

NAME OF AGENCY: CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS

Golden Shell Pavilion, Roxas Blvd. cor. Sen Gil Puyat Ave., Pasay City

AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION

For Calendar Year 2017

As of 31 May 2018

RECEIVED  
JUL 20 2018  
BY: *[Signature]*

Reference	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implem-entatio-n	Reason for Partial/Delay /Non-implementation, if applicable	Action Taken / Action to be taken
			Action Plan / Mangement Comments	Person/ Dep't. Responsible	Target				
					From	To			
AOM No. 2017-01-(17) dated 02 October 2017	1. Management did not furnish COA with documents required under COA Circ 81-115 at least 20 days prior the advertisement of the call for pulic auction.	For the management to comply with the pertinent COA Circ re the disposal of properties so that COA can conduct the necessary audit procedures on disposal.	CITEM to take note and comply with the 20-day period of submission of documents prior the call for public auction and shall await for the inspection and appraisal of COA representative.	GSD / Disposal Com.	Jan-18	Present	Full	-	-
	2. Audit computation of the appraised values of the vehicles have discrepancies with the appraised values computed by the Disposal Committee, resulting in the understatement of the appriased value by P152,8777.	a. Require the Disposal Committee and Accounting Division to reconcile the discrepancies.	The noted discrepancy was due to the major repairs made to the vehicles, increasing its book value in the accounting records.	GSD / Disposal Com.	Jan-18	Present	Full	-	-
		b. Submit justification to prove that the acquisition cost used by the Disposal Committee is more reliable contrary to the mechanic report.	Explanation submitted detailing the extent of repairs the vehicles have gone through over the years which cost the agency expenses that outweigh the benefits considering that these assets are already beyond their economic life.	GSD / Disposal Com.	Jan-18	Present	Full	-	-
	3. The Inventory and Inspection Report was not properly accomplished by the concerned official rendering the statement that the vehicles were found to be beyond economic repair upon Management Inspection Team and COA rep inspection thus recommending disposal, as baseless.	a. Consider the pertinent provisions of COA Circular 2012-003 before disposal of government properties.	CITEM to comply by having the I & I Report signed by the COA representative within the presecrbed period before conducting any disposal activity.	GSD / Disposal Com.	Jan-18	Present	Full	-	-
		b. Exercise due care and diligence and present true and accurate data in the inventory and inspection report, invitation to bid as well as other documents relative to the disposal of property to prevent occurrene of misleading statements.	We apologize for the inadvertent inclusion of the "and COA Representative" in our disposal statement.	GSD / Disposal Com.	Jan-18	Present	Full	-	-
	4. Management invited selected bidders by website posting and telephone but not through newspaper advertisement, not in compliance to COA Circ 89-296 and NBC No. 425.	c. Submit explanation for the sudden change of bid price for the two vehicles during the second bidding of the same bidder.	CITEM has no control over the bidders' decisions and actions. Elaborated explanation submitted.	GSD / Disposal Com.	Jan-18	Present	Full	-	-

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		<i>dn</i> d. Conduct substitute publication for property disposal if posting in the newspaper is not feasible.	CITEM posted the ITBs not only on its website but also on conspicuous spaces such as CITEM, HallOne and PTTC. Previous bidders are also notified.	GSD / Disposal Com.	Jan-18	Present	Full	-	-
AOM No. 2018-01-(16&17) dated 16 Jan 2018	1. Important provisions of MOA between CITEM and NCCA for Design Week Philippines 2016 were not complied with by CITEM, thus, placing the Center under the risk of possible cancellation of the remaining grant by NCCA in the amount of P785,692.80 which CITEM had already paid in advance.	a. Adhere strictly to the provisions of the contract entered into or will enter into by CITEM to protect the interest of the Center.	CITEM, will henceforth adhere to the provisions of contracts and MOAs it entered into.	Various Divisions	Jan-18	Dec-18	Partial	Different agencies have different contract preparation schedules, implementation strategies and formats.	To keenly monitor contract implemenation.
	i. Only 30% of the grant of P1M was released as of date.	b. Exert further effort and request from NCCA the release of the second and third tranches of the financial assistance in the financial assistance in the total amount of P785,692.80. Submit all requirements provided for in the MOA and notify NCCA in writing the causes that have adverse implications and consequences on the fulfillment of the grant.	i. CITEM is confident the NCCA will honor its commitment because like CITEM, it is also their mandate to promote and implement the Design Week Philippines.	Special Projects Division	Jan-18	Dec-18	Partial	Waiting for the reimbursement from NCCA.	To follow-up payment from NCCA.
	ii. Subject Liquidation Report for release of second and third tranches in the amount of P785,692.80 was more than the equivalent amount of the remaining 70% of the P1M grant to CITEM for implementation of October 2016 Design Week Philippines.		ii. Project Managers will double its effort so as not to exceed the amount of funding assistances received. However, there may be unforeseeable onsite changes which are beyond CITEM's control.	Special Projects Division	Jan-18	Present	Full		

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	iii. Non-preparation of Report of Disbrsements as soon as first tranche was received on May 12, 2016.		iii. When the first tranche of P300,000 was received, there were only two expenses made pertaining to DWP and these were charged to CITEM Fund. The search, review and consolidation of project expenses take time before a Report of Disbursement can be prepared.	Special Projects and Controllership	Januar-y 2018	Present	Full		
	iv. No documents to show that requirements of MOA were complied with for the release of the succeeding tranches and no notification in writing to advise NCCA of the delay in the grant liquidation.		iv. Management to ensure compliance in future project implementations. All the documentary requirements were submitted to NCCA on November 2016. They are only waiting for the verified liquidation report to facilitate the payment of the remaining balance.	Special Projects Division	Januar-y 2018	Present	Full		
	v. Delay of the liquidation is risk for the cancellation and disqualification of the grant of NCCA.		v. Management relies on the mandate and recorded financial liability of NCCA to CITEM regarding this project.	Special Projects Division	Januar-y 2018	Present	Full		
	2. Small value procurements were not supported by complete documents contrary to thr pertinent provisions of the revised IRR of RA 9184, GPPB Res. No. 09-2009 and COA Circular 2012-001, thus, validity of expenses is doubtful.		i. Finance maintained a Subsidiary Ledger for the fund transfer the agency received from NCCA with copies of 'ORs and are available for inspection by NCCA or COA Auditors, as stated in the MOA.	Controlership	Januar-y 2018	Present	Full		
		c. Submit necessary documents enumerated in Table No. 2, to prove the validity of expenses.	Submitted on March 6, 2018	Special Projects and Controllership	Januar-y 2018	Present	Full		

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		d. Submit to COA team the DV and its supporting documents pertaining to Payment of Professional Services Fee for the Curation and Installationof Permeability Exhibit in the amount of P450,000.00	Submitted on March 6, 2018	Special Projects and Controllership	January 2018	Present	Full		
		e. Require supplier/contractor of Hotel Accommodation of the STL Cultural Masters (i.e Manhattan Residences) for issuance of official receipt in the amount pf P37,800.00	Submitted on March 6, 2018	Special Projects and Controllership	January 2018	Present	Full		
AOM No. 2018-02-(16&17) dated 22 Jan 2018	1. There was no documents to show that clearance from MITHI secretariat was secured before acquisition of subject IT equipment, in compliance with the directives of DBM in the approval of CITEM's COB for 2016.	a. Submit clearance from NCC (2017 onwards) for IT Equipment purchases. Secure approval from proper authority before any procurement activity is conducted.	The purchase of IT Equipment is already part of the approved three-year ISSP Plan and drawn against the regular agency fund. A copy of ISSP was received by COA on 21 March 2018.	Procurement / MIS / Controllership	Jan-18	Present	Full		
	2. IT equipment purchased exceed the amount budget per PPMP by P1,622,000.00 of which the corresponding realignment was made beyond the period prescribed by law, and amended APP was not submitted to GPPB contrary to Section 7 Rule II and 7.2 of the IRR of RA 9184.	b. Observe prescribed period in realigning budget for capital outlay and submit amended/approved APP to the GPPB.	CITEM to strictly observe rules on budget realignment.	Budget and Cashier / Procurement / MIS / Controllership	Jan-18	Present	Full		



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	3. The purchase of 1 unit of high-end desktop computer in the amount of P138,680.00 is considered unnecessary expenditure under no. 7 Annex C of COA Circular 2012-003 dated 29 Oct 2012.	c. Submit justification for the purchase of high-end desktop computer and be guided by the guidelines of COA Circular 2012-003 on the Prevention and Disallowance of IUEEU expenditures.	A specialty desktop computer ensures efficiency and quality of 3D walk-thru and visual of designs. Graphic artists of CITEM need a 3D rendering software which could only be used or best used in a specialty desktop computer. The three-year warranty would entail additional cost which the budget (ABC) could not accommodate at that time.	Budget and Cashier / Procurement / MIS / Controllershship	Jan-18	Present	Full		
	4. CITEM did not observe the new capitalization threshold of P15,000.00.	d. Comply with GAM provisions on the new capitalization threshold of P15,000 for the item to be recognized as PPE. Make the necessary adjustment to reclassify entry on erroneously recorded item to PPE.	We shall make the necessary adjusting entries in the books. For this transaction, a JEV No. 18-01-15 was already prepared in January 2018.	Controllershship	Jan-18	Sep-18	Partial	Reconciliation of PPE Accounts	Partial adjusting entry recorded in JEV 18-01-07.
	5. The Property Acknowledgement Receipt (PAR) and Inventory Custodian Slip (ICS) used by CITEM do not conform with the prescribed form provided under the Gov. Acctg. Manual.	e. Use the prescribed PAR form for PPE and ICS form for semi-expendable property to establish accountability over the items listed herein.	Henceforth, CITEM to use the prescribed PAR and ICS forms.	GSD	Jan-18	Present	Full	-	-

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AOM No. 2018-03-(17) dated 26 February 2018	1. Cash advances granted to SDOs and Accountable Officers for local travels and special purpose were not liquidated within the prescribed period.	a. Strictly implement the provision that cash advances shall be reported on and liquidated as soon as the purpose for which it was given has been served.	Employees concerned in this AOM, they were not able to process the liquidation papers on time since they sometimes entail the signatures of Officers such as in the case of emergency purchases which need justification memo or waiting of supporting documents from third parties (e.g. boarding passes). In cases where employees failed to liquidate their cash advances for local travel within thirty (30) days upon return, they were duly served with Notice of Unliquidated Cash Advances. (Please see Annex I.) Also forwarded are the justifications sent by SDOs and AOs for your consideration.	Various Divisions	Feb-18	Present	Full	-	-
	2. Refund of unutilized portion of special cash advance ranged from 45% to 99%, revealing that cash advances were excessive.	b. Observe prudence in project planning and in computing estimates of expenditures to determine the reasonable amount before granting cash advance.	For compliance. However, justifications sent by employees were forwarded to COA regarding their cash advance estimates for your consideration. Management would like to request a little leeway for estimates of cash advances to be used in events especially abroad since it is difficult to predict what would happen onsite. There are instances where CITEM manages to get items and services free-of-charge or sponsored by participating exhibitors but these expenses are included, as it should, in the project cost estimate.	Various Divisions	Feb-18	Present	Full	-	-



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AOM No. 2018-04-(17) dated 01 March 2018	1. Discrepancy in the recorded balances in the SL and the CRJ.	a. Explain the differences in the recorded collections between the SL and the CRJ. Reconcile the differences and make the necessary adjusting entries.	The amounts P2,174,880.54 and P1,627,170.00 for PNB Income and DBP Peso Accounts, respectively, were recorded as per Journal Entry Voucher (JEV) No. 17-12-02, the corresponding JEV for the Cash Receipts Journal for the month of December 2017. All cash receipts or all entries in the CRJ recorded through JEV are posted in the Subsidiary Ledger. Upon verification, the amount P2,601,844.98 which pertains to the cash receipts of PNB Dollar Account for the month of February 2017, was posted in the Subsidiary Ledger of the PNB Dollar Account only once. The first entry which appeared in the SL was not carried over in the Balance field. It may have been inadvertently left undeleted. Nonetheless, it is not part of the balance reported in the Financial Statements at year-end.	Controllership	March 2018	Present	Full	-	-

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	2. The transfer of fund from LBP Subsidy Account to PNB Income Account is contrary to DOF Department Circular Nos. 001-2015 dated June 01, 2015 and DOF Department Circular 002-2016 dated July 08, 2016.	b. Furnish COA with a copy of the reply from DOF Secretary, if any, regarding the request for authority of CITEM to maintain its accounts with PNB. In the absence of any authority granted by DOF, the Center should comply with the circulars issued by DOF.	The amount transferred from LBP Subsidy Account to PNB Income Account represents the salary of CITEM's Service Providers which should be drawn against its subsidy from DBM. However, the payroll account of CITEM, both for permanent and service providers, still lies with PNB at that time, as the transfer of CITEM payroll account to Landbank is still underway. Effective March 2018, CITEM employees will receive their respective salaries through Landbank.	Budget and Cashier	Mar-18	Dec-18	Partial	CITEM's request to maintain its PNB Accounts is still with DOF-CAG pending final evaluation. Likewise, supporting documents were already submitted as per DOF request.	Follow-up the status of CITEM's request to DOF. Last follow-up was made through letter dated 5/3/18 and received by DOF on 5/10/18.
	3. Submission of Disbursement Vouchers and the attached supporting documents of high-valued expenditure items drawn against LBP Peso Account	c. Submit to COA the DVs mentioned together with its complete supporting documents for post-audit.	Four Disbursement Vouchers and corresponding attachments have been transmitted to COA on 09 March 2018.	OED	Mar-18	Dec-18	Partial	Transitions due to change in Management.	The rest of the Disbursement Vouchers will be transmitted as soon as returned by the BAC Secretariat and/or HR.



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	4. Bank Reconciliation Statements of various cash in bank accounts for December 2017 are not submitted.	d. Submit the BRS for December 2017 for all cah in bank accounts and adjust accordingly each accountto conform with the reconciled amount to be reflected in the FS in accordance with the Adjusted Balance Method.	BRS for December 2017 were submitted on March 16. The delay is due to resignation of two personnel previously handling the preparation of BRS.	Controllershship / HRD	March 2018	March 2018	Partial	Lack of qualified applicants. Possibly lack of plantilla positions.	HRD to intensify its recruitment efforts for additional manpower. Controllershship to double its effort to comply, for the time being. BRS submitted on 3/16/18
AOM No. 2018-05-(17) dated 05 March 2018	1. CITEM incurred additional and unnecessary expenses amounting to P2,400.00 for notarial fees on the filing of SALN of its officers.	I. Comply with guidelines on the SALN Form and the provisions of Section 103 and 105 of PD 1445, COA Circular No. 85-55A dated September 8, 1985.	Complied with already with an Official Receipt in the amount of P2,400.00.	HRD	March 2018	Present	Full	-	-
		a. Delegate the authority to administer oath with regards to SALN Form.	For strict compliance.	HRD	March 2018	Present	Full	-	-
		b. Require the accountable officer/s to return the amount of P2,400.00 pertaining to the payment of notarial fees, otherwise it will be disallowed in audit.	For strict compliance.	HRD / Controllershship	March 2018	Present	Full	-	-
		c. Adhere to the policy that government funds and property should be fully protected and conserved and the Irregular, Unnecessary, Excessive and Extravagant expenditures or uses of funds and property should be prevented.	For strict compliance.	HRD / Controllershship	March 2018	Present	Full	-	-

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	2. Adequate precautionary measures or protection against loss in the handling and maintenance of revolving fund and special cash advance were not adopted by CITEM, contrary to Section 75 of PD 1445, COA Circular No. 97-002 as amended by COA Circular No. 2006-005, thus, placing government funds at risk of loss or misuse.	II. Comply with the provisions of Section 4.1.6, Section 75 of PD1445 and Chapter II on the Laws and Rules Relevant in Cash Examination of COA Memo No. 2013-004 and COA Circular No. 97-002.	For strict compliance.	Various Divisions	March 2018	Present	Full	-	-
		a. Stop the transfer of cash advance from one accountable officer to another employee or transfer of government funds from one SDO to another	For strict compliance.	Various Divisions	March 2018	Present	Full	-	-
		b. Stop delegating non-permanent employees to perform disbursing functions pursuant to COA Circular No. 97-002 to prevent the risk of loss or misuse of funds.	For strict compliance.	Various Divisions	March 2018	Present	Full	-	-
AOM No. 2018-06-(17) dated 07 March 2018	1. CITEM Inventory Committee was not able to prepare and submit the Report of Physical Count of Property, Plant & Equipment (RPCPPE) contrary to the provisions of Sec. 38, Chapter 10 of Government Accounting Manual (GAM) Volume I, thus, the Report on Reconciliation for PPE accounts between the Finance Division and the Administrative Services Division was not completed.	a. COA recommends that management submit the RPCPPE for CY 2018 on or before January 31st of the ensuing year. For RPCPPE of CY 2017, which is still ongoing, it must provide details of reconciliation made with the records of Finance Division.	a. The Inventory Report was submitted to COA on 03 April 2018.	GSD	March 2018	Present	Full	-	-



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	2. The Property Unit of General Services and Finance Divisions, respectively, failed to maintain Property Card (PC) and Property Ledger Card (PPELC), respectively, making it difficult to monitor the movement of property, thus, adversely affecting the reconciliation process.	b. COA recommends that management should maintain a Property Card (PC) and Property Plant and Equipment Ledger Card (PPELC) for proper monitoring of the movement of PPE starting January 2018, if it will be impossible to reconstruct the PPE records for the prior years.	b. For compliance.	GSD / Controllershship	Jan-18	Sep-18	Partial	Reconciliation of PPE Accounts. Absence of an Accounting System and Property Management System. Consecuitve/multiple resignations of personnel.	GSD is already maintaining PCs and Controllershship has started the maintenance and reconstruction of PPELC in 2018.
	3. Some items of PPE which were recorded in the Subsidiary Ledger (SL) did not meet the capitalization threshold of P15,000 as prescribed by GAM, thus, overstating the PPE account and understating the expense account by the same amount.	c. Observe the criteria for recognition of PPE under Section 3 Chapter 10 of Government Accounting Manual stating the capitalization threshold of P15,000.00.	c. Controllershship will exercise caution in recording PPE items, ensuring it adheres to the new threshold as per GAM, PPSAS and DBM Circular 2016-007.	Controllershship	Jan-18	Present	Full	-	-
		d. Reclassify to expense the items under PPE accounts which do not meet the capitalization threshold; and	d. Items recorded in PPE Accounts which cost are below the new capitalization threshold of P15,000.00 would be reclassified accordingly in 2018.	Controllershship	Jan-18	Sep-18	Partial	On-going reclassification	Partial adjusting entry recorded in JEV 18-01-07. To fast-track reclassification of other items.
		e. Require the Property Officer to issue the corresponding Inventory Custodian Slip In lieu of Property Acknowledgement Receipt to establish accountability on items.	e. Issuance of Inventory Custodian Slip, for compliance.	GSD	Jan-18	Present	Full	-	-

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	4. Lack of supporting documents makes it difficult to validate some entries made in each individual PPE account which casts doubt on the reliability and validity of the transactions contrary to COA Circular 2012-009 dated October 29, 2012 particularly on the prevention of Unnecessary, Illegal and Excessive Expenditures.	f. Refrain from procuring high-valued electronic gadgets and computers without any sufficient justification that the same is vital to the operation of the Center, and the replaced item should be accordingly returned or in case of lost, secure a Relief of Accountability. All procurement must be in accordance with duly approved APP accordingly submitted to proper authority. Any amendment to APP, particularly on the capital outlay must be done within the prescribed period provided by General Appropriations Act. The Amended APP must be submitted first to the GPPB, copy furnished the COA.	f. Justifications for the high-valued electronic gadgets and computers are underway and copies will be submitted as soon as available. (Note: Original copies of Justifications will form part of the attachments supporting the related Disbursement Vouchers.)  Henceforth, CITEM will observe pertinent rules and regulations regarding APP submissions and amendments.	GSD	Jan-18	Present	Full	-	Justification submitted on 5/31/18.
		g. Observe proper documentation for every loss and replacement of property; and;	g. For compliance.	GSD	Jan-18	Present	Full	-	-
		h. Submit all the lacking documents mentioned in remarks portion of Table II re adjsutments and reclassifications made by Accounting.	h. Controllershship, under new supervision, will re-analyze the enumerated adjusting entries affecting PPE accounts and will retrieve available documents necessary to support the adjustments.	Controllershship	Jan-18	Sep-18	Partial	Reconsiliation of PPE Accounts.	Controllershship to adjust entries after reconciliation of PPE accounts.



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	5. Property Acknowledgement Receipt (PAR) and Inventory Custodian Slip (ICS) forms being maintained by CITEM do not conform with the required COA official forms provided under the Appendices of GAM Volume 2.	i. COA recommends that management use the prescribed PAR form for PPE and ICS form for Semi-expendable property to establish accountability over the items listed therein.	i. CITEM has started to use the prescribed forms (PAR and ICS), instead of NGAS Forms, as revised in 2018.	GSD	Jan-18	Present	Full	-	-
	6. Absence of a detailed schedule to support the recorded Accumulated Depreciation casts doubt on the accuracy/reliability of the balances recorded.	j. COA recommends that management furnish COA a copy of the schedule of Accumulated Depreciation, once the same is available.	j. For compliance and submission. The reconstruction and update of the Accumulated Depreciation of PPE accounts is underway and would be given priority once additional personnel is hired.	Controllership	Jan-18	Sep-18	Partial	Consecutive resignations of personnel. Lack of qualified applicants. Possibly lack of plantilla positions.	Controllership to fast track reconciliation and preparation of PPE Schedules.
AOM No. 2018-07-(17) dated 13 March 2018	1. Accomplishment Reports on Trade Fairs	a. Refrain from reporting negotiated sales as part of its Export Sales, since the same is not yet realized. Doing otherwise deviates from the Conservatism principle in Accounting, in order not to impair the reliance reposed by the user of the financial data. Record sales only if there is a clear showing that the same were realized.	a. Management would like to clarify that the term "Export Sales" in CITEM's Accomplishment Reports does not pertain to its own operation. These "Export Sales" refer to both booked sales and sales under negotiation as reported by the participants of various trade fairs and shows organized by CITEM and therefore not part of CITEM's financial records. Hence, Conservatism principle is not strictly applicable in this case. The inclusion of negotiated sales has been standard and acknowledged by other oversight agencies such as DBM and GCG to measure the success rate of CITEM-organized events.	CorPlan	Jan-18	Present	Full	-	-

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Reference	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 / Mangement Comments	Person/ Dep't. Responsible	Target				
					From	To			
	2. Budget and Cost Directly Attributable to the Project and Income Derived from the Project	b. Review expenditures with significant increases and their impact on target accomplishments to at least minimize the losses attributable to specific project; and	b. Management does not cease in finding means to lower the cost of its events and projects without sacrificing quality especially because CITEM is committed to a certain CRR or Cost Recovery Ratio as agreed upon with GCG, and is committed to provide effective business platform to the SMEs to make them global players.	Various Divisions	Jan-18	Present	Full	-	-
	3. CITEM's Overall Performance per CY 2017 Statement of Financial Performance	c. Continue to maintain a positive overall performance.	c. Management appreciates the observation made by COA. CITEM is committed to improve its overall performance.	Various Divisions	Jan-18	Present	Full	-	-
AOM No. 2018-08-(17) dated 14 March 2018	1. The annual Gender and Development (GAD) was implemented through participation in trade promotional activities, product development and export coaching program and other women-led activities.	a. COA recommends the continuance of its GAD-related projects and programs; and	a. Management appreciates the positive observation made by COA.	CorPlan	Jan-18	Present	Full	-	-
		b. Continue the conduct of promotional activities for assisted enterprises of which majority are headed by women.	b. Rest assured that CITEM is committed in implementing and promoting projects and activities that are aligned with Gender and Development (GAD).	CorPlan	Jan-18	Present	Full	-	-
	2. The annual Gender and Development (GAD) Plan and Budget (GADPB) for CY 2017 was submitted to DTI for review and submission to Philippine Center for Women (PCW) in consonance with the PCW-NEDA-DBM JV No. 2012-01.		c. Management appreciates the positive observation made by COA regarding CITEM's submission of its GADPB to appropriate agencies.	CorPlan	Jan-18	Present	Full	-	-



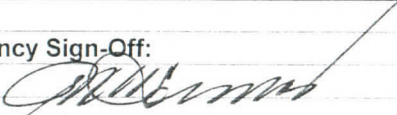
## NAME OF AGENCY: CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS

Golden Shell Pavilion, Roxas Blvd. cor. Sen Gil Puyat Ave., Pasay City

## AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION

For Calendar Year 2017

As of 31 May 2018

Reference	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 / Mangement Comments	Person/ Dep't. Responsible	Target				
					From	To			
AOM No. 2018-09-(17) dated 25 March 2018	1. CITEM complied with the timely remittances of taxes to the BIR and with premium contributions remittances to GSIS, HDMF and PHIC. However, it is noted that per SLs, CITEM has unremitted mandatory collections as well as negative balances on accounts Due to BIR, Due to GSIS and Due to Pag-ibig. The unremitted amounts and negative balances were mostly the accumulation of prior years' balances which cannot be substantiated because of lack of supporting documents.	a. Continue to observe prompt remittance of mandatory deductions, taxes withheld, premium contributions and loan repayments within the prescribed period to avoid interests and penalties.	a. Management appreciates the positive observation COA made regarding CITEM's timely remittances. With regards to the non-moving and carried-over balances from previous years, we shall analyze the said accounts including negative balances, if there is any.	Controllershship	Jan-18	Dec-18	Partial	Controllershship is in research of supporting circulars and/or issuances related to the unsubstantiated payables to effect book adjustments.	To adjust accordingly the non-moving payables recorded in the books per relevant issuances and circulars. Age of these non-moving payables to be traced back by Controllershship.
	2. Due to Other Government Agencies account disclosed negative balances of P82,897.77 which indicate overpayment/over remittance or erroneous adjustment on the relevant accounts.	b. Analyze the negative balances on the said accounts and effect the necessary adjustments.	b. We shall direct the person/s responsible to analyze the negative balances mentioned in the AOM and adjust/correct the books accordingly.	Controllershship	Jan-18	Dec-18	Partial	The negative balances were mostly the accumulation of prior years' balances which cannot be substantiated because of lack of supporting documents.	To determine the source of negative balances and adjust accordingly.
		Agency Sign-Off:  NORA K. TERRADO Undersecretary - DTI TIPG / OIC - CITEM			Date				

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