



Republic of the Philippines
Tourism Infrastructure & Enterprise Zone Authority

MEMORANDUM

For : **Atty. MA. TERESA ALVAREZ**
Manager, Operations Department

From : **Manager, Financial Services Department**

Subject : **Updates on Agency Action Plan and Status of Implementation (AAPSI) Audit
Observations and Recommendations for the CY 2019**

Date : May 3, 2021

As requested by the Commission on Audit (COA), relative to the above-mentioned subject, please find the attached copy of AAPSI as of **April 30, 2021**.

Kindly furnish this office the updates/status of your implementation as soon as possible, for our consolidation and submission to COA.

Thank you for your cooperation and immediate action.


RODOLFO E. ANCHETA

Noted by:


ATTY. JOY M. BULAUTAN
OIC, ACOO for Administration and Finance Sector



TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY
6th and 7th Floors, Double Dragon Plaza, DD Meridian Park
Passey City

**AGENCY ACTION PLAN and
STATUS of IMPLEMENTATION
Audit Observations and Recommendations
For the Calendar Year 2019
As of April 30, 2021**

Ref.	Audit Observations	Audit 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 Date				
From	To								
AAR Part II									
AAR 2018									
No. 5, page 83	Receivables of Club Intanurug Golf Course (CIGC) aggregating P8,720 million have been dormant for more than two years.	a. Establish a sound internal policy guidelines for accounts receivable management that will facilitate collection. b. Observe guidelines set under COA Circular Nos. 97-031 and 2016-005 for the following: b.1 Perform a detailed review of past due accounts; b.2 Resolve items with dispute; b.3 Provide an adequate allowance for doubtful accounts; and b.4 Apply for write-off of dormant accounts c. Coordinate with TIEZA's Office of the Corporate Legal Counsel for the execution of the court's decision for the possible recovery of the amount due from KCS. Consider the provision of the above-mentioned Circular on write-off of receivables in case of remote probability of collection.	Prepare guidelines for doubtful accounts management. Set the allowance for doubtful account in accordance with TIEZA policy guidelines	OPENED/CIGC		December 31, 2020	on-going		Draft the guidelines for the accounts receivable management
				LEGD/OPENED/CIGC			done		Reiterate the request from Legal
No. 22, page 101	The grant of discounts to golf players was without legal basis.	Submit the legal basis of granting discounts and FOC to golf players or stop the irregular practice.	Prepare guidelines on grant of discounts	OPENED/CIGC		December 31, 2020	on-going	Change in Resident Manager of CIGC	
AAR 2017									
No. 28, pg. 120	Properties of TIEZA Entities remain unused: a. BHYH Employees' Quarters costing P3,957 million remain unused for more than four years since its construction.	a. Prioritize the follow-up of the case and of assistance from the Legal Department of TIEZA Head Office in the civil case filed against the claimant of the BHYH land. b. Propose plans for the immediate use of the BHYH Employees' Quarters as intended in order to prevent further deterioration.	Recommend its use as drivers quarters	LEGD/OPENED/BHYH			It is now being use as quarters for guest drivers		The construction has been completed and the cottages are now being used.
	b. The construction of eight cottages in CY 2015 amounting to P27,020 million remains incomplete and not operational despite the lapse of the projects' contract period.	d. Request the HO for copies of MOA/Contract to be used as GMEV's reference in their monitoring.		OPENED/GMEV					

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No. 27, pg. 122	A discrepancy of P4,509 million was noted between the recorded Accounts Receivable of BHHY and the balances confirmed by various government agencies.	Require the Accountant to exert effort to verify with their clients and enforce collection of the amount as reconciled.	Reconciliation of accounts receivable	OPED/BHHY		From	To	December 31, 2020	on-going	
2019										
No. 15, pg. 56	Inadequacies and deficiencies in the accounting and management of PPEs of Baranua Hotel and Youth Hostel (BHHY) with a net book value of P128,811 million	a. Require the Property Officer to locate the unserviceable property amounting to P75,948. b. Appraise the unserviceable equipment transferred from Hise and render report thereon for immediate disposal to prevent further deterioration.	Reconcile the PPE account	OPED/BHHY				December 31, 2020	on-going	
No. 19, pg. 58	Discrepancies noted in the transfer of equipment and inventories to BHHY from Hilaqa (Parkview).	Appraise the unserviceable equipment transferred from Hilaqa and render report thereon for immediate disposal to prevent further deterioration.	Conduct an inventory and request for appraisal of the unserviceable equipments from:	AMG/STOPED				1st quarter of 2021		Appraisal and Disposal

Mr. MARK T. LAPID, COO
Name and Position of Agency Officer

Date

Year/Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially Implemented, or (e) Delayed