



Integrity Development Review

Light Rail Transit Authority

26 July 2007

A joint project of the Office of the Ombudsman (OMB),
Commission on Audit (COA), Department of Budget and Management (DBM) and the
Civil Service Commission (CSC) and implemented by the
Development Academy of the Philippines
under the EC-OMB Corruption Prevention Project





LRTA Assessment Team

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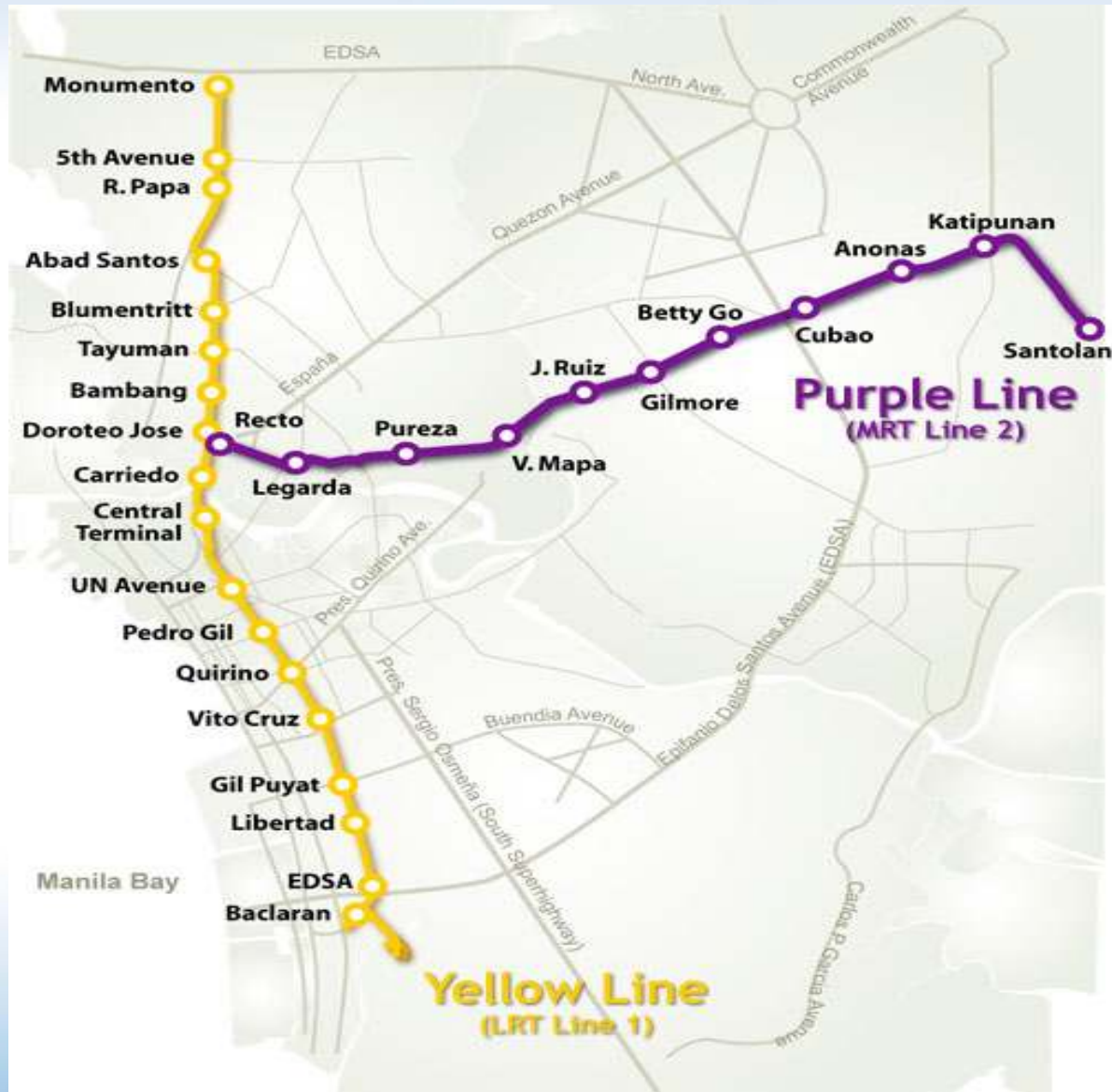
The LRTA

- GOCC under DOTC created in 1980 thru EO 603, as amended by EO 830 & EO 210
- Responsible for the construction, operation, maintenance and/or lease of light rail transit systems in the Philippines
- ODA funded infra projects; currently operates and manages two rail transit lines: LRT Line 1 (1984 – Baclaran to Monumento) and MRT Line 2 (2003 – Recto to Santolan)
- Vision: To be the institution in the field of mass rail transit system
- Mission: To pursue excellence in the provision of mass quality transport and related services in the metropolitan areas of the country in a safe, reliable, cost-effective, caring, integrated, and ecologically responsible manner
- Personnel: 1,715 filled out of 1,784 approved positions (49 regular, 1,666 contractual, 69 coterminous with the projects)





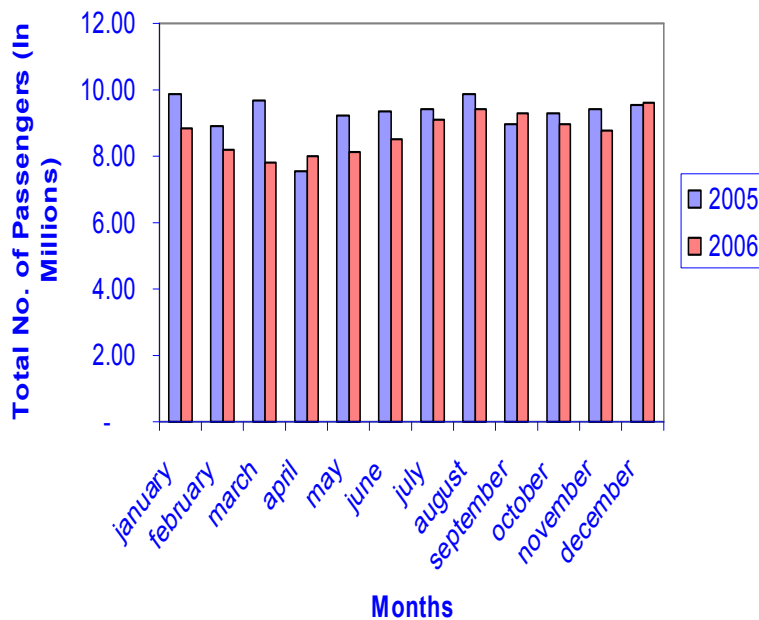
LRT Line 1 AND MRT Line 2



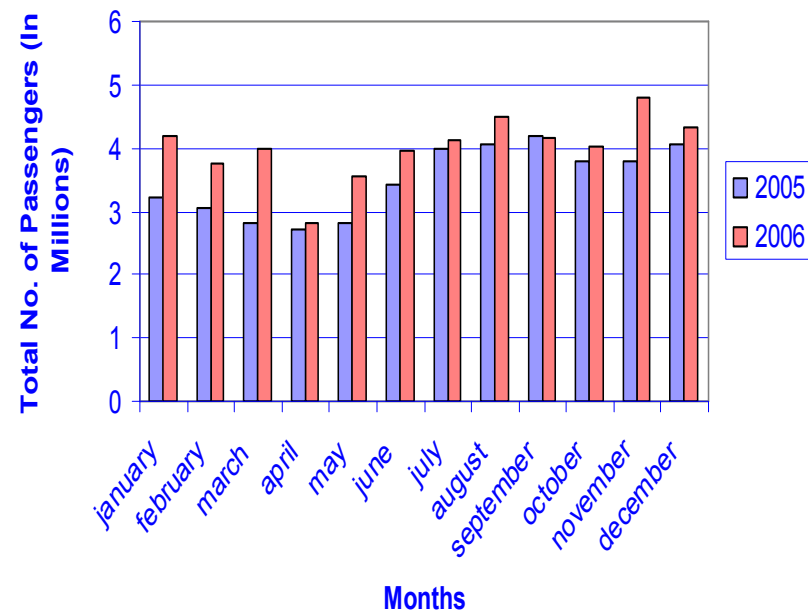


LRTA Ridership

Line 1 Total Ridership (From Jan 2005 to Dec 2006)



Line 2 Total Ridership (From Jan 2005 to Dec 2006)



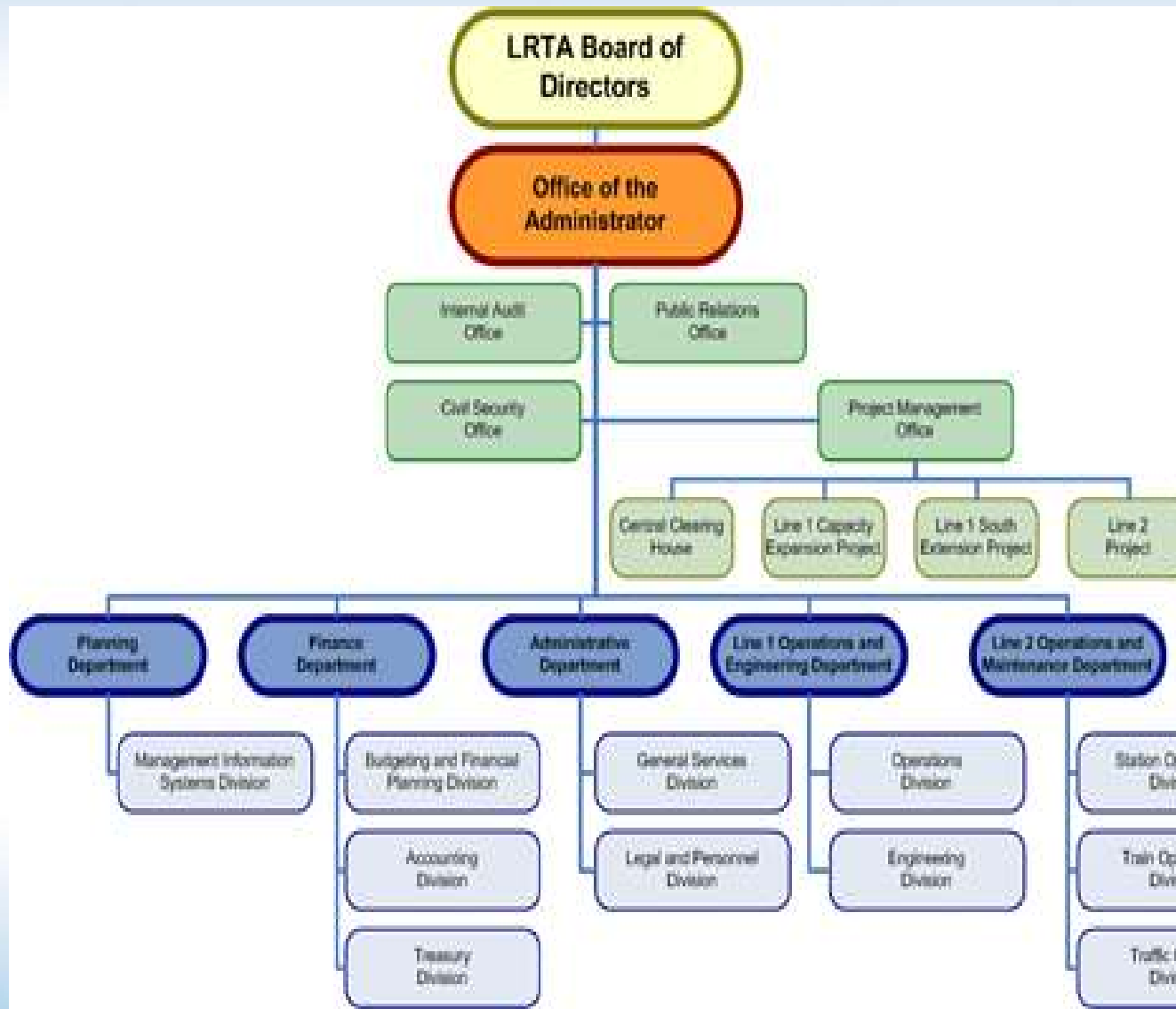
Revenue lines brings in average of P6M with 433,000 passengers a day.

Reported net income of P115 M(2005)





LRTA Structure





Schedule of CRR Field Assessment

Site	IDA	Survey & Document Review
LRTA	March 19, 2007	March 1-2, 2007 March 5-16, 2007

IDA Participants and Survey Respondents

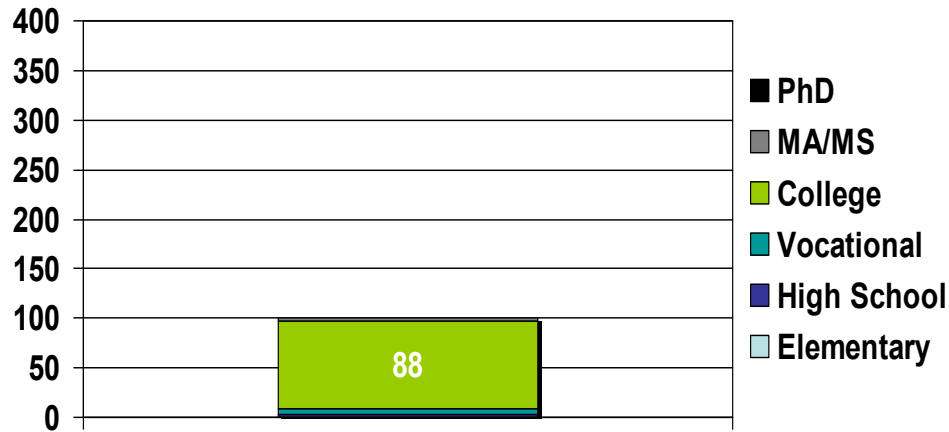
Site	IDA	Survey of Employees
LRTA	15	100



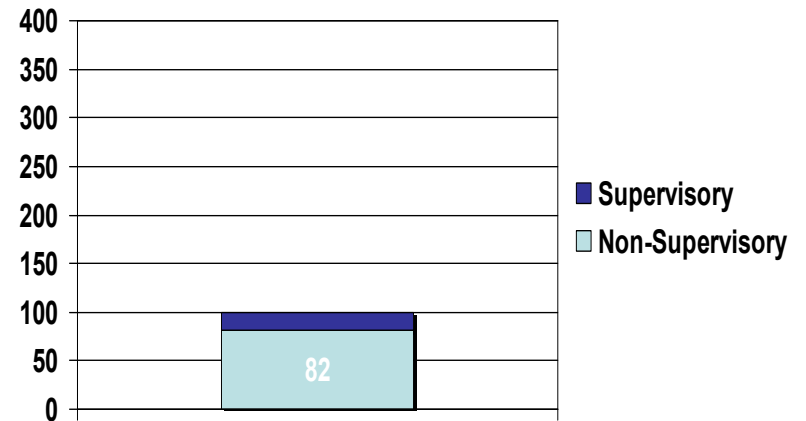


Demographic Profile of Respondents

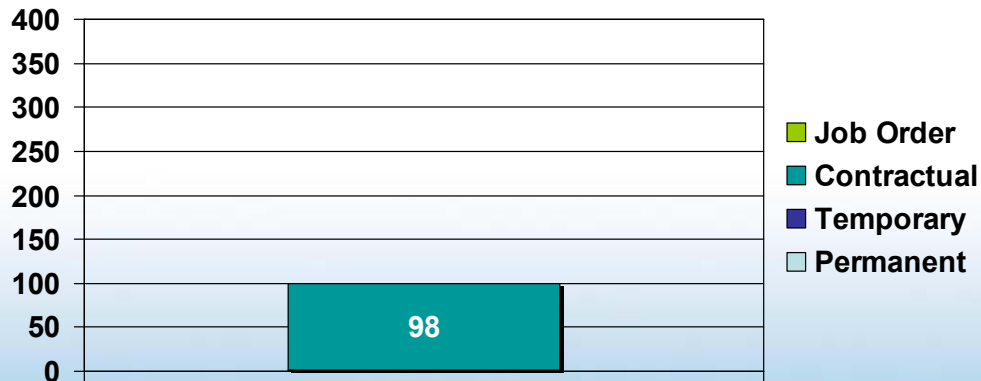
Education Profile



Position



Status





1. Leadership

	CO	Assessors' Rating
Level of Achievement	2	2
Deployment	70-80%	

Strengths

- Existence of 2007-2012 LRTA medium term plan; updated the 2005-2010 plan
- Vision & mission statement displayed at reception areas
- Regular ManCom and Cluster meetings, e.g. Policy & Strategic Planning
- Management Improvement Study as basis for planning and performance targets
- Compliance with Manual of Approvals/Signing Authority dated Aug 06
- Survey: 2.18 or + net agreement that managers do not abuse authority, inspire professionalism

Areas for Improvement

- VM and corporate values posted only in selected stations
- Not all managers have attended orientation on corruption prevention
- Key officers with critical responsibilities for deployment of organizational values have contractual status

Recommendations

- All managers to undergo training on corruption prevention & detection
- Regularization of employment of key officers
- Display VM and core values in all stations and depots





2. Code of Conduct

	CO	Assessors' Rating
Level of Achievement	1	1
Deployment	90-100%	

Strengths

- Functioning Administrative Fact Finding Committee
- SALN submission strictly complied with and monitored
- Managers oriented on general code of conduct by CSC
- Code of conduct included in employee orientation
- Implementation of LRTA Tables of administrative offenses & penalties
- Survey: 1.8 + net agreement that those who violate code are punished

Areas for Improvement

- Orientation on code of conduct dependent on availability of employees and budget

Recommendations

- Formulation of an LRTA customized code of conduct
- Mandatory orientation on conduct mandatory for all employees
- Increase budget for staff development program esp. corruption prevention





2. Gifts & Benefits Policy

	CO	Assessors' Rating
Level of Achievement	0	0
Deployment	0	

Strength

- Existence of memorandum prohibiting solicitation of gifts and money

Areas for Improvement

- Memo does not cover acceptance of gifts; no values specified

Recommendation

- Formulation of gifts and benefits policy and ensure wide dissemination
- Establish registry of gifts and donations in LRTA





4. HRM: Recruitment, Selection & Promotion

	CO	Assessors' Rating
Level of Achievement	2	2
Deployment	50-60%	

Strengths

- Merit Selection Plan (MSP) approved by CSC 04 March 2003
- Creation of Personnel Selection Board with employee representative
- Complete list of job descriptions & QS for all positions updated in 2005
- PSB members oriented on selection and promotion policies and procedures
- Battery of tests & specialized training must be passed before hiring, e.g. AFCS training
- Minutes of Meetings and decisions of PSB filed/ disseminated to members
- Compliance to LRTA rules & regulations comprise 25% of evaluation of contractual

Areas for Improvement

- Survey: (2.6 or slightly -) promotion not free from external influences
- Lack of security of tenure for critical managerial and technical positions
- Manual system for HR work processes, e.g. updating of personnel info, training, performance data; no database of employees with violations

Recommendations

- Consistent enforcement of MSP and CSC rules and regulations for all
- Establish mechanism to shield recruitment and promotion from political interference
- Regularization of key contractual positions with major accountabilities
- Fast-track planned automation of HR processes, e.g. HRIS





5. Performance Management

	CO	Assessors' Rating
Level of Achievement	3	3
Deployment	70-80%	

Strengths

- Clear performance indicators & annual targets, e.g. status of ODA-financed infra projects publicly
- Departmental plans translated into annual operating budget, medium-term financial plans
- Regularly monitoring and reporting of performance targets to the Board, DOTC & financial institutions
- Detailed work flows and procedures, reporting forms esp. operations
- Managers trained on performance evaluation and management
- Strictly monitors accomplishment of PAR esp. for contractual employee
- LRTA PRAISE approved by CSC and serve as basis for rewarding good performance
- Safety policy handbook contains provisions on ethical behavior, e.g. negligence of duty, shortchanging, sanctions, etc.

Areas for Improvement

- Simplification/reduction of various performance tracking forms at unit level
- Survey: 1.8 or moderately + agreement that employees are given performance bonus regardless of how they performance

Recommendations

- Analyze levels of agency and individual performances to relate with corruption incidence in the agency
- Institutionalize quality management systems, i.e. ISO certification and computerization of key operating systems





6. Procurement Management

	CO	Assessors' Rating
Level of Achievement	1	1
Deployment	70-80%	

Strengths

- Procurement procedures adhere to requirements of RA 9184
- Functioning BAC, Secretariat and 2 TWGs; SBAC has separate TWG
- Purchase request supported by LRTA Annual Procurement Plan
- Third party observers of BAC activities, i.e. CBCP
- Established work procedures and flowcharts
- Training for BAC and Secretariat
- BAC decisions and minutes of meetings are recorded
- Agency has automated database of specs, prices and suppliers
- Bidders allowed to scrutinize each others bid documents during bid opening
- Application of sanctions and penalties to non-performing suppliers, e.g. penalty clause, performance bond callable on demand

Area for improvement

- Survey: 79% of respondents not aware of RA 9184

Recommendations

- BAC members to disclose potential conflict of interest in all transactions
- Craft customized code of conduct for BAC
- Continuous training for BAC and secretariat and TWG given staff turnover





7. Financial Management

	CO	Assessors' Rating
Level of Achievement	3	3
Deployment	70-80%	

Strengths

- Observance of the New Government Accounting System (NGAS)
- Policies clearly define approving authorities for disbursements, signing of checks, etc.
- Agency's Operations Manual define the systems and procedures and workflows
- Regular undertaking of cash examination on all tellers and other Accountable Officers
- Purchased hardware required for installation of eNGAS
- Agency enforces budgeting and accounting policies and guidelines
- Audit trail for key financial transactions and management action
- Publishes financial reports, Annual Audit Report in the LRTA and COA websites

Area for improvement

- Survey: 69% not aware of financial management system

Recommendations

- Computerize accounting systems
- Integrate and provide security measures such as access codes to ensure that fraud minimized
- Analyze financial performance vis-à-vis physical accomplishments to assess the agency cost effectiveness.





8. Whistleblowing & Internal Reporting

	CO	Assessors' Rating
Level of Achievement	0	0
Deployment	0	

Strengths

- Creation of Administrative Fact Finding Committee (AFFC)
- Implementation of penalties on employees based on AFFC recommendation
- Survey: 1.8 or moderately + agreement that reports of corruption are investigated

Areas for Improvement

- Procedure in conduct of administrative investigation used for reference of AFFC disseminated only to department/unit heads
- No employee representative in AFFC
- Various office orders on AFFC membership do not show function-based membership
- No database of cases handled and acted upon; only individual files.

Recommendations

- Enhance policy on internal reporting and investigation with provisions on protection of those who report corruption (supported by survey)
- Policies should clearly define roles and responsibilities of staff involved in investigation as well as composition based on function/office.
- Proactively disseminate existing procedure to all employees





9. Corruption Risk Management

	CO	Assessors' Rating
Level of Achievement	1	1
Deployment	50-60%	

Strengths

- Agency has set up Internal Audit Office (IAO) with staff of six
- Agency's high risk operations identified through Japan Bank International Corporation funded study
- Internal audit staff conducts regular and spot audit of various operations/transactions
- Audit staff attended various training on corruption prevention and internal audi

Areas for Improvement

- Contractual status of IAO personnel

Recommendations

- Institutionalize the IAO through approval of rationalization structure
- Regularize personnel positions in IAO
- Consider placing the IAO under the LRTA Board of Directors in the organizational structure





10. Interface with External Environment

	CO	Assessors' Rating
Level of Achievement	4	1
Deployment	90-100%	

Strengths

- Established PRO & Passenger Assistance Office in stations
- Stations maintain logbook of complaints received/ assistance provided
- Fares, train schedules, route, hotline, etc. published in stations & website
- Customer service orientation seminar/handbook for all station personnel
- Managers monitor compliance to service standards, esp. in station operations, e.g. Early Morning report of Traffic Operations, Daily complaints report
- Survey: 1.67 or high + agreement that complaints/ feedback acted upon

Areas for Improvement

- Client feedback not consolidated from various levels/sources; report lack info on how complaints were managed
- Survey: 52% of common complaint on lack of trains, long interval

Recommendations

- Establish clear policy on disclosure of information to public
- Upgrade facilities in selected stations, esp. restrooms, employee lounge
- Enhance system for centralized reporting of complaints/feedback from passengers and other clients, & analysis of results for incidence of corruption



What are the common types of corruption that may occur in this agency?

Nepotism/Favoritism	2.77	High
Overpricing of bids	2.37	High
Abuse of discretion/power	2.31	High
Negligence of duty	2.29	Medium
Collusion with suppliers	2.22	Medium
Disclosure of confidential informations	2.17	Medium
Collusion with Bids and Awards Committee (BAC) members	2.06	Medium
Illegal use of public funds or property	2.01	Medium
Corruption of Filipino values e.g. pakikisama, hiya, etc	2.00	Medium
Falsification of documents	1.86	Medium
Accepting bribes	1.81	Medium
Unauthorized collection of funds	1.73	Medium
Theft of public resources	1.71	Medium
Forgery or fraud	1.63	Low
Tolerance of fixers	1.55	Low
Others	1.72	Low



Summary of IDA Ratings

Dimension	LRTA	Assessors' Rating
1. Leadership	2	2
2. Code of Conduct	1	1
3. Gifts & Benefits Policy	0	0
4. HRM	2	2
5. Performance Management	3	3
6. Procurement Management	1	1
7. Financial Management	3	3
8. Whistleblowing, Internal Reporting & Investigation	0	0
9. Corruption Risk Mgt	1	1
10. Interface with External Environment	4	1





Corruption Vulnerability Assessment

Site	Areas	Date of Assessment
LRTA Pasay, Line 1 Santolan	Procurement, Warehousing and Disposal of Spare Parts	2-5 May 2007
LRTA Pasay, Line 2 Central	Ticket Production and Selling and Remittance of Sales	15-20 May 2007
LRTA Pasay	Acquisition of Right of Way	28-31 May 2007





CVA 1: Procurement, Warehousing and Disposal of Spare Parts

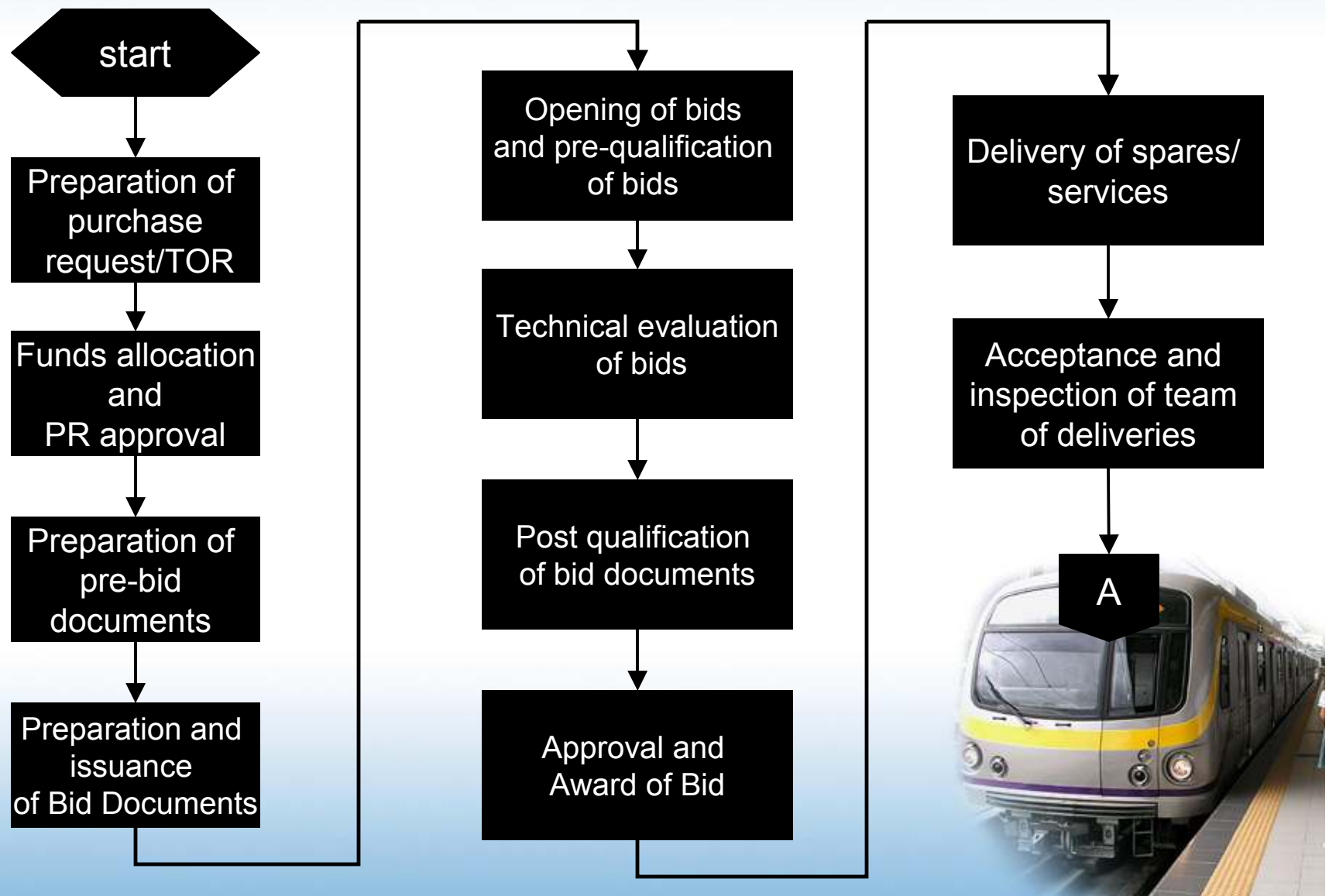
Background

- Major function is to operate and manage light rail transit system. Much of the technology used for trains is imported
- The transactions are frequent and high value in nature, making the procurement for spare parts a high risk or vulnerable area for the agency.
- Common complaint of the riding public is that there not enough trains and/or train delays; trains are down due in part to unavailability of spare parts



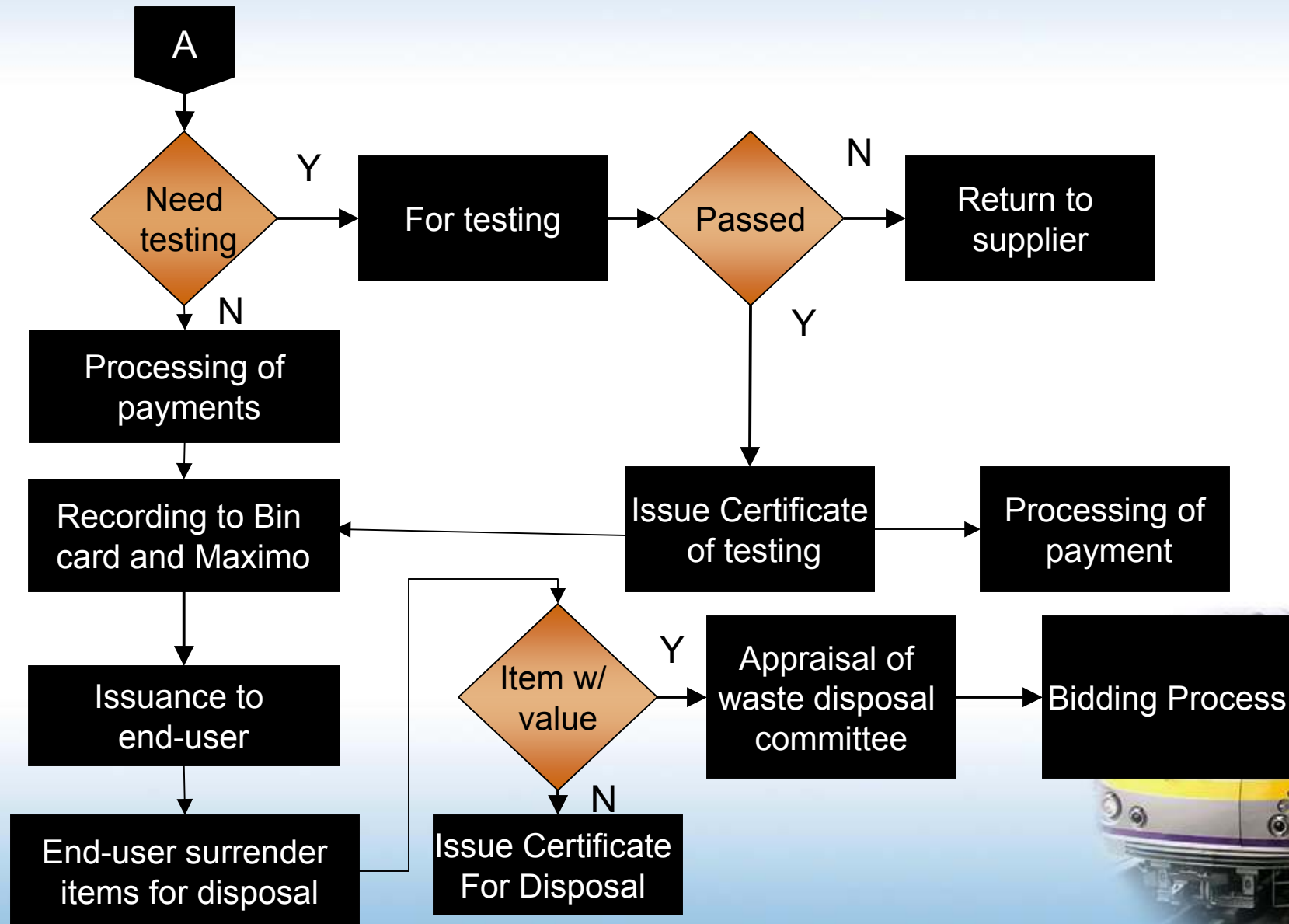


Procurement, Warehousing and Disposal of Spare Parts (1)



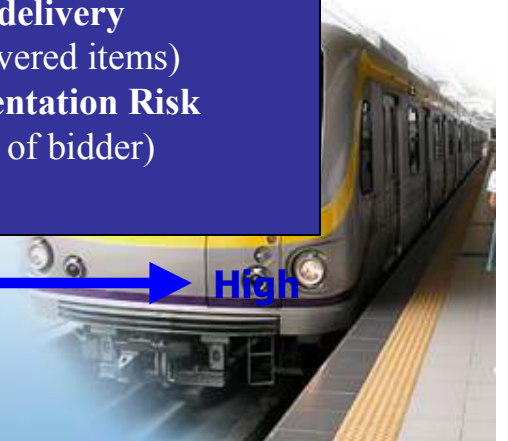
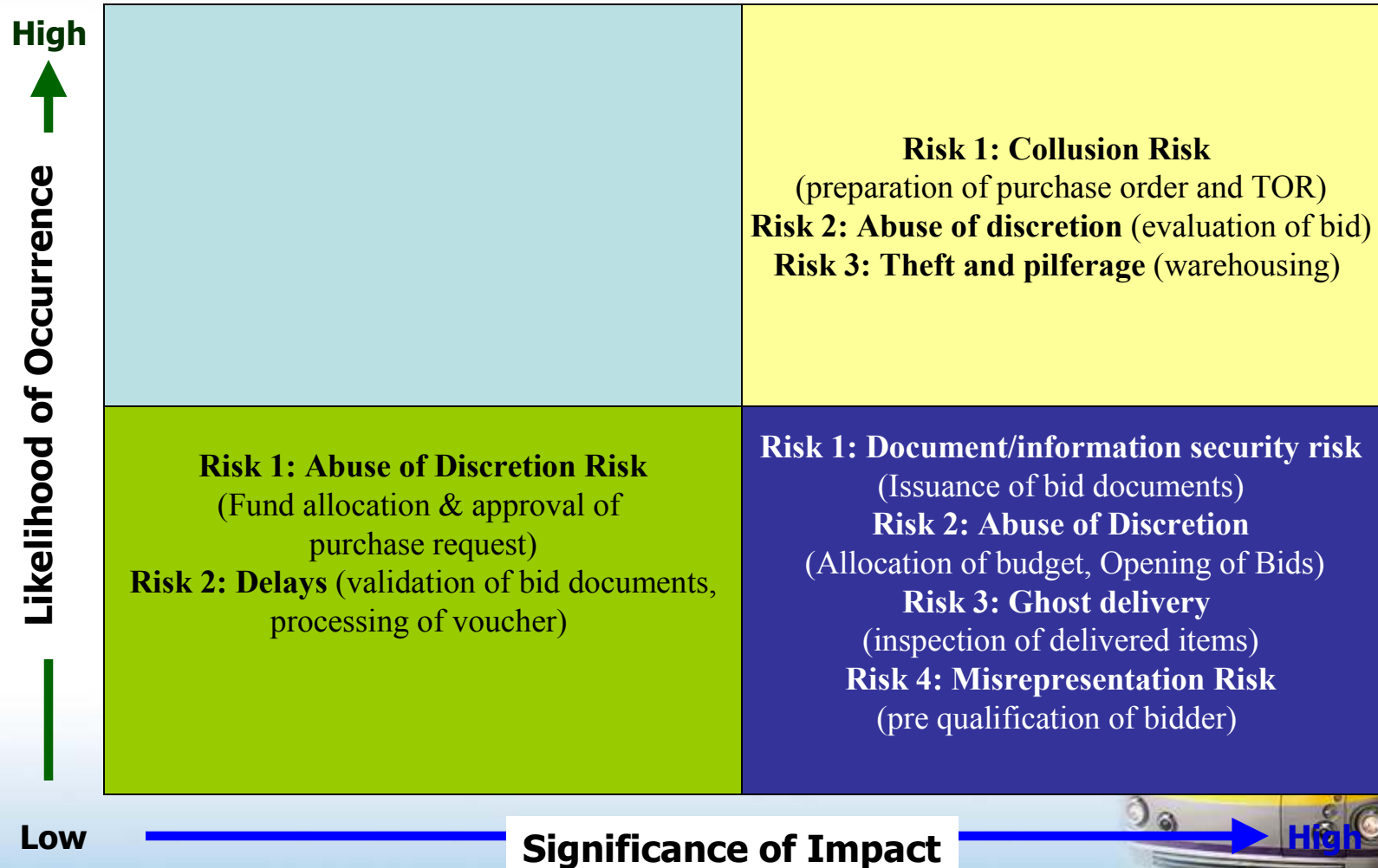


Procurement, Warehousing and Disposal of Spare Parts (2)





RISK MAP: Procurement, Warehousing and Disposal of Spare Parts





Activity 1: Preparation of Purchase Request and Terms of Reference

Safeguards/Controls:

- Item must be in approved procurement plan
- Issuance of certificate of testing with control number
- Use of automated asset management system in Line 2 (Maximo) since 2003; with audit trail capacity
- Reconciliation of accounting record with bin card and Maximo

Identified Risks:

- Item passed testing for a fee (fixing)
- Collusion: Specifications for PR “suited” to a particular brand supplied by a bidder/contractor
- Technical specs provided in advance by supplier to end user in TOR prep or vice versa

Observations:

- Safeguards in place with room for improvement, e.g. computerized asset management system does not include performance data
- Line 1 still uses manual asset management system

Recommendations:

- Supplier to execute an undertaking to answer for any damages resulting from testing
- Fast track implementation of Maximo in Line 1
- Maximize IT-enabled system by capturing data on performance/quality of items and suppliers/contractors and sharing of info to all procurement process owners





Activity 2: Evaluation and Post Qualification of Bids

Safeguards/Controls:

- Creation of 2 Technical Working Groups to conduct eligibility validation and bid evaluation
- Separate TWG for Special BAC, e.g. North extension project
- Pre-evaluation meetings of TWG prior to report preparation (every Wednesday)
- TWG prepare written report on findings submitted to BAC
- Records keeper of TWG monitors and submits weekly status report on each PR
- BAC issues certificate of eligibility to post qualified suppliers good for one year to lessen backlog in validation activities
- Contractor required to submit performance bond (insurance) callable on demand
- NGO observer furnished list of awards

Identified Risks:

- Abuse of Discretion in evaluating bids
- Document Integrity Risk
- Delays in response to request for eligibility check e.g. mayor's permit, SEC papers, OEM (original equipment manufacturer) certificate, distributorship authority





Activity 2: Evaluation and Post Qualification of Bids

Observations:

- Evaluation period varies for each type of bid, usually more than 7 days
- General Services Division (GSD) Liaison staff 'borrowed' to do verification of legal docs for TWG
- Often "need" of end user determines prioritization of work of TWG
- Small pool of regular employees tapped as BAC members; contractual staff as provisional members of BAC, Secretariat & TWG

Recommendations:

- Establish policy on disclosure of interest by each BAC member for each procurement process
- Establish standard time for evaluation of bids
- Provide TWG with additional staff support with appropriate training on BAC procedures
- Upgrade database of suppliers including performance record and blacklisting of suppliers
- Establish a code of conduct for BAC, BAC secretariat and TWG
- Consider a fixed term for BAC members





Activity 3: Delivery and Warehousing

Safeguards/Controls:

- Reconciled inventory report of warehouse and accounting
- Preparation of exception report for items not accepted (quality control)
- Issuance of Property Custody Slip
- All deliveries go through Inspection Team (IAO, GSD, Warehouse and COA)

Identified Risks:

- Ghost delivery
- Theft and pilferage
- Alteration of documents, e.g. erasures in Delivery Receipt, Sales Invoice, quantity
- Misrepresentation by contractor, e.g. distributorship

Observations:

- Functions for item request, inventory, warehousing under the same unit (Engineering Div)
- High value disposable materials not properly stored
- Physical structure of warehouse prone to pilferage and theft
- Personal belongings of personnel brought inside warehouse

Recommendations:

- Transfer warehousing function to General Services Division to ensure check and balance & disseminate policy to all
- Enhance the security deployment at warehouse, e.g. uniform without pockets
- Enhance physical structure of warehouse, i.e. fencing, lighting, provide staff lockers outside





For Future Case Study: Outsourcing of Maintenance Services

Background:

- Japan Bank for International Cooperation (JBIC) recommended outsourcing of maintenance services & procurement of parts to contribute to improving financial position of LRTA
- LRTA business model: procurement of fast moving consumables c/o maintenance contractor, except capital spares
- Status: Line 1 –TOR preparation; Line 2 - awarded in July 2007 for P1B for 3 to 5 years
- Process of PR preparation highly sensitive and strictly controlled

Safeguards/Controls:

- Strict adherence to RA 9184
- Approval of contract by LRTA Board

Identified Risks:

- Collusion
- Abuse of authority/discretion

Recommendations:

- Strictly monitor compliance to terms and conditions of contract
- Assess competency of maintenance audit team for Line 1 and 2 and address competency needs
- Study implementation to generate good practice on outsourcing





CVA 2: Ticket Production, Allocation, Sale and Remittance of Cash

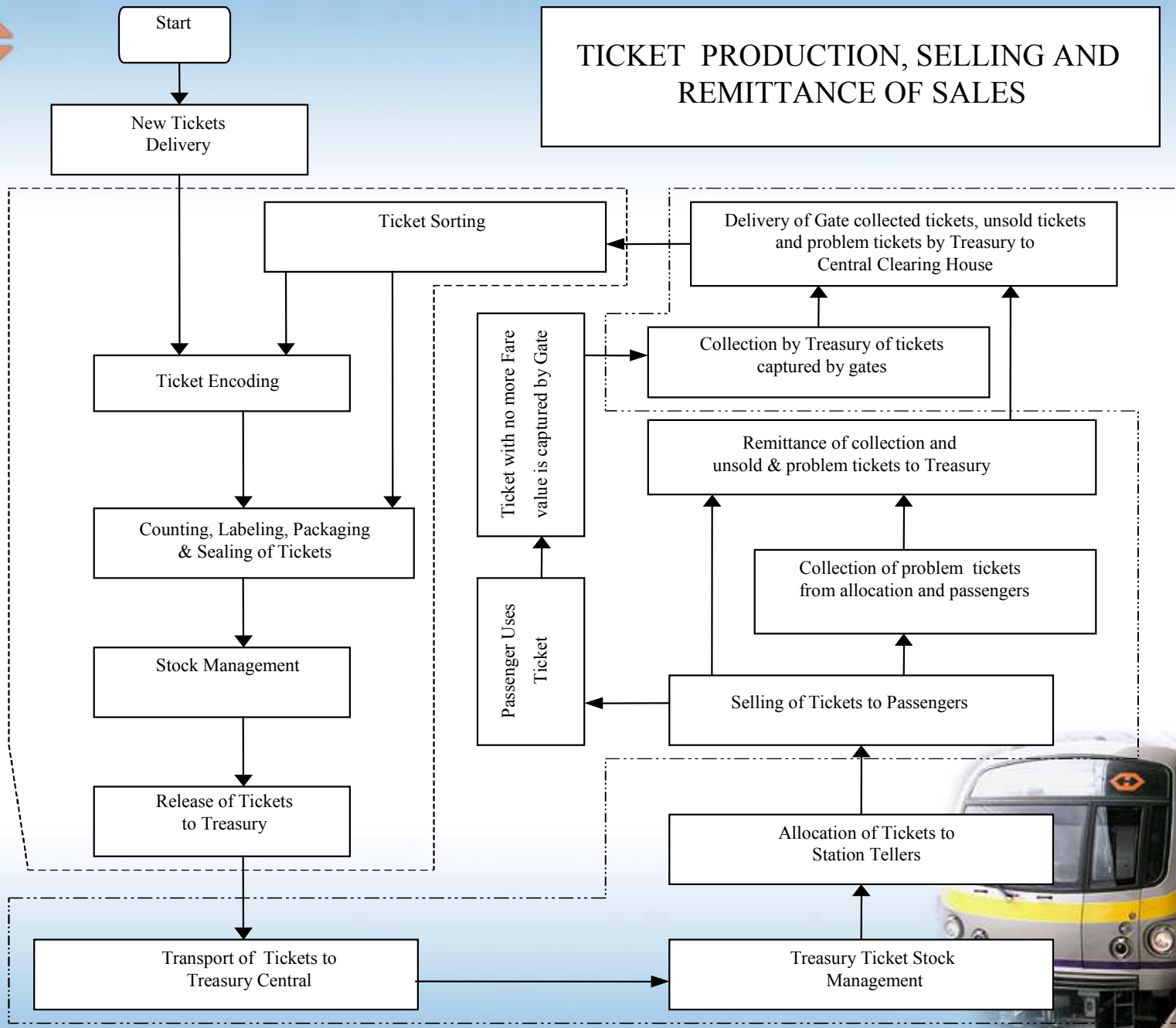
Background

- Ticket sales are the agency's major source of revenue averaging P6M with 433,000 passengers a day.
- Automated fare collection system (AFCS) introduced in 2003 to make production to sale of tickets efficient and effective; each ticket is pre-coded or formatted in Central Clearing House under PMO
- Process involves several offices/units and personnel, mostly contractual handling tickets and cash in the revenue lines.
 - Tickets recycled; Use of machine for sorting/counting of tickets; Labeling/sealing done manually
 - At point of sale: teller inserts ticket in Passenger Agent Machine (PAM)
 - Passengers may also purchase tickets using Ticket Vending Machines (L2)
 - Limited number of full coded tickets (stored value) sold manually by Treasury personnel
 - Automated Station Processing System (SPS) show in real time no. of tickets validated by PAM and tickets collected at gate



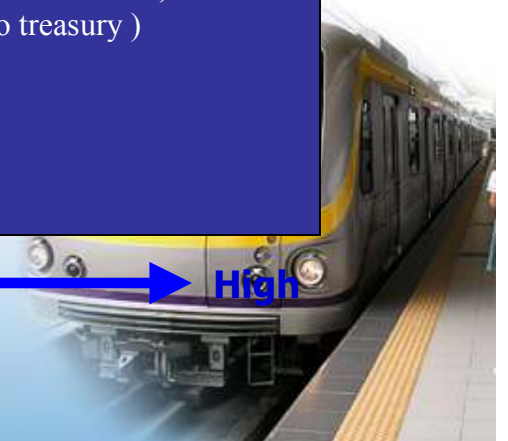
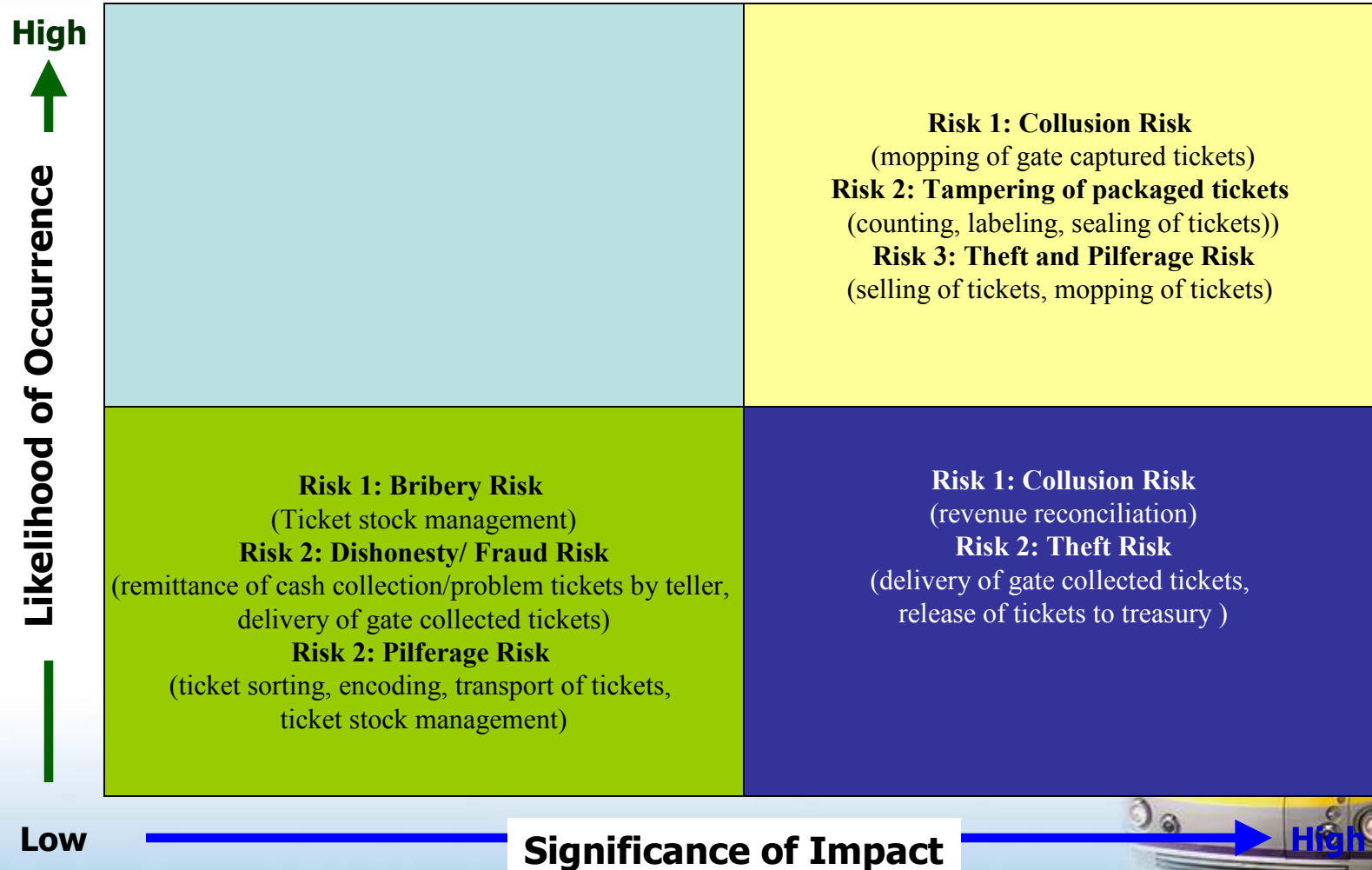


TICKET PRODUCTION, SELLING AND REMITTANCE OF SALES





RISK MAP: Ticket Production and Selling and Remittance of Sales





Activity 1. Counting, Packaging, Labeling and Sealing of Tickets

Safeguards/Controls:

- Use of special labeled tapes and transparent rigid boxes
- Different persons assigned to sorting, counting, etc.
- Ticket production system generated-report validated in production logbook of Central Clearing House (CCH)
- Weekly inventory of stock by CCH; spot audit by IAO
- Crates locked for transport to Treasury; Color coding design as to types of ticket

Identified Risks:

- Pilferage, e.g. breaking of rigid boxes
- Tampering of packaged tickets

Observations:

- Guard frisks personnel; personal items kept in lockers outside CCH
- Biometric scan required for access to CCH (Line 2)
- Some tickets placed in broken rigid boxes

Recommendations:

- Enhance security measures, e.g. surveillance camera in ticket processing area
- Issuance of policy re: no personal belongings, i.e. bags and cell phones not allowed in station booth
- Strict implementation of quality standards to avoid occurrence of problem tickets





Activity 2. Ticket Selling and Administration

Safeguards/Controls:

- Ticket sales report (TSR) accomplished by teller at end of shift
- SPS report must reconcile with Ticket Sales Report
- Stored Value tickets has 6 month validity period, serial number and batch number

Identified Risks:

- Shortchanging
- Issuance of 'blank ticket' to passenger
- Use of expired ticket to balance sales
- Pilferage of tickets

Observations:

- Problem tickets reported
- Advanced (day and night) encoding of tickets for satellite booths (SJ3 ticket) to cope with queuing
- Teller doing encoding not the same one as selling
- Crowded teller lounge which also serves as area for some PAM and SPS
- Revenue reconciliation is not on real time (between CCH and Treasury)

Recommendations:

- Enhance security measures in stations, i.e. no bags or cell phones in teller booth
- Review pros and cons of advance encoding of tickets (no transfer of accountability)
- Secure SPS and advance coding area, and provide separate lounge area
- Maximize ICT capability for real time revenue reconciliation





Activity 3. Mopping of Tickets from Gate & Collection Remittance

Background:

- Tickets collected from gates by mopping trains; usually at night after last commercial train

Safeguards/Controls:

- Treasury cashier locks the crate; key with another treasury personnel
- Mopping report signed by treasury cashier and station guard
- Agency of security at station different from security agency assigned for mopping activity

Identified Risks:

- Pilferage during ticket collection from gates and surrender of problem tickets
- Theft and collusion between Treasury and Security personnel during mopping
- Use of “expired ticket” for padding sales

Observations:

- Some broken crates with lock used for mopping
- Utility personnel involved in mopping operations
- Mopping reports show discrepancy in SPS reading and actual collected ticket report
- Daily collection of revenue sales by bank representative at treasury office at revenue line

Recommendations:

- Strict enforcement of security measures
- Replace broken crates which can compromise ticket count
- Formulate policy/guidelines on handling discrepancy of reports





CVA 3: Acquisition of Right of Way

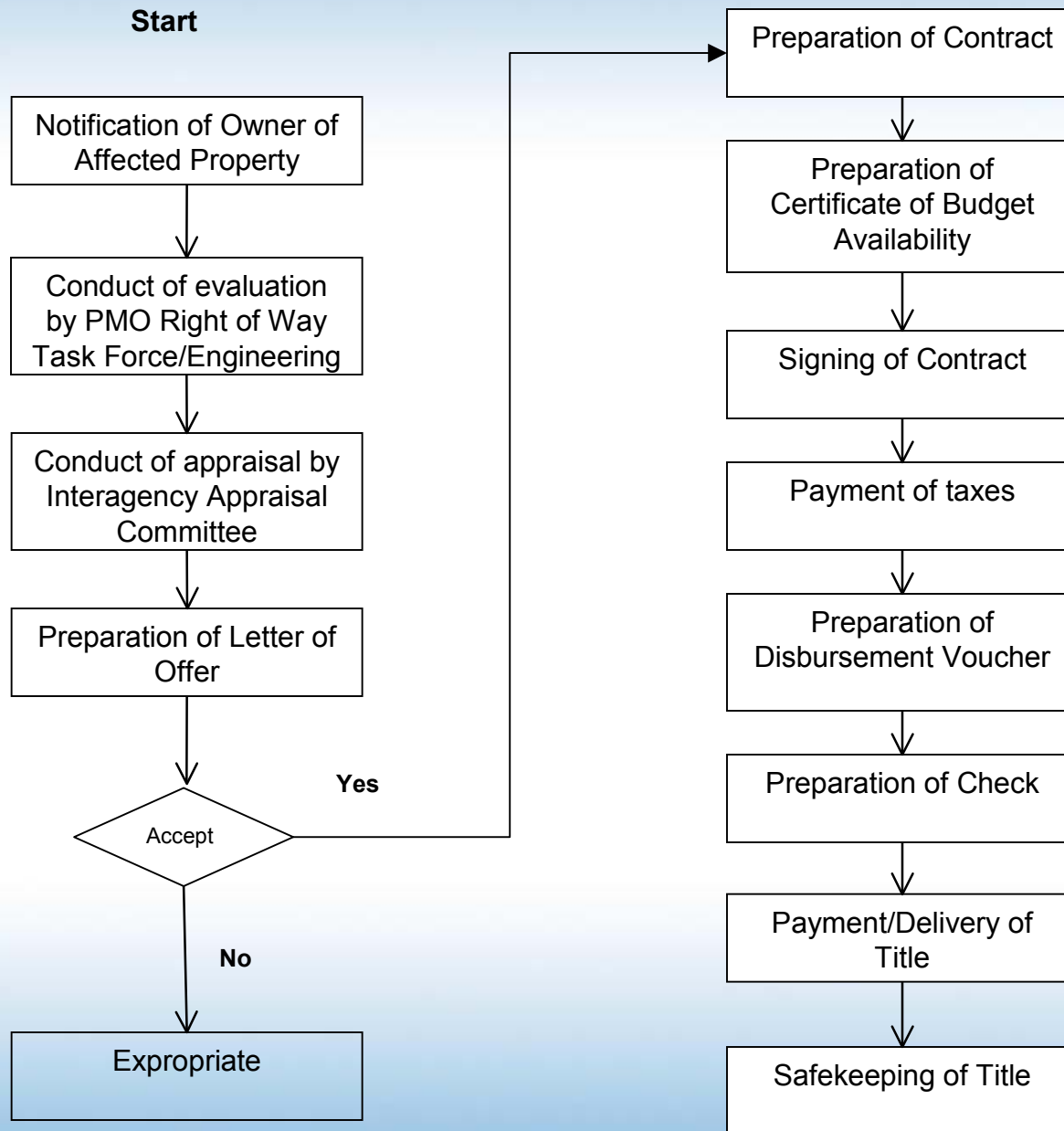
Background

- COA Audit Report for CY 2002-04 enjoined LRTA management to constantly monitor, investigate and work for all pending TCTs of all untitled properties (AOM May 2006)
- LRTA has 160 parcels of land; 28 Transfer Certificate of Titles (TCTs) in name of previous owner
- LRTA Management taken initiative to transfer untitled properties but constrained by the real estate tax issue: no titling can materialize without Certificate of Tax Clearance
- Real estate taxes payment made in 1st Quarter 2005 amounting to P3M
- Back taxes estimated at P1.3 B:
 - Pasay (1986-2004) P453.5 M
 - Manila (1988-2002) P654.1 M
 - Caloocan (1992-2003) P166.8 M
- Full payment of taxes would likely bankrupt the Authority and paralyze its operations.
- LRTA studying application of Supreme Court Ruling July 2006 declaring Airport Lands and Buildings of the Manila International Airport Authority (MIAA) EXEMPT from the real estate tax imposed by the City of Paranaque



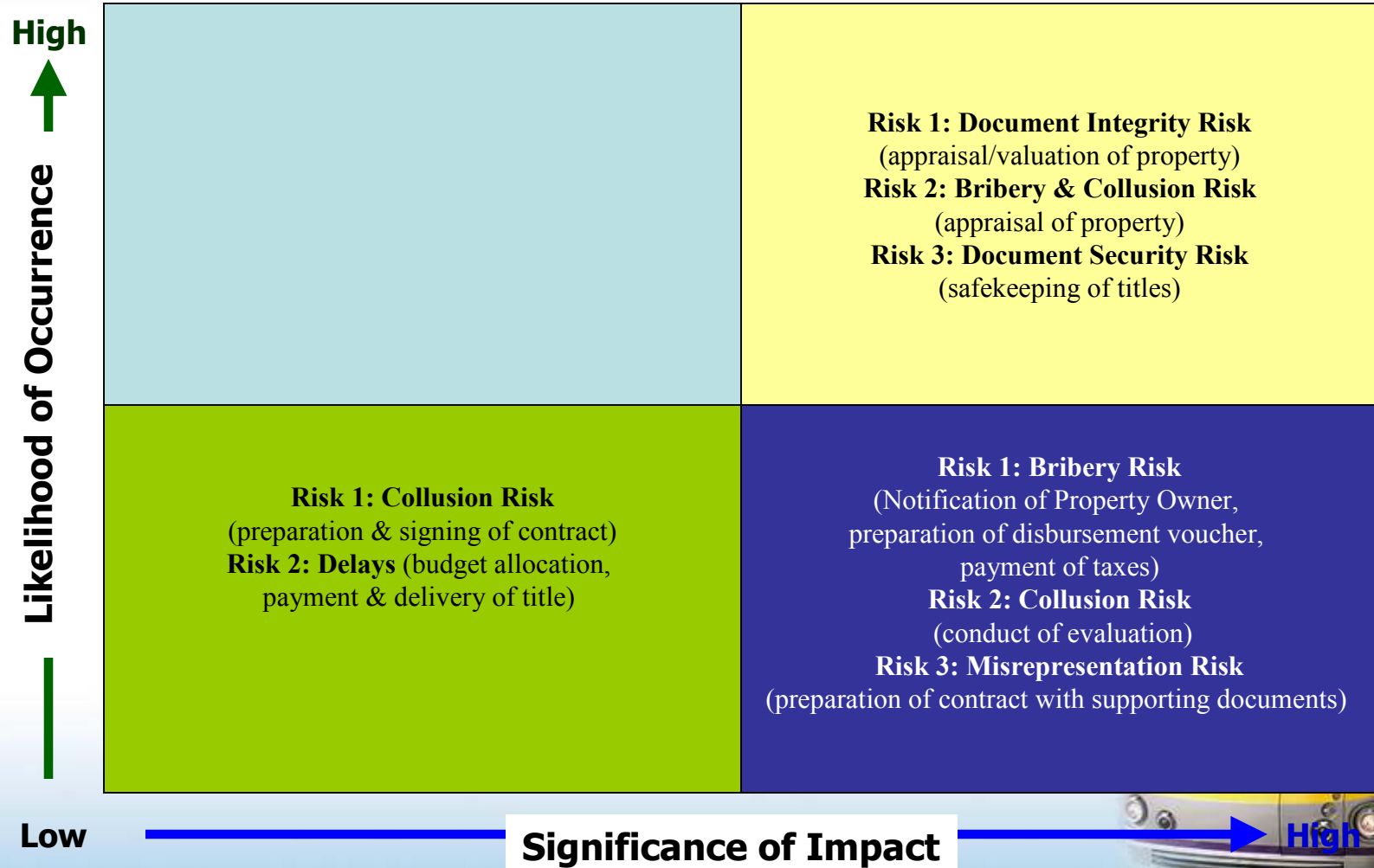


Acquisition of Right of Way





RISK MAP: Acquisition of Right of Way





Activity 1. Appraisal of Property

Safeguards/Controls:

- Interagency committee (MMDA, DPWH and LGU) appraises property based on documents gathered by Project Management Office Right of Way Task Force/Engineering Services
- LRTA Legal Office conducts own validation of appraised value based on BIR zonal valuation records and LGU assessor's records
- Approval by LRTA Board of Directors of project and contract
- Tax assessment made by BIR

Identified Risks:

- Document Integrity
- Bribery and Collusion
- Delays in interagency appraisal process

Observations:

- Interagency appraisal committee process takes 3-4 months
- Negotiations with property become protracted, i.e. 6 months instead of 15 day period for consideration of offer by owner
- Documentation of each property intact with PMO records from appraisal to possession of authority to construct

Recommendations:

- Provide third party member/observer in interagency appraisal committee
- Consider using accredited appraiser, i.e. Government Financing Institutions
- Strict enforcement of prescribed period for consideration of offer by property owner





Activity 2. Handling and Safekeeping of Property Titles

Safeguards/Controls:

- In practice, Treasury safe keeps titles in vault; no written policy or guidelines
- Countersigning and checking of supporting documents at various levels in each step from appraisal to payment for property acquired

Identified Risks:

- Document security

Observations:

- Detailed workflows need to be simplified and updated based on practice
- Records and reports on status of disbursements, expropriation cases, clear titles, titles with problems/encumbrances but no single reporting and inventory system
- Legal Office keeps photocopy of titles on file
- Some TCT subjected to delinquency sale by LGU due to non payment of taxes

Recommendations:

- Establish policy and guidelines to clarify roles and accountabilities of PMO, Legal, Gen. Services Division, & Treasury in handling/safekeeping of titles
- Conduct regular inventory and audit of titles
- Update workflows/procedures incorporating changes and good practices
- Seek representation thru OGCC for application of declaratory relief per MIAA Case July 2006





Summary of Findings

- Workflow and controls are established with some gaps in implementation
- Need to review delineation of functions and structure for better check and balance in some units
- Need to enhance security deployment in key operations facilities
- Need to enhance formulation & deployment of policies
 - Preparation of policies, i.e. content and form, not standardized
 - Lack of centralized database of policies to aid effective deployment





Overall Recommendations

Prevention

- **Ensure the integrity of the Agency's leadership system.** Senior leaders/managers should champion the anti-corruption efforts in all levels of the organization. Provide training for all managers on corruption prevention and detection.
- **Establish a Gifts and Benefits Policy** and disseminate to all stakeholders and ensure compliance.
- **Establish a Customized Code of Conduct and ensure integration into various systems and processes.** Conduct orientation on this for all personnel.
- **Enhance/upgrade policy on internal investigation to cover whistleblowing.**





Overall Recommendations

Enforcement and Education

- **Ensure strict implementation of or compliance with established workflows and internal controls and security measures.**
- **Continue to adopt honesty and integrity as performance management criteria.**
Make the performance incentive bonus and other financial incentives performance-based.
Enhance customer orientation training for personnel with values orientation.
- **Ensure strict, equal implementation of merit selection plan and guidelines.**
Review for possible standardization the performance management system for regular and contractual employees.
- **Enhance management of human resource system through application of ICT enabled systems.**
- **Pursue regularization of critical/key management and technical positions to support strict enforcement of accountabilities.**





Overall Recommendations

Enforcement and Education

- **Institutionalize the Internal Audit Office.** Regularize the employment of internal audit personnel. Place office under the Board of Directors.
- **Ensure of integrity of management systems, including ICT-enabled systems, through institutionalization of quality management systems, i.e. ISO certification**
- **Improve station facilities and work environment,** e.g. restrooms, employee lounge
- **Rationalize preparation of policies, guidelines/procedures for clarity of purpose and content.** Codify and create database for easy access and retrieval, and ensure wide dissemination of policies.
- **Engage the mass riding public in reporting corruption and the employee association for anti-corruption information and education campaign.**





Thank you!

