

NAME OF AGENCY: CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS  
Golden Shell Pavilion, Roxas Blvd. cor. Sen Gil Puyal Ave., Pasay City  
AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION  
For Calendar Year 2016  
As of 31 December 2017

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/ Dept. Responsible	Target Implementation Date			
					From	To		
AOM No. 2016-01-(16) dated 08 Dec 2016	Expenses for Professional Fees in the amount of P736,568.00 were not supported by Official Receipts issued by the consultants/designers.	Management to require the issuance of official receipts by the consultants/designers on the above expenses and all other expenses for professional fees.	Management to require Project Managers and Cashier to secure official receipts or acknowledgement receipt from consultants/designers once paid.	Project Managers and Cashier	January 2017		Full	Complied.
AOM No. 2017-01-(16) dated 06 Feb 2017	Government Contracts together with the required supporting documents were not submitted to the COA within five working days after their execution, contrary to COA Circular No. 2009-001 causing delay in the audit review process.	Management to strictly comply with COA Circular 2009-001 and submit the contracts and required supporting documents within the prescribed period.	Management will comply with the said COA Circular by assigning a point person to prepare the said documents to be submitted to COA within 5 working days and monitoring submissions.	Procurement	March 2017		Full	Complied.
AOM No. 2017-02-(16) dated 13 Feb 2017	Purchase Orders and Job Orders amounting to P283,994 and P1,874,443 were not supported with price quotations or Abstract of Canvass while some Pos and Jos were submitted beyond the prescribed period.	Submit the Abstract of Canvass with at least 3 price quotations of the 4 Pos and 15 Jos mentioned in compliance with Sections 52.3 of the Revised IRR of RA 9184. Submit all proceeding Jos and Pos and their required supporting documents within 5 working days pursuant to COA Circular 2009-002 and properly indicate dates of approval and receipt by suppliers in the JOs and POs.	One PO is purchased thru direct contracting, 12 JO are covered by 1 public bidding and 1 JO is thru negotiated procurement hence do not need abstract of canvass. The remaining 3 PO and 2 JO were supported by abstract of canvass from 3 suppliers, attached to DVs but not submitted by the Procurement within 5 working days.	Procurement	March 2017		Full	Complied.
AOM No. 2017-03-(15) dated 21 Feb 2017	Fund transfer from DTI Region 11 in the amount of Php 350,000.00	Cause the preparation of the necessary adjusting entries in the books. Submit Report of Disbursements and refund any excess amount.	Adjusted per JEV No. 16-12-08 no. 19	Finance	March 2017		Full	Complied.

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AOM No. 2017-04-(16) dated 06 March 2017	Control weaknesses in the grant, utilization and liquidation of Petty Cash Fund, Revolving Fund and Special Cash Advance, not in accordance with COA Circular 97-002 as amended by COA Circular 2006-005 and PD 1445 exposing CITEM to unnecessary risks of loss/misuse of funds.	Stop the transfer of cash advance from one accountable officer to another.   Require SDOs to use the prescribed Cashbook/Cash Registry.   Conduct briefing or orientation for SDOs.   Report cash advance as soon as the purpose for which it was given has been served.	The transfer is for safekeeping only due to the lack of vault of SDOs but the accountability is still of the SDO.   SDOs to reconcile MS Office-based recording with the prescribed Cashbook.   Due to the workload, reimbursement was inadvertently missed by messengers.   Management to comply with COA recommendations.	Various SDOs and Custodians	March 2017	Present	Partial (75%)	The lack of vault and possibly the lack of existing permanent personnel who can be bonded and designated as SDO.	One AO requested for steel cabinet to safekeep cash advances.
AOM No. 2017-05-(15&16) dated 09 March 2017	1.) Prepayments of expenses pertaining to CY 2016 were reversed and taken up as an expense in CY 2015, contrary to No. 7 of PPSAS I (accrual basis). 2.) Prepayments of expenses pertaining to CY 2017 were reversed and taken up as an expense in CY 2016, contrary to No. 7 of PPSAS I (accrual basis).	Strictly comply with the provisions of PPSAS 1 – Presentation of Financial Statements on the accrual basis of accounting. Prepare the necessary adjusting entries in CY 2016 by reverting back to Prepaid Rent the entire amount of Php 13,638 million prepayments of expenses pertaining to CY 2017 in the amount of Php 13,683 million. Re-state 2015 Financial Statements to correct the understatement of Prepaid Expenses/Retained Earnings and overstatement of Rent and Advertising expenses in the total amount of Php 13,055 million.	Adjusted through JEV no. 16-12-19. Re-stated Financial Statements for 2015.	Finance	April 2017		Full	-	Complied.
AOM No. 2017-06-(16) dated 13 March 2017	1.) Bank Reconciliation Statements (BRS) were not submitted within 20 days after receipt of the monthly Bank Statement. 2.) Adjusting entries for could not be taken up due to the lack of supporting documents. 3.) Some reconciling items were omitted in the BRS while other items should no longer be considered. 4.) Transactions on the PNB Dollar account were recorded in the SL only in its peso equivalent and without the dollar amount. 5.) Non-submission of BRS for December 2016.	Submit the BRS within 20 days after receipt of the monthly Bank Statement together with complete supporting documents.   Communicate with the bank for proper reconciliation of long outstanding reconciling items.   Exercise due diligence and care in the preparation of the BRS to avoid an erroneously prepared BRS.   Record both dollar and peso value of all dollar transactions in the SL for easy reconciliation with Bank balances and to ascertain correctness of book balances of the accounts.   Prepare and submit immediately the BRS as of 31 December 2016 and implement the necessary adjusting entries to present the adjusted Book and Bank Balance of Cash-in-Bank.	Personnel turnover and late bank statements delay the process of bank reconciliation.   Verbal and written communication were made however not all reconciling items were found.   Working Papers are prepared for PNB Dollar to ensure proper reconciliation.   Dollar amount, exchange rate and peso equivalent are recorded in SL.   Submitted Bank Reconciliation Statement for December 2016 on 29 March 2017	Finance	April 2017	Present	Partial (75%)	The lack / resignation without replacement of personnel assigned to do the Bank Reconciliation is one of the factors for the delay in implementation. Other factors include late Bank Statements and New System implemented by PNB whereby Bank Statements do not cite references (check nos.).	For compliance. To hire/train new personnel. Continuous communication with banks, verbally and in written form. Proper training of new personnel and proper turn-over upon resignation.



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AOM No. 2017-07-(16) dated 16 March 2017	CITEM continuously maintains various deposits at PNB contrary to DOF Circulars.	Comply with DOF Circular Nos. 001-2015 and 002-2015 and COA Memorandum No 2015-013. Transfer all accounts maintained at PNB to authorized government depository banks.	One PNB Account is closed (Subsidy) and transferred to LBP. Management seeks DOF approval to continue its other PNB accounts since LBP cannot offer the same services at the moment. PNB time Deposits serve as guarantee to corporate credit cards. PNB income has an online payment facility which cannot be provided by LBP. Same scenario applies to dollar/foreign transactions involving PNB Dollar Account.	Corporate Services	April 2017	Present	Partial (75%)	Management seeks DOF approval to continue its other PNB accounts since LBP cannot offer the same services at the moment.	One PNB Account is closed (Subsidy) and transferred to LBP. To follow-up its request to DOF.
AOM No. 2017-08-(16) dated 24 March 2017	1.) CITEM was unable to monitor sales under negotiation arising from sales of various projects. 2.) The Center's accomplishment reports on trade fairs disclosed an actual losses of P105,044 million in CY 2016 from P99,573 million in CY 2015 or an increase in loss by P5,471 million or 5.49%. 3.) Per Audited Financial Statement, overall losses incurred in the amount of P20,758 million were P15,878 million or 325.37% higher than last year's loss of P4,880 million	Adopt a risk assessment and management process regularly monitor exhibitors' sales as a tool in the measurement of accomplishment on the projects.   Monitor sales under negotiation to find out actual accomplishment on sales generated during previous years.   Review expenditures with significant increases and their impact on target accomplishments.   Adopt strategies to do away with unnecessary expenditures, increase participation fees and other revenues to avoid financial losses and protect government funds.	Management continues to seek for means to cut-down unnecessary expenses and to lessen its expenditures (e.g. limiting the number of Service Providers). The decrease in revenue is due to the absence of IFEX in 2016 which generates around P18 million in revenues. However, expenses which are mostly overhead were still the same as to CY 2015, when IFEX was held. These expenses are non-commensurate to increase in revenues. CITEM continues to create strategies to help increase income (e.g. partnerships with other government agencies and private institutions)	CORPLAN and Finance	April 2017	Present	Partial (75%)	The lack of existing and reliable tool or mechanism to assess risk and monitor sales of exhibitors attributable to CITEM events and shows.	For compliance. To implement risk assessment processes and to intensify monitoring of exhibitors' sales.
AOM No. 2017-09-(16) dated 27 March 2017	The annual GAD Plan and Budget for 2016 was not submitted to DTI.	Submit CITEM's GAD Plan and Budget to DTI in consonance with PCW-NEDA-DBM Joint Circular No. 2012-01.	The 2016 GAD Plan of CITEM was submitted to DTI on 20 October 2015	CORPLAN	April 2017	Present	Partial (75%)	CITEM only knew that GAD Plan should be submitted on Philippine Commission on Women in late 2016.	The 2016 GAD Plan of CITEM was submitted to DTI GAD Secretariat on 20 October 2015

  
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 OIC - Controlship