



Republic of the Philippines
Tourism Infrastructure & Enterprise Zone Authority

MEMORANDUM

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

From : **Manager, Financial Services Department**

Subject : **Agency Action Plan and Status of Implementation (AAPSI) Audit
Observations and Recommendations for the CY 2020.**

Date : July 27, 2021

Relative to the above-mentioned subject, please find the attached copy of AAPSI from the Commission on Audit (COA) as of July 15, 2021.

Kindly furnish this office the status of your implementation on or before **September 2, 2021**, for our consolidation and submission to COA.

Your immediate response on the matter will be greatly appreciated.

Thank you.

RODOLFO M. 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
Pasay City

AGENCY ACTION PLAN and
STATUS of IMPLEMENTATION
Audit Observations and Recommendations
For the Calendar Year 2020
As of July 15, 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 No. 1, pg. 79	The accuracy and existence of the recorded Property and Equipment (PE) including Investment Property and Service Concession Assets accounts at a total carrying amount (CA) of P6.5 billion could not be ascertained due to partial physical inventory conducted and partial reconciliation of physical inventory results with the accounting records in violation of Section V.4 of COA Circular No. 80-124, thus casting doubt on the fair presentation of the accounts in the Authority's financial statements as required under International Public Sector Accounting Standards (IPSAS) No. 1.	a. Conduct complete physical inventory procedure that would serve the same purpose and refrain from partial inventory taking. b. Adhere to the provision of COA Circular No. 80-124 on the reconciliation of inventory report with the accounting records; and c. Adjust the books of accounts after the reconciliation of asset account balances between the GSD and Financial Services Department (FSD) to reflect the accurate balances of the PE account in the financial statements.	ADSD/AMGT/FSD/ OPED							
No. 10, pg. 100	The accuracy and existence of Club Intramuros Golf Course (CIGC) Inventories amounting to P1,425 million could not be ascertained due to irregular practices such as issuance of stocks without supporting documents, incomplete maintenance of stock cards, non-conduct of complete physical inventory, and consequently non-reconciliation of inventory count with accounting and property records.	a. Document issuances of stocks and all adjustments with the required RIS and other supporting documents; b. Prepare the Monthly Report of Issuance of Supplies; c. Maintain complete stock cards for all inventories; d. Conduct annual physical count of all inventories and prepare and submit a Report on the Physical Count of Inventories (RCPI); e. Reconcile the inventory report with the accounting and property records; and f. Require the accounting of inventories by implementing recommendations (a) to (e) and/or through other actions deemed necessary by Management. Determine the accountability of accountable officers if proven negligent in the performance of duties. Sanctions may be imposed in accordance with law.	OPED/AMGT							
No. 11, pg. 102	Procurement of inventories, supplies, and other regular maintenance and operating expenses were paid on reimbursement basis and/or issuance of Reimbursement Expense Receipts (RER) utilizing	a. Prepare the APP and procure goods/services in accordance with the RIRR of RA No. 9184; and	OPED/AMGT							

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No. 22, pg. 101	The grant of discounts to golf players was without legal basis.	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.							
		Submit the legal basis of granting discounts and FOC to golf players or stop the irregular practice.		OPED					
AAR 2017									
No. 26, pg. 120	Properties of TIEZA Entities remain unutilized: a. BHYH Employees' Quarters costing P8.99 million remain unutilized for more than four years since its construction; 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.	a. Prioritize the follow-up of the case and of assistance from the LD of TIEZA Head Office (HO) 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.		OPED/AMGT					
AAR 2015									
No. 15, pg. 56	Inadequacies and deficiencies in the accounting and management of PPEs of Banaua Hotel and Youth Hostel (BHYH) with a net book value of P126.811 million	b. Require the Property Officer to locate the documents pertaining to the remaining unseizable property amounting to P75.948.		OPED/AMGT					

Agency sign-off: