provide information on the cause for the projected increase in water service interruptions for 2018.
	SO 5 To Encourage Transparency and Public Access to Information									
	SM 7	Support & Maintenance of Website	5%	Actual Accomplishment		Current & Updated Website				SUMSI to provide a punch list on its website accessibility and regular updating as required.
	SO 6 To maintain Major Equipment Essential for the Delivery of a Higher Level of Service									
	SM 8	Rehabilitation of Deep Well in Phase 1B	10%	Actual Accomplishment	All or Nothing	NA	NA	NA	100% Completed	
LEARNING & GROWTH	SM 9	Pass the DOH standard on Potability	10%	Actual Accomplishment	All or Nothing	Passed Test on Potability				Philippine National Standard on Drinking Water. Tests are conducted on a monthly basis for 9 samples from 9 tanks for a total of 108 annually. In no instance should there be a failing mark on water potability.
	SO 7 To Transform the Personnel to a Highly Qualified and Dedicated Workforce									
	SM 10	Number of Technical Employees w/ TESDA Certification	10%	Actual Accomplishment		9 certifications	8 certifications	8 out of 8 certifications	8 out of 9 certifications	Target recommended to be changed to "9 Personnel with new TESDA Certifications" in 2018
SO 8 To Broaden Knowledge on Water Management Industry										
SM 11	Maintaining & Actively Participating in Activities of Affiliated Reputable Institutions and Organizations in the Same Industry	0%	Actual Accomplishment					Participation in at least 2 activities	Measure was excluded in 2017 Scorecard. Propose to exclude for 2018.	
Grand Total		100%								

For Governance Commission for GOCCs:

ATTY. JOHANN CARLOS S. BARCENA
Director IV

For SUMSI:

ARTHUR MANCENIDO
President