

AUDIT OBSERVATION	ACTION PLAN
<p>Cash advances granted to the Philippine Department of Tourism (PDOT) Attaches and other accountable officer for the implementation of international and local projects amounting to P85,753,929 and P1,093,568 respectively, were not reported on nor liquidated at the end of the year contrary to Section 89 of PD No. 1445 and COA Circular No. 97-002 dated February 10, 1997.(AOM No. TPB 02-2014-001)</p>	<p>Management duly noted and considered recommendations stated in AOM No. TPB 02-2014-001 in the compliance of the prescribed period in the liquidation of cash advances as well as the approval from the proper authority for the realignment of balances of transferred funds.</p>
<p>The Tourism Promotions Board failed to remit 50% of its income for the years 2012 and 2013 to the National Government as required under Republic Act No. 7656 totalling P313,012,331.00. (AOM No. TPB 08-2014-002)</p>	<p>TPB did not receive entirely its funds as provided for under R.A. 9593 in 2012. Only P19,200,000 representing 10 percent of the TPB share from the 70% of the 50% of DFPC's 2011 net income remitted to DOT and the P250,000,000 release of the National Government Equity of TPB comprise the funds of TPB for CY 2012. It is requested from DBM that said Equity be converted into Maintenance and Operating Expenses to be utilized in the implementation of marketing and promotions activities and to support the tourism brand campaign of "Its More Fun in the Philippines."</p> <p>As the marketing arm of the Department of Tourism, TPB does not generate income nor gain or derive any profit in the exercise of its function. TPB's revenues are sourced out from</p>

	<p>subsidies from the National Government. The net income reflected is an excess of the revenues generated over the expenditures incurred.</p> <p>The realized savings for the years 2012 and 2013 are carried over and realigned for next years' utilization in the implementation of tourism projects, thus its inclusion in the request for budgetary requirements for CY 2014 and 2015 from the DBM. It is for this consideration that TPB did not remit dividends to the National Government.</p>
<p>Fund Transfers from the Department of Tourism (DOT) for the formulation and implementation of integrated domestic and international promotions and marketing program for the Department amounting to P24,859,393 remained unliquidated for over one to two years contrary to the provisions of Sections 4.6,4.9,6.4 and 6.5 of COA Circular No. 94-013 dated December 13, 1994 resulting in weak monitoring of expenses on the projects and may cause unnecessary transfer of funds. (AOM No. TPB 04-2014-003)</p>	<p>Unused balance of trust funds was reclassified by DOT as "Budgetary Support to GOCCs" from the previous entry of "Due from GOCCs".</p>

TOURISM PROMOTIONS BOARD
TIME BOUND ACTION PLAN IN ADDRESSING AUDIT OBSERVATION MEMORANDA (COA AOM)

PARTICULARS	RESPONSIBLE DEPARTMENT	DEADLINE
1. Receive the Audit Observation Memorandum (AOM) addressed to the head of agency and to the attention of the Chief, Accounting Division for comments, response and submission of the required documents.	Office of the Chief Operating Officer Accounting Division	One working day after receipt
2. Refer the AOM to department concerned/person responsible for the response or submission of documents/information required by COA.	Accounting Division	One working day from the receipt of AOM.
3. Prepare response and the documents required by COA.	Department concerned	2 working days after receipt of AOM
4. Refer the draft AOM response to Legal Office/r, if legal advice is deemed necessary.	Department concerned Legal Office/r	1 working day from the receipt
Evaluate and finalize the response to the AOM and return it to the department requesting legal advice.	Legal Office/r The Accounting Division endorses the reply of the Department/person concerned to the Commission on Audit for evaluation.	1 working day from the receipt of draft AOM response
5. Forward the response to the head of agency/Office of the Chief Operating Officer (OCCO) for approval/signature	Department concerned Office of the Chief Operating Officer	1 working day from the finalization of Management response
6. Upon approval, department concerned forward the response to the Accounting Division for endorsement to COA.	Department concerned/person responsible	1 working day from the receipt of approved Management response
7. Endorse and transmit the response * of the department concerned to COA (*for monitoring of response to AOMs)	Accounting Division	1 working day from receipt

TOURISM PROMOTIONS BOARD
TIME BOUND ACTION PLAN IN ADDRESSING COA NOTICE OF DISALLOWANCES

PARTICULARS	RESPONSIBLE DEPARTMENT	DEADLINE
1. Receive the Notice of Disallowance (ND) issued by COA	Accounting Division	
2. Notify and furnish the Notice of Disallowance to the Department concerned/person liable for the settlement of account.	Accounting Division	1 working day upon receipt Disallowance shall be settled within six (6) months from the receipt of the ND.
3. Should an appeal be filed, refer the ND to the Legal Office/r	Accounting Division Legal Office/r	1 working day after receipt
4. File an appeal to COA	Legal Office	Within a month from the date of receipt of ND.