

**ADMINISTRATION AND FINANCE SECTOR  
ACTION SLIP**

Date: 03 May 2021

From: **Atty. Joy Bulautan**

TO: \_\_\_\_\_

Remarks:

Atty. Nino,

Can we work on these items. As to unliquidated fund transfers, you may refer to TUSA recommendation (possible actions) during CFA exit conference where we said that we will revise our TOF MOA such that there will be pre-liquidation subj to confirmation. thanks



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
**Office of the Supervising Auditor**  
Tourism Infrastructure and Enterprise Zone Authority  
6<sup>th</sup> Floor, Tower 1 Double Dragon Plaza, DD Meridian Park  
Diosdado Macapagal Avenue corner EDSA Extension, Bay Area, Pasay City, 1302



AQM No. : TIEZA 2021-01 (20)  
Date : April 28, 2021

**AUDIT QUERY MEMORANDUM (AQM)**

**For : Mr. MARK T. LAPID**  
Chief Operating Officer  
Tourism Infrastructure and Enterprise Zone Authority

**Attention : Atty. JOY M. BULAITAN**  
OIC, Assistant Chief Operating Officer  
Administration and Finance Sector

**Mr. NESTOR M. DOMALANTA**  
Assistant Chief Operating Officer  
Architectural and Engineering Services Sector

**Atty. NIÑO RUPERTO F. AQUINO**  
OIC, Department Manager  
Legal Department

**Subject : Updates on the actions taken by the Management on the audit recommendations regarding fund transfers to various LGUs and NGAs**

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This is to request for an update as above-stated.

Audit observations regarding fund transfers to LGUs and NGAs have been recurring for years because the problem has not been fully addressed to date. While Management expressed its intention to carry out its best efforts and resources on the matter, the audit observations still remain.

If the recommendations are not doable, please state the reasons why and give alternative measures on how to resolve the matter at hand. Restated herein is the prior years' audit observation and recommendations for your perusal.

**Unreconciled discrepancies aggregating P77.586 million between the confirmed and book balances of Due from Local Government Units (LGUs) and Due from National Government Agencies (NGAs) cast doubt on the fair presentation of these accounts in the Authority's financial statements as required under IPSAS No. 1.**

**We reiterated our prior years' recommendations that Management:**

- a. **Require the CMD to consistently coordinate and follow-up with the LGUs and NGAs who replied to the confirmation letters to submit the necessary liquidation reports;**
- b. **Require the FSD to reconcile the accounts with LGUs and NGAs and adjust the books of accounts, where necessary, to arrive at the correct balances of Due from LGUs/NGAs and Subsidy to LGUs/NGAs in the financial statements; and**

- c. **Require the Legal Department to act timely on the issuance of demand letter to the concerned LGUs and NGAs referred by the FSD or file legal action, if necessary.**

May we have your comments on the foregoing audit query within five (5) calendar days from receipt hereof.

  
**KARLO JOSEPH C. PASION**  
Audit Team Leader

  
**LOURDES D. BENITEZ**  
Supervising Auditor

**Proof of Receipt of AQM:**

**Mr. MARK T. LAPID**  
Chief Operating Officer- TIEZA  
Date: \_\_\_\_\_

**Atty. JOY M. BULAUTAN**  
OIC, ACOO – Administration and Finance Sector  
Date: \_\_\_\_\_

**Mr. NESTOR M. DOMALANTA**  
ACOO - Architectural and Engineering Services Sector  
Date: \_\_\_\_\_

**Atty. NIÑO RUPERTO F. AQUINO**  
OIC, Manager - Legal Department  
Date: \_\_\_\_\_

CC: **Mr. RODOLFO E. ANCHETA**  
Manager, Financial Services Department  
Date: \_\_\_\_\_

