

**AGENCY ACTION PLAN and  
STATUS of IMPLEMENTATION**  
Audit Observation and Recommendations  
For the Calendar Year 2019  
As of December 7, 2020

Statistical Research and Training Institute		Agency Action Plan				Status of Implementation	Reason for Partial/Delay/ Non-Implementation, if applicable	Action Taken/ Action to be taken
Audit Observations	Audit Recommendations	Action Plan	Person/Dept. Responsible	Target Implementation Date				
				From	To			
<b>1. Audit</b>								
<i>Accounting Deficiency</i>								
1. A number of accounts' balances were either unreconciled or with discrepancies undermining the qualitative characteristics and the reliability of the account balances in the financial statements (FSS).	We recommended and Management agreed to require: a) The Accountant to: (i) analyze and reconcile the discrepancy between the book and bank balances of Due to NGAs and make the necessary adjustments in the books of accounts; (ii) maintain SLs for the Cash in Bank-LCCA as supporting details to the GL balance to facilitate verification of the reported balance in the FSS; (iii) prioritize the processing of remittance to the BTr of excess training fees, interest income on investments, and other collections totaling P7,705,257.46; (iv) determine the amount to be refunded to the SAS and/or remitted to the BTr from the unexpended balance of completed projects; and, (v) determine periodically the existence of any collections funds due to the BTr or the SAS to facilitate immediate remittance; and b) The Cashier to: (i) remit immediately to the BTr the total collections of P7,705,257.46 and the amounts from unutilized project funds due the SAS and the BTr; and, (ii) ensure the remittance of all collections to BTr thereafter.	The management to require: a) the Accountant to: (i) analyze and reconcile the discrepancy between the book and bank balances of Due to NGAs and make the necessary adjustments in the books of accounts; (ii) maintain SLs for the Cash in Bank-LCCA as supporting details to the GL balance to facilitate verification of the reported balance in the FSS; (iii) prioritize the processing of remittance to the BTr of excess training fees, interest income on investments, and other collections totaling P7,705,257.46; (iv) determine the amount to be refunded to the SAS and/or remitted to the BTr from the unexpended balance of completed projects; and, (v) determine periodically the existence of any collections funds due to the BTr or the SAS to facilitate immediate remittance;  b) The Cashier to: (i) remit immediately to the BTr the total collections of P7,705,257.46 and the amounts from unutilized project funds due the SAS and the BTr; and, (ii) ensure the remittance of all collections funds due the SAS and BTr thereafter.	Accountant/FAD	September, 2020	December, 2020	Implemented	a) Prepared the Property Acknowledgement Receipt and submitted to source agency for approval, the donated equipment purchased from the project funds. B) Closed the PSRTI dollar account, converted to Philippine peso and remitted to the Bureau of Treasury. c) Prepared Disbursement Vouchers (DV) for remittance to Bureau of Treasury (BTR), the excess training fees for CY 2019. d) Prepared DV for remittance to PSRTI Endowment Fund, the management fee charged to Research projects and Customized Trainings. e) Prepared DV for remittance to BTR and Source Agency the unexpended balance of completed projects.	
			Cashier/FAD	September, 2020	December, 2020	Implemented	The cashier has remitted to BTR the excess training fees and the unexpended balance of the projects in August, 2020. Also, the management fee charged to PSRTI projects and customized trainings were already remitted to Endowment fund in August, 2020.	
<b>2. Financial Statement Audit</b>								
<i>Budgetary Control, Monitoring and Reporting</i>								
2. Deficiencies in budgetary controls resulted in the incurrance of obligations of P4,196,354.97 million in excess of the CY 2019 allotment authority, and did not provide supporting information to validate the accuracy and completeness of information in the related FARs and FSS, among others.								

**OFFICE OF THE AUDITOR  
PSRTI  
RECEIVED**

BY:           bma            
DATE:           12/9/2020

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
a. Non-compliant modifications realignment with prescribed process- P 7,200,000.	We recommended that Management require the Budget Officer to: (i) observe the use of the MAF when documenting realignments or modifications of allotments and ensure that the same are approved by the Executive Director; (ii) record/post approved realignments or modifications in the Registry of Allotments and Obligations and other pertinent registries, as necessary; and, (iii) ensure that obligations and expenditures are charged to the appropriate budget of the agency.	The Management to require the Budget Officer to: (i) observe the use of the MAF when documenting realignments or modifications of allotments and ensure that the same are approved by the Executive Director; (ii) record/post approved realignments or modifications in the Registry of Allotments and Obligations and other pertinent registries, as necessary; and, (iii) ensure that obligations and expenditures are charged to the appropriate budget of the agency.	Budget Officer/FAD	August,2020	December, 2020	Implemented	Prepared the MAF for the realignment	
b. Unapproved modifications realignments of allotments of P 4,196,354.97	We recommended that Management require the Budget Officer to ensure that: (i) obligations are incurred only within the approved allotments to preclude overdrafts in allotments; and, (ii) all realignments of allotments are covered by MAFs, duly approved by the ED	The Management to require the Budget Officer to ensure that: (i) obligations are incurred only within the approved allotments to preclude overdrafts in allotments; and, (ii) all realignments of allotments are covered by MAFs, duly approved by the ED	Budget Officer/FAD	August,2020	December, 2020	Implemented	The allotment for the Miscellaneous Personnel Benefit Fund (MPBF) was not included in the allotment Authority.	
c. Non-maintenance of registries and financial accountability reports (FARs)	We recommended and Management agreed to require: (i) the Budget Officer to maintain the prescribed registries to support the information in the related FARs and FSs and facilitate verification and analysis thereof; and (ii) the Accountant and Budget Officer to prepare the required FARs and submit to the DHM, COA-GAS, and the Audit Team	The Management to require: (i) Accountant to maintain the prescribed registries to support the information in the related FARs and FSs and facilitate verification and analysis thereof; and (ii) the Accountant and Budget Officer to prepare the required FARs and submit to the DHM, COA-GAS, and the Audit Team.	Accountant/FAD	August,2020	December, 2020	Partially Implemented	still on going The registries for RANCA and FAR 5 were already prepared. The FAR 1, 1A and 4 are still to be prepared.	
d. Absence of provision for liquidated damages (LDs) on failed submission of deliverables and extension of contract duration resulted in non-completion of LDs and delays in the delivery of project outputs/outcomes, respectively.	We recommended that Management require the Chief, Research Division, to: (i) ensure that provision on LDs are provided for all CoS with technical consultants and research assistants to safeguard the interest of the agency and the SAs; (ii) monitor compliance by technical consultants/research assistants with the delivery schedules of agreed outputs and impose penalties as agreed for delays incurred; and (iii) ensure that requests for contract extension are carefully evaluated based on documents provided; and in consideration of project outputs/outcomes and, (iv) ensure that approvals on contract extensions specify revised timelines, scope of work, and/or deliverables, and are adequately documented.	The Management to require the Chief, Research Division, to: (i) ensure that provision on LDs are provided for all CoS with technical consultants and research assistants to safeguard the interest of the agency and the SAs; (ii) monitor compliance by technical consultants/research assistants with the delivery schedules of agreed outputs and impose penalties as agreed for delays incurred; and (iii) ensure that requests for contract extension are carefully evaluated based on documents provided; and in consideration of project outputs/outcomes, and (iv) ensure that approvals on contract extensions specify revised timelines, scope of work and/or deliverables, and are adequately documented.						
e. Non-completion of co-financed training and research projects within the year the fund transfers were received from the SAs resulted in partial disbursements of funds for agreed activities and the accumulation of untransferred funds carried in the books as at year-end.	We recommended that Management direct:  at the Research Division to evaluate the capacity of the PSRTI to complete trainings and researches from the estimated date of contract execution and fund transfers by the SAs, as basis for entering into MOA with the SAs;  (b) the Accountant to regularly submit reports of disbursement on the utilization of funds; and return any unused balance to SAs, upon completion of the project	The Management to direct:  at the Research Division to evaluate the capacity of the PSRTI to complete trainings and researches from the estimated date of contract execution and fund transfers by the SAs, as basis for entering into MOA with the SAs;  (b) the Accountant to regularly submit reports of disbursement on the utilization of funds; and return any unused balance to SAs, upon completion of the project	Accountant/FAD	August,2020		Implemented	Prepared and updated the report of disbursement of projects and returned the unused balance upon completion.	

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			
5. Non-posting of required accountability information/reports on the Transparency Seal (TS) page in its website had not provided its stakeholders and the general public, information on its operations and performance, among others.	We recommended and Management agreed to direct:	The management to direct:						
	a) the Accountant and Budget Officer to prepare the accountability reports and forward the same to the Web Administrator for posting in the TS page in the agency's website, ensuring compliance with the posting timelines; and	a) the Accountant and Budget Officer to prepare the accountability reports and forward the same to the Web Administrator for posting in the TS page in the agency's website, ensuring compliance with the posting timelines; and	Accountant	August,2020	December, 2020	Implemented		All Accountability and Financial Reports were already forwarded to WEB administrator.
	b) the Web Administrator to follow up submission of the required reports for posting in the TS page and observe compliance with the posting timelines.	b) the Web Administrator to follow up submission of the required reports for posting in the TS page and observe compliance with the posting timelines.						
6. Error in computation and non-imposition of LDs on delayed deliveries.	Management agreed to instruct the Accountant to make the necessary adjustments to correct the various accounting error noted	Management agreed to instruct the Accountant to make the necessary adjustments to correct the various accounting error noted	Accountant	August,2020	December, 2020	Implemented		Corrected the error by using the calendar days instead of working days in the computation of penalties.
7. Unrecorded Due to NGAs balances between GL and the Individual Projects SLs - P2,267,863.37	Management agreed to direct the Accountant and the Bookkeeper to reconcile the discrepancy of P2,267,863.37 between the GL and the Individual Project SLs.	Management agreed to direct the Accountant and the Bookkeeper to reconcile the discrepancy of P2,267,863.37 between the GL and the Individual Project SLs.	Accountant	August,2020		Partially Implemented	On-going	The Equipment below 15 thousand previously disposed and donated to various government agencies were not yet effected in the books.
8. Discrepancies in the PPE balances in the GL, PPELC and the RDCPPE.	We recommended and Management agreed to direct the Accountant and the Property Officer to continue the reconciliation of their records to thresh out the discrepancies and to come up with correct balances of the accounts.	The Management agreed to direct the Accountant and the Property Officer to continue the reconciliation of their records to thresh out the discrepancies and to come up with correct balances of the accounts.	Accountant	August,2020	December, 2020	Partially Implemented	On-going	Still reconciling with the property Officer.
9. Discrepancy between the books of accounts of the PSRTI and the PS-DRM - P600,052.07	Management require the Chief Accountant to reconcile periodically the records of the PSRTI against the PS-DRM to promptly thresh out noted discrepancies, for immediate adjustments in their records, as necessary.	Management require the Chief Accountant to reconcile periodically the records of the PSRTI against the PS-DRM to promptly thresh out noted discrepancies, for immediate adjustments in their records, as necessary.	Supply Officer	August,2020	December, 2020	Not Implemented		PS Supply Officer are still waiting for documents from PS-DRM to record the necessary adjustments for the advance payments of undelivered supplies.
10. Unliquidated/outstanding balances of funds transferred to other agencies for various inter-agency projects P560,061.83	Management to: a) Coordinate with the PSA Accountant and demand the immediate submission of liquidation reports and/or refund of the unexpended amount of the transferred funds, to reflect the actual balance of the Due from NGAs.	Management to: a) Coordinate with the PSA Accountant and demand the immediate submission of liquidation reports and/or refund of the unexpended amount of the transferred funds, to reflect the actual balance of the Due from NGAs.	Accountant	August,2020	December, 2020	Not Implemented		The accountant constantly coordinated with the PSA Accountant on the submission of the Report of Disbursements for the balance.
delayed submission of liquidation report of completed projects; and	b) require the Officials concerned to render proper accounting and reporting of project disbursements to come up with the Actual balance of payables to source Agencies; and	b) require the Officials concerned to render proper accounting and reporting of project disbursements to come up with the Actual balance of payables to source Agencies; and	Accountant	August,2020	December, 2020	Implemented		The Bookkeeper has already prepared and submitted to source agency the required report of disbursements for the PSRTI projects.

Certified by:

  
**ORLANDO F. CHINILLA**  
 Accountant IV

Summary of Payments for Late Deliveries of Supplier as per attached Audit  
Observation Memorandum (AOM)

<b>Supplier</b>	<b>Penalty</b>	<b>Payment</b>
Tri-M Vault Specialist	₱ 396.00	₱ 396.00
Tri-M Vault Specialist	₱ 162.00	₱ 162.00
Eleksis Marketing Corporation	₱ 5,940.68	-
Showcase Carpet	₱ 656.37	-
St. Francis Square Department Store	₱ 428.35	₱ 428.35
Elfrio Airconditioning Services, Inc.	as per attached letter of request for extension approved by E.D. Almeda	
ATR Multitrade Concept Inc.	₱ 21.75	₱ 21.75
ATR Multitrade Concept Inc.	₱ 108.75	₱ 108.75
ATR Multitrade Concept Inc.	₱ 725.00	₱ 725.00
Contract Design and System Furniture	₱ 615.79	₱ 615.79
LJB Printing Services	₱ 555.00	₱ 555.00
LJB Printing Services	₱ 3,700.00	₱ 3,700.00
LJB Printing Services	₱ 18.00	₱ 18.00
LJB Printing Services	₱ 120.00	₱ 120.00
LJB Printing Services	₱ 30.00	₱ 30.00