



LIGHT
RAIL
TRANSIT
AUTHORITY

27 January 2020

HON. SAMUEL G. DAGPIN, JR.
Chairman
Governance Commission for GOCCs
3/flr. Citibank Centre, 8741 Paseo de Roxas
Makati City

Through: Atty. Johann Carlos S. Barcena
Director III, Corporate Governance Office-B

Norbert Gastardo Germano, CPA
Corporate Governance Officer III, Corporate Governance Office - B

Subject: Submission of LRTA's Performance Scorecard CY 2019 Rating (PES Form 3)

Dear Chairman Dagpin:

Relative to the GCG's Memorandum Circular No. 2019-02 dated July 25, 2019 on Interim Performance Based Bonus (PBB), we respectfully submit the Performance Scorecard CY 2019 Rating (PES Form 3) of the Light Rail Transit Authority (LRTA) as approved by the Administrator.

Kindly note that the submission of supporting documents/evidences relative to our accomplishments will be provided to your office on or before February 28, 2020, Friday and shall likewise be presented to the Commission in the upcoming scorecard validation.

We also attached the copy of LRTA's request for renegotiation of 2019 targets as submitted to the GCG in August 2019 for reference in your validation process. Please note that the consideration of our request for possible exclusion or renegotiation of targets will have a significant impact in the attainment of at least 90% weighted average score in our Performance Scorecard.

Thank you and best regards.

Very truly yours,

GEN. REYNALDO I. BERROYA
Administrator



2020.LT.PLD.008

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LIGHT RAIL TRANSIT AUTHORITY

		Component				Annual Target	As of December 31, 2019 Accomplishment	Rating (%)
Strategic Objective (SO)/ Strategic Measure(SM)		Formula	Weight	Rating System				
SOCIAL IMPACT	SO 1 Increased Passenger Ridership							
	SM 1	Increased Passenger Ridership	Absolute Figure (in Millions)	0%	For monitoring purposes only	L1: 163.32 Million	L1: 161.22 Million	0.00%
				0%		L2: 68.63 Million	L2: 56.98 Million	0.00%
		Sub-total		0%				0.00%
CUSTOMER & STAKEHOLDERS	SO 2 Improved Customer Satisfaction							
	SM 2	Percentage of Satisfied Customers	Number of respondents which gave at least a Satisfactory rating/ Total number of respondents	7%	Actual/Target x Weight 0%=If less than 80%	90% (Using the Standard Methodology and Questionnaire developed by the GCG)	Line 1 : 90% Line 2: 92%	7.00%
	SO 3 Addressed Increasing Demands for the Existing Lines and New Mass Transit Systems							
	SM 3	Line 2 East Extension Project	Percentage of completion	10%	Actual / target x weight	100% completion of the construction of Design and Build of Stations (Package 2)	96.12% completion of the construction of Design and Build of Stations (Package 2)	9.61%
	SM 4	Construction of Line 1 South Extension Project	Actual Accomplishment	10%	Actual / target x weight	Relocation of 540 ISFs under Packages 2 and 3 (With request for Renegotiation with GCG)	<ul style="list-style-type: none">68.81% (75/109 lots) acquired Right-of-Way for Packages 2 & 3. (13.76%)Draft Memorandum of Agreement (MOA) under review. (10%)Conducted markings of boundaries & house-listing of affected ISFs (5%)The performance posted 28.76% complete.	2.87%
		Sub-total		27%				19.48%

Accomplishment Report
As of December 31, 2019

Component					Annual Target	As of December 31, 2019 Accomplishment	Rating (%)	
Strategic Objective (SO)/ Strategic Measure(SM)		Formula	Weight	Rating System				
	SO 4	Ensured Delivery of Performance by the Private Concessionaire						
INTERNAL PROCESS	SM 5	Compliance of Concessionaire to Performance Commitments under the Concession Agreement	Percentage of compliance to Secondary KPI (No. of Rectified Noncompliance ÷ Total No. of Noncompliance x 100%)	10%	95% and above= 10% 94%= 9% 93%= 8% 92%=7% 91%=6% 90%=5% 89.9% and below=0%	95%	99.43%	10.00%
	SM 6	Compliance of Line 2 Automated Fare Collection System (AFCS) Concessionaire to Service Level Agreement (SLA)	Percentage of compliance to SLA provisions (No. of provisions complied ÷ Total number relevant provisions) x 100%)	10%	Actual / target x weight	100% (With request for Renegotiation with GCG)	93.81%	9.38%
	SO 5	Improved Efficiency and Reliability of LRT Systems and Processes						
INTERNAL PROCESS	SM 7	Improve Systems and Facilities	No. of projects completed (Physical Completion)	12%	Actual /Target x Weight	Six (6) projects (With request for Renegotiation with GCG)	One (1) project	2.00%
	SM 8	ISO Certification	Actual Accomplishment	10%	All or Nothing	Pass Surveillance Audit for ISO 9001:2015	Issued Continued Certification of QMS to ISO 9001:2015 dated September 23, 2019	10.00%
	SM 9	Budget Utilization Rate	Actual award / (total GAA Budget + Spare Parts)	5%	Actual /Target x Weight	80% (With request for Renegotiation with GCG)	14.15%	0.88%
		Sub-total		47%				32.26%

Accomplishment Report
As of December 31, 2019

		Component				Annual Target	As of December 31, 2019 Accomplishment	Rating (%)
Strategic Objective (SO)/ Strategic Measure(SM)		Formula	Weight	Rating System				
	SO 6	Maintained Sustainability of Financial Conditions						
FINANCIAL	SM 10	Fare box Ratio	Rail Revenue/Operating Expenses (excluding depreciation)	10%	Actual /Target x Weight	0.69 <i>(With request for Renegotiation with GCG)</i>	0.73 (Based on tentative FS)	10.00%
	SM 11	Improved Non-Rail Revenue	Actual Revenue from commercial and advertising spaces	6%	Actual /Target x Weight	131.775 Million	142.17 Million	6.00%
		Sub-total		16%				16.00%
	SO 7	Achieved Railway System Competency and Expertise						
LEARNING AND GROWTH	SM 12	Percentage of Employees Meeting Required Competencies	Employees with competency gaps determined / total number of employees	5%	Actual /Target x Weight	100% of Employees Meeting Required Competencies	100% of Employees Meeting Required Competencies	5.00%
	SM 13	Establishment of Philippine Railway Training Center (PRTC)	Actual Accomplishment	5%	Actual /Target x Weight	30 Enrollees for the Module Offered	Twenty Eight (28) Enrollees for the Module Offered	4.67%
		Sub-total		10%				9.67%
		TOTAL		100%				77.41%

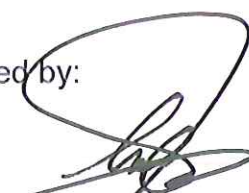
Certified Correct:




ELEANORE T. DOMINGO
Manager, Planning Department


Date

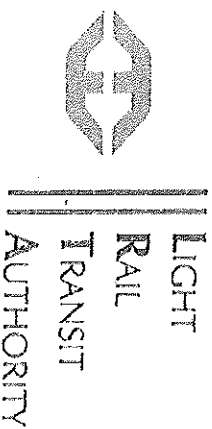
Approved by:



GEN. REYNALDO I. BERROYA
Administrator


Date

28 August 2019



HON. SAMUEL G. DAGPIN, JR.
Chairman
Governance Commission for GOCCs
3/ftr. Citibank Centre, 8741 Paseo de Roxas
Makati City

Through: Atty. Johann Carlos S. Barcena
Director III, Corporate Governance Office-B

Norbert Gastardo Germano, CPA
Corporate Governance Officer III, Corporate Governance Office - B

Subject: Submission of the Requirements for the 2020 Performance Evaluation System (PES) and CY 2019 Targets (For Renegotiation)

Dear Chairman Dagpin:

In compliance with the GCG Memorandum Circular (MC) No. 2017-02, we respectfully submit the following documents for the 2020 Performance Evaluation System (PES) and the renegotiation of the Authority's CY 2019 approved targets, for your consideration and approval:

1. Requirements for the 2020 Performance Evaluation System (PES):
 - 1.1. Updated Strategy Map and Charter Statement (PES Form 1);
 - 1.2. LRTA's Performance Scorecard FY 2020 (PES Forms 2);
 - 1.3. Quarterly Targets FY 2020 (PES Forms 2a);
 - 1.4. Measure Profile (PES Form 2b);
 - 1.5. Strategic Initiative Profile (PES Form 3);
 - 1.6. Briefer on the rationale of the CY 2020 targets, and;
 - 1.7. Corporate Operating Budget (COB) for CY 2020 submitted to the Department of Budget and Management.
2. Renegotiation of the CY 2019 approved targets
 - 2.1 Summary of CY 2019 Targets for Renegotiation
3. Copy of Secretary's Certificate authorizing the undersigned to negotiate on behalf of the LRTA Board.

Thank you and best regards.

Very truly yours,


GEN. REYNALDO L. BERROY
Administrator



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TABLE OF CONTENTS

Requirements for the 2020 Performance Evaluation System (PES) and CY 2019 Targets (For Renegotiation)

Document Title	Annex
1. 2020 Performance Evaluation System (PES)	
A. Updated Strategy Map and Charter Statement (PES Form 1);	A
B. LRTA's Performance Scorecard FY 2020 (PES Forms 2);	B
C. Quarterly Targets FY 2020 (PES Forms 2a);	C
D. Measure Profile (PES Form 2b);	D
E. Strategic Initiative Profile (PES Form 3);	E
F. Briefer on the rationale of the CY 2020 targets	F
G. Corporate Operating Budget (COB) for CY 2020 submitted to the Department of Budget and Management.	G
2. Renegotiation of the CY 2019 approved targets	
A. Summary of CY 2019 Targets for Renegotiation	H
3. Copy of Secretary's Certificate authorizing the undersigned to negotiate official on behalf of the LRTA Board.	I



QUALITY MANAGEMENT SYSTEM

Summary of Targets for Renegotiation CY 2019

		Component				2019		Remarks
Strategic Objective (SO)/ Strategic Measure(SM)		Formula	Weight	Rating Scale	Approved Annual Target	Actual (As of 2 nd Quarter, 2019)	Proposal	(Reasons/Justifications)
INTERNAL PROCESS	SO 3	Addressed Increasing Demands for the Existing Lines and New Mass Transit Systems						
	SM 4	Construction of Line 1 South Extension Project	Actual Accomplishment	10%	Actual / target x weight	Relocation of 540 ISFs under Packages 2 and 3	On-going coordination/discussion with IC, LRMC and LRTA on the finalization of modified project alignment under Packages 2 and 3. 1. Acquired 14 lots under Modified CIA alignment for Packages 2 and 3 (5%) 2. Relocated 11 power utilities affected by the alignment (5%)	Target will no longer be attainable due to the Modified C1A Right-of-Way (ROW) alignment for Packages 2 and 3 which was approved in 1 st Quarter 2019. The said modification will affect the relocation of ISFs under Packages 2 and 3 as this requires additional activities as follows: 1. LRTA PMO SEP shall acquire the properties/lots affected by the Modified CIA ROW alignment 2. After all lots have been acquired, PMO L1 SEP shall conduct final monumenting on the alignment under Packages 2 and 3. 3. After final monumenting, PMO L1 SEP shall then proceed to social preparation, pre-relocation and actual relocation activities of the affected ISF.

Component						2019	Remarks	
Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight	Rating Scale	Approved Annual Target	Actual (As of 2 nd Quarter, 2019)	Proposal	(Reasons/Justifications)	
SO 4	Ensured Delivery of Performance by the Private Concessionaire							
INTERNAL PROCESS	SM 6	Compliance of Line 2 Automated Fare Collection System (AFCS) Concessionaire to Service Level Agreement (SLA)	Percentage of compliance to SLA provisions (No. of provisions complied + Total number relevant provisions) x 100%	10%	Actual / target x weight	100%	94.12%	<p>A. Revise Annual Target from 100% to 95%</p> <p>B. Revise the computation for the compliance rating (from all or nothing to pro-rate). See attached rating matrix.</p> <p>C. Revise the rating scale as follows: 95% and above= 10% 94%= 9% 93%= 8% 92%=7% 91%=6% 90%=5% 89.9% and below=0%</p> <p>Reconsideration is requested as the current formula being adopted for the computation of compliance rating constrains us from obtaining the approved annual target of 100%; more so with an 'All or Nothing' basis of rating. This significantly affects the Concessionaire's compliance rating especially on those provisions with timelines factor. While they were able to deliver the required provisions under the SLA, there were cases wherein they failed to comply within the prescribed period. Thus, they are rated 0% compliance (non-compliance). This scenario affects the entire concessionaire's compliance rating, hence, they are unable to reach an annual target of 100%. Below are the provisions with timeliness factor:</p> <ol style="list-style-type: none">1. Processing of new Concessionary Cards within 5 days2. Processing of replacement defective Concessionary Card within 7 days3. Transfer of Balance defective Store Value Card within 7 days4. Blacklist Management of lost Concessionary Card prior to the start of the next day's service hours.5. Issuance of Employee Pass within 7 days <p>It will be also noted that based on historical data of Concessionaire's compliance to SLA from 2016 to 2018, the average rating is only 91.17% with the highest recorded rating of 94.39% only during the 2nd quarter of 2019.</p>

		Component				2019		Remarks	
Strategic Objective (SO)/ Strategic Measure(SM)		Formula	Weight	Rating Scale	Approved Annual Target	Actual (As of 2 nd Quarter , 2019)	Proposal	(Reasons/Justifications)	
SO 5		Improved Efficiency and Reliability of LRT Systems and Processes							
INTERNAL PROCESS									
	SM 7	Improve Systems and Facilities	No. of projects completed (Physical Completion)	12%	Actual /Target x Weight	L2: Six (6) projects 1. Systematic Replacement of Rolling Stock Air Conditioning for 10 trainsets 2. Rehabilitation of Fire Detection and Alarm System and Fire Suppression 3. Construction of Train Lift System 4. Improvement of Line 2 Stations and Facilities 5. Improvement of Line 2 Depot Offices 6. Upgrading of Lighting System at Line 2 Depot	Completed one project (1) out of 6 projects namely Systematic Replacement of Rolling Stock Air Conditioning for 10 trainsets	To replace the (3) projects under six (6) projects for completion in 2019: <u>From:</u> 1. Improvement of Line 2 Facilities 2. Improvement of Line 2 Depot Offices 3. Upgrading of Lighting System at Line 2 Depot <u>To:</u> 1) Contract for the Replacement of 45 escalator units 2) Installation of Overhead Catenary System (OCS) Lighting Protection Phase 2 3) Upgrading of Wheel Lathe Machine	Project 1: Improvement of Line 2 Facilities The project completion was moved to 2020 due to the delay incurred in the finalization and approval of the Design. The Design and Build Committee (DBC) of LRTA and the Contractor have undertaken a series of revisions and evaluation resulting to additional 60 days in the total contract period. As such, the implementation period was adjusted. Project 2: Improvement of Line 2 Depot Offices The project completion was moved to 2020. A work suspension was issued by the PMO-Rehab in view of Variation Orders (additional materials requirements to be delivered by the contractor). To date, the Variation Order is for finalization and subject to approval of budget. Project 3: Upgrading of Lighting System at Line 2 Depot Project was cancelled as this project will be incorporated in the new Maintenance Contract of Line 2 System and/or the Design and Build Project (Improvement of Line 2 Station).

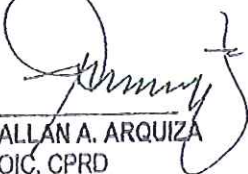
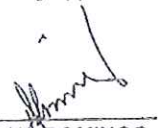

The project completion was moved to 2020 due to the delay incurred in the finalization and approval of the Design. The Design and Build Committee (DBC) of LRTA and the Contractor have undertaken a series of revisions and evaluation resulting to additional 60 days in the total contract period. As such, the implementation period was adjusted.

Project 2: Improvement of Line 2 Depot Offices
The project completion was moved to 2020. A work suspension was issued by the PMO-Rehab in view of Variation Orders (additional materials requirements to be delivered by the contractor). To date, the Variation Order is for finalization and subject to approval of budget.

Project 3: Upgrading of Lighting System at Line 2 Depot
Project was cancelled as this project will be incorporated in the new Maintenance Contract of Line 2 System and/or the Design and Build Project (Improvement of Line 2 Station).

Strategic Objective (SO)/ Strategic Measure(SM)			Component	Weight	Rating Scale	Approved Annual Target	2019 Actual (As of 2 nd Quarter, 2019)	Proposal	Remarks (Reasons/Justifications)
	SM 9	Budget Utilization Rate	Actual award / (total GAA Budget + Spare Parts)	5%	Actual/Target x Weight	80%	12.82%	<ul style="list-style-type: none"> Exclude the budget for the procurement of 4 Trainset from the APP 2019. Retain the annual target of 80%. 	The target will no longer be attainable as the award for the acquisition of four (4) trainsets under GAA 2019 amounting to 1.418 Billion will not be realized due to the new direction from the LRTA Management and BOD to acquire 14 trainsets instead of just 4 trainsets as this will be economically beneficial to the government. The procurement of 14 trainsets amounts to P 11 B has exceeded the P 2.5 Billion NEDA- ICC minimum project cost threshold for the capital projects, thus, the LRTA is required to comply with the necessary requirements and approval of the NEDA-ICC before it can be procured by the Authority.

Component					2019	Remarks		
Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight	Rating Scale	Approved Annual Target	Actual (As of 2 nd Quarter, 2019)	Proposal	(Reasons/Justifications)	
SO 6	Maintain Sustainability of Financial Conditions							
SM 10	Farebox Ratio	Rail Revenue / Operating Expenses (excluding depreciation)	10%	Actual /Target x Weight	0.69	0.73	0.62	The target will no longer be attainable due to the reduction of the original budget level for the proposed NG operating subsidy from 336.20 Million to 55.49 Million or about - 84% as reflected in the revised COB CY 2019 approved by the LRTA Board. Likewise, there was a drop in revenues with the implementation of the free rides for students and will continue with the new government initiative of granting student discounts plus the reduced commercial trips with only 8 operational trains available..

Prepared By:  ALLAN A. ARQUIZA OIC, CPRD	Recommending Approval:  ELEANORE T. DOMINGO Manager, Planning Department	Approved By:  GEN. REYNALDO I. BERROYA Administrator
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2019.FO.CPD.014/16 July 2019