

Philippine Statistical Research and Training Institute
AGENCY ACTION PLAN and STATUS of IMPLEMENTATION
 Audit Observations and Recommendations
 For the Calendar Year 2021
 As of September 14, 2022

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/ Non-	Action Taken/ Action to be taken
			Action Plan	Person/Div. Responsible	Target Implementation Date				
					From	To			
Accounting Error									
AAR 2021 Pages 29-30	1. Various accounting errors in the keeping of accounts of the agency affected the fair presentation and reliability of the financial statements (FSs).	Management agreed to instruct the Accountant to analyze the related transactions and prepare the necessary adjusting entries to correct the aforementioned errors; and henceforth, observe the proper/correct recognition of accounts and transactions in accordance with Government Accounting Manual (GAM) for National Government Agencies (NGAs) and other applicable rules and regulations.	To prepare the necessary adjusting entries to correct the aforementioned errors and observe the proper/correct recognition of accounts and transactions in accordance with Government Accounting Manual (GAM) for National Government Agencies (NGAs) and other applicable rules and regulations.	Orlando Chinilla/FA	June, 2022	December, 2022	Implemented		Adjustments were reflected under JEV Nos. 03-2021-12-021, 03-2021-12-022, 03-2021-12-023, 03-2021-12-024, 03-2021-12-025, 03-2021-12-027, 03-2021-12-030 all dated December 31, 2021 and JEV # 01-2022-04-022 dated April 19, 2022
AAR 2021 Pages 30-31	1.a Non- amortization of the Investments in Treasury Bonds (Tbonds)	Management agreed to: (a) require the Accountant to amortize the Investments in TBonds using the effective interest method to reflect the actual carrying values of all investments in Tbonds as at year-end; and (b) recognize the correct amounts of income and expense for the year.	To amortize the Investments in TBonds using the effective interest method to reflect the actual carrying values of all investments in Tbonds as at year-end To recognize the correct amounts of income and expense for the year	Orlando Chinilla/FA Orlando Chinilla/FA	June, 2022 June, 2022	December, 2022 December, 2022	Implemented		Adjustment was reflected under JEV Nos. 03-2021-12-026 dated December 31, 2021.
AAR 2021 Page 31	1.b Proceeds of matured investments erroneously deposited in a special account with the Bureau of the Treasury (BTr) - P1.204 million	Management agreed to coordinate with the BTr on the requirements and procedures for the withdrawal of the proceeds of the matured investments of P1.204 million erroneously deposited to the Agency's special account with the BTr. Management request from the Department of Budget and Management (DBM) for the issuance of Notice of Cash Allocation for the withdrawal of the erroneous deposit from its special account with the BTr.	To coordinate with the BTr on the requirements and procedures for the withdrawal of the proceeds of the matured investments of P1.204 million erroneously deposited to the Agency's special account with the BTr. To request from the Department of Budget and Management (DBM) for the issuance of Notice of Cash Allocation for the withdrawal of the erroneous deposit from its special account with the BTr.	Orlando Chinilla/FA Orlando Chinilla/FA	June, 2022 June, 2022	December, 2022 December, 2022	Partially Implemented		The cashier has already coordinated with the Bureau of Treasury on the requirements and procedures for the withdrawal of the proceeds of the matured investments.
Accounting Deficiency									
AAR 2021 Page 32	2. The completeness and accuracy of the balances of several asset and expense accounts were not determined due to deficiencies in the recognition of office supplies and semi-expendable equipment, and non-/delayed submission of bank reconciliation statements (BRs) and financial reports/documents. 2.a Erroneous recognition of issued office supplies and semi-expendable equipment	Management agreed to instruct the Accountant to recognize the issuance of office supplies and semi-expendable equipment under the appropriate accounts and not directly against <i>Accumulated Surplus/(Deficit)</i> .	To recognize the issuance of office supplies and semi-expendable equipment under the appropriate accounts and not directly against <i>Accumulated Surplus/(Deficit)</i> .	Orlando Chinilla/FA	June, 2022	December, 2022	Implemented		The Accountant recognized the error in the recording of issued office supplies and semi-expendable equipment and is currently implementing the correct entry.
AAR 2021 Pages 32-34	2.b Non-/delayed submissions of BRs	Management agreed to instruct the Accountant to: (a) closely coordinate with the Land Bank of the Philippines for the timely issuance of the monthly BSs, and/or consider availing of the we-Access and e-MDS online facility to view and print the needed statement to facilitate the preparation of the BRs; and (b) submit to the Office of the Auditor the monthly BRs within 20 days from receipt of the BSs to facilitate timely review and audit of cash accounts, and the communication of errors, if any, to Management.	To closely coordinate with the Land Bank of the Philippines for the timely issuance of the monthly BSs, and/or consider availing of the we-Access and e-MDS online facility to view and print the needed statement. To submit to the Office of the Auditor the monthly BRs within 20 days from receipt of the BSs	Orlando Chinilla/FAD Orlando Chinilla/FAD	June, 2022 June, 2022	December, 2022 December, 2022	Implemented		The Accounting unit has already updated and submitted the Bank Reconciliation Statements in accordance with the guidelines.

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AAR 2021 Pages 34-35	2.c Delayed submission of financial reports and/or documents.	Management agreed to require the Accountant to observe the complete and timely submission to the Audit Team of the required financial reports/statements and supporting documents/schedules.	To observe the complete and timely submission to the Audit Team of the required financial reports/statements and supporting documents/schedules.	Orlando Chinilla/FA	June, 2022	December, 2022	Implemented		The Accounting unit has already submitted report on time in accordance with COA guidelines.
AAR 2021 Pages 35-37	2.d Incomplete supporting documentation	Management agreed to require the Accountant to: (a) submit the lacking/deficient documents; and (b) ensure that all claims against the Agency are duly supported with complete/adequate documentation to enable the determination of the propriety and validity of the said claims.	To submit the lacking/deficient documents To ensure that all claims against the Agency are duly supported with complete/adequate documentation to enable the determination of the propriety and validity of the said claims.	Orlando Chinilla/FAD	June, 2022	December, 2022	Implemented		The complete supporting documents were already submitted to COA
Compliance Issues									
AAR 2021 Pages 37-38	3. Deficiencies in the procurement of consulting services, contracts, submission of deliverables/outputs and reporting on procurements affected the competitiveness and transparency in the procurement process, among others. 3.a Absence of Bids and Awards Committee (BAC) resolution recommending the alternative mode of procurement	Management agreed to instruct the Chairperson, BAC to prepare a resolution for the adoption of the alternative modes of procurement, as necessary or applicable, for approval by the Head of the Procuring Entity.	To instruct the Chairperson, BAC to prepare a resolution for the adoption of the alternative modes of procurement, as necessary or applicable, for approval by the Head of the Procuring Entity	Lolita Oreo/BAC	June, 2022	December, 2022	Implemented		The BAC was instructed to prepare a Resolution recommending change of Alternative Modes of Procurement from Negotiated Procurement-Small Value Procurement and Competitive Bidding to Negotiated Procurement-Highly Technical Consultants. Copy of the BAC Resolution No. 0407-05 has been submitted to COA.
AAR 2021 Pages 38-40	3.b Prescribed procedures on the modes of procurement not properly observed	Management agreed to direct the BAC to ensure compliance with the procedures prescribed for the Negotiated Procurement-Small Value Procurement (NP-SVP), such as the: (i) preparation and issuance of the Request for Quotation (RFQ)/Request for Proposal to at least three consultants; (ii) posting of the RFQs or Requests for Expression of Interest on the agency's website and in any conspicuous places on the premises of the agency reserved for posting; and (iii) preparation of the Abstract of Quotations/Ratings. Management agreed to direct the Chairperson, BAC to ensure the adoption of the prescribed procedures for NP-Highly Technical Consultant (HTC) as follows: (i) preparation of the justification for the hiring of HTC; and (ii) preparation of the BAC evaluation document.	To ensure compliance with the procedures prescribed for the Negotiated Procurement-Small Value Procurement (NP-SVP), such as the: (i) preparation and issuance of the Request for Quotation (RFQ)/Request for Proposal to at least three consultants; (ii) posting of the RFQs or Requests for Expression of Interest on the agency's website and in any conspicuous places on the premises of the agency reserved for posting; and (iii) preparation of the Abstract of Quotations/Ratings. To ensure the adoption of the prescribed procedures for NP-Highly Technical Consultant (HTC) as follows: (i) preparation of the justification for the hiring of HTC; and (ii) preparation of the BAC evaluation document.	Lolita Oreo/BAC	June, 2022	December, 2022	Implemented		The BAC was reminded to follow the prescribed procedures required under Sections (IV) and V, of Annex H of the 2016 RIRR of RA 9184 to conform with the requirements on hiring of consultants.
AAR 2021 Pages 40-41	3.c Non-posting of the required procurement documents	Management agreed to instruct the BAC Secretariat to adhere to the posting requirements for the Notice of Award, Contract, and Notice to Proceed for contracts with approved budget for the contract of above ₱50,000.00 in the Philippine Government Electronic Procurement System and Agency's website, and at any conspicuous place within the latter's premises.	To adhere to the posting requirements for the Notice of Award, Contract, and Notice to Proceed for contracts with approved budget for the contract of above ₱50,000.00 in the Philippine Government Electronic Procurement System and Agency's website, and at any conspicuous place within the latter's premises.	Lolita Oreo/BAC	June, 2022	December, 2022	Implemented		The BAC Secretariat was instructed to adhere to the posting requirements of Notice of Award, Notice to Proceed and contract, if necessary, in the websites of PhilGEPs and the PSRTI, and at the Bulletin Board for contracts above the Approved Budget for the Contract of Fifty Thousand Pesos (₱50,000.00).
AAR 2021 Pages 41-44	3.d Deficiencies in the contracts and submission of deliverables/outputs	Management agreed to ensure that: (a) provisions on liquidated damages (LDs) and specific timelines for deliverables/outputs are provided for all Contract of Service; and	To ensure that provisions on liquidated damages (LDs) and specific timelines for deliverables/outputs are provided for all Contract of Service	Lolita Oreo/BAC	June, 2022	December, 2022	Implemented		The management will ensure that the Contracts of Service will include a provision on liquidated damages in accordance to Section 68, Rule XXII of 2016 RIRR of RA9184.

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		(b) the date of receipt of deliverables/outputs are indicated therein or in related documents.	To ensure that the date of receipt of deliverables/outputs are indicated therein or in related documents.	Lolita Oreo/BAC	June, 2022	December, 2022	Implemented		The management has instructed the end-users to indicate the dates of submission of the deliverables to provide documented evidence of timely submissions and ensure that the deadlines are indicated in the perfected contract.
AAR 2021 Page 44	3.e Erroneous reporting of the modes of procurement used	Management agreed to instruct the Chairperson, BAC to ensure that the actual modes of procurement adopted are reflected in the revised Annual Procurement Plan.	To ensure that the actual modes of procurement adopted are reflected in the revised Annual Procurement Plan.	Lolita Oreo/BAC	June, 2022	December, 2022	Implemented		Based on the approved 2021 APP, the original ABC for hiring of highly technical consultant on the implementation of the ISSP project was One Million Pesos (P1,000,000.00) for Public Bidding. Said mode of procurement was changed to NP-Highly Technical due to change in the amount of submitted Purchase Request by the end-user. Apparently, there was inadvertent error in the computation of the contracts as reflected in the updated APP for the FY 2021 second semester. Thus, a revised 2021 APP was prepared to update the correct amount of the ABC and submitted to COA.
Prior Years' Audit Recommendations									
AAR 2020 Page 38	4. Income erroneously deposited in a special account with the BTr - P12.084 million	Management agreed to direct the Accountant to: (a) coordinate with the BTr and the DBM on the possible withdrawal of the management and administrative fees erroneously deposited to a special account with the BTr for transfer to the Endowment Fund; and (b) take appropriate action based on the advice of the BTr and the DBM.	To coordinate with the BTr and the DBM on the possible withdrawal of the management and administrative fees erroneously deposited to a special account with the BTr for transfer to the Endowment Fund To take appropriate action based on the advice of the BTr and the DBM	Orlando Chinilla/FAD Orlando Chinilla/FAD	June, 2022 June, 2022	December, 2022 December, 2022	Implemented		The Accountant has already informed the COA Auditors that the amount of P12.084 million representing Management fee is not erroneously deposited to Endowment Fund. The COA has already recognized it. The amount already requested for SARO and NCA to DBM.
AAR 2020 Pages 38-39	5. Unremitted excess training fees and interest income to the BTr - P1.035 million	Management agreed to direct the Accountant to ensure that excess training fees and interest income on bank accounts, as applicable, are processed for remittance to the BTr. Also, Management agreed to require the Cashier to remit immediately to the BTr the excess training fees and interest income of P1.035 million as at year-end and thereafter.	To ensure that excess training fees and interest income on bank accounts, as applicable, are processed for remittance to the BTr. To require the Cashier to remit immediately to the BTr the excess training fees and interest income of P1.035 million as at year-end and thereafter.	Orlando Chinilla/FAD Imelada Higanto/FAD	June, 2022 June, 2022	December, 2022 December, 2022	Implemented		Remitted under deposit slips nos LC 21-026 dated August 12, 2021 amounting P1,026,959.88; LC No. 21-027 dated August 12, 2021 amounting P28,507.70; LC No 21-029 dated August 12, 2021 amounting to P54,835.50
AAR 2019 Pages 27-30	6. A number of accounts' balances were either unreconciled or with discrepancies undermining the qualitative characteristics and the reliability of the account balances in the FSs.	Management agreed to require 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 General Ledger balance to facilitate verification of the reported balance in the FSs.	To 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 To maintain SLs for the Cash in Bank-LCCA as supporting details to the General Ledger	Orlando Chinilla/FAD Orlando Chinilla/FAD	June, 2022 June, 2022	December, 2022 December, 2022	Implemented		The Accounting unit has partially submitted the Subsidiary Ledgers for the CY 2022 collections and disbursement of each training activities for Regular and Customized training as starting point. As to the Due to NGAs accounts, the Bookkeeper also submitted the SLs for various commissioned research projects
AAR 2019 Pages 34-35	7. Deficiencies in budgetary controls resulted in the incurrence of obligations of P4.196 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 Financial Accountability Reports (FARs) and FSs, among others. 7.a Non-maintenance of registries and FARs	Management agreed to require: (a) 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	To maintain the prescribed registries to support the information in the related FARs and FSs and facilitate verification and analysis thereof	Wilma Dumantay/FAD	June, 2022	December, 2022	Implemented		As agreed with COA, the registries to be updated is from CY 2021 onwards.

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		(b) The Accountant and Budget Officer to prepare the required FARs and submit to the DBM, COA-Government Accountancy Sector, and the Audit Team.	To prepare the required FARs and submit to the DBM, COA-Government Accountancy Sector, and the Audit Team	Orlando Chinilla & Wilma Dumantay/FAD	June, 2022	December, 2022	Implemented		The FARs are fully implemented and submitted to DBM and COA. The FAR 2 and FAR 2A as of June 30, 2022 to be submitted to COA
AAR 2019 Pages 40-41	8. 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.	Management agreed 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 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.	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 To follow up submission of the required reports for posting in the TS page and observe compliance with the posting timelines	Accounting and Budget Unit Knowledge Management Division (Web administrator)	June, 2022	December, 2022	Implemented Implemented		Accountability reports are being posted in the Transparency Seal website on a timely manner.
2018 AAR Page 26	9. 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 errors noted.	To make the necessary adjustments to correct the various accounting errors noted	Orlando Chinilla/FAD	June, 2022	December, 2022	Partially Implemented		The supplier was already informed for the collection of penalties. No payment yet was received

Prepared by:



ORLANDO F. CHINILLA
Accountant IV

Approved by:


MARIA PRAXEDES R. PEÑA
Officer-in-Charge