

**TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY  
2015 Performance Scorecard**

	Performance Measure				TIEZA Submission			CGO-A Evaluation		Supporting Documents	Remarks	
	Objectives / Measures	Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating			
SOCIAL IMPACT	SO 1	<b>Increased Jobs Generation For Inclusive Growth in the Communities</b>										
	SM 1	Number of jobs generated by tourism infrastructure projects	Actual number of jobs generated	5%	Actual / Target x Weight	7,500	7,819	5.00%	6,394	4.26%	<ul style="list-style-type: none"> <li>Quarterly Report on Jobs generated by Tourism Infrastructure Projects</li> <li>List of Projects and corresponding Jobs Generated per Project</li> </ul>	<ul style="list-style-type: none"> <li>Actual is 15% lower than target</li> <li>63% of the validated accomplishment came from the construction of Iloilo Convention Center</li> <li>The TIEZA reported accomplishment and the CGO-A validation has a difference of 18.22%. The CGOs relied on the supporting document submitted by TIEZA.</li> <li>Actual job report was monitored based on the logbook and payroll of the concerned contractors</li> </ul>
	SO 2	<b>Facilitated Tourism Product Development through Preservation of Cultural/Historical/Religious/Heritage Sites and Ecotourism Sites in Depressed Provinces</b>										
	SM 2a	Number of Philippine historical, cultural, religious and heritage sites preserved determined by Notice of Award	Number of Philippine historical, cultural, religious and heritage sites preserved determined by Notice of Award as approved by the Board	5%	Actual / Target x Weight	7	8	5.00%	8	5.00%	<ul style="list-style-type: none"> <li>List of Projects</li> <li>Copies of Notice of Award addressed to the contractors</li> </ul>	<ul style="list-style-type: none"> <li>Actual is 15% higher than target</li> <li>Eight projects<sup>1</sup> have been awarded to the contractors</li> </ul>

<sup>1</sup> (a) Rehabilitation and Improvement of Cagsawa Ruins Park, Busay Daraga, Albay; (b) Construction of Museo de Nuestra Señora de Peñafrancia; (c) Design and Build for the Comprehensive Rehabilitation of Fort Santiago, Intramuros, Manila; (d) Redevelopment of Intramuros (Completion of Intramuros Museum) at Arzobispo corner Anda St., Intramuros, Manila; (e) Mindanao Tourism and Cultural Village Center, Davao City; (f) Artistic and Technical Study, Conceptualization Design, Project Management, Supervision Supply and Installation and Commissioning for the Video Mapping of the Aguinaldo Shrine, Kawit, Cavite; (g) World War II Landmark, Sta. Cruz Rosario, Agusan del Sur; and (h) Landscaping Design Services and Implementation of the Design for the Selected Areas within the CCP Complex

Performance Measure					TIEZA Submission			CGO-A Evaluation		Supporting Documents	Remarks
Objectives / Measures		Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating		
SM 2b	Travel tax utilization	Actual amount utilized for the year	3%	Actual / Target x Weight	₱90 M	₱315.5 M	3.00%	₱315.5 M	3.00%	<ul style="list-style-type: none"> <li>Summary of 2015 Project Appropriations</li> </ul>	<ul style="list-style-type: none"> <li>Actual is 250% higher than target</li> <li>Cultural/Historical/Religious/Heritage Sites make up 18% of the total appropriations (₱1.79 Billion).</li> </ul>
SM 2c	Board approved 5-year program for the identification of the preservation of Philippine historical, cultural, religious and heritage sites	Board approved 5-year program	3%	All or nothing	Board-approved 5-year program	Board-approved 5-year program	3.00%	Board-approved 5-year program	3.00%	<ul style="list-style-type: none"> <li>Board Resolution in relation to the Five-year Strategic Development Plan (Board Resolution No. R-28-12-15)</li> <li>Copy of TIEZA's Five Year Strategic Development Plan for TIEZA's Infrastructure Project</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation on the submitted document showed that the 5-Year Program focused more on the General Framework of identifying tourism infrastructure projects</li> </ul>
SM 3a	Number of ecotourism sites developed in depressed provinces	Number of ecotourism sites developed as determined by Notice of award and approved by the Board	5%	Actual / Target x Weight	20	26	5.00%	0	0.00%	<ul style="list-style-type: none"> <li>Summary of 2015 Project Appropriations</li> <li>Board Resolutions for the Ecotourism Sites (Resolutions Numbers R-21-04-15 and R-09-10-15)</li> </ul>	<ul style="list-style-type: none"> <li>The formula states that ecotourism sites developed must be determined by Notice of Award and Approved by the Board. No NOA has been issued to the 26 projects. In lieu of this, TIEZA submitted Board Resolutions approving the development of the ecotourism sites.</li> <li>However, for consistency with the formula, TIEZA will not be credited for the accomplishment.</li> <li>There were only 17 ecotourism sites<sup>2</sup> stated in the Board Resolution.</li> </ul>

<sup>2</sup> These are as follows: (1) Restoration of Casa Real; (2) Rehabilitation of Hinulugang Taktak; (3) Muelle Development Integrated Plan; (4) Infrastructure Development of Aliwagwag Falls protected Landscape; (5) Development of Tayug Municipal Hall; (6) Conservation of Las Piñas-Parañaque Critical Habitat and Eco-Tourism Area; (7) Restoration of Cabra Spanish Lighthouse; (8) Development of Eco-Trailing and Lodging Log House; (9) Construction of Museo De Nuestra Señora De Peña Francia; (10) Operation of Ilo-Ilo Convention Center and Management Facilities; (11) Implementation of Drainage System Phase 2; (12) Improvement and Development of NAIA Terminals 2, 3, and 4; (13) Implementation of New Water Supply Line from Sumigar Spring Source Beutel

Performance Measure					TIEZA Submission			CGO-A Evaluation		Supporting Documents	Remarks	
Objectives / Measures		Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating			
	SM 3b	Travel tax utilization	Actual amount utilized for the year	3%	Actual / Target x Weight	₱90 M	₱301.8 M	3.00%	₱301.8 M	3.00%	<ul style="list-style-type: none"> <li>Summary of 2015 Project Appropriations</li> </ul>	<ul style="list-style-type: none"> <li>Actual is 235% higher than target</li> <li>Eco-tourism Sites developed in Depressed Areas cover 17% of the total appropriations (₱1.79 Billion).</li> </ul>
	SM 3c	Board approved 5-year program for the identification of ecotourism sites developed in depressed provinces	Board approved 5-year program	3%	All or nothing	Board-approved 5-year program	Board-approved 5-year program	3.00%	Board-approved 5-year program	3.00%	<ul style="list-style-type: none"> <li>Board Resolution in relation to the Five-year Strategic Development Plan (Board Resolution No. R-28-12-15)</li> <li>Copy of TIEZA's Five Year Strategic Development Plan for TIEZA's Infrastructure Project</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation on the submitted document showed that the 5-Year Program focused more on the General Framework</li> <li>Also, the identification of ecotourism sites will be in line with the National Ecotourism Strategy and Action Plan 2013-2022 developed by DENR and DOT</li> </ul>
	<b>Sub-total</b>				<b>27%</b>				<b>27.00%</b>		<b>21.26%</b>	
<b>SO 3 Improved Absorptive Capacity for Infrastructure Projects</b>												
FINANCIAL	SM 4a	Board-approved 5-year Tourism Infrastructure Program (for other Infrastructure Projects)	Board approved 5-year program	5%	All or nothing	Board-approved 5-year tourism infrastructure program	Board-approved 5-year tourism infrastructure program	5.00%	Board-approved 5-year tourism infrastructure program	5.00%	<ul style="list-style-type: none"> <li>Board Resolution dated 28 December 2015 approving the 5 - Year Strategic Development Plan for TIEZA's Infrastructure Projects</li> </ul>	<ul style="list-style-type: none"> <li>The 5-year tourism infrastructure program, the 5-year program for the identification of the preservation of Philippine historical, cultural, religious, and heritage sites, and the 5-year program for the identification of ecotourism sites developed in depressed provinces share a single plan. However, only the infrastructure program was discussed in detail.</li> </ul>

Reservoir; (14) Implementation of Waterline Connection from Existing LWUA Line to Reservoir; (15) APEC Site Enhancement Preparation; (16) Development of Little Tokyo; and (17) Improvement of Manaoag Church and Implementation of Tourist Facilities

	Performance Measure				TIEZA Submission			CGO-A Evaluation		Supporting Documents	Remarks	
	Objectives / Measures	Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating			
	SM 4b	Travel Tax Utilization of 40% for Other Infrastructure Projects	Obligated determined by Notice of Award / Appropriated as Approved by the Board	10%	Actual / Target x Weight	100% Utilization	100% Utilization	10.00%	100% Utilization	10.00%	<ul style="list-style-type: none"> <li>2015 Corporate Operating Budget</li> <li>Summary of 2015 Project Appropriations</li> </ul>	<ul style="list-style-type: none"> <li>Other Infrastructure Projects refer to OTP/NTDP.</li> <li>According to TIEZA, the total amount for infrastructure projects as per the 2015 COB is ₱1.31B; 40% of which is ₱524M.</li> <li>The total amount allocated by TIEZA Board for OTP/NTDP projects is ₱851M. Thus, going beyond the 100% target utilization.</li> </ul>
	SO 4	<b>Achieved Financial Viability and Sustainability</b>										
	SM 5	Gross revenues from all assets (business income)	Actual revenues before subsidies	5%	Actual / Target x Weight	₱220.0 M	₱191.1 M	4.34%	₱191.1 M	4.34%	<ul style="list-style-type: none"> <li>Quarterly Accomplishment Report</li> </ul>	<ul style="list-style-type: none"> <li>Actual is 13% lower than target</li> <li>The breakdown of revenue in millions is as follows: the revenues generated from operating entities is at ₱101.6 while the revenues generated from non-operating assets is ₱89.5.</li> </ul>
		<b>Sub-total</b>		<b>20%</b>				<b>19.34%</b>		<b>19.34%</b>		
CUSTOMERS/ STAKEHOLDERS	SO 5	<b>Improved Stakeholders' Satisfaction Levels</b>										
	SM 6	Stakeholders Satisfaction Survey	Conducted third Party Satisfaction Survey	7%	All or nothing	Conduct third party Satisfaction Survey to establish a Baseline	Third party customer satisfaction survey completed; Baseline Established	7.00%	Third party customer satisfaction survey completed; Baseline Established	7.00%	<ul style="list-style-type: none"> <li>Letter from Third Party updating TIEZA on Progress of Interviews</li> <li>Copy of the Third Party's Presentation on the Customer Satisfaction Survey</li> </ul>	<ul style="list-style-type: none"> <li>The third party hired is Ascend Research.</li> <li>The survey used a 3-point likert scale</li> <li>In terms of providing service on tourism infrastructure projects, 97% of the respondents are satisfied or better</li> </ul>
		<b>Sub-total</b>		<b>7%</b>				<b>7.00%</b>		<b>7.00%</b>		
INTERNAL PROCESS	SO 6	<b>Deployed Online Onsite Travel Tax Payment Application System</b>										
	SM 7	Number of deployed online onsite travel tax payment application system	Absolute cumulative number	8%	Actual / Target x Weight	14	14	8.00%	14	8.00%	<ul style="list-style-type: none"> <li>Summary of the Deployment of OOTTPAPS</li> <li>Copies of the Accomplishment Report/Travel</li> </ul>	<ul style="list-style-type: none"> <li>Upon conducting an on-site visit on the Iloilo Travel Tax Satellite Office, TIEZA was able to walk through the process with the CGOs.</li> <li>It has been discussed that</li> </ul>

Performance Measure					TIEZA Submission			CGO-A Evaluation		Supporting Documents	Remarks
Objectives / Measures		Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating		
										Report	<p>for 2016, the goal is to deploy the OOTTPAPS in all sites.</p> <ul style="list-style-type: none"> <li>TIEZA has raised its concern on additional manpower for cashiering services.</li> </ul>
<b>SO 7</b>	<b>Enhanced Utilization of TIEZA Assets</b>										
SM 8	No. of properties facilitated for assessment and valuation for privatization (appraisal/formulation of TOR)	Number of properties assessed and valued for privatization	5%	Actual / Target x Weight	4	7	5.00%	2	2.50%	<ul style="list-style-type: none"> <li>Valuation Reports</li> </ul>	<ul style="list-style-type: none"> <li>Actual validated accomplishment is 50% lower than target</li> <li>Based on the supporting documents submitted, 5 properties were appraised in 2014.</li> </ul>
SM 9	No. of properties privatized (sale/lease, O&M, JV, etc.)	Number of properties privatized	4%	Actual / Target x Weight	2	1	2.00%	1	2.00%	<ul style="list-style-type: none"> <li>Copy of Deed of Absolute Sale</li> </ul>	<ul style="list-style-type: none"> <li>The property privatized is the Hilaga Property in San Fernando, Pampanga. It was sold to Premier Central, Inc.</li> </ul>
SM 10	No. of Business Plan formulated/Number of Properties without Highest and Best Use Study	Number of new business plan formulated	4%	Actual / Target x Weight	2	2	4.00%	2	4.00%	<ul style="list-style-type: none"> <li>Copy of Business Development Plans</li> </ul>	<ul style="list-style-type: none"> <li>The business plan formulated are from Zamboanga Golf Business Park and Barrio Balacad, Ilocos Norte.</li> </ul>
<b>SO 8</b>	<b>Implemented Flagship TEZ Program</b>										
SM 11	Percent of milestones achieved against the target within the year	Weight of milestones achieved over total weight of target milestone	15%	Actual / Target x Weight	100% of targeted milestones achieved	100% of targeted milestones achieved	15.00%	100% of targeted milestones achieved	15.00%	<ul style="list-style-type: none"> <li>Summary of Milestones</li> <li>Memoranda (Consolidated Ocular Report on possible Flagship TEZ Sites and Submission of Draft Master Plans for TEZ Flagship Projects)</li> <li>Terms of References (Tracing of Access Roads within San</li> </ul>	<ul style="list-style-type: none"> <li>To date, TIEZA pursues a Public TEZ due to the <i>impasse</i> on the IRR for the provision of fiscal incentives for Private TEZs.</li> <li>Five public TEZs were monitored in 2015: <ul style="list-style-type: none"> <li>Rizal Park – Preparation of Terms of Reference achieved</li> <li>San Vicente – Preparation of Terms of Reference achieved</li> <li>Mt. Salamat – Drafted Masterplan</li> <li>Kapihan Nature Park – Drafted Masterplan</li> <li>Panglao Bay – Recommended to TIEZA</li> </ul> </li> </ul>

Performance Measure		TIEZA Submission			CGO-A Evaluation		Supporting Documents	Remarks				
		Objectives / Measures	Formula	Weight	Rating Scale	Targets			Actual	Rating	Score	Rating
LEARNING AND GROWTH											Vicente Flagship TEZ and Construction of Three Units of Pay Green Restrooms at the Rizal Park Complex Flagship TEZ, City of Manila under Design and Building Scheme)	<ul style="list-style-type: none"> <li>Board as Flagship TEZs               <ul style="list-style-type: none"> <li>o Unidentified Project - Completed Joint Evaluation of Sites by DOT, TIEZA and UP Technical Panel</li> </ul> </li> <li>• TIEZA to submit its 2016 milestone target</li> </ul>
		<i>Sub-total</i>		<b>36%</b>				<b>34.00%</b>		<b>31.50%</b>		
	<b>SO 9</b>	<b>Implemented Competency-Based Human Resource System</b>										
	SM 12	Establishment of a Competency Based Human Resource System	Board-approved Competency Based Human Resource System	5%	Based on milestones	Board-Approved Competency Based Human Resource System	Board-Approved Competency Based Human Resource System	5.00%	Board-Approved Competency Based Human Resource System	5.00%	<ul style="list-style-type: none"> <li>• Board Resolution approving the Competency-Based Human Resource System</li> </ul>	
	<b>SO 10</b>	<b>Enhanced Quality Management System</b>										
	SM 13	ISO Certification of 3 core processes (travel tax collection; infrastructure projects implementation; and management of assets)	Weight of milestones achieved over total weight of target milestones	5%	Actual / Target x Weight	ISO Certification of 3 out of 3 core processes	ISO Certification of 3 out of 3 core processes	5.00%	ISO Certification of 3 out of 3 core processes	5.00%	<ul style="list-style-type: none"> <li>• ISO Certification from TUV Rheiland (Scope: Provision of Assets Management; Tourism Infrastructure Project Management; and Travel Tax Administration Services)</li> </ul>	
		<i>Sub-total</i>		<b>10%</b>				<b>10.00%</b>		<b>10.00%</b>		
		<b>TOTAL</b>		<b>100%</b>				<b>97.34%</b>		<b>89.11%</b>		



**16 September 2016**

**HON. GUILLER B. ASIDO**  
 Chief Operating Officer

**TOURISM INFRASTRUCTURE AND ENTERPRISE  
 ZONE AUTHORITY (TIEZA)**  
 142 Amorsolo St. (Former Union Bank Bldg.)  
 Legaspi Village, Makati City

TOURISM INFRASTRUCTURE and ENTERPRISE ZONE AUTHORITY  
 Office of the Chief Operating Officer



**RECEIVED**

2/2/17  
 J. (MARC) C.  
 2:44

By: \_\_\_\_\_  
 Time: \_\_\_\_\_

**RE : REQUEST FOR RECONSIDERATION TO  
 GRANT PBB TO TIEZA OFFICERS AND  
 EMPLOYEES FOR FY 2015**

COMMISSION ON AUDIT  
 TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY



RECEIVED BY: *[Signature]*  
 DATE/TIME: **FEB 02 2017**

Dear COO Asido,

We reply to your letter dated 30 May 2016<sup>1</sup> requesting reconsideration of the result of the evaluation of the 2015 Performance Scorecard for the measure, *SM 3a: Number of Ecotourism Sites developed in Depressed Provinces*.

We would like to refer to the Performance Agreement (PA) for CY 2015 dated 06 May 2016 between the Governance Commission and the TIEZA, wherein attached as Annex A is the 2015 Performance Scorecard of TIEZA. As stated in the Scorecard, the formula for the measure is "Number of Ecotourism Sites developed as determined by Notice of Award [emphasis added] and approved by the Board", which TIEZA may have inadvertently overlooked.

Further, we acknowledge the points raised by TIEZA in a meeting on the re-evaluation of SM 3a, last 14 June 2016, to wit:

1. Miscommunication may have occurred during the Technical Working Group (TWG) and Performance Agreement Negotiation (PAN) discussions that led to TIEZA unknowingly agreeing to the use of the Notice of Award as a formula for the measure; and
2. Unlikeliness to produce Notices of Award for ecotourism projects in such a short period due to the "complexity of these projects and the tedious processes being undertaken prior to Board Approval".

It is for the aforementioned reasons that TIEZA could not and would not commit to the issuance of Notices of Award for the targeted twenty (20) ecotourism sites. Taking these into consideration and upon noting that the processing of each project takes one to three years prior the issuance of the Notice of Award, it has been agreed upon that the number of ecotourism sites developed in depressed provinces will remain to be determined by a Notice of Award issued; however, regardless of the year the project has been received by TIEZA.

<sup>1</sup> Officially received by the Commission on 06 June 2016



TIEZA was able to provide the Notices of Award on the five projects namely, Mainit Development, Construction of Eco-tourism Park at Liwan, Ibabay Eco-tourism Project, Kalanggaman Island Development, and Mt. Hamiguitan Range Wildlife Sanctuary Eco-tourism Development. Given the "Actual/Target x Weight" rating scale, TIEZA is given a rating of 1.25% on SM 3a.

Accordingly, the Governing Board of the TIEZA is hereby **AUTHORIZED** to grant the **FY 2015 PBB**, with a grand total of **₱15,976,390.10**, to **449** eligible officers and employees as follows:

Rank	Multiplier	Distribution		Total Approved PBB Amount (₱)
		Number	Percent	
<b>Senior Management</b>				
Top: Maximum 10%	2.50	1	25%	169,210.00
Next: Maximum 25%	1.50	1	25%	109,606.50
Remaining: Minimum 65%	1.00	2	50%	135,368.00
<i>Sub-total</i>		4	100%	414,184.50
Below Satisfactory	0.00	0		
<b>Middle Management</b>				
Top: Maximum 10%	2.50	7	10%	897,220.00
Next: Maximum 25%	1.50	18	25%	1,305,972.00
Remaining: Minimum: 65%	1.00	48	65%	2,218,125.00
<i>Sub-total</i>		73	100%	4,421,317.00
Below Satisfactory	0.00	0		
<b>Professional &amp; Supervisory</b>				
Top: Maximum 10%	2.50	31	10%	2,462,540.00
Next: Maximum 25%	1.50	77	25%	3,244,185.00
Remaining: Minimum: 65%	1.00	200	65%	4,228,085.00
<i>Sub-total</i>		308	100%	9,934,810.00
Below Satisfactory	0.00	0		
<b>Clerical/General Staff</b>				
Top: Maximum 10%	2.50	6	10%	231,572.50
Next: Maximum 25%	1.50	16	25%	361,786.50
Remaining: Minimum: 65%	1.00	42	65%	612,719.60
<i>Sub-total</i>		64	100%	1,206,078.60
Below Satisfactory	0.00	0		
<b>Grand Total of Eligible Personnel</b>		<b>449</b>		
<b>Total of Below Satisfactory</b>		<b>0</b>		
<b>Grand Total of PBB</b>				<b>15,976,390.10</b>

The above distribution excludes the BAC Chairman, Head of Procuring Entity (PCEO) and members of the BAC Secretariat as TIEZA has been found to be non-compliant with the submission of Annual Procurement Plan (APP).

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Moreover, pursuant to Item 4.1.12 of GCG MC No. 2015-05 the Governing Board of TIEZA shall ensure that the PBB will only be released to officers and employees who have complied and submitted their Statement of Assets, Liabilities and Net Worth (SALN).

We respectfully remind the Governing Board to ensure that the agency's grant of the FY 2015 PBB should observe the following conditions:

1. The funding to support the PBB shall be charged by the GOCC to its corporate funds, subject to Section 9, GCG MC No. 2015-05;
2. The total cost of the PBB shall not result in a net loss for CY 2015 computed before subsidy and unrealized gains/losses, and after taxes;
3. In the event that the total amount of PBB to be distributed exceeds the Corporate Operating Budget (COB) level, the Governing Board shall request approval of the Supplemental Budget necessary for this purpose from its Parent GOCC, the Bases Conversion and Development Authority; and
4. No other performance-based bonus or its equivalent has been released or will be released for FY 2015 in addition to the PBB scheme provided under GCG MC No. 2015-05.

This is a one-time approval applicable only for FY 2015.

**FOR YOUR INFORMATION AND GUIDANCE.**

Very truly yours,

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

  
**CARLOS G. DOMINGUEZ III**  
DOF Secretary



  
**MICHAEL F. CLORIBEL**  
Commissioner

  
**BENJAMIN E. DIOKNO**  
DBM Secretary



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

Cc: COA Chairperson **MICHAEL G. AGUINALDO**  
COA Resident Auditor – TIEZA