



26 August 2016

**HON. ARTHUR P. TUGADE**  
 DOTr Secretary and Chairman  
**HON. EMERSON L. BENITEZ**  
 Officer-in-Charge  
**LIGHT RAIL TRANSIT AUTHORITY (LRTA)**  
 LRTA Compound, Aurora Blvd., Pasay City

**RE: INELIGIBILITY OF LRTA TO GRANT FY 2015 PBB TO OFFICERS AND EMPLOYEES AND PBI TO DIRECTORS**

Dear Secretary Tugade and OIC Benitez,

The **LIGHT RAIL TRANSIT AUTHORITY (LRTA)** has **FAILED** to substantially comply with the requirements of **GCG MEMORANDUM CIRCULAR (MC) No. 2015-05** and the *Checklist of Documents to be submitted by GOCCs to Qualify for the FY 2015 Performance-Based Bonus (PBB)* particularly:

1. Achieve a weighted-average score of at least 90% on its 2015 Performance Scorecard based on the GCG validated score of **88.13%** (see **Annex A**); and
2. Satisfy the Good Governance Conditions common to NG and GOCCs, particularly on the submission of Annual Procurement Compliance Performance Indicator (APCPI) and posting of Guidelines on System of Ranking and Rating.

In view of the foregoing, LRTA is **INELIGIBLE** to grant PBB to its Officers and Employees for FY 2015. Consequently, pursuant to **GCG MC No. 2015-06**, failure to qualify for PBB means that the Appointive Members of the Governing Board of LRTA shall not be qualified to receive the Performance-Based Incentive (PBI).

**FOR YOUR INFORMATION AND GUIDANCE.**


Very truly yours,

  
**JAIME MA. F. FLORES II**  
 Chairman

  
**MICHAEL P. CLORIBEL**  
 Commissioner

  
**SAMUEL G. DAGPIN, JR.**  
 Commissioner

cc: COA Chairman **MICHAEL G. AGUINALDO**  
 COA Resident Auditor – LRTA

  
**CARLOS G. DOMINGUEZ, III**  
 DOF Secretary



  
**BENJAMIN E. DIOKNO**  
 DBM Secretary



**LIGHT RAIL TRANSIT AUTHORITY  
2015 Interim Performance Scorecard**

Component	Objective/Measure	Formula	Weight	LRTA Submission			GCG Evaluation			Supporting Documents	Remarks
				Target	Actual	Rating	Score	Rating			
<b>SO 1</b>	<b>To Address Increasing Demands for the Existing Lines and New Mass Transit Systems</b>										
SM 1	Increase Systems Capacity	Average No. of LRVs/Trains running during peak hours*  *Peak Period – Morning and afternoon time periods when transit riding is the heaviest (7:00 am- 9:00 am; 5:00 pm – 7:00 pm)	5%	L1: 29 trains	27 trains	4.65%	27 trains	4.66%	<ul style="list-style-type: none"> <li>Line 1 Monthly Summary of Trains Running during Peak Hours</li> <li>Line 1 Train Availability Monitoring Reports</li> </ul>	<ul style="list-style-type: none"> <li>Accomplishments cover the period of 01 January to 11 September 2015 only, due to the subsequent takeover of the private concessionaire, Light Rail Manila Corporation (LRMC).</li> </ul>	
			10%	L2: 11 trainsets	11 trainsets	10%	11 trainsets	10%	<ul style="list-style-type: none"> <li>Line 2 Monthly Summary of Trainsets Running</li> <li>Line 2 Train Availability Monitoring Reports</li> </ul>	<ul style="list-style-type: none"> <li>Target met.</li> </ul>	
SM 2	Delivery of Required Lots for ROWA* for the Line 1 South Extension Project  *Right of Way Acquisition (ROWA).	No. of lots delivered ÷ total no. of lots required for ROW x 100%	10%	100% Fully Delivered (Packages 3 - Dr. Santos to Zapote and Package 4- Zapote to Niog)	91% delivered for Package 3 and 4	9.1%	90.52%	9.05%	<ul style="list-style-type: none"> <li>Summary and Detailed Acquisition Reports</li> </ul>	<ul style="list-style-type: none"> <li>105 out of 116 lots acquired.</li> </ul>	

STAKEHOLDERS

Component		LRTA Submission		GCG Evaluation		Supporting Documents		Remarks	
Objective/Measure	Formula	Weight	Target	Actual	Rating	Score	Rating		
<b>SO 2 To Improve Over-All Efficiency</b>									
SM 3 Increase Efficiency in Handling Customer Requests/Complaints* <i>*There is a centralized complaints/requests handling for both lines.</i>	No. of complaints addressed within 6 days ÷ total no. of complaints received	7%	L1: 100 %	L1: 100 %	7%	100%	7%	<ul style="list-style-type: none"> <li>Summary of Complaints Received/ Responded</li> <li>List of Complaints Received/ Responded</li> </ul>	<ul style="list-style-type: none"> <li>Total of 789 complaints addressed/responded within 6 days.</li> </ul>
			L2: 100 %	L2: 100 %					
<b>SO 3 To Increase Safety and Security of LRT Systems</b>									
SM 4 Improve Safety and Security Provisions, Equipment and Facilities	No. of safety and security equipment and facilities provided <i>All or Nothing</i>	5%	Procurement and implementation of security service system for Line 1	Completed	5%	Completed	5%	<ul style="list-style-type: none"> <li>List of Safety and Security Equipment</li> <li>Photographs</li> <li>Certification of procurement turn-over to LRMC</li> </ul>	<ul style="list-style-type: none"> <li>Contract awarded to KAIZEN Security Agency Corporation.</li> </ul>
			5%	Procurement and implementation of security service system for Line 2	Completed	5%	Completed	5%	<ul style="list-style-type: none"> <li>List of Safety and Security Equipment</li> <li>Photographs</li> <li>Terms of Reference</li> <li>Contract</li> <li>Notice of Award</li> <li>Notice to Proceed</li> </ul>

Component		LRTA Submission			GCG Evaluation		Supporting Documents		Remarks
Objective/Measure	Formula	Weight	Target	Actual	Rating	Score	Rating		
<b>SO 4 To Gauge Customer Satisfaction Rating</b>									
SM 5	Customer Satisfaction Survey by a Third Party	Percentage Completion	100% Development of Customer Satisfaction Survey Report with a satisfaction rating	Completed	10%	Completed	10%	<ul style="list-style-type: none"> <li>Copy of the Customer Satisfaction Study on LRT</li> </ul>	<ul style="list-style-type: none"> <li>Weighted average satisfaction of LRT is 4.93 out of 7.00.</li> <li>The report suggests that LRT has to focus on Train Station Facilities/ Equipment and Riding the Trains service areas.</li> </ul>
	<b>Sub-total</b>				<b>52%</b>		<b>50.75%</b>		<b>50.71%</b>
<b>SO 5 To Increase Efficiency and Reliability of LRT Systems</b>									
SM 6	Improve Systems and Facilities	No. of Rehabilitation projects completed for Line 2	L2: 18/18	18/18	5%	18/18	5%	<ul style="list-style-type: none"> <li>Final Acceptance Report</li> <li>Inspection Report</li> <li>Notice of Award</li> <li>Notice Proceed to Photographs</li> </ul>	<ul style="list-style-type: none"> <li>Upgrading of Analog to Digital Trunk Radio System for Line 2</li> <li>System provided by Multi-Scan Corporation in the amount of ₱131,328,000.</li> </ul>
SM 7.1	Sustain Reliability of Train Service	Headway = Looptime + No. of trains running	L1: 3-4 minutes headway	3.93 minutes	3%	3.93 minutes	3%	<ul style="list-style-type: none"> <li>Headway Monthly Summary</li> <li>Sample Computation</li> </ul>	<ul style="list-style-type: none"> <li>Accomplishments cover 01 January to 11 September 2015 only due to LRMC takeover.</li> </ul>
			L2: 5-6 minutes	5.45 minutes	3%	5.45 minutes	3%	<ul style="list-style-type: none"> <li>Headway Monthly Summary</li> </ul>	<ul style="list-style-type: none"> <li>Target met.</li> </ul>

**INTERNAL PROCESS**

Component		LRTA Submission			GCG Evaluation			Supporting Documents	Remarks	
Objective/Measure	Formula	Weight	Target	Actual	Rating	Score	Rating			
SM 7.2a	Reduction of Train Shutdowns	Average interruption time per incident = (total service time / frequency count)	2.5%	Line 1: Less than or equal to 13 minutes	Line 1: 8.66 minutes	2.5%	Line 1: 8.51 minutes	2.5%	<ul style="list-style-type: none"> <li>Summary of Service Interruption</li> <li>Breakdown of Causes of Service Interruption</li> <li>Sample Computation</li> </ul>	<ul style="list-style-type: none"> <li>Line 1 recorded 166 service interruptions.</li> <li>Accomplishments cover January to 11 September 2015 only due to LRMC takeover.</li> </ul>
			2.5%	Line 2: Less than or equal to 19 minutes	Line 2: 12.75 minutes	2.5%	Line 2: 12.75 minutes	2.5%	<ul style="list-style-type: none"> <li>Line 2 Summary of Service Interruption</li> <li>Operations Control Center Daily Report</li> </ul>	<ul style="list-style-type: none"> <li>Line 2 recorded 12 service interruptions.</li> </ul>
SM 7.2b	Completion of ISO QMS Certification for Line 2 Train Service Management and LRTA Support Services	Actual ISO accreditation activities performed from 2013-2015	5%	100% ISO QMS Certification completed by December 2015	For scheduling of Management review	0%	For scheduling of Management review	0%	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Target not met.</li> </ul>
SM 9	Implementation of Integrity Development Review (IDR) Recommendations* <i>*Cumulative target</i>	No. of IDR recommendations implemented	5%	49/49	49/49	5%	49/49	5%	<ul style="list-style-type: none"> <li>Implementation Report</li> </ul>	<ul style="list-style-type: none"> <li>16 IDR Recommendations implemented in FY 2015.</li> </ul>

Component		LRTA Submission			GCG Evaluation		Supporting Documents		Remarks											
Objective/Measure	Formula	Weight	Target	Actual	Rating	Score	Rating													
SO 6	To Identify Rail and Non Rail Transport Opportunities Through Construction of New Lines and Improvement of the Existing System																			
SM 10	No. Feasibility Studies completed	Actual Completion	6%	<ul style="list-style-type: none"> <li>a. Submission of Business Plan for the Passenger/ Bus Feeder System to LTFRB/ DOTC</li> <li>b. Award of Consultancy Services Contract for the Establishment of Philippine Railway Institute</li> </ul>	<ul style="list-style-type: none"> <li>a. Submitted Business Plan to LTFRB/ DOTC on December 23, 2015</li> <li>b. Under Pre-procurement process</li> </ul>	3%	<ul style="list-style-type: none"> <li>a. Submitted Business Plan to LTFRB/ DOTC on December 23, 2015</li> <li>b. Under Pre-procurement process</li> </ul>	3%	<ul style="list-style-type: none"> <li>• Copy of letters to LTFRB and DOTC</li> <li>• Copy of Bus Feeder Business Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Launching of the project is targeted by 4<sup>th</sup> quarter of CY 2016.</li> </ul>										
	<b>Sub-total</b>		<b>32%</b>				<b>24%</b>													
<b>SO 7 To Sustain Financial Conditions</b>																				
SM 11	Sustain Farebox Ratio* of Not Less than 1.00 <i>*Assumption is without fare increase. CY 2013 Actual was based from 2nd Preliminary Consolidated Income Statement submitted to COA</i>	Farebox Ratio = Gross Revenue + Operating Expenses  <i>Note: Implementation of the P5 fare increase may increase the farebox ratio for the year</i>	7%	Consolidated: 1.00	Consolidated: 1.46	7%	0.99	6.92%	<ul style="list-style-type: none"> <li>• FY 2015 Computation of Farebox Ratio</li> <li>• Consolidated Income Statement as of December 31, 2015</li> </ul>	Target not met. Farebox ratio computed as follows: <table border="1"> <tr> <td>Gross Revenues</td> <td>3.34 M</td> </tr> <tr> <td>OPEX</td> <td>2.28 M</td> </tr> <tr> <td>Depreciation Expenses</td> <td>1.10 M</td> </tr> <tr> <td>Total OPEX</td> <td>3.38 M</td> </tr> <tr> <td>Farebox Ratio</td> <td>0.99</td> </tr> </table>	Gross Revenues	3.34 M	OPEX	2.28 M	Depreciation Expenses	1.10 M	Total OPEX	3.38 M	Farebox Ratio	0.99
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Component		LRTA Submission			GCG Evaluation		Supporting Documents	Remarks	
Objective/Measure	Formula	Weight	Target	Actual	Rating	Score	Rating		
SM 12	Percentage Increase in Non-rail Revenue* (In Million Php) *Commercial and advertising space only. Assumption is without privatization	(CY 2015 actual - CY 2014 actual) ÷ CY 2014 actual x 100%	5%	1% 156.18 million	1.09% (168.75)	5%	9.13% (168.75)	5%	<ul style="list-style-type: none"> <li>Details of Non-Rail Revenues FY 2014 vs FY 2015</li> </ul> Target exceeded by 12.57 million.
<b>Sub-total</b>			<b>12%</b>			<b>12%</b>		<b>11.92%</b>	
<b>SO 8 To Harness LRTA Officers and Employees' Railway Industry Expertise</b>									
SM 13	Comprehensive Human Resources Development Plan	Approval of LRTA Comprehensive Human Resources Development Plan	2.5%	100% Approved by the Civil Service Commission (CSC)	77.7% completed	1.94%	14 out of 18 requirements completed	0%	<ul style="list-style-type: none"> <li>List of Completed Requirements for HR Plan</li> <li>Transmittal Letter of LRTA HR Plan as received by CSC</li> <li>On-going (1) Competency Mapping and (2) Gap Analysis</li> <li>For completion of (1) Prioritized Gaps and (2) Proposed Interventions and Monitoring and Evaluation Mechanism</li> </ul>
SM 14	Competency Framework	Approval by the GCG of Competency Framework	1.5%	Development of Competency Framework in accordance with policies prescribed by the GCG	Approved by the LRTA BOD on December 15, 2015	1.5%	Approved by the LRTA BOD on December 15, 2015	1.5%	<ul style="list-style-type: none"> <li>Copy of LRTA Competency Framework</li> <li>Copy of Secretary's Certificate on BOD's approval of LRTA's Competency Framework</li> <li>Target met.</li> </ul>
<b>Sub-total</b>			<b>4%</b>			<b>3.44%</b>		<b>1.5%</b>	
<b>TOTAL</b>			<b>100%</b>			<b>90.19%</b>		<b>88.13%</b>	