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13 February 2017

THE RESIDENT AUDITOR
Commission on Audit
5/F Manila Central Post Office Building
Magallanes Drive
1000 Manila

Subject: Consolidated Quarterly Monitoring Report of Programs, Projects and Activities as of 4th Quarter 2016 - Philippine Postal Corporation.

Dear Sir/Madam:

Respectfully submitted is the attached Consolidated Quarterly Monitoring Report of the Programs, Projects and Activities as of 4th Quarter 2016 as well as the Performance Targets for CY 2016 of the Philippine Postal Corporation.

For your information and reference.

Truly yours,




JOEL L. OTARRA
Postmaster General and CEO

cc: APMGs
ADs
Department Managers
Area Support Services Manager
Area AdFin Chief

2017-02-13-0067

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Quarterly Monitoring Report of PROGRAMS, PROJECTS AND ACTIVITIES

As of 4th Quarter 2016
PHILIPPINE POSTAL CORPORATION

Quarterly Monitoring Report of PROGRAMS, PROJECTS AND ACTIVITIES
 Philippine Postal Corporation
 As of December 2016

| PPA | Location | Total Cost | Date Started | No. of Extensions | Target Completion Date | Project Status | | Remarks |
|---|--------------|--|------------------------------|-------------------|------------------------------|-----------------|---------------------|--|
| | | | | | | % of Completion | Total Cost Incurred | |
| 1. Integrated Marketing and Communication Program | | | | | | | | |
| 1.1. Market Research and Intelligence | | | | | | | | |
| 1.1.1. Market Survey for Postal ID | Post Offices | ₱500,000.00 | October 7, 2016 | | October 13, 2016 | 100% | ₱1,200.00 | Expenses incurred was the cost of the production of the survey forms and transportation of AES/TLS of FC (taken from their monthly site visit allowance) |
| 1.1.2. Study on Brokerage, Balkbayan Box, eCommerce End-to-End Solution | | ₱1,000,000.00 | | | | | | Initial study of Balkbayan Box (on going) |
| 1.1.3. Market Survey on EMS | | ₱1,000,000.00 | | | | | | |
| 1.1.4. Customer Satisfaction Survey on EMS | | ₱1,000,000.00 | 4 th Quarter 2015 | | 1 st Quarter 2016 | 100% | ₱2,996,000.00 | Assigned Product Manager resigned from service |
| 1.2. Product Management and Development Program | | | | | | | | |
| 1.2.1. Custom Bonded Warehouse Rental | | ₱300,000.00 | | | | | | |
| 1.2.2. Crossborder Processing Personnel | | ₱5,427,720.00 | | | | | | |
| 1.2.3. Training on the use of DMTS for eRRR | | ₱1,000,000.00 | September 2016 | | | | | |
| 1.2.4. Barcoded Registered Pouches for eCommerce and government offices | | ₱10,000,000.00 | | | | | | |
| 1.2.5. Plastic Pouch for ePacket | | ₱100,000.00 | | | | | | |
| 1.2.6. Hiring of Expert on Hybrid Mail Services | | ₱1,663,262.00 | January 2016 | | | 100% | | 1 Hybrid Mail Services Expert hired |
| 1.2.7. Outsourcing of Trucking Services for Logistics | | ₱5,000,000.00 Revised - according to rev COB | 3 rd quarter 2016 | | 4 th quarter 2016 | | | - Already approved by the Board last July 28, 2016 - TOR and COB submitted to Adfm |

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| | | | | | | % of Completion | Total Cost Incurred | |
| 1.2.8. | Outsourcing: Shipping Lines | P44,169,750.00 | | | | | | - Preparation of Marketing and Operations Plan to be submitted to OPMG c/o Operations |
| 1.2.9. | Issuance of 36 Commemorative Stamps | P7,466,780.00 | January 2016 | | December 2016 | 100% | | 19 Commemorative Stamps |
| 1.2.10. | Issuance of 18 Special Stamps | P4,435,711.00 | January 2016 | | December 2016 | 100% | | 17 Special Stamps |
| 1.2.11. | Issuance of special Stamps with embellishments | P3,958,500.00 | January 2016 | | December 2016 | 100% | | 6 Stamps with embellishments |
| 1.2.12. | Expansion of Personalized Selfie stamp | P8,807,500.00 | 3 rd quarter 2016 | | | | | - RIS already approved - For procurement/BAC |
| 1.3. | Renovation and Relocation Program | | | | | | | |
| 1.3.1. | Additional deployment of Data Capturing Station allocated to all areas (PID) | P12,226,100.00 | | | | | | RIS Prepared (5M budget approved by the execom and board, utilizing ePOSTMO computer |
| 1.4. | Retail Network Expansion | | | | | | | |
| 1.4.1. | Postal Museum | P5,000,000.00 | | | | | | Waiting for new assigned/suggested office |
| 1.4.2. | 12 units of Personalized Stamp Booth | P1,200,000.00 | 2015 | | 2015 | | | Existing as of CY-2015 -10 Unlad - 1 Mega - 1 Lost |
| 1.4.3. | 3 Postal Kiosks | P1,500,000.00 | | | | | | No kiosks for the moment because as per advise of mall administration, counter are being established for government service center wherein postal counter is included. |

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| 1.5. Strengthening of Sales/Marketing Force | | | | | | | | |
| 1.5.1. EMS | | ₱3,643,057.00 | December 2016 | | | | | |
| 1.5.2. Mail Services | | ₱5,212,168.00 | 1 st quarter 2016 | | December 2016 | | | 1 Product Manager hired with the daily rate of ₱1,286.00 4 Marketing Staff hired with minimum rate of ₱481.00/day |
| 1.5.3. Postal Payment | | ₱1,026,479.00 | | | | | | |
| 1.5.4. Postal ID | | ₱16,219,251.00 | March 2016 | | | | | 1 Assistant Marketing Specialist with SG11 |
| 1.5.5. Retail Services | | ₱3,300,000.00 | | | | | | |
| 1.5.6. Logistics | | ₱7,230,828.00 | July 2016 | | | | | Marketing Specialist hired but resigned by 2 nd quarter |
| 1.6. Trade Marketing | | | | | | | | |
| 1.6.1. Implementation of Rewards and Incentive Program for EMS and Postal Payment | | ₱1,500,000.00 for EMS ₱100,000 for postal payment | | | | | | TOR and RIS prepared |
| 1.6.2. Product Focus Symposium for EMS and Postal Payment | | ₱2,000,000.00 for EMS; ₱250,000 for Postal Payment | | | | | | TOR and RIS prepared |
| 1.6.3. PHLPost - DHL Reseller Partnership | | No Budgetary Requirement | | | | | | |
| 1.7. Customer Service Program | | | | | | | | |
| 1.7.1. Free Pick Up Service for Individual Mailer and eCommerce Business (Mobile Post Office Van) | | ₱4,600,000.00 | | | | | | |
| 1.7.2. EMS Customer Service Representative, Office, and System | | ₱3,000,000.00 | | | | | | |
| 1.8. Ads and Promos | | | | | | | | |
| 1.8.1. Mail Services | | ₱28,800,000.00 | | | | | | |
| 1.8.2. Postal ID | | ₱5,000,000.00 | January 2016 May 2016 | | March 2016 June 2016 | 100% 100% | ₱357,962.90 ₱963,474.07 | Salamat Poi NLWP Digital Facebook Page: (1 st qtr.) - 8,280 |

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| | | | | | | % of Completion | Total Cost Incurred | |
| 1.8.3. EPost MO | | ₱13,000,000.00 | July 2016 | | September 2016 | 100% | ₱979,058.02 | (2nd qtr.) - 5,418.67 Events/Mobile: (1st qtr.) - 2,201.10 (2nd qtr.) - 2,848.00 Internal Marketing: (1st qtr.) - 346,676.80 (2nd qtr.) - 955,207.40 (3rd qtr.) - 406,236.01 (4th qtr.) - 205,992.49 For approval of marketing collateral |
| 1.8.4. Logistics | | ₱2,500,000.00 | | | | | | Logo Design for approval |
| 1.8.5. Retail | | ₱1,800,000.00 | | | | | | |
| 1.8.6. EMS | | ₱13,600,000.00 | | | | | | TOR and RIS prepared (IMCP) |
| 2. Operations Improvement Program | | | | | | | | |
| 2.1. Enhancement of EMS | | | | | | | | |
| 2.1.1. Introduction of POS at Post Office Counters Interfacing IPS & DMTS | Post Offices with internet connectivity nationwide | | | | | | | -Done with TOR -Part of ERP |
| 2.1.2. Web based full tracking and tracing system | Nationwide | ₱16,000,000.00 | | | | | | Part of ERP |
| 2.1.3. Continuation of creation of EMS hubs in Areas with radius of 50 kilometer delivery coverage | Postal areas | ₱12,500,000.00 | Continuation from 2015 | | Network completed by August subject to T&T systems availability from MSD | EMS hubs in all Areas were identified. | Distributed to Postal Areas | Need the EZE track & trace system to monitor live status of mailers |
| 2.1.4. Use of Android-GPS technology (delivery guide & real-time update of information) | EMED and Postal Areas | ₱5,000,000.00 for android device, license, and software development | | | 4th qtr 2016 | | | Part of ERP TOR for preparation Hardware not yet procured |
| 2.2. Warehouse and Logistics Solutions | | | | | | | | |
| 2.2.1. Construction of Warehouse | SMED and | ₱25,000,000.00 | Not yet | | Subject to the | | | Finished with setup |

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| | | | | | | % of Completion | Total Cost Incurred | |
| 2.2.2. Racking System | Postal Areas | | | | requirements from Marketing | | | requirements but no approved construction implementation |
| | SMED | ₱5,000,000.00 | Not yet | | | | | Layout presented but no purchase approval |
| 2.2.3. Forklifts (Deisel & Battery Operated) | SMED | ₱1,500,000.00 | | | | | | Subject to Malacanang approval |
| 2.2.4. Establishment of Warehouse Facilities in Areas | Postal Areas | ₱12,500,000.00 | | | Subject to Area requirements | | | No movement from Areas |
| 2.2.5. Development of Warehouse Management System | Central Office | ₱25,000,000.00 | | | | | | Subject to clients requirements No requirements from Marketing |
| 2.3. Improvement of Operational and Mail Security Systems, Procedures & Standards | | | | | | | | |
| 2.3.1. Updating of Policies, Processes and Procedures | | | Continuous issuances of needed policies | | Continuous | | | -Validation of IEMS zoning -issuance policies on machinable mails -Updating of Sorting Scheme to tune up with sorting machine -Updating of mail collection and dropping scheme to align with the Express Hub -Mandatory scanning of 'A', 'H/' events -Implementation of "volumetric" charging system -Implementation of "Davao Mail Run" |
| Postal Tellers | | ₱600,000.00 | | | | | | |
| Back Office Personnel | | ₱600,000.00 | | | | | | |
| Drivers and Couriers | | ₱600,000.00 | | | | | | |

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| 2.3.2. Letter Carriers | | ₱600,000.00 | | | | | | |
| 2.3.2. DG Box and packaging materials | Central Office procured | ₱40,000,000.00 | Continuation from 2015 | | | | | -Submitted new design to include actual and volumetric chargeable weight -Purchasing is with the Area offices |
| 2.3.3. Cancelling Machine | MDC | ₱3,360,000.00 | | | 4 th qtr 2016 | 20% | | Drafting of TOR |
| 2.3.4. Global Monitoring System & Reader | NTD | ₱5,000,000.00 | | | | 20% | | Subject to UPU approval |
| 2.3.5. X-Ray machines | CMEC, SMED | ₱10,800,000.00 | | | | 20% | | For bidding |
| 2.3.6. Heavy Duty Printers for Hybrid Machine | CMEC | ₱1,800,000.00 | January 2016 | | | 10% | | For bidding |
| 2.4. Modernization of Mail & Parcel Processing | | | | | | | | |
| 2.4.1. Letter Sortation Machine | CMEC | ₱100,000,000.00 | | | 2 nd qtr 2016 | 99% | | Implemented on regular mails |
| 2.4.2. Flats and Parcels Sortation Machine | CMEC | ₱250,000,000.00 | | | | | | Forwarded to 2018 PPA |
| 2.5. National Address System (Procurement of Addressing System through UPU Quality Service Fund) | | ₱20,000,000.00 | | | | | | Subject to budget approval |
| 2.6. Upgrading of Mail Network and Transport | | | | | | | | |
| 2.6.1. 6-wheeler Van | Postal Areas | ₱25,500,000.00 | | | | | | Subject to approval from Malacanang |
| 2.6.2. 10-wheeler Van | Postal areas | ₱49,000,000.00 | | | | | | Subject to approval from Malacanang |
| 2.6.3. Forklift 3 Tonne | Postal areas | ₱3,300,000.00 | | | | | | Subject to approval from Malacanang |
| 2.7. Modernization of CMEC – Temporary Relocation of CMEC Facilities | | ₱8,400,000.00 | | | | | | Project implementation plan cancelled |
| 2.8. International Hostings | Manila | ₱5,720,000.00 | | | | | | No schedule yet |
| 2.9. Implementation of BOC-PhilPost MOA | CMEC, SMED | ₱2,400,000.00 | | | | 90% | | Implementation deferred |

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| | | | | | | % of Completion | Total Cost Incurred | |
| 3. Human Resource Management Development Program | | | | | | | | |
| 3.1. Skills Inventory HRMO Workshop | Central Office | ₱100,000.00 | | 1 year | 2020 | | | For implementation |
| 3.2. Character Building Program | | ₱150,000.00 | | 4 years | 2020 | | | Integrated in the frontline training programs |
| 3.3. Basic Courses | | | | | | | | |
| 3.3.1. Meet and Greet New Employees | | ₱150,000.00 | June | 4 years | 2020 | | | Continuing |
| 3.3.2. Frontline Trainings (Postmasters, Postal Tellers, Letter Carriers) | | ₱600,000.00 | February | 4 years | 2020 | 35% | ₱208,565.00 | |
| 3.3.3. Composite Training at POs Pilot Test Area 4 | | ₱215,000.00 | | 4 years | 2020 | | | For implementation |
| 3.4. Training for Operations | | | | | | | | |
| 3.4.1. Improvement of Operational and Mail Security Systems, Procedures and Standards | | | | | | | | |
| 3.4.1.1. Postmasters/ Postal Tellers | | ₱350,000.00 | April | 4 years | 2020 | 167% | ₱587,948.56 | Continuing |
| 3.4.1.2. Back Office | | ₱350,000.00 | | 4 years | 2020 | | | |
| 3.4.1.3. Driver/ Couriers | | ₱350,000.00 | May | 4 years | 2020 | 18.77% | ₱65,704.98 | Continuing |
| 3.4.1.4. Letter Carriers | | ₱350,000.00 | February | 4 years | 2020 | 14% | ₱50,358.25 | Continuing |
| 3.4.2. Conduct of POS//PS-DMTS Training | | | | | | | | Awaiting for the operationalization of the system |
| 3.4.2.1. Postal Tellers | | ₱900,000.00 | | | 2020 | | | |
| 3.4.2.2. Back Office | | ₱900,000.00 | | | 2020 | | | Awaiting for the operationalization of the system |
| 3.4.3. Conduct of training on PHLPost mobile app | | | | | | | | |
| 3.4.3.1. Postal Tellers | | ₱900,000.00 | | | 2020 | | | |
| 3.4.3.2. Back Office | | ₱900,000.00 | | | 2020 | | | |
| 3.4.3.3. Train the Trainers for POS/DMTS/IPS | | ₱200,000.00 | | | 2020 | | | |
| 3.4.3.4. Network Workshop | | ₱200,000.00 | | | | | | |
| 3.5. Training for Marketing | | | April | 4 years | 2020 | 25.25% | ₱50,500.00 | Continuing |

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| | | | | | | % of Completion | Total Cost Incurred | |
| 3.5.1. Assessment & Strategic Marketing | | ₱500,000.00 | November | | 2020 | 46.65% | ₱233,311.46 | |
| 3.5.2. Logistics Training | | ₱250,000.00 | February | | 2020 | 31% | ₱77,396.30 | |
| 3.5.3. Inventory and Warehouse Management | | ₱200,000.00 | | | 2020 | | | |
| 3.5.4. Sales and Key Account Management | | ₱200,000.00 | | | 2020 | | | |
| 3.5.5. Brand and Product Management | | ₱200,000.00 | | | 2020 | | | |
| 3.5.6. Specialized Training for Philately | | ₱150,000.00 | | | 2020 | | | |
| 3.5.7. Postal Station Training | | ₱130,000.00 | July | 4 years | 2020 | 7.6% | ₱9,893.25 | |
| 3.6. Training for Administration and Finance | | | | | | | | |
| 3.6.1. Custodianship Training | | ₱180,000.00 | | | 2020 | | | |
| 3.6.2. Cash Management training (petty cash) | | ₱125,000.00 | | | 2020 | | | |
| 3.6.3. Tax Updates with Fiscal Implications on NGAS, GOCCs and LGUs | | ₱175,000.00 | November | | 2020 | 2.2% | ₱4,000.00 | |
| 3.6.4. Training on Financial Accountability (PMS, Cashiers, PT, LCS) | | ₱3,000,000.00 | February | | 2020 | 21% | ₱635,391.84 | |
| 3.6.5. Procurement Officers Workshop | | ₱180,000.00 | September | 4 years | 2020 | 55% | ₱98,317.37 | |
| 3.6.6. Supply & Property Inventory and Warehousing | | ₱180,000.00 | July | 4 years | 2020 | 4% | ₱7,200.00 | |
| 3.6.7. COA Guidelines Orientation | | ₱100,000.00 | | | 2020 | | | |
| 3.6.8. Records Management | | ₱180,000.00 | | | 2020 | | | |
| 3.7. Other Technical and Professional Training | | | | | | | | |
| 3.7.1. Seminar for Accountants | | ₱150,000.00 | | | 2020 | | | |
| 3.7.2. Seminar for Auditors | | ₱150,000.00 | | | 2020 | | | |

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| 3.7.3. Seminar for Lawyers | | ₱100,000.00 | | | 2020 | | | |
| 3.7.4. Seminar for Engineers | | ₱100,000.00 | November | 4 years | 2020 | 3% | ₱3,000.00 | Yearly |
| 3.7.5. Training for Inspectors | | ₱200,000.00 | April | 4 years | 2020 | 7.1% | ₱14,250.00 | |
| 3.7.6. HRMO Conference, Assessment/Update | | ₱300,000.00 | March | 4 years | 2020 | 59% | ₱176,248.78 | |
| 3.8. Executive Trainings | | | | | | | | |
| 3.8.1. Board of Directors Governance | | ₱500,000.00 | | 4 years | 2020 | | | |
| 3.8.2. APMGs and Area Directors | | ₱450,000.00 | June | 4 years | 2020 | 1.6% | ₱7,400.00 | Continuing |
| 3.8.3. Management Succession | | ₱350,000.00 | August | | 2020 | 5% | ₱18,000.00 | |
| 3.8.4. MANCOM - Leadership/ Coaching/CESB | | ₱500,000.00 | April | 4 years | 2020 | 28% | ₱141,500.00 | Continuing |
| 3.9. Middle Management Training Program | | | | | | | | |
| 3.9.1. Supervisory Development Course | | ₱450,000.00 | February | 4 years | 2020 | 1% | ₱4,800.00 | Continuing |
| 3.9.2. Coaching and Mentoring | | ₱365,000.00 | January | 4 years | 2020 | 119% | ₱434,423.15 | Continuing |
| 3.9.3. Leadership Development Program | | ₱300,000.00 | March | 4 years | 2020 | 5% | ₱15,000.00 | Continuing |
| 3.10. Employee Engagement | | | | | | | | |
| 3.10.1. Recognition of Retirees | | ₱200,000.00 | July | 4 years | 2020 | 3% | ₱6,000.00 | Continuing |
| 3.10.2. Sportsfest | Central Office & Mega Manila | ₱400,000.00 | April | | 2016 | 36% | ₱145,981.45 | Yearly |
| 3.10.3. Sports-External (GCAA) | Central Office & Mega Manila | ₱350,000.00 | March | | 2020 | 25% | ₱85,760.76 | Yearly |
| 3.10.4. Pre-retirement Program | | ₱250,000.00 | June | 4 years | 2020 | 21% | ₱53,000.00 | Continuing |
| 3.10.5. Christmas Party | Central Office & Mega Manila | ₱450,000.00 | December | 4 years | December 2016 | 100% | ₱293,138.00 | Yearly |
| 3.11. Other Programs | | | | | | | | |
| 3.11.1. Improvement of Trainings Program | | ₱200,000.00 | June | 4 years | 2017 | 10% | ₱20,000.00 | Continuing |
| 3.11.2. Educational Assistance Program | | ₱350,000.00 | January | 4 years | 2020 | 14% | ₱49,232.25 | Continuing |
| 3.11.3. Disaster Preparedness | | ₱250,000.00 | September | 4 years | 2020 | 3% | ₱7,343.00 | Continuing |

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| 3.11.4. Occupational Safety | | ₱100,000.00 | | 4 years | 2020 | | | |
| 3.11.5. Team Building Activity | Mega Manila | ₱800,000.00 | July | 4 years | 2020 | 21% | ₱168,526.00 | Continuing |
| 4. ICT Development Program | | | | | | | | |
| 4.1 Conduct of IT Workshop | Central Office | ₱400,000.00 | | | 1st Qtr and 3rd Qtr | | | Deferred until all IT Officers are selected and/or designated 400 Post Offices are connected Servers not procured |
| 4.2 Interconnectivity of PHL Post Retail Outlets and Offices | Nationwide | 439 connected POS ₱26,340,000.00 | | | End of 4th Quarter | | | |
| 4.3 Disaster Recovery Plan | | ₱5,000,000.00 | | | Servers Redundancy Additional Backup Location End of 4th Qtr | | | Servers not procured |
| 4.4 Servers Upgrade | | ₱5,000,000.00 | | | Additional Server, Storage for Backup and Archiving End of 4th Qtr | | | Servers not procured |
| 4.5 Deployment of Computers for Counters | Nationwide | 439 units ₱17,560,000.00 | | | End of 4th Qtr | | | Computers not procured |
| 4.6 Deployment of Barcode Scanners Counter Computers | Nationwide | 1,890 units ₱10,508,400.00 | | | | | | Only 542 barcodes were procured Dependent also on the computers to be procured |
| 4.7 Installation of Corporate Anti-Virus Software | All Postal Areas | 1 license procured ₱2,000,000.00 | | | Installed in all areas by end of 2nd qtr. | | | |
| 4.8 Installation of Network Security / VPN Access (Central Office, CMEC & SMED) | All Postal Areas | ₱3,000,000.00 | | | Network upgraded with latest technology by end of 4th qtr. | | | Not procured, re-evaluation of the requirements for network configuration |
| 4.9 Acquisition of Email Server | | 1 unit ₱1,500,000.00 | | | End of 3rd quarter | | | Server not procured, discontinued |
| 4.10 Web-based Human Resource Information System (personnel information viewing and updating) | Central Office -system development | | | | Requirements Gathering by 3rd Qtr Development Starts by 4th Qtr | | | To be part of the ERP |
| 4.11 Hardware Inventory | Postal Areas and Post Offices | ₱400,000.00 | | | 1st Qtr and 3rd Qtr | | | To be part of the ERP |

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|---|--|---|---------------|-------------------|---|---|---------------------|--|
| | | | | | | % of Completion | Total Cost Incurred | |
| 4.12 Development of Cases Management System | Central Office | | July 2014 | | August 2015 | 90% | | Pending for re-definition of the user requirements |
| 4.13 Deployment of Time Keeping and Monitoring System | Central Office System Operational and used by the Post offices | ₱5,000,000.00 | | | All areas with connected PO's by EO 2nd qtr | | | To be part of the ERP |
| 4.14 Development of Statistical Management Information System | | ₱500,000.00 for the server | | | Completed by end of 2nd Qtr | | | Re-defining the user requirement |
| 4.15 Mobile Verification System | | ₱5,000,000.00 for mobile phones ₱300,000.00 for training | | | All areas with connected PO's by EO 2nd qtr | | | On-test stage |
| 4.16 Development and Deployment of Domestic Mails Tracking System (System Operational and used by the Post offices, MDC, SDC) | Central Office | ₱2,000,000.00 (Backup Server) | | | All areas with new connected PO's by EO 4th qtr | 100% for PO's with Computer and Internet Connection | | No server procured |
| 4.17 Integration of Financial Management Information System (FMIS) with other existing systems | Central Office | | | | | | | |
| 4.25.1. PMIS | Central Office | | | | 1st Qtr | | | To be part of the ERP |
| 4.25.2. PMIS Integration- Inventory | Central Office | | | | 3rd Qtr | | | To be part of the ERP |
| 4.25.3. FMIS Integration-FMS | Central Office | | | | 2nd Qtr | | | To be part of the ERP |
| 4.18 Implementation of Funds Management System (FMS) in POS with connectivity | | ₱55,000.00 (Training) | December 2014 | | All areas with new connected PO's by EO 4th qtr | | | Available online, testing |
| 4.19 Development of Point of Sale System (POS) | | ₱2,000,000.00 (system) | | | All areas with connected PO's by EO 4th qtr | | | To be part of the ERP |
| 4.20 Inventory Management System (System is operational and used by all areas) | All Areas | ₱1,000,000.00 (Server) | January 2015 | | All areas offices by EO 1st qtr | | | To be part of the ERP |
| 4.21 Online Document Tracking System | All Areas with Internet Connectivity | | | | All areas with connected PO's by EO 4th qtr | | | Re-defining the policies by the system owner/OPR |

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|---|--------------------|---|--------------------|-------------------|------------------------|-----------------|---------------------|---|
| | | | | | | % of Completion | Total Cost Incurred | |
| 5. Postal Safety and Security Program | | | | | | | | |
| 5.1. Procurement & installation of Security Door access at SMED | SMED | ₱500,000.00 Door Access mechanism & installation | | | | | | (SMED - end user) no procurement so far as of the end of 4th quarter |
| 5.2. Procurement & installation of new CCTV at big post offices in Mega Manila Area (at least 3 POs per year) | Mega Manila | ₱3,000,000.00 CCTV Cameras | | | | | | (Mega Manila- end user) no procurement & installation yet in any big post office of MMA as of 4th qtr ending Dec 2016 |
| 5.3. Maintenance of Security Services (outsourced for CO & Mega Manila) | CO and Mega Manila | ₱39,279,044.28 | January 2016 | | December 2016 | 100% | ₱32,894,959.92 | total as of end of 4th qtr 2016 |
| 5.4. Regularized safety & security monitoring/inspection of postal premises/offices | | ₱1,231,996.00 Travelling Expense | | | | | ₱155,826.00 | total incurred as of end of 4th qtr 2016 |
| 5.5. Intensified conduct of intelligence operations and investigation | | ₱3,763,010.00 Travelling Expense | | | | | ₱578,347.00 | total incurred as of end of 4th qtr 2016 |
| 5.6. Establish database on case profiling (MISD in-charge) | | ₱70,000.00 For desktop computer set | March 2014 | 2 | December 2016 | 45% | | Completion depends on MISD |
| 5.7. Technical trainings & seminars of Inspectorate Department personnel (local) | | ₱360,000.00 Travelling Expense | | | | | ₱28,354.00 | total incurred as of end of 4th qtr 2016 |
| 5.8. Technical trainings & seminars of Inspectorate Department personnel (foreign) | | ₱200,000.00 Travelling Expense | | | | | ₱32,999.00 | Total incurred as of end of 3rd qtr 2016 |
| 5.9. Hosting of NALECC meetings | | ₱40,000.00 for Meetings | | | | | ₱22,874.50 | 1 hosting of NALECC- SCILEC (Interpol) as of the end of the 3rd qtr 2016 |
| 5.10. Attendance to hearings Administrative & Criminal cases conducted outside Central Office | | ₱211,074.00 Travelling Expense | | | | | ₱98,712.00 | total incurred as of end of 4th qtr 2016 |
| 6. Legal Services Program | | | | | | | | |
| 6.1. Computerization/establish data base | Docket & files | Project is being | Project is handled | c/o MIS | c/o MIS | Awaiting report | c/o MIS | Project Undertaken By MIS. |

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| | | | | | | % of Completion | Total Cost Incurred | |
| on case profiling | office of the Manager, Legal Department | handled by MISD | by MISD | | | from MIS | | End User –Legal Department Coordinate with MIS |
| 6.2. Creation of Mediation Board | Per Area | | | | | | | -Coordinated with Area Directors. Out of 9 areas, only 2 have not yet responded to the request as of January 4, 2017. 9 Mediation Center identified and 7 of 9 areas have identified their Mediation Officer. Details of mediation centers available upon request. |
| 6.3. Crafting of Legal Services Manual | Central Office | | 1st Quarter 2015 | | 2nd Quarter 2016 | | | Already submitted to PPC Board |
| 6.4. Provision of space for the Mediation Center | All Postal Areas | | | | | | | -Coordinated with Area Directors. Out of 9 areas, only 2 have not yet responded to the request as of January 4, 2017. 9 Mediation Center identified and 7 of 9 areas have identified their Mediation Officer. Details of mediation centers available upon request. |
| 7. Internal Audit Effectiveness Program | | | | | | | | |
| 7.1. Preparation of Risk-based Annual Audit Plan | IAD | ₱30,000.00 Audit Standards Established | December 1, 2015 | | January 31, 2016 | 100% | ₱500.00 | Supplies – bond paper and toner |
| 7.2. Financial, Operation, System and Compliance Audit | Area Post Offices/ Accounting | ₱3,000,000.00 29% of the total post offices, mdc, | January 18, 2016 | | December 31, 2016 | 66% | ₱1,600,000.00 | Transportation and per diems |

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| | | | | | | % of Completion | Total Cost Incurred | |
| 7.3. Monitoring of Profit Centers | Offices | sub-dc and accounting related offices audited P280,000.00 10% of the total number of post offices are monitored based on actual revenue | February 10, 2016 | | December 31, 2016 | 75% | P140,000.00 | Supplies – bond paper, toner, etc. |
| 7.4. Continuation of the Development of Post Office Operation Manual and Computerized Postmaster's Financial Reporting System | IAD | P30,000.00 Manual and Web-based Database | January 2016 | 2 | March 2017 | 95% | | Enhancement in Controls and Security |
| 7.5. Monitoring of Compliance/Implementation of Audit Findings and Recommendations | IAD | P30,000.00 Feedback Mechanism Established | January 2016 | | December 2016 | 100% | | |
| 7.6. Trainings and Professional Certifications | Manila | P1,450,000.00 Competency Development | January 2016 | | December 2016 | 5% | P72,000.00 | Training Fee |
| 8. Administrative Efficiency Program | | | | | | | | |
| 8.1. Infrastructure Project Management Program | | | | | | | | |
| 8.1.1. Construction Manual | Central Office | P100,000.00 | January 2015 | | | 90% | | Submitted for final editing at CorPlan Department. |
| 8.1.2. Conversion of Blueprint Files into Digital Copies through AutoCad | Central Office | | | | | On-going | | Preparation of plans through AutoCAD fully implemented. |
| 8.2. Repair and Maintenance Program | | | | | | | | |
| 8.2.1. All Lighting Fixtures replaced with LED Bulb | Central Office | P5,500,000.00 LEB Bulbs and electrical materials | 1st Quarter 2015 | | | 95% | | Replacement of lighting fixtures from fluorescent lamp to LED is already 95% accomplished in the Central Office |

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|---|---|---------------------------------------|------------------------------|--|------------------------------|--|---------------------|--|
| | | | | | | % of Completion | Total Cost Incurred | |
| 8.2.2. Repair and Maintenance manual Approved | Central Office | ₱100,000.00 | | | | 93% | | Final editing at CorPlan Dept |
| 8.2.3. All Post Office Facilities Upgraded | | ₱3,500,000 for construction materials | | | | | | Repair/face-lifting projects programmed for CY 2016 not yet implemented due to pending approval Budget |
| 8.3. Records Management Program | | ₱1,403,484.00 | | | | | | |
| 8.3.1. Approved and Implemented Records Management Systems and Procedure Manual | Central Office | | | | | 100% | | Manual is already approved by BOD and is now being implemented per Circular No. 16-68 dated 10-21-16. |
| 8.3.2. Digital Archiving | Central Office | | | | | On-going | | Routinary Function |
| 8.3.3. Records and Documents Classification | Central Office | | | | | On-going | | Routinary Function |
| 8.3.4. Permanent Records Back-up Storage (Digital Copies) | Area 4 San Pablo City | | | | | 100% | | Now used as storage for digital back-up of permanent records. |
| 8.4. Tiling and Appraisal of Donated Lots and Real Properties | Nationwide for Appraisal | ₱6,146,500.00 | February 19, 2016 | Request for Contract Time Suspension approved on 31 May 2016 | 31 January 2017 | 66% | ₱3,798,400.00 | Appraisal ongoing, 1 st partial payment in process |
| 8.5. Insurance of PHL Post Buildings | For tiling: Dagupan City PO lot Pangasinan | ₱4,541,235.75 (4 equal payments) | Term: Fr: October 1, 2015 | | October 1, 2015 | 100% | c/o Area 2 NWLA | For tiling: Dagupan City PO lot Pangasinan (1,539 sq.m.) TCT No. 029-2016000882 dtd. 30 September 2016 |
| | nationwide | | Term: Fr: October 1, 2015 | | Term: To: October 1, 2016 | 100% | ₱4,541,235.75 | Total of 316 properties plus 1 equipment insured worth ₱858,791,035.53. complete list available upon request. |
| 8.6. Renewal of Insurance for 2016-2017 | Nationwide | ₱5,034,670.93 (4 equal payments) | Term: Fr: October 1, 2016 | | Term: To: October 1, 2017 | 1 st payment already made 25% | ₱1,258,667.73 | |

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|---|------------------|--|----------------|---------------------------|------------------------|-----------------|---------------------|--|
| | | | | | | % of Completion | Total Cost Incurred | |
| 9. Financial Management Program | | | | | | | | |
| 9.1. Budget Management Program | Central Office | ₱263,750.00 | | | | | | |
| 9.2. Cash Investment Management Program | Central Office | ₱428,000.00 | | | | | | |
| 9.3. Debt Management Program | Central Office | ₱26,280,000.00 Interest Expense | | | | | | |
| 9.4. Postage Metered Machine Management Program | All Postal Areas | ₱198,538,400.00 Travelling, supplies, and materials | | | | | | |
| 9.5. Claims and Processing Management Program | Central Office | ₱2,942,927.00 Supplies and Manpower | All year round | No extensions/ changes | All year round | 100% | ₱2,942,927.00 | Enhancement of policies & procedures in processing money claims. |

Consolidated by:

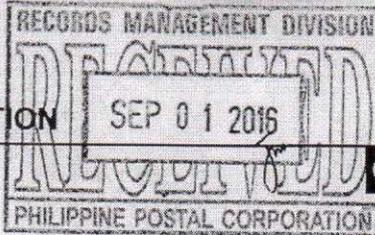
R. Ramos
RITTA DIANNE RAMOS-BORLONGAN
 Planning Officer IV

Noted by

M. Lourdes L. Rifareal
MARIA LOURDES L. RIFAREAL
 Manager, Corporate Planning Department

Approved by:

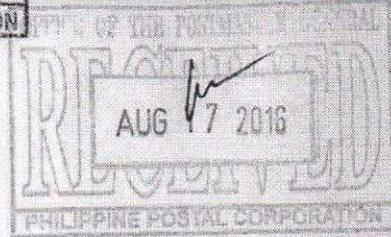
J. Otarra
JOEL L. OTARRA
 Postmaster General and CEO



PHLPost Circular No. 16 - 54

Subject : Performance Targets for CY2016

Date : 12 August 2016



For the information and guidance of all, the CY2016 Performance Targets as negotiated with the Governance Commission for GOCCs (GCG) are as follows:

| OBJECTIVES/ MEASURE | Weight | Target | OPR |
|---|--------|---|--|
| Objective 1: Linking people through access to communications & information, delivery of goods & provision of postal payments by ICT infrastructure development | | | |
| 1. Access to e-Commerce of local/domestic micro, small & medium entrepreneurs | 5% | 200 domestic products available at PHLPost e-Commerce website | APMG-Mktg & MSS Area Directors Business Lines Department Area Marketing Staff |
| 2. Letter Post Delivery Performance | | | APMG-Operations Service Regulations Department Area Support Services Post Offices |
| 2.1 Domestic letter post delivery performance | 4% | 85% of postal items delivered within 7 days after posting | |
| 2.2 International letter post delivery performance | 4% | 85% of postal items delivered within 7 days after Customs clearance | |
| 3. Parcel Post delivery performance | | | |
| 3.1 Domestic parcel post delivery performance | 4% | 85% of postal items delivered within 7 days after posting | |
| 3.2 International parcel post delivery performance | 4% | 85% of postal items delivered within 7 days after Customs clearance | |
| 4. Maintain national government agencies/non-government organizations partnership in payout services | 5% | 4 NGA/NGO payout partners | APMG-Mktg & MSS Area Directors BLD Area Marketing Staff Post Offices |
| Objective 2: Continued postal presence in the community | | | |
| 5. Expansion of postal outlets | 5% | 171 (79 additional for the year) | APMG-Mktg & MSS APMG-Operations SRD Corporate Planning Department Area Directors Area Support Services Area Marketing Staff |
| Objective 3: Promote a customer centric postal service | | | |
| 6. Customer satisfaction rating | 5% | Baseline data for customer satisfaction rating | Office of APMGs Offices of Area |

2016-08-17-0010

| OBJECTIVES/ MEASURE | Weight | Target | OPR |
|--|--------|---|--|
| | | | Director CO Departments Area Support Services Area AdFin Divisions Area Marketing Staff Post Offices |
| 7. Increase number of service agreements with government agencies | 3% | 19 service agreements | OAPMG-Mktg & MSS Area Directors Area Marketing Staff Post Offices |
| Objective 4: Institutionalize sound fiscal management policies | | | |
| 8. Earnings before interest, taxes, depreciation & amortization (EBITDA), excluding franking privilege reimbursed from national government | 10% | PhP326M | APMG-AdFin APMG-Mktg & MSS Area Directors BLD Area AdFin Divisions Area Marketing Staff Post Offices |
| 9. Postal Payment Services Revenue | 12% | PhP700M | APMG-Mktg & MSS APMG-AdFin BLD Accounting Department Area AdFin Divisions Area Marketing Staff Post Offices |
| Objective 5: Maintain the integrity of the postal service | | | |
| 10. Quality certification of core processes | 5% | Acquisition of 3 rd party quality certification services | Corplan |
| 11. Quality of service certification by Universal Postal Union | 5% | Conduct of QoS audit | APMG-Operations SRD |
| Objective 6: An efficient delivery of communications, goods & payment services | | | |
| 12. Express Post Delivery Performance | | | APMG-Operations Service Regulations Department Area Support Services Post Offices |
| 12.1 Domestic express post delivery performance – committed areas in Metro Manila | 5% | 90% of postal items delivered within 1 day after posting | |
| 12.2 Domestic express post delivery performance – committed areas outside of Metro Manila | 5% | 90% of postal items delivered within 3 days after posting | |
| 12.3 International express post delivery performance – committed areas in Metro Manila | 5% | 95% of postal items delivered within 1 day after Customs clearance | |
| 12.4 International express post delivery performance – committed areas outside of Metro Manila | 4% | 95% of postal items delivered within 3 days after Customs clearance | |
| Objective 7: Bridge the digital divide in postal service | | | |

| OBJECTIVES/ MEASURE | Weight | Target | OPR |
|--|-------------|--|---|
| 13. Postal outlets with Point-of-Sales system | 2% | Acquisition of POS system | APMGs Accounting Department Fiscal Management Department MISD SRD |
| 14. Postal outlets with internet connectivity | 3% | 60% of postal outlets | APMG-Operations Area Directors MISD Area IT Staff Post Offices |
| Objective 8: An effectual human resource management & development | | | |
| 15. Competency framework | 2% | Competency framework in accordance with policies prescribed by GCG | APMGs HRMD |
| 16. Maintain the conduct of frontline & operations-related trainings | 3% | 36 batches of frontline & operations-related trainings conducted | HRMD Area AdFin Divisions |
| TOTAL WEIGHT / RATING | 100% | | |

Also indicated above are the Offices that are monitoring / responsible for the attainment of these targets.

GCG is monitoring our performance relative to these targets through the submission of the Quarterly Monitoring Report to their office. The overall performance of PHLPost for CY2016 shall be validated by GCG and shall, along with other requirements, serve as the basis in the granting of the Performance-Based Bonus (PBB) for CY2016.

The attainment of these targets is not solely the responsibility of management but is a result of the concerted efforts of both the Area Offices and the Central Office. Your utmost cooperation and supervision is required in order for us to attain our targets. All are therefore enjoined to disseminate these targets to your Marketing Specialist and Post Offices and closely monitor their performance especially in the areas of revenue generation and delivery performance.

Moreover, attached is the Monitoring Report of Performance Targets as of the 2nd Quarter of CY2016 noting therein the accomplishment at 92.51% and 93.70% for the 1st and 2nd Quarter of CY2016, respectively.

For your information and appropriate action.


JOEL L. OTARRA
 Corporate Officer-in-Charge

DTS 2016-08-11-0079

Filename: PerformanceTargets2016

Central Records:

1. PHLPost-Performance
2. Issuances – Management