

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
2018 AAR Audit Observation (AO) No. 1 Page 112	Unsupported bank credits totaling P21.149 million were recognized in the books as Service and Business Income despite of non-submission of documents by the Payees and Project Officers to support the direct deposits made, thus the correctness of the total income for the year ended December 31, 2018 could not be established, contrary to the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities.	We recommended that Management:							
		a. Direct the Accounting Department to demand from the Project Officers concerned to submit the required documents in support of the P21.149 million bank credits and effect necessary adjustments in the books;	Demand from the Project Officers concerned to submit the required documents in support of the P21.149 million bank credits and effect necessary adjustments in the books	Finance Department/ Administrative Department	May 24, 2019	December 31, 2019	Partially Implemented.	As of date, the Finance Department verbally demand for the submission of the aforesaid documents, however as of date, the Finance Department has yet to issue a letter to demand the submission of the aforesaid documents.	Management will ensure that complete collections are accounted for and reported accordingly with all the required supporting documents properly attached.
		b. Henceforth, direct the Project Officers to submit regularly to the Accounting Department the registration forms, deposits slips submitted by payee-participants, and other supporting documents to facilitate the recording; and	Direct the Project Officers to submit regularly to the Accounting Department the registration forms, deposits slips submitted by payee-participants, and other supporting documents to facilitate the recording	Finance Department/ Administrative Department	May 24, 2019	December 31, 2019	Partially Implemented.	Finance Department or Administrative Department thru Cashier Unit has not yet issued a memorandum to effect the proper process of direct deposit where every deposit made to TPB's account is properly identified.	TPB Finance to have a separate email account where participants/ Foreign Offices will directly send their fully-filled out Order of Payment form supported by a copy of deposit slip.
		c. Review the TPB's Collection process for improvement and devise a policy to ensure that all collections are duly accounted, supported, immediately reported and completely/ properly recorded in the books.	Review the collection process for improvement and devise a policy to ensure that all collections are duly accounted, supported, immediately reported and completely/ properly recorded in the books.	Finance Department/ Administrative Department	May 24, 2019	December 31, 2019	Partially Implemented.	Ongoing review of the collection process and formulation of a policy to ensure that all collections are duly accounted, supported, immediately reported and completely/ properly recorded in the books.	The Management will review its Collection process to align with the prevailing collection policies and conduct process improvements to ensure complete and immediate reporting and recording of its collection.

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
AO No. 2 Page 113	The Cash-in-bank account with balance of P788.788 million as at December 31, 2018 is misstated in the aggregate amount of P5.650 million due to non-recording of Bank Credit and Debit Memoranda shown in the bank statements totalling P5.145 million and P0.505 million, respectively, contrary to Sections 5 and 6, Chapter 21 of Government Accounting Manual (GAM), Volume I.	We recommended that Management: 1. Comply with Sec 5 and 6, Chapter 21 of GAM, Volume I; 2. Require the Accounting to record the unidentified CMs in the books of accounts in accordance with the RCA for Government-Owned and Controlled Corporations prescribed under COA Circular No. 2015-010 dated December 1, 2015; 3. Follow up with the concerned depository bank the TPB's inquiry and the status of the request for copies of the Bank CMs and DMs. Consequently, require the Accounting Department to make necessary adjustments once CMs and DMs are furnished by the bank; and 4. Henceforth, direct the Accounting Department to conduct regular reconciliation of the cash in bank balances, scrutinize and investigate the reconciling items and record/adjust in the books all reconciling items found to be valid.	Comply with Sec 5 and 6, Chapter 21 of GAM, Volume I Record the unidentified CMs in the books of accounts Follow up with the concerned depository bank the TPB's inquiry and the status of the request for copies of the Bank CMs and DMs and make necessary adjustments once CMs and DMs are furnished by the bank Direct the Accounting Department to conduct regular reconciliation and scrutinize and investigate the reconciling items and record/adjust in the books all reconciling items found to be valid.	Finance Department Finance Department Finance Department Finance Department	May 24, 2019 May 24, 2019 May 24, 2019 May 24, 2019	December 31, 2019 December 31, 2019 December 31, 2019 December 31, 2019	Partially Implemented. Partially Implemented. Partially Implemented. Fully Implemented.	Finance Department is still in the process of ascertaining/ identifying the deposits/ withdrawals made directly to TPB's bank account. The Finance Department has requested the Land Bank of the Philippines (LBP) the details of Credit Memos (CMs) and Debit Memos (DMs) for the verification of the reconciling items. Constant follow-ups were made to TPB's depository bank but no reply was received as to date.	Finance Department shall effect in its books the unrecorded DMs and CMs once such transactions were determined and fully supported with documents Finance Department shall recognize in the books the DMs and CMs once it determines the nature of the deposit Finance Department shall diligently follow-up with depository bank on the reply to TPB's inquiry Monthly reconciliation of cash in bank is being done by the Accounting Division. AD diligently reviews and investigate deposits/withdrawals to the bank account. In effect, appropriate entries are prepared and recorded in the books.

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
AO No. 3 Page 24	The faithful representation of the balance of Inter-agency Receivables - Due from National Government Agencies (NGAs) account as at December 31, 2018 of P367.732 million was not established due to: (a) fund transfers totaling P307.313 million remained unliquidated even if the purpose for which these were granted had been completed, resulting in unrecognized expenses in prior years of the used funds; (b) unreconciled variance of P60.419 million between the General Ledger (GL)/Subsidiary Ledger (SL) and TPB Status Report of Fund Transfers (with Aging) as of December 31, 2018; (c) variances of P95.746 million between the balances from the different Department of Tourism (DOT) Implementing Offices and the Status Report of Fund Transfers as a result of confirmation; (d) existence of abnormal (negative) balance aggregating P18.709 million; and (e) recording of P6.980 million even when there was no fund transfer made to Philippine DOT China, resulting in the overstatement of Due from NGAs by the same amount.	We recommended that Management: 1. Demand from the implementing agencies the liquidation of the fund transfers totaling P307.313 million as the purpose for which these were granted had already been completed to enable the Accounting Department to recognize in the books the utilization from these fund transfers. Henceforth, require the Implementing Agencies to promptly liquidate the fund transfers to prevent accumulation of the outstanding balances on the Due from NGAs; 2. Instruct the Accounting Department to: 2.1 Determine: (i) the cause(s) of the variances between the balances of GL/SL vis-a-vis Status Report of Fund Transfers vis-a-vis DOT Implementing Offices and (ii) the nature of the negative (abnormal) balances on the Due from NGAs account and effect necessary adjustments/ corrections on the books and records;	Require the Implementing Agencies to promptly liquidate the fund transfers to prevent accumulation of the outstanding balances on the Due from NGAs	Finance Department	May 24, 2019	December 31, 2019	Fully Implemented.		There is a continuous effort in reconciling the SL and GL. AD also regularly coordinates with TPB Marketing Departments, implementing agencies and COA to address the concern on unliquidated balances. Memoranda were issued to DOT on unliquidated fund transfers for its perusal and appropriate action. A short talk to reiterate the rules and regulations covering the fund transfers (implementation and liquidation) was delivered by the Finance-OIC during the DOT-spearheaded Marketing Workshop last September 2018.
			Determine the cause(s) of the variances between the balances of GL/SL vis-a-vis Status Report of Fund Transfers vis-a-vis DOT Implementing Offices and the nature of the negative (abnormal) balances on the Due from NGAs account and effect necessary adjustments/ corrections on the books and records;	Finance Department	May 24, 2019	December 31, 2019	Partially Implemented.	The Accounting Department is currently reviewing all the balances stipulated therein.	Make necessary adjustments to the books once discrepancies are concretely identified.

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		2.2 Make necessary adjustment to correct the recording of P6.980 million as there was no fund transfer made to PDOT China;	Review the entries made and make necessary adjustments (if necessary)	Finance Department	May 24, 2019	December 31, 2019	Partially Implemented.	There is an ongoing review of the P6.980 million overstatement in the recording of fund transfer to PDOT China. Accounting Division prepares and regularly submits a Status of Fund Transfers which accounts for all the remittances, realignment of savings and liquidation of project funds for each PDOT Office/Regional Office. Nonetheless, a Subsidiary Ledger is also prepared for each PDOT Office/Regional Office. Finance Department is currently updating its books. Copies of JEVs in relation to the grant of fund transfers to PDOT Local and Foreign Offices shall be forwarded to the DOT Home Office once Accounting Division has finished recording all the transactions for Fiscal Year 2019. Mother and Implementing MOA to effect the necessary changes in the procedure of liquidation is pending approval by the DOT Secretary.	Make necessary adjustments to the books once discrepancies are concretely identified. There were constant coordination meetings with DOT Head Office to enforce the provisions in the contract which states that the liquidation reports shall be coursed through by the Foreign Office to the DOT Head Office. DOT Head Office, as a result, shall liquidate to TPB. In the same manner, TPB shall furnish DOT Head Office with copies of JEVs in order for the PDOT Home Office to account for the fund transfer made to Foreign Offices.
	2.3 Maintain SL for each PDOT Office/Regional Office and regularly reconcile the SLs with the GL;	Prepare SL for each PDOT Regional Office and regularly reconcile the SL and GL	Finance Department	May 24, 2019	December 31, 2019	Fully Implemented.			
	2.4 Furnish the DOT Head Office Accounting with copies of the Journal Entry Vouchers (JEVs) on the grant of the fund transfers and ensure that an OR is issued as acknowledgement of receipt of fund;	Furnish DOT Head Office Accounting with copies of JEVs on the grant of fund transfers made to PDOT Local and Foreign Offices	Finance Department	May 24, 2019	December 31, 2019	Partially Implemented.			
	2.5 Stop receiving the liquidation reports directly from the PDOT Offices, as these must be coursed through the DOT Head Office Accounting and coordinate with the latter for the proper handling of the transactions as prescribed in COA Circular No. 94-013; and	Meet with DOT Head Office to discuss the necessary changes in the procedure of liquidation of fund transfers from PDOT Offices and steps to be taken to its effect.	ODCOO/ ODCOO CA/ ODCOO Mktg/ Legal/ Finance	May 24, 2019	December 31, 2019	Partially Implemented			
								To this effect, draft of a pro-forma Mother Memorandum of Agreement and Implementing	

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		<p>2.6 Conduct regular reconciliation of the balances among books, reports and records of the DOT Head Office Accounting; scrutinize and investigate the variances upon discovery, and effect necessary adjustments accordingly;</p> <p>3. Coordinate with the DOT and other Implementing Agencies to ensure strict compliance/implementation of the guidelines on fund transfers, specifically COA Circular No. 94-013 and the MOA;</p> <p>4. Address the problems encountered in the granting of fund transfers to implementing agencies; revisit and update TPB's policies/standard operating procedures in the implementation of projects coursed through DOT and other government agencies/parties, for proper execution by all concerned officers and employees;</p>	<p>Regularly reconcile books with the records of DOT Head Office and make necessary adjustments (if necessary)</p> <p>Meet with DOT and other Implementing Agencies to reiterate strict compliance with COA Circular No. 94-013 – Guidelines on Fund Transfers</p> <p>Meet with DOT and Foreign Office representatives to discuss the problems encountered in the grant of fund transfer and to agree on the proper procedures to be taken to resolve the conflicts without bypassing the applicable COA rules and regulations</p>	<p>Finance Department</p> <p>ODCOO/ ODCOO CA/ ODCOO Mktg/ Legal/ Finance</p> <p>ODCOO/ ODCOO CA/ ODCOO Mktg/ Legal/ Finance</p>	<p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p>	<p>December 31, 2019</p> <p>December 31, 2019</p> <p>December 31, 2019</p>	<p>Partially Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>	<p>Ongoing review and reconciliation of TPB books with DOT records.</p>	<p>Memorandum of Agreement between TPB and DOT. The said Mother and Implementing MOA was endorsed for to the Office of the Secretary for approval.</p> <p>As a policy stated in the MOA, AD strictly requires liquidation of the prior fund remittances as requirement for processing of additional project fund remittances.</p> <p>There were constant coordination meetings with DOT Head Office to enforce the provisions in the contract which clearly requires complete compliance with the COA Circular No. 94-013.</p> <p>The TPB ODCOO CA delivered a short talk on the rules and regulations on the grant of Fund Transfers during the Retooling Workshop participated by all the Foreign Attaches and Administrative Officers last _____. Following the talk, there was an open forum to give chance to Foreign Offices to air the difficulties they encounter on fund transfer and liquidation. In effect, the TPB management, in coordination with DOT Legal and TPB and DOT COA Resident Auditors and Supervisory Auditors discussed the necessary steps to be taken to resolve the difficulties encountered in the grant of fund</p>

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		<p>5. Consider amending the MOA with DOT to include the following provisions:</p> <p>5.1 The Secretary of DOT / Chairman of TPB be duly informed on fund transfers by providing copies of: (1) the MOA and evidence of fund transfers for any projects to be implemented coursed through DOT, and (2) Status Report of Outstanding Balances per Accountable Officers, on semestral basis;</p> <p>5.2 The DOT shall inform TPB of the Accountable Officers' (PDOT TA/MR & Regional Directors) movement (transfer, retirement, resignation, etc.); and</p> <p>5.3 The Accountable Officers (PDOT TA/MR & Regional Directors) shall secure Clearance from TPB, in case of transfer, retirement, resignation, etc.;</p> <p>6. Consider the possibility that the DOT Secretary be a signatory to the MOA; and</p> <p>7. Furnish COA copies of pertinent policies, board resolutions, strategic plans and other relevant supporting</p>	<p>Take into account the enumerated recommendations herein in the amendment of the MOA.</p> <p>Take into account the recommendation in the amendment of the MOA.</p> <p>Submit the documents enumerated herein to COA.</p>	<p>ODCOO/ ODCOO CA/ ODCOO Mktg/ Legal/ Finance</p> <p>ODCOO/ ODCOO CA/ ODCOO Mktg/ Legal/ Finance</p> <p>Legal Department</p>	<p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p>	<p>Decem ber 31, 2019</p> <p>Decem ber 31, 2019</p> <p>Decem ber 31, 2019</p>	<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>	<p>transfers while taking into consideration the COA rules and regulations.</p> <p>The enumerated recommendations for inclusion to the MOA with DOT were taken into account in the preparation of the draft of Mother and Implementing MOA with DOT.</p> <p>The recommendation that DOT Secretary shall be the signatory of the MOA was taken into account in the preparation of the draft of Mother and Implementing MOA with DOT.</p> <p>The documents enumerated herein were submitted to COA.</p>	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		documents addressing the issues on fund transfers.							
AO No. 4 Page 25	<p>The faithful representation of the balance of Financial Liabilities - Accounts Payable (A/P) account of P306.899 million as at December 31, 2018 was not established due to:</p> <p>(a) adjustments to close the abnormal balances totalling P189.637 million were not supported with pertinent documents/ reports;</p> <p>(b) recorded transactions in the total amount of P30.770 million were not duly supported with contracts and documents;</p> <p>(c) variance of P5.232 million between books and confirmed amount from one of the suppliers. Likewise, the A/P account was misstated in view of:</p> <p>(a) various payments totalling P29.243 million were recorded under Accumulated Surplus/(Deficit) account instead of deductions to A/P account; and</p> <p>(b) non-accrual of various unpaid expenses aggregating P28.289 million which understated the A/P account at year-end by the same amount. These were all contrary to Paragraph 3.10 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities and Paragraph 27 of PPSAS 1.</p>	<p>We recommended that Management:</p> <p>1. Designate a personnel that would permanently handle and monitor the A/P Account;</p> <p>2. Direct the Accounting Department to:</p> <p>a. Determine the nature and cause of the abnormal balances in the A/P account and support with pertinent documents/reports the adjustments made to close the abnormal balances totalling P189.637 million; otherwise, reverse the entry made until these are duly substantiated. Henceforth, ensure that transactions are supported with relevant documents before effecting adjustments in the books;</p>	<p>Designate a personnel to handle AP and SL for AP</p> <p>Perform a thorough review/ reconciliation of the entries made in prior years (2017 and 2016) to determine the nature of the abnormal balances and make the necessary adjustments (if applicable) to correct the books.</p> <p>Perform necessary confirmation and verification procedures for AP and Other Payables and make necessary adjustments if found out that claim(s) is(are) non-existent.</p>	Finance Department	May 24, 2019	December 31, 2019	Fully Implemented	<p>A bookkeeping personnel was designated to handle the A/P account and its corresponding SL.</p> <p>A reconciliation procedure was undertaken to determine the cause and nature of abnormal balances of prior (2017 and 2016) years. Upon examination of the recording procedures back then, it was found that, upon settlement of a prior year expense, AP is automatically debited without proper verification of the outstanding AP. This caused abnormal negative balances in AP.</p> <p>On the other hand, long outstanding AP balances was caused by prior years' practice (2017 and 2016) of recording AP based on signed Budget Utilization Slip (BUS). Supporting documents were not collected to verify the existence, validity and accuracy of BUS prior to signing by the Budget Division Chief. This was also verified by COA per AOM No. 17-16 dated May 24, 2018 wherein it recommended that AD should "recognize transactions and other events when they occur and record in the financial statement of the periods to which they relate/incurred and not based on the signed BUS".</p>	
				Finance Department	May 24, 2019	December 31, 2019	Fully Implemented		

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		<p>b. Submit to the Audit Team the contracts and documents to support the recorded amount of P30.770 million in the A/P account and, make necessary adjustment on recorded amounts which differed from supporting invoices;</p> <p>c. Recognize payables in the books only when TPB becomes a party to the contractual provisions of an instrument in accordance with PPSAS 29;</p> <p>d. Reconcile the variance of P5.232 million between the records of contractor and the amount recorded in the books, and effect adjustment, if warranted;</p>	<p>Verify the existence of liability by attaching the necessary documents or reverse the recorded AP in the absence of supporting documents.</p> <p>Strictly comply with the provisions of PPSAS 29 in recognizing the AP.</p> <p>Verify the cause of the variance and make the necessary adjustment, if applicable.</p>	<p>Finance Department</p> <p>Finance Department</p> <p>Finance Department</p>	<p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p>	<p>December 31, 2019</p> <p>December 31, 2019</p> <p>December 31, 2019</p>	<p>Partially Implemented</p> <p>Fully Implemented</p> <p>Partially Implemented</p>	<p>Accounting Division is still verifying the existence of the AP considering that the P30.770 million was recognized in the books by the previous Accountant in the fiscal year 2017.</p> <p>Accounting Division strictly complied with the provisions of PPSAS 29 in recognizing AP. In 2018, recognized APs were fully supported with necessary documents and are properly submitted to COA.</p> <p>Accounting Division is still verifying the cause of the variance to effectively adjust the books, if necessary.</p>	<p>In the same AOM, COA also recommended that "if there is no valid claim, reverse the accounts payable outstanding for two years or more to the CROU as prescribed under Executive Order No. 108 dated June 10, 1999 and implemented by DBM-COA Joint Circular No. 99-6 dated November 13, 1999". This explains why in 2018, there was a reversal amounting to P189.637M, the total of all APs without valid claims (since they are BUS-based) and which were outstanding for 2 years or more, compliant to AOM No. 17-16 and DBM-COA Circular DBM-COA Joint Circular No. 99-6.</p>

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		<p>e. Make necessary adjustment on the various payments totalling P29.243 million which were recorded under Accumulated Surplus/(Deficit) account instead of A/P account. Henceforth, require the personnel in charge in the preparation and maintenance of SLs for A/P account to determine if an A/P was previously set-up to avoid misstatements in the recording of payments of payables; and</p> <p>f. Accrue all unpaid expenses for the year to avoid restatement of the financial statements due to prior period adjustments;</p> <p>3. Require all Departments to submit to the Accounting Department necessary documents on unpaid expenses incurred during the year to enable the latter to accrue the expenses before the closing of the books of accounts; and</p> <p>4. Make necessary adjustment in the books to record the understatement of P1.945 million representing cost of audit services.</p>	<p>Verify the noted errors in recording and make the necessary adjustment, if applicable.</p> <p>Issue a memorandum to all Departments to require submission of documents necessary for accruing expenses.</p> <p>Issue a memorandum to all Departments to require submission of documents necessary for accruing expenses.</p> <p>Verify the cause of understatement and make necessary adjustment in the books.</p>	<p>Finance Department</p> <p>Finance Department</p> <p>Finance Department</p> <p>Finance Department</p>	<p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p>	<p>December 31, 2019</p> <p>December 31, 2019</p> <p>December 31, 2019</p> <p>December 31, 2019</p>	<p>Partially Implemented</p> <p>Partially Implemented</p> <p>Partially Implemented</p> <p>Not Implemented</p>	<p>Accounting Division is still verifying the erroneous entries made in the books to effectively prepare adjusting entries, if necessary.</p> <p>Not all documents necessary for the accrual and recording of AP was submitted to Finance.</p> <p>Not all documents necessary for the accrual and recording of AP was submitted to Finance.</p> <p>For verification considering that the P1.945 represents prior years cost of audit services.</p>	<p>A memorandum addressed to the concerned departments was issued by Finance last December 20, 2018 to require the submission of necessary documents for the proper recognition of Accounts Payable.</p> <p>A memorandum addressed to the concerned departments was issued by Finance last December 20, 2018 to require the submission of necessary documents for the proper recognition of Accounts Payable.</p>

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
AO No. 5 Page 25	<p>The Advertising, Promotional, and Marketing Expenses (APME) account totalling P722.147 million as at December 31, 2018 was misstated due to:</p> <p>(a) transfers of funds to Implementing Agencies totalling P64.315 million were recognized as APME instead of Due from NGAs, contrary to Section 63, Chapter 6 of GAM, Volume I;</p> <p>(b) set-up of previously reverted A/P amounting to P103.350 million representing expenditures in prior years was debited to APME account instead of adjustment to Accumulated Surplus/(Deficit) account;</p> <p>(c) understatement of APME in the amount of P0.987 million due to error in recording unused inventory. Likewise, the propriety of the payments to foreign suppliers totalling P75.945 million recognized as APME was doubtful due to absence of Official Receipts, contracts and other relevant documents as proofs of inspection, acceptance and validation of the deliverables vis-à-vis actual accomplishments.</p>	<p>We recommend that Management direct the Accounting Department to:</p> <ol style="list-style-type: none"> 1. Take appropriate trainings on government accounting and related topics including PPSASs; 2. Make the necessary correcting entries on the various erroneous entries made under APME and other affected accounts; 3. Be extra careful in recording the transactions in the books of accounts; 4. Submit to the Audit Team the documents pertaining to the payments made to foreign suppliers totaling P75.945 million, such as, ORs, contracts, Inspection and Acceptance Reports, validation reports of the actual accomplishments vis-à-vis the stipulated deliverables; otherwise, a Notice of Suspension will be issued; and 5. Henceforth, ensure that all Journal Entry Vouchers (JEVs) and payments are adequately/sufficiently supported with necessary documents. 	<p>Finance personnel to take trainings in relation to PPSASs</p> <p>Verify the noted errors in recording and make the necessary adjustment, if applicable.</p> <p>Assign/ hire an Accountant to prepare/review the recording of transaction in the books.</p>	<p>OCOO/ ODCOO CA/ Finance Department/ Administrative Department</p> <p>Finance Department</p> <p>Finance Department</p>	<p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p>	<p>December 31, 2019</p> <p>December 31, 2019</p> <p>December 31, 2019</p>	<p>Fully Implemented.</p> <p>Partially Implemented</p> <p>Fully Implemented.</p>	<p>Accounting Division is still verifying the erroneous entries made in the books to effectively prepare adjusting entries, if necessary.</p>	<p>A 4-day PPSASs workshop hosted by COA Central Office was attended by four Finance personnel on July 2019.</p> <p>TPB Accounting has prepared and recorded in its books the necessary adjusting entries which will be submitted to COA.</p> <p>An Accountant V was hired on October 2019 whose regular duties is the preparation of Financial Statements/ reports. Entries in the books are now properly reviewed.</p>

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
AO No. 6 Page 26	The correctness of the Allowance for Impairment on the Receivables account amounting to P9.759 million could not be established since there were no aging schedules/documents to identify the impaired accounts and there was no assessment made in CY 2018 to determine if there were indications of impairment, contrary to Paragraphs 67 and 68 of PPSAS 29. Also, receivables totaling P2.435 million remained non-moving for more than one (1) year resulting in the doubtful collectability of the accounts.	We recommended that Management:							
		1. Develop a policy on the setting up of impairment of accounts pursuant to pertinent paragraphs of PPSAS 29; and	Refer to applicable PPSAS in setting up impairment of accounts.	Finance Department	May 24, 2019	December 31, 2019	Partially Implemented	Ongoing - Accounting Division refers to applicable accounting standards on setting up of impairment of accounts	
		2. Direct the Accounting Department to:							
		a. Prepare Aging Schedule of Receivables to substantiate the recorded Allowance for Impairment amounting to P9.759 million and, henceforth determine if there are any indications of impairment on the accounts of TPB and accordingly provide necessary adjustment; and	Accounting Division to prepare an Aging Schedule of Receivables to substantiate the recorded Allowance for Impairment.	Finance Department	May 24, 2019	December 31, 2019	Not Implemented	Aging to be prepared on year-end as support to 2019 Annual Financial Statement.	
		b. Locate the supporting documents of the receivables outstanding for more than one (1) year totalling P2.435 million and reassess their collectability.	Locate the supporting documents of the receivables outstanding for more than one (1) year totalling P2.435 million and reassess their collectability.	Finance Department	May 24, 2019	December 31, 2019	Partially Implemented	Ongoing effort in locating documents of receivables which are outstanding for more than one year. Adjustments (if necessary) shall be properly recorded in the books.	
AO No. 7 Page 27	Due from Non-Governmental Organization (NGO)/People's Organization (PO) and Accumulated Surplus/(Deficit) accounts were overstated by P1.500 million due to non-recognition of the related expense accounts in CY 2017 despite the submission of the liquidation/required documents by	We recommended that the Accounting Department effect the necessary adjustment to correct the balances of the affected accounts. Prepare the necessary reconciliation between the book and bank balances and effect the necessary adjustment where appropriate; and	TPB Accounting to prepare and record the necessary adjusting entries	Finance Department	May 24, 2019	December 31, 2019	Partially Implemented	Ongoing review and reconciliation of the account Due from Non-Governmental Organization (NGO)/People's Organization (PO) and Accumulated Surplus/(Deficit)	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
	the recipient of the funds, contrary to Paragraph 7 of PPSAS 1.	Revert back to cash in bank and recognize the liability for the stale checks amounting to P437,000.							
AO No. 8 Page 28	The accuracy of the balance of the Inventory Account of P27.517 million as at December 31, 2018 was doubtful due to: (a) variance of P0.440 million between the recorded amount of issuance per General Ledger (GL) of P19.189 million and the supporting Report of Supplies and Materials Issued (RSMI) of P18.749 million; (b) variances of P0.507 million and P0.664 million between the balance per GL and per Report on the Physical Count of Inventories (RPCI) and the RPCI and per Stock Cards (SC), respectively; (c) double recording of Other Supplies and Materials Inventory account amounting to P2.190 million. Likewise, there were inconsistencies in the recording of payments totalling P3.172 million to Accu-Map, Inc. for the printing and production of five (5) destination brochures (Davao City and Samal Island, Palawan, Iloilo City and Guimaras Island, Subic and Clark, Surigao City and Siargao Island), contrary to Paragraph 16 of PPSAS 3.	We recommended that Management: 1. Direct the Accounting Department and the Property/Inventory Custodian to reconcile the variances: a. between issuance of Inventory per GL and RSMI by tracing all issuances recorded in the SCs supported by appropriate RIS and provide the Audit Team with the report on reconciliation duly supported; b. between the total of the RPCI and the GL/Trial Balance; and c. make adjustments on the books or corrections on the Inventory Reports, if necessary; 2. Require the Property Custodian to reconcile the RPCI with the SCs and maintain SC for each inventory item; and 3. Instruct the Accounting Department to make necessary adjustments/correcting entries on the:	Property Custodian and Accounting Division to reconcile relative to the discrepancies in the reports on Inventory as noted by COA.	Finance Department/ Administrative Department	May 24, 2019	December 31, 2019	Fully Implemented	Finance and Administrative Department regularly reconciles its records on purchases and issuances of inventories. Necessary adjustments are recorded in the books.	
			Property Custodian to reconcile the RPCI with the SCs and maintain SC for each inventory item.	Administrative Department	May 24, 2019	December 31, 2019	Fully Implemented	The Property Custodian will keep Stock Cards for each type of inventories in compliance with Sec. 17 of GAM Vol. 1	
			Accounting Division to prepare adjusting entries as noted herein.	Finance Department	May 24, 2019	December 31, 2019	Fully Implemented	Necessary adjusting entries were made on the books as reflected on JEV#2019-02-115 and 2019-04-178.	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		<p>a. Double recording of Other Supplies and Materials Inventory account of P2.190 million; and</p> <p>b. Inconsistencies in the recording of payments made to Accu-Map, Inc. in the amount of P3.172 million.</p>							
AO No. 9 Page 28	<p>The propriety and legality of expenditures totaling P80.640 million incurred on the "Buhay Carindaria" Project, implemented in CY 2018, were doubtful due to: (a) the total cost of the contract for the project was charged to the CY 2017 budget though it was not included in the Annual Procurement Plan (APP) and Project Procurement Management Plan (PPMP) for CYs 2017 and 2018, contrary to Sections 7.1 and 7.2 of Republic Act (RA) No. 9184 or the Government Procurement Reform Act; (b) no actual savings in CY 2017 budget as the receipts vis-à-vis expenditures registered an overdraft of P256.314 million, but still said Project was charged to the budgetary allocation of said year, contrary to Section 85(1) of PD No. 1445; (c) non-deduction of five (5) per cent Final Value Added Tax (VAT) equivalent to P3.600 million from Marylindbert International, Inc. (MII), in violation of Section 114 of the National Internal Revenue Code (NIRC); and (d) various provisions of the MOA that were disadvantageous to the government.</p>	<p>We recommended that Management:</p> <ol style="list-style-type: none"> 1. Strictly comply with Sections 7.1 and 7.2 of RA No. 9184 and Section 85(1) of PD No. 1445; 2. Henceforth, ensure that all projects to be implemented by TPB are included in the APP/PPMP and COB; 3. Require the MII to refund the amount for final VAT amounting P3.600 million which was not deducted in the final payment of the contract on Buhay Carindaria Project for remittance to the BIR; otherwise, a Notice of Disallowance shall be issued; 4. Ensure that the contract entered into with the proponent is not onerous/disadvantageous to the government, exercise due diligence in the utilization of government funds; 	<p>TPB to send Demand Letters to MII for the refund of VAT and submission of necessary documents</p>	<p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p> <p>May 24, 2019</p>	<p>December 31, 2019</p> <p>December 31, 2019</p> <p>December 31, 2019</p> <p>December 31, 2019</p>	<p>Fully Implemented</p> <p>Partially Implemented</p> <p>Partially Implemented</p> <p>Partially Implemented</p>	<p>Sponsorship activities is outside the coverage of RA 9184. The grant of assistance to private sectors and allied fields are authorized and carried pursuant to the mandate of TPB to market and promote Philippine as a premier tourism destination</p> <p>Demand letters were sent to Marylindbert International to refund the VAT. However, Marylindbert has not complied as of date.</p> <p>The reasonableness of the advertisement cost was considered in the project evaluation and is left to the discretion of the approving authorities. The TPB Management shall endeavor to further establish its guidelines for MICE Plus Program, the International Promotions Department and the Marketing Communications for its future sponsorship activities</p>		

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		<p>5. Require MII to submit: (i) the liquidation reports duly supported with relevant documents of all tranches paid/released by TPB in the total amount of P80.640 million; otherwise, a Notice of Suspension shall be issued, and (ii) details and supporting documents relative to its 20 per cent equity share on total cost of the Project; and</p> <p>6. Identify the persons liable to this onerous contract and institute appropriate legal action against them, if warranted.</p>			May 24, 2019	December 31, 2019		<p>Compliance by the parties to COA rules is integrated in the MOA and is paramount consideration in the implementation of the project, the disbursement of payments, submission of relevant liquidation reports and supporting documents. It provides for clauses on the submission of legal documents, deliverables and entitlements to TPB. The nature of the funds release is trust liability under existing COA rules and regulations. Thus, these relevant provisions justify the requirement from Finance Department for the submission of supporting documents prior the release of payment and the Demand Letter sent to Marylindbert International dated July 27, 2018 to comply with existing COA laws, rules and regulations.</p> <p>The inspection report and certifications to be issued by the implementing department covers the verification aspect of the validity of the liquidation reports of Marylindbert International as stipulated in the agreement. Demand letters were already sent to Marylindbert International for compliance of the requested documents. Pursuant to Board Resolution No. 164 series of 2018, TPB Board suspended the project.</p> <p>The Domestic Promotions Department submitted its Evaluation report of the Buhay Carindera Project.</p>	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
AO No. 11 Page 30	The reasonableness and validity of the nineteen (19) Financial Sponsorship contracts totaling P34.195 million and the proper implementation thereof could not be established due to: (a) incomplete documents as required in TPB ISO 9001:2015 uncontrolled form No. QF-LEGD-01 Rev-00 and the contract of sponsorship; and (b) absence of guidelines to determine the amount to be extended and the manner of the grant, contrary to Section 2, PD No. 1445.	<p>We recommended that Management:</p> <ol style="list-style-type: none"> 1. Submit the required documents to support disbursements made for 19 financial sponsorship contracts; otherwise, a Notice of Suspension shall be issued and, henceforth, require the Accountant to ensure that all the required documents are submitted and obtained before payment be made; and 2. Formulate/issue policy/guidelines on the grant of financial sponsorship, to include, among others, the following: <ol style="list-style-type: none"> a. The limit of financial sponsorship to be granted on a specific event or project; b. That all financial sponsorship be on a reimbursement basis to avoid cases of unliquidated funds and prevent the risks of mishandling of government funds; and d. Comprehensive guide in determining the reasonableness of the amount to be extended. 	<p>The submission of required documents will be monitored through the checklist of requirements to be distributed by the Finance Department.</p> <p>The concerned offices shall formulate their respective guidelines on Financial Sponsorship/Assistance. DPD adopted its PEC Guidelines and Guidelines for Institutional Projects</p>	Finance/ IPD/ / DPD/ MICE/ MARCOM	May 2019	December 31, 2019	Partially Implemented	<p>PEC guidelines for financial assistance locally including institutional projects were approved by the Governing Board and already functional under the Domestic Department. The internal guidelines for financial assistance for Corporate Planning Department was approved by the COO, while</p>	<p>Briefing with project officers on the submission of required documents relating to sponsorships and financial assistance.</p> <p>Finalize and Secure the approval of the Guidelines for the following department within the current year:</p> <p>MICE Department International Promotions Department MARCOM Department</p>
					2019	December 31, 2019	Partially Implemented		

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
AO No. 12 Page 31	Financial sponsorship/assistance granted to a Local Government Unit (LGU) totaling P2 million remained unliquidated since October 2017, contrary to the pertinent provisions of the MOA.	We recommended that Management send demand letter to the City Government of Bacoor for the immediate liquidation of the financial assistance for Musiko 2017.	Demand liquidation of Financial Assistance from City of Bacoor	Finance/ Domestic	May 24, 2019	December 31, 2019	Fully Implemented		City of Bacoor liquidated the total amount of P2 million financial assistance. It has refunded the total amount of P8,775.00 JEV#2019-06-310. City of Bacoor submitted a Summary of Expenses certified by the Chief Accountant and duly received by their resident COA.
AO No. 13 Page 32	The propriety and the reasonableness of the procurement contracts totaling P22.961 million for entertainment production and lease of venues were doubtful due to the following: (a) contracts entered into by and between RRM Entertainment Production (a local company) and PDOT – Frankfurt costing P9.755 million, as performers and other various procurements totaling P9.179 million did not undergo the usual procurement process as required by RA No. 9184 and Annex H of its 2016 Revised IRR; (b) procurements for the lease of venue totaling P4.027 million were not supported with complete documents and did not undergo proper procedures on the procurement of venue for lease as required under Item 9, Lease of Real Property and Venue, Annex H, of the 2016 Revised IRR. Likewise, lease of venue/accommodation to a luxury hotel totaling P1.253 million could be considered extravagant in line with COA Circular No. 2012-003.	We recommended that Management: a. Require all concerned to comply strictly with the provisions of RA No. 9184 and its 2016 Revised IRR, COA Circular Nos. 2012 - 001 and 2012 - 003; b. Henceforth, require the BAC to undertake the procurement process, if the supplier will be a Philippine Corporation/entity, to ensure that the procurements are in accordance with the requirements of RA No. 9184 and its Revised IRR; c. Submit the documents to support procurement for lease of venue as enumerated in Annex H, 2016 Revised IRR of RA No. 9184 and COA Circular No. 2012-001 to avoid issuance of a notice of suspension; and d. Stop the practice of using luxury hotels as venue for meetings and events to avoid disallowance in audit.	TPB Management to issue policy memorandum on the strict adherence to the provisions of R.A. 9184 Comply with the COA recommendation. Comply with the COA recommendation	PGSD OCOO PGSD	Feb. 04 2019 Feb. 04 2019 January 2019	Feb. 04 2019 Feb. 04 2019 December 2019	Implemented Implemented Partially Implemented	Reiterate the policy to ensure strict implementation of R.A. 9184 Issued Memo to all concerned department on 04 Feb 2019 with subject "Strict compliance on the Timeline for the Alternative Modes of Procurement " Reiterate the policy to ensure strict implementation of R.A. 9184 Issued Memo to all concerned department on 04 Feb 2019 with subject "Strict compliance on the Timeline for the Alternative Modes of Procurement The management is putting its best effort in complying COA recommendation to refrain availing luxury hotel as venue for meetings and events, however, there are still instances such as:	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
								a) During peak seasons, only 4-5 stars hotels are available even if it undergoes to a proper procurement process and follows the provisions of RA 9184 b) It involves international and foreign participants, and c) The chosen hotel is the best suitable hotel after considering its suitability of location and logistics requirements.	
AO No. 14 Page 33	TPB resorted to direct contracting for the procurement of five (5) Destination Map Brochures with a total contract price of P6.345 million despite it was against the opinion of its Legal Department and, there was no study/survey conducted to determine that there were no sub-dealers selling at lower prices and for which no suitable substitute can be obtained at a more advantageous terms to the government, contrary to Section 50 of the Revised IRR of RA No. 9184. Moreover, there was already payment of P2.538 million, equivalent to 40% of the contract price, made to the Contractor even without the delivery of the goods procured, contrary to Section 88 of PD No. 1445 and Section 4 of the Revised IRR of RA No. 9184.	We recommended that Management: 1. Strictly comply with the provisions of the Revised IRR of RA No. 9184, on the procurement of goods and Section 88 of PD No. 1445, on advance payment; 2. Cause the immediate refund/return of the 40% advance payment in the amount of P2.538 million, otherwise a Notice of Disallowance will be issued; and	To comply with the recommendation. To reply with the Audit Observation Memorandum. To reply with the Audit Observation Memorandum	MARCOM /PGSD MARCOM MARCOM	May 24, 2019 Decem ber 31, 2019	Partially Implemented Not Implemented Not Implemented	Henceforth, internal control was instituted through a proper checking and reviewing every contract eneter into by TPB as regards to advance payment under procurement of goods and ensure that the provisions of the Revised IRR of RA 9184 is being followed The Marketing Communications Department requested for the procurement of the printing & production of the 5 Destination Brochures (Davao, Palawan, Iloilo, Subic/Clark and Surigao/Siargao) through the attached Purchase Request dated 13 September 2016, received by the PGSD last 10 October 2016. The Pre-procurement was done last 06 October 2016 and BAC Resolution No. 2016-087 was issued by the BAC Secretariat last 04 November 2016 and NOA received by Accu-Map last 25 January 2017 and the Performance Security bond was received by TPB on 26 January 2017.		
								This particular printing & production requirement of MARCOM Department was processed through BAC and the	

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		3. Hold accountable the persons involved in the procurement of five (5) Destination Map Brochures.					Not Implemented	<p>Department only monitored the flow of procurement and ensured that the goods be delivered within 3-5 months after the approval of the final brochure content and map vetting. Final Artwork approved last 07 November 2018.</p> <p>As per BAC letter dated January 20, 2020 addressed to the OIC-Audit Team Leader. "The BAC issued Resolution No. 2016-087 dated 15 December recommending alternative mode of procurement under Direct Contracting based on the representation made by the end user:</p> <ol style="list-style-type: none"> 1. TPB's Legal Department memorandum to Mr. Artem Maunahan dated 31 May 2016 stating that Direct Contracting may be resorted to due to the proprietary nature of copyrights, 2. MARCOM Department 's memorandum to Mr. Joselito V. Gregorio dated 07 October 2016 wherein it was approved on 10 October 2016. <p>It was only after BAC resolution was approved that another opinion dated 27 February 2017 was issued retracting the initial opinion given</p>	
AO No. 15 Page 34	The Cashier was not sufficiently bonded, contrary to Treasury Circular No. 02-2009; thus, exposes TPB of not being fully indemnified in case of loss of government funds through theft or misappropriation.	We recommended that Management accurately assess the total maximum accountability of the Cashier and ensure that the amount of her bond is enough to cover her actual cash accountability, pursuant to Treasury Circular No. 02-2009.	Increase the coverage bond from 25million to 75 million pesos.	PGSD	June 21, 2019	June 21, 2020	Implemented	We have increased the bond coverage from 25million to 75 million	
AO No. 16 Page 34	The TPB was unable to allocate at least five (5) per cent of its Corporate Operating Budget (COB) for GAD programs.	We recommended that Management:						Included in Projects and Program FY 2020. We are going to train our project	The project officers will undergo a training workshop to be done by

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
	projects and activities (PAPs); the CY 2018 GAD Plan and Budget (GPB) was not endorsed by the PCW; and the GPB was partially implemented as the allocated amounts for GAD PAPs were not fully utilized, all in contrary to the provisions of Republic Act (RA) No. 9710 or the Magna Carta of Women and Philippine Commission on Women-National Economic and Development Authority-Department of Budget and Management (PCW-NEDA-DBM) Joint Circular No. 2012-01.	<p>1. Allocate, through attribution, at least 5% of the total annual COB for the implementation of GAD-related activities as required under Section 36(a) of RA No. 9710 or the Magna Carta of Women and PCW-NEDA-DBM Joint Circular No. 2012-01;</p> <p>2. Ensure that the GPB is duly approved by the TPB GFPS and COO and submitted to the PCW on time in compliance with PCW-NEDA-DBM Joint Circular No. 2012-01;</p> <p>3. Direct the GAD Focal Point System to:</p> <p>a. Plan and require the Heads of implementing department/offices to ensure that GAD PAPs are implemented as planned to attain the GAD objectives; and</p> <p>b. Ensure compliance with the guidelines for the preparation of Annual GPB and AR to implement the Magna Carta of Women; and</p> <p>c. Maximize the utilization of the GAD funds through the implementation of GAD-related programs and projects in order to attain the objective for which funds were provided.</p>	<p>We are going to train our project officers to use the HGDG tool to attribute major projects of TPB.</p> <p>The 2020 GPB was signed and approved by COO and submitted to PCW on 28 July 2019 through GMMS</p> <p>THE GFPS and TWG will have a six year GAD Agenda to be the guidelines for future project and to ensure the implementation even the administration will change.</p> <p>Update the roster of users in the GMMS System to be notify on the preparation of GPB and AR</p> <p>Prepare memorandum for DCOO for Marketing & Promotions to assess major projects using the</p>	<p>GFPS and TWG, PHRDD and Marketing and Promotions Sector</p> <p>GFPS and TWG, PHRDD</p> <p>GFPS and TWG, PHRDD</p> <p>GFPS and TWG, PHRDD and Marketing Officers</p>	<p>2nd Quarter of 2020</p> <p>01 July 2019</p> <p>January 2020</p> <p>1st Quarter 2019</p> <p>July 2019</p>	<p>4th Quarter of 2020</p> <p>28 July 2019</p> <p>December 2025</p> <p>3rd Quarter of 2019</p> <p>December 2019</p>	<p>Not Yet Implemented</p> <p>Implemented Fully Implemented</p> <p>Not Yet Implemented</p> <p>Implemented</p> <p>Not yet Implemented</p>	<p>offices to use the HGDG tool to attribute major projects of TPB.</p> <p>THE GFPS and TWG will have a six year GAD Agenda to be the guidelines for future project and to ensure the implementation even the administration will change.</p> <p>The GFPS and TWG will be reconstituted and orient first before the implementation.</p>	<p>the GAD Expert. The TPB GFPS Secretariat will coordinate to PCW for the update, if any in using the HGDG Tool.</p> <p>The 2020 GPB was signed and approved by COO and submitted to PCW on 28 July 2019 through GMMS. The TPB GFPS will coordinate with the PPCW regarding the formulation of GAD Agenda. The GFPS Secretariat will ask the assistance and consultation to a GAD expert that will help the team to create its GAD Agenda for the next 6 years.</p> <p>Submitted the new users of GMMS to PCW through PCW System Administrator last 31 January 2019.</p> <p>The GFPS, TWG and GAD Secretariat will identify which major projects can be attributed to maximize the GAD Funds.</p>

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
			prescribed tool (HGDC or GMEF) of PCW to maximize attribution of their PAP's to the Allocate in the 5% GAD Fund..						
2017 AAR Audit Observation (AO) No. 1 Page 22	The reliability and accuracy of the reported balance of the account Due from National Government Agencies (NGAs) amounting to P441.243 million could not be ascertained due to: (a) discrepancy of P54.965 million between general and subsidiary ledgers; (b) doubtful balances of P90.855 million based on implementing officers' confirmation; (c) existence of negative balances of P44.715 million; (d) erroneous posting amounting to P5,197 million; and (e) unsubmitted disbursement vouchers totaling P77.959 million, contrary to the provisions of Section 4(6) of PD No. 1445.	We recommended that Management:							
		a. Reconcile the balances of the GL and SL and effect the necessary adjustments;	Reconcile the balances of the GL and SL and effect the necessary adjustments	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	Ongoing reconciliation, however, few entries were already made to adjust the books for the noted errors in recording.	
		b. Coordinate with the Regional and Foreign Offices for the reconciliation and, adjust the books if warranted;	Coordinate with the Regional and Foreign Offices for the reconciliation and, adjust the books if warranted	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	Ongoing coordination with the Regional and Foreign Offices, however, few entries were already made to adjust the books as a result of reconciliation.	
		c. Review/analyze entries made which resulted in the abnormal/negative balances of the account and prepare the necessary adjusting entries;	Review/analyze entries made which resulted in the abnormal/negative balances of the account and prepare the necessary adjusting entries	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	Ongoing reconciliation considering that the abnormal/negative balances were prior period records and Accounting Division is still doing its best effort in culling documents in support of the negative balances	
		d. Prepare the adjusting entry by debiting Advances to	Review the entries made and make the necessary	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	Ongoing reconciliation, however, few entries were already made to adjust	Accounting Division prepared an adjusting entry per JEV#2018-01-027

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		Officers and Employees and crediting Due from NGAs; and e. Submit all disbursement vouchers together with their supporting documents to COA for audit purposes.	adjustment to the books Coordinate with the Project Officers and require the submission of the DV along with the supporting documents and forward to COA for audit	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	the books for the noted errors in recording. Accounting Division has verbally requested for the submission of all the DVs along with the documents during the Mancom meetings. No complete submission as to date.	
AO No. 2 Page 23	The reliability and accuracy of the reported balance of Accounts Payable (AP) of P444.205 million could not be established due to: (a) negative/abnormal balances of P184.675 million; (b) non-submission of supporting documents for contracts amounting to P41.282 million; and (c) erroneous accruals of expenses approximately P23.846 million.	We recommended that Management: a. Identify the causes of the abnormal balance of the account; b. Submit supporting documents of the contracts totaling P41.292 million; and c. Examine the accruals and effect the necessary adjustment.	Resubmit the working paper of the previous Accountant from which the entries which caused the abnormal balances was based. Locate the supporting documents. Examine the accruals and effect the necessary adjustment	Finance Department Finance Department Finance Department	January 1, 2019 January 1, 2019 January 1, 2019	December 31, 2019 December 31, 2019 December 31, 2019	Partially Implemented. Partially Implemented. Fully Implemented.	Pending resubmission of the working paper. A memorandum was issued in fiscal year 2018 to require submission of the supporting documents. Incorrect entries were made by the previous Accountant in the books caused the abnormal negative balances. Upon examination of the working paper by the previous Accountant, it was found out that AP was debited twice due to incorrect adjusting entries. JEV#2018-12-619 was prepared and recorded to reverse the double entry previously made in the books. In the previous year, APs were recorded based on signed Budget Utilization Status (BUS). Since signed BUS are not necessary supported with documents such as invoices, delivery receipts, etc. necessary for accruing expenses, AP was overstated in 2017. JEV	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
								#2018-12-622 was prepared and recorded to reverse the APs without valid supporting documents.	
AO No. 3 Page 24	The total accumulated amount of P325.190 million representing the 70 per cent share of TPB from the 50 per cent net income of the Duty Free Philippines Corporation (DFPC) for CYs 2011-2016 was not received by TPB from the Department of Tourism (DOT) as required in Section 51(b) of the Implementing Rules and Regulations (IRR) of RA No. 9593. TPB failed to record as receivables from NGA and corresponding retained earnings the unremitted amount of P325.190 million.	We recommended that Management: a. Request the DOT to remit the total amount of P325.190 million representing the under remittance of the 70 percent share of TPB from the 50 percent share of the DOT on the net revenues of DFPC; and b. Request the DFPC to comply with Section 51 (b) of the IRR RA No. 9593 that the 70 percent share be directly remitted to TPB to avoid under remittance of its share.	The TPB-Finance Department shall set-up a meeting with the representatives of the DOT-Financial Management Service to discuss in-depth the said under-remittances vis-à-vis findings of over-remittance by the DOT caused by the DFPC's adjustment in their financial statement.	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	Pending further reconciliation with DOT and DOT's Resident COA.	A meeting between TPB-Finance & DOT was set up to discuss about the over-remittances and the eventual settlement thereof. According to DOT, there were project expenses which were paid by DOT on TPB's behalf, charged to TPB's share from DFPC's earnings. When asked about the Memoranda of Agreement to support such action taken by DOT, DOT said they already submitted all the MOA to their Resident COA. On that note, it should be COA to COA communication to request for copies of MOA.
AO No. 4 Page 25	Travel Expense – Foreign year end account balance of P0.618 million was understated by P26.622 million due to erroneous recording of travel expenses incurred for foreign travels and DSA granted and incurred in prior years but liquidated in CY 2017 amounting to P24.676 million and P1.946 million, respectively, under Advertising, Promotional and Marketing Expenses account.	We recommended that Management require the Accounting Department to observe proper charging of expenses such as the cost of foreign travels should be recorded as Travel Expenses-Foreign instead of Advertising, Promotional and Marketing Expenses and prior years' expenses should be recorded as an adjustment to Retained Earnings.	Accounting Department to observe proper charging of expenses such as the cost of foreign travels should be recorded as Travel Expenses-Foreign instead of Advertising, Promotional and Marketing Expenses and prior years' expenses should be recorded as an adjustment to Retained Earnings.	Finance Department	January 1, 2019	December 31, 2019	Fully Implemented.		Starting fiscal year 2018, Accounting Division has properly charged traveling expenses and prior years' expenses to its respective correct accounts.

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
AO No. 5 Page 25	TPB recognized in CY 2017 income of P18.373 million and expenses of P20.598 million earned and incurred, respectively, in CY 2016, resulting in the overstatement of income and expenses by the said amounts.	We recommended that Management require the Accounting Department to observe the accrual basis of accounting, thus recording the income in the period when it was actually earned and recognizing expenses in the period when these were incurred.	Accounting Department to observe the accrual basis of accounting, thus recording the income in the period when it was actually earned and recognizing expenses in the period when these were incurred	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	Despite issuance of memorandum and verbal communications to/different departments to submit the documents necessary for the accrual of expenses, Accounting Division has not received all the documents for accrual.	
AO No. 6 Page 26	The accuracy and validity of the Advances to Officers and Employees account of P4.725 million was doubtful due to: (a) variances of P308,468 between the general ledger (GL) and subsidiary ledgers (SL); b) understatement of Advances to Officers and Employees amounting to P5.198 million due to erroneous posting of transactions; (c) incorrect balances of P361,464 based on the confirmation of outstanding balance with various accountable officers.	We recommended that Management require concerned personnel to: a. Conduct reconciliation of the reported balances in the financial statements, and subsidiary ledgers; b. Prepare adjusting entry for erroneous posting by debiting Advances to officers and Employees and crediting Due to NGAs; and c. Ensure that the grants and liquidations of cash advances are properly accounted and duly recorded in the books.	Conduct reconciliation of the reported balances in the financial statements, and subsidiary ledgers. Verify the noted errors and prepare the necessary adjusting entries (if applicable). Ensure that the grants and liquidations of cash advances are properly accounted and duly recorded in the books.	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	Ongoing reconciliation of GL and SL. Few adjusting entries were made in FY 2018 for noted errors.	
AO No. 7 Page 27	Investment and Other Assets-Restricted Fund accounts were understated by P303,076 and P198,614, respectively, when compared to the bank confirmation as of December 31, 2017; unadjusted stale checks	We recommended that Management require the Accounting Division to: a. Prepare the necessary reconciliation between the book and bank balances and effect the	Prepare the necessary reconciliation	Finance Department	January 1, 2019	December 31, 2019	Partially Implemented.	TPB AD is submitting a monthly Report on Bank Reconciliation. One of the basis of which is the Bank	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
	amounting to P437,000 also understated Cash in Bank account.	necessary adjustment where appropriate; and	between the book and bank balances and effect the necessary adjustment where appropriate					Statement issued by TPB's depository bank. Bank Reconciliation Report are prepared on a monthly basis to make sure that we reconcile our cash book records with the bank records. On that onset, any discrepancy which may be attributable to outstanding checks, deposit in transit or errors in recording may have already been accounted by the AD.	
AO No. 9 Page 28	Understatement of other Supplies and Materials Inventory (Promotional Materials and Giveaways Promo items) amounting to P1.735 million due to non-inclusion of Draw String Pouch worth P1.135 million procured in December 2017 and the P0.600 million difference between the result of the physical inventory count and balance per stock card.	We recommended that Management require the PGSD to: a. Adjust/add back issuances from the date of actual count up to the year end to present the actual inventory as of December 31; and b. Reconcile and account for the discrepancies of the ending balance of promotional materials per stock card and per annual inventory report at the end of the year.	PGSD will add back issuances from the date of actual count up to year end to reflect the actual inventory as of December 31, 2019. PGSD will reconcile and count for the discrepancies of the ending balance of promotional materials per stock card and per annual inventory report at the end of the year.	PGSD/ Supply Officer	January 1, 2019	December 31, 2019	Not Implemented. Updated and Reiterated in Part II - Observation No. 8. Not Implemented.	Ongoing. Previous person assigned was not able to reconcile the account due to work load. Ongoing. Previous person assigned was not able to reconcile the account due to work load.	
AO No. 12 Page 31	Foreign travels undertaken by the Chief Operating Officer (COO) and OIC, Deputy for International promotions for CY 2017 were more than 12 times, incurring travel expenses totaling P2.276 million and P1.957 million, respectively. Multiple foreign travels of the Private Secretary	We recommended that Management: a. Set limits on the travels of officers abroad and revisit TPB's policies and operating manual on strategies for Marketing and promotions abroad so as to develop an effective and	Formulate policy/guidelines on local and foreign travels.	COO / DCOO Marketing and Promo	January 2019	December 2019	Partially Implemented.	The DCOO Marketing and Promotions took the initiative in reminding the Management Committee to review the annual travel included in the annual plan and work programs and to just limit it to	The OCOO will formulate and Issue policy/ guidelines on local and foreign travels to ensure compliance with Executive Order No. 77 governing the official local

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
	(PS) and the Executive Assistant (EA) in accompanying the COO costing P2.995 million were deemed excessive and impaired TPB's compliance with Section 50 of RA No. 9593. Moreover, Business class air tickets amounting to P0.594 million were purchased for two (2) foreign travels of the COO, contrary to Section 10 of EO No. 248 as amended by Section 7 of EO No 298 dated March 23, 2004.	economical annual plan with proper costing of foreign and local travels; and						personnel and officers that are needed in the project implementation. Abrupt change of Personnel and Management.	and foreign travel of government personnel
AO No. 13 Page 32	Various expenses totaling P27.928 million incurred for the projects executed in CY 2017 were charged to CY 2016 Budget (savings) contrary to Sections 7.1 and 7.2 of RA No. 9184. These were not included in the 2017 Annual Procurement Plan (APP) and Project Procurement Management Plan (PPMP).	We recommended that Management strictly comply with Sections 7.1 and 7.2 of RA No. 9184. Henceforth, expenditures not covered by an approved appropriation should be subjected to inclusion in the supplemental budget.	To comply with COA recommendations.	BUDGET	January 2019	December 2019	Partially Implemented. Updated and Reiterated in Part II - Observation No. 9.	Advice verbally the concerned department to revised their respective PPMP before realigning savings.	The Budget Division ensures compliance with Section 7.1 and 7.2 of RA 9184 in processing obligations of expenses and sees to it expenditures not covered by and approved appropriations should be subjected to inclusion in the supplemental budget.
AO No. 18 Page 35	TPB did not timely post invitation or request for submission of price quotations/proposals from the entertainers/band/performers for the 2nd Phase of Intramuros Revival Project and consulting services as required under Sections 54.2 and 54.3 of RA No. 9184, Procurement Act, thus, transparency and equal opportunity to parties who are eligible and qualified to participate were not attained.	We recommended that Management strictly comply with the provisions of RA No. 9184 on the posting of information required under Sections 54.2 and 54.3 of RA No. 9184, Procurement Act, and always practice transparency in procuring the needs of the agency.	This project did not pass through BAC, but moving forward BAC and PGSD will ensure compliance.	BAC, Procurement Officers	January 1, 2019	December 31, 2019	Partially Implemented	Ongoing implementation due the intricacies of the procurement process and lack of personnel.	
AO No. 19 Page 36	The COO did not approve the Bids and Awards Committee (BAC) Resolution No. 2017-044 recommending to award the contract for procurement of services to the highest rated and responsive bidder without stating the reasons. Instead he entered	We recommended that Management strictly adhere with the provisions of RA No. 9184 to avoid Offenses and Penalties stated in Section 65 of RA No. 9184 and ensure suppliers, distributors, contractors, and/or consultants are PhilGEPS	BAC did not recommend award approval for this project, but moving forward BAC and PGSD will ensure proper documentation and	BAC, Procurement Officers/ OCOO	October 30, 2018	October 30, 2018	Implemented.		

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN	
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM				TO
	into a negotiated contract with the losing bidder as representative of the entertainers for the Second Phase of the Intramuros Revival Project contrary to Section 41 of RA No. 9184. Moreover, the entertainers hired by TPB were not in PhilGEPS registered, contrary to Section 8.5.1 and Section IV (G) Annex H of RA No. 9184	registrants in compliance with RA 9184.	compliance of procurement activities through issuance of a memorandum.						
AO No. 20 Page 38	The agreement for the consideration of P11,200 million was entered into by and between TPB and entity even without the approval of the Board of Directors (BOD). Likewise, the validity and regularity of the expenses incurred could not be determined due to the non-submission of liquidation report by the company.	We recommended that Management: a. Strictly comply with TPB BR No. 33, series of 2013 requiring the signature of the Chair of the Board for the approval of the contract, DVs and checks for transaction with budgets/work plans that have not been approved by the Board; and b. Require project proponents to submit liquidation reports supported with the original documents such as Official Receipts (ORs), Sale Invoices (SI) and other documents to prove the validity and regularity of the utilization of the fund granted.	Secure timely approval of COB Issue letter requiring the proponents to submit required documents	MARCOM	January 2019	December 2019	Not Implemented. Not Implemented.	Henceforth, the TPB management will ensure that all agreement entered into should comply with the TPB internal policies, particularly TPB BR No. 33 and the "Revised Consolidated Signing Authority under Board Resolution No. 200 dated March 22, 2019. Due to the sudden Change of Management and its corresponding directions.	The Management Committee will ensure compliance with the Revised Consolidated Signing Authority under BR No. 200. To be implemented first quarter of 2020
AO No. 21 Page 39	Overstocking of promotional materials amounting to more than P2.95 million from four months to more than two years was contrary to the provisions of the General Appropriations Act requiring that procurement shall not exceed the Agency's two months requirement.	We recommended that Management: a. Comply with the GAA provision and limit the procurement for only two (2) months requirements of the Agency to avoid overstocking that may result in losses to TPB due to damages thereto as well as obsolescence; and	Comply with the GAA provision and limit the procurement for only two (2) months requirements of the Agency to avoid overstocking that may result in losses to TPB due to	MARCOM / PGSD	3 rd quarter 2018	4 th quarter 2018	Not Implemented.	There was no policy/guidelines created to support the action plan.	Issue a new policies/guidelines that will govern the disposition of promotions materials, ex First In First Out Method and Buffering of Stocks at a minimum level.

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
		b. Issue the available promo materials before authorizing the procurement of additional promo materials.	damages thereto as well as as obsolescence. Issue the available promo materials before authorizing the procurement of additional promo materials.					Not Implemented	There was no policy/guidelines created to support the action pla Issue a new policies/guidelines that will govern the disposition of promotions materials, ex First In First Out Method and Buffering of Stocks at a minimum level.
AO No. 22 Page 40	Existence of long outstanding balances and overdue unreconciled items relative to the funds transferred to Implementing Agencies (IAs) as of December 31, 2017, were contrary to the provisions of Sections 4.6, 4.9, 6.4 and 6.5 of COA Circular No. 94-013 (Rules and Regulations in the Grant, Utilization and Liquidation of Funds Transferred to Implementing Agencies).	We recommended that Management: a. Ensure that Sections 4.6, 4.9 and 6.5 of COA Circular No. 94-013 are strictly complied with by both the TPB and the Implementing Agencies of its projects/programs; b. Demand from the concerned DOT and PDOT Officers to submit certified Report of Fund Transfers and Report of Disbursements with schedule of expenses for the period covered to facilitate the reconciliation and liquidation; and c. Issue demand letters to IAs with unutilized balances of funds transferred and require the return to TPB of excess funds for the completed projects.	Ensure that Sections 4.6, 4.9 and 6.5 of COA Circular No. 94-013 are strictly complied with by both the TPB and the Implementing Agencies of its projects/programs. Demand from the concerned DOT and PDOT Officers to submit certified Report of Fund Transfers and Report of Disbursements with schedule of expenses for the period covered to facilitate the reconciliation and liquidation. Issue demand letters to IAs with unutilized balances of funds transferred and require the return to TPB of	OCOO/ ODCOO CA/ Finance/ Legal OCOO/ ODCOO CA/ Finance OCOO/ ODCOO CA/ Finance/	January 1, 2019 January 1, 2019 January 1, 2019	December 31, 2019 December 31, 2019 December 31, 2019	Fully Implemented. Fully Implemented. Fully Implemented.		Constant coordination, regular issuance of memoranda and delivery of talk, attendance to forums with Implementing Agencies to reiterate compliance with COA Circular No. 94-013. In addition, request for fund transfers are not processed until the previous fund transfers were liquidated. Report of Fund Transfers and Report of Disbursements with schedule of expenses for the period covered are submitted by PDOT Officers. Memoranda are issued to the DOT Head Office being the Implementing Agency to inform the Head Office of the unliquidated balances of foreign

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
			excess funds for the completed projects					offices and subsequently demand for the liquidation of the same.	
AO No. 23 Page 41	TPB did not revert undocumented dormant accounts payable (AP) amounting to P103.812 million to Retained Earnings (RE) in consonance with Executive Order No. 108 dated June 10, 1999 and DBM – COA Joint Circular No. 99-6 dated November 13, 1999, thus, overstating AP and understating RE by the said amount.	We recommended that Management: a. Verify the supporting documents of the recorded payables and determine the nature of the accounts; and b. If there is no valid claim, reverse the accounts payable outstanding for two years or more to the CROU as prescribed under Executive Order No. 108 dated June 10, 1999 and implemented by DBM-COA Joint Circular No. 99-6 dated November 13, 1999;	Verify the supporting documents of the recorded payables and determine the nature of the accounts. In the absence of a valid claim, reverse AP.	Finance	January 1, 2019	December 31, 2019	Partially Implemented.	Finance will issue a blank confirmation letter to different suppliers to verify their claims for year 2017 and 2018.	
AO No. 25 Page 43	TPB has no set of guidelines in granting financial assistance/sponsorship (FA/S) for projects/events to proponents/organizers. The basis for granting was the expected media value/mileage obtained by TPB; thus, financial assistance were granted to: (a) proponents with no evaluations as to their capacity to finance the event/project; (b) proponents whose capacity to finance the event/project were rated low; and (c) proponents with equity participation of less than the required 20 per cent of the project cost. Further, Return of investment (ROI) and submission of liquidation and terminal project reports by the proponents were not among the considerations for	We recommended that Management formulate and establish the guidelines for granting financial assistance to event organizers / proponents and that the evaluation of the proposal include the following: We recommended that Management formulate and establish the guidelines for granting financial assistance to event organizers / proponents and that the evaluation of the proposal include the following: a. Defined criteria for evaluation of proposals which should be aligned to TPB's mandate, programs and activities and determination of the reasonable amount to be granted;	The TPB Marketing Sector will establish their respective guidelines that will govern the grant of financial assistance/ sponsorships	Legal/ Marketing Sectors	January 2019	December 2019	Partially Implemented.	Due to the sudden Change of Management and its corresponding directions.	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

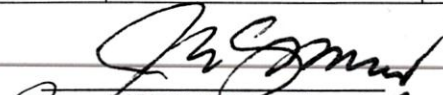
REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
	the approval of the grant/financial assistance.	<p>b. Evaluation of the capability of the project proponents to undertake the project;</p> <p>c. Projected Return of Investment (ROI) which should not only be defined by ROI in terms of the mandate of TPB in the promotion of tourism in the country but also equitable recovery of the monetary investment of government; and</p> <p>d. Guidelines on the submission of liquidation and terminal project reports.</p>							
AO No. 26 Page 47	Share of TPB from the ASEAN Tourism Forum (ATF) 2016 event was based only on the unaudited Profit and Loss Statement that was verified by the TTG Asia Media Pte Ltd. (TTG) Finance Manager and approved by the Managing Director; thus, the accuracy and correctness of TPB's share amounting to P20.614 million was uncertain. Moreover, TPB's share amounting to P18.373 million was remitted only last January 2017 and the balance of P2.241 million was not yet remitted as of year-end contrary to the provisions of the agreement.	<p>We recommended that Management:</p> <p>a. Request the COA to include in the audit coverage of teams assigned to audit Foreign Based Government Agencies (FBGAs) the income and expenses for the ATF 2016 handled by TTG in Singapore to validate the correctness and accuracy of the share of TPB; and</p> <p>b. Request/Bill the TTG to remit the balance of P2.241 million.</p>	<p>Send letter request to COA to include the ATF 2016 in the coverage of FBGAS audit.</p> <p>Request/Bill the TTG to remit the balance of P2.241 million.</p>	OCOO/ ODCOO CA/ Finance Department	January 1, 2019	December 31, 2019	Not Implemented.	TPB has not yet sent a letter request to COA to request for FBGAS audit inclusion of ATF 2016.	Send letter request to COA to include the ATF 2016 in the coverage of FBGAS audit.
				OCOO/ ODCOO CA/ Finance Department	January 1, 2019	December 31, 2019	Not Implemented.	TPB has not yet sent a billing statement addressed to TTG in relation to the balance accruing to TPB in the amount of P2.241 million.	Request/Bill the TTG to remit the balance of P2.241 million.
AO No. 27 Page 49	TPB has no written guidelines or policy on the selection process of personnel to handle foreign based tasks/duties, hence, exposed TPB to the risk of incurrence of unnecessary travel expenses, preferential biases and conflict of interest such that non-marketing and promotions personnel were	<p>We recommended that TPB Management formulate guidelines and policies on the:</p> <p>a. Basis of selection/inclusion of non-marketing employees in the foreign marketing functions;</p>	To formulate and issue policy/guidelines on the selection process of personnel to handle	Admin	July 2018	December 2018	Partially Implemented.	Due to the sudden Change of Management and its corresponding directions.	

TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
	deployed to undertake marketing assignments abroad.	<p>b. Selection of officers and employees to undertake foreign marketing and promotions, tasks to be assigned and reporting requirements considering the internal controls and cost effectiveness; and</p> <p>c. Submission of individual narrative report for monitoring of performances.</p>	foreign based task/duties in accordance with CSC rules and regulations, and other regulatory issuances.				<p>Partially Implemented.</p> <p>Fully Implemented.</p>	<p>Due to the sudden Change of Management and its corresponding directions.</p> <p>Individual narrative /terminal reports were attached to their respective liquidation voucher in liquidating their Daily Subsistence Allowance (DSA).</p>	
AO No. 28 Page 50	Travel expenses totaling P66,620 representing airfare and insurance of officers who were not able to travel abroad were not refunded.	We recommended that Management require the said officers to refund the payment for the airfare amounting to P66,620	To issue show cause order to the concerned personnel	Administrative Department			Not Implemented.	No previous instruction was received by the department to take the lead.	Since final accountability is under the purview of the Finance Department, remind the said department to issue letter requiring payment from the concerned employee/personnel.
AO No. 30 Page 51	<p>The regularity and validity of payments made to Dentsu Philippines, Inc. (DPI) in relation to its advertising services contract amounting to P873.269 million could not be ascertained due to the following:</p> <p>a. Disbursement vouchers were not supported with complete documentation as required under the Section II, Item No. 3 of the contract;</p> <p>b. Billing invoices from foreign suppliers or media presenters were not attached;</p> <p>c. TPB approved and implemented media plans and utilized the unexpended amount of P13.221 million despite the lapse of the contract period;</p>	<p>We recommended that Management:</p> <p>a. Submit valid and complete proof of advertisements as specified in Section II, Item No. 3 of the original contract to support disbursements made to DPI amounting to P873.269 million;</p> <p>b. Require DPI to submit foreign suppliers monthly implementation and status report of foreign suppliers / media presenters as well as their billing invoices to support actual cost of media plan billed to TPB;</p> <p>c. Secure approval from DOT/ DBM Secretary for the use of the CY 2015 budget for media plans executed/ spent in CY 2016;</p> <p>d. Comply strictly with the provisions of Annex D, Sections</p>	<p>TPB MARCOM requested DPI to submit needed documents as per recommendation of COA</p> <p>The submitted documents are being studied and aligned per item in the table/grid provided for by COA</p>	TPB MARCOM	January 03, 2020	January 24, 2020	<p>Partially Implemented</p> <p>Partially Implemented</p> <p>Partially Implemented</p> <p>Partially Implemented</p>	<p>Only one person is counter-checking the submitted documents with the table/grid provided by COA</p> <p>Only one person is counter-checking the submitted documents with the table/grid provided by COA</p> <p>Only one person is counter-checking the submitted documents with the table/grid provided by COA</p>	<p>Submit reply of TPB to AO No. 30 Page 51 to COA on or before 28 January 2020.</p> <p>Submit reply of TPB to AO No. 30 Page 51 to COA on or before 28 January 2020.</p> <p>Submit reply of TPB to AO No. 30 Page 51 to COA on or before 28 January 2020.</p>
							Partially Implemented		

**TOURISM PROMOTIONS BOARD
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
AS OF DECEMBER 12, 2019**

REFERENCE	OBSERVATIONS	RECOMMENDATIONS	AGENCY ACTION PLAN				STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NON-IMPLEMENTATION, IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
			ACTION PLAN	PERSON/ DEPT RESPONSIBLE	TARGET IMPLEMENTATION				
					FROM	TO			
	<p>d. The 20 per cent initial payments amounting to P49.213 million was not deducted from the progress billings, thus resulting in overpayment of media placements of the same amount;</p> <p>e. DPI billed TPB for television placements spots aired in Eurosport Channels from June-November 2014 at a fixed rated of P2.771 million per month instead of actual billing of the advertiser based on the actual spots aired; and</p> <p>f. A difference of P3.670 million was noted in the amount of advertisements posted on May 5, 2016 and March 3, 2016 under DPI billing Nos. 512 and 305 amounting to P4.069 million and P0.998 million, respectively, even though the same advertisement, same magazine, same month of issue with the same advertiser.</p>	<p>4.1 and 4.2 of the Implementing Rules and Regulations of RA No. 9184 and collect the remaining balance of initial payments of P49.213 million from DPI;</p> <p>e. Require DPI to furnish TPB the actual billing of the advertiser to determine the actual payments made by DPI to EAPL, to find out any excess payments which requires to be refunded by DPI; and</p> <p>f. Require DPI to submit the advertiser's billing and justification on the discrepancy of P3.670 million for the same advertisement, same magazine, same month of issue and with the same advertiser.</p>					Partially Implemented		
							Partially Implemented		
AO No. 31 Page 55	The 2017 TPB's GAD Plan and Budget was submitted to PCW thru electronic mail; however, it was not received by the latter, thus there was no endorsement to DBM. Only P121,548 was spent for GAD activities as TPB failed to mainstream the GAD plans and programs in their regular activities, contrary to RA No. 9710 and paragraphs 8.2 and 6.1 of PCW-NEDA-DBM Joint Circular No. 2012-01.	We recommended that Management strictly comply with the provisions of PCW, NEDA and DBM Joint Circular No. 2012-01.	The TPB will engage in different activities and trainings that will help its GFPS and TWG understand the procedure of attribution.	GFPS, TWG, GAD Secretariat and PHRDD	2nd Quarter 2018	3rd Quarter 2019	Implemented.		The TPB acquired the services of a GAD Consultant which is a member of PCW Gender Resource Pool that helped the GFPS, TWG and GAD Secretariat understand the application of GMEF and HGDG Tool in TPB and its PAPs. The result of the assessment was reflected in 2018 GAD Accomplishment Report and 2020 GPB.


MARIE VENUS Q. TAN
 CHIEF OPERATING OFFICER
 TOURISM PROMOTIONS BOARD

