

BUREAU OF CUSTOMS
South Harbor, Port of Manila

AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION
Audit Observations and Recommendations
For the Calendar Year 2023
As of August 28, 2024

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/ Non-Implementation, If applicable	Action Taken/ Action to be taken	Audit Remarks
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2023 AAR, Page Nos. 48- 51	1. Various accounting errors/omissions in keeping the accounts of the BOC had affected the fair presentation of account balances reported in the FSs.	Management agreed to instruct the Accounting Division and Revenue Accounting Division (RAD) to analyze the related transactions and prepare the necessary adjusting entries to correct the aforementioned errors/omissions.								
	a. Unreconciled balance of <i>Tax Receivable</i> account per books and e2m database	Management agreed to instruct the Liquidation and Assessment Audit Division to continue monitoring the collection of unpaid accounts and provide the RAD of the schedule thereof, with the applicable interests and surcharges, for recording.	Continue monitoring the unpaid duties and reconcile discrepancies thru instructions to the Port's NCO to tag the payment (thru Cash SAD module). Ports continuously submit proof of payment	Revenue Accounting Division	May 2024	Dec 2024	Fully Implemented		Upon recording the unpaid duties identified from the e2m system(downloadable refreshable), we issued a letter informing the Collection District (together with the list thru email)	
	b. Non-deduction of recoupment of mobilization fee from progress payment totaling ₱0.990 million	Management agreed to require the Chief, Accounting Division to: (a) exert extra effort in verifying the balance of the <i>Advances to Contractors</i> ; and (b) instruct Accountants at the ports to ensure that mobilization fees are clearly indicated in the DVs and recouped in progress payments.	To update the Subsidiary Ledger of the account, and to make the necessary adjustments. To inform the respective ports of the balances of	Accounting Division	May 2024	May 2024	Fully Implemented		The Accounting Division (AD) has updated the Subsidiary Ledger (SL) of the Advances to Contractors account as of December 2023. Hence, the necessary adjustments were already made to correct the balance of the account in the books under JEV No. 24-05-0490 The balances of the Advances to Contractors account for respective ports were communicated via email	

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			the Advances to Contractors Account						and through their Disbursing Officer Group. Documents needed for the adjustment of the account were already provided to the AD.	
2023 AAR, Page Nos. 52-54	2. Non-maintenance of records/incomplete documentation on financial transactions for recognition in the books, negative account balances, and non-compliance with accounting standards and other relevant issuances cast doubts on the existence, completeness, and accuracy of the balances of several asset and liability accounts.	Management agreed to require the concerned offices/divisions to address the accounting deficiencies noted, in accordance with the relevant provisions of PD No. 1445, COA Circulars, and the GAM for NGAs.	To make the necessary adjustments and to address other deficiencies	(a) Accounting Division (b) Accounting Division (c) Accounting Division (d) General Services Division (e) Accounting Division	May 2024	Dec 2024	Fully Implemented	Adjustments were already made except of the negative balances of mandatory deductions.	a. Inaccurate year-end balances of semi expendable property accounts - adjusted per JEV No. 24-05-0491 b. Property items costing less than P50k not reclassified as PPE -adjusted per JEV No. 24-05-0492 c. Non-maintenance of Semi-Expendable Property Ledger - in process of reconstructing SL d. Uninsured PPE with the GSIS -The completion of depreciation of PPEs shall be the basis of the Property Inventory Form (PIF). Once accomplished, it will be transmitted to the COA and the GIF of GSIS. e. Unreliable ending balances/ accounts with negative SL balances. -in process of analyzing the negative balances	
	a. Discrepancies between the SL balance and bank balance amounting to ₱151.339 million due to delayed submission of reports and documents	Management agreed to instruct the Port Accountants and Accounting Division – Central Office to regularly reconcile the balances of the bank accounts for the latter to identify the reconciling items and reflect any necessary adjustments in the agency's books.	To update the SL of the Cash-In Bank Accounts and to make the necessary adjustments	Accounting Division	May 2024	Dec 2024	Fully Implemented	The remaining discrepancies are still for reconciliation.	To date , the Accounting Division has adjusted a total amount of ₱ 106,458,824.17 primarily comprising disbursement reports received only in CY 2024. Copies of JEVs were already forwarded to COA.	
2023 AAR, Page Nos. 55	3. The overall agency's fund utilization was only ₱2.833 billion or 90.99 percent of its total obligation of ₱3.114 billion and allotment of ₱3.415 billion for its regular programs, due to delays in the procurement and awarding/implementation of contracts for various projects	Management agreed to fast track the procurement process and ensure that all procurement activities and implementation of programs are within the timelines set.	To comply with the Audit recommendations	Budget Division	May 2024	Dec 2024	Fully Implemented		The BOC agrees with the recommendation of the Commission on Audit to improve its procurement process by constant coordination with the Procurement Section, General Services Division (GSD) and recommend the conduct of Early Procurement Activities to ensure the timely implementation of BOC's programs and projects.	

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	and unsubmitted terminal leave claims on the total amount allotted for CY 2023.									
2023 AAR, Page Nos. 56-57	4. For CY 2023, the agency has low utilization/disbursement of only ₱9.771 billion or 79.86 percent of the total cash allocation of ₱12.235 billion received during the year with a balance of ₱2.464 billion reverted to the National Treasury at year-end, due to delays on the following: (a) the procurement of supplies/semi-expendables and awarding of contracts on X-ray machines; (b) the release of VAT refunds; and (c) the implementation of PCMP project, thus, the cash allocation was not fully utilized.	Management agreed to improve its procurement planning such as conducting effective pre-procurement activities and cautious evaluation/analysis of programs/projects to be implemented to ensure and maximize the utilization of budgeted allotment and cash allocation.	To comply with the Audit recommendations	General Services Division	May 2024	Dec 2024	Fully Implemented		The BAC Secretariat has calendared the remaining projects for FY 2024. The BAC will ensure strict compliance with the procurement timeline in order to maximize the utilization of the allotted budget and cash allocated.	
2023 AAR, Page Nos. 57-61	5. Lack of supervision and monitoring of Semi-expendable Property and PPE has resulted in the (a) non-completion of the physical count; and (b) non-preparation and non-submission/improper/non-maintenance of required property records.	Management agreed to: (a) instruct the Supply/Property Officer/Inventory Committee to conduct a physical count and prepare and submit RPCPPE and RPCSP;	To comply with the Audit recommendations	General Services Division	May 2024	Dec 2024	Not Implemented		The BOC has an Inventory Committee (IC) per Customs Special Order (CSO) No. 162-2021 dated November 05, 2021. As of this writing, the property officer from the General Services Division (GSD) is updating all PPEs issued for cross-checking purposes before actual conduct of physical count. Records shall be indorsed to IC for the continuation of validation, evaluation, and physical count of all Property, Plant and Equipment (PPE) in the Central Office. The same shall be coordinated with the inventory committee in Ports/Sub-ports, hence, a memorandum was sent to Ports/Sub-ports relative to submission of pertinent reports to the GSD for consolidation and submission to the Accounting Division (AD) and Commission on Audit (COA) every January 31 of the following year in accordance with Chapter 10, Section 28 of	

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							Government Accounting Manual (GAM) Volume 1.			
		(b) instruct the General Services Division (GSD) - Property Section to properly maintain and regularly update PCs with complete information and proper identification of the PPE items;	To comply with the Audit recommendations	General Services Division	May 2024	Dec 2024	Not Implemented	Property Cards of Newly Procured Equipment is being attached to transmittal of payment to AD. PCs of equipment prior to 2024 is being consolidated	Coordination has been made between the BOC-General Services Division (GSD) and Accounting Division (AD) last May 31, 2024, relative to the indorsement of Property Cards (PCs) with pertinent documents for proper monitoring and updating of records from time to time.	
		(c) instruct the Property Officer to prepare IIRUP for all PPEs found unserviceable, obsolete and/or no longer needed;	To comply with the Audit recommendations	General Services Division	May 2024	Dec 2024	Not Implemented	Ongoing reconciliation/updating of data	The BOC-GSD has an updated list of unserviceable PPEs which are subject for disposal. This list will be transferred to the Inventory and Inspection Report of Unserviceable Property (IIRUP) form for proper disposal proceedings.	
		(d) create a Disposal Committee to conduct the disposal proceedings for the unserviceable properties;	To comply with the Audit recommendations	General Services Division	May 2024	Dec 2024	Not Implemented	Waiting for comments/recommendation of Legal Service	The GSD has already drafted a disposition form dated November 15, 2023, on the proposed amendments on the existing CMO No. 16-2014 Re: Reconstitution of the Disposal Committee and Creation of the Bids and Awards Committee on Disposal in the Bureau of Customs. The proposal was to include a vice-chairperson for the Disposal Committee to proceed with disposal processes in the absence of the chairperson. The proposal was indorsed to the Legal Service for comments/recommendation.	
		(e) Supply/Property Officer to renew all PARs at once and every three years thereafter and ensure that all issued PPEs have corresponding PARs to establish accountability of all PPEs; and	To comply with the Audit recommendations	General Services Division	May 2024	Dec 2024	Not Implemented	Ongoing renewal of PARs.	The Supply/Property Officer shall renew all PARs starting in the Central Office, specifically, X-ray Machines. The same shall be done with other PPEs upon proper identification of items. For Ports/Sub-ports, the GSD transmitted a memorandum on present accountability of all PPEs thereat, consequently, renewal of PARs shall be made.	

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		(f) implement the provisions for the one-time cleansing of PPE account balances of the BOC as embodied in Section 7.0 of COA Circular No. 2020-006 dated January 31, 2020.	To comply with the Audit recommendations	General Services Division	May 2024	Dec 2024	Not Implemented	Ongoing completion of inventory.	Upon completion of inventory updating, the one-time cleansing will be conducted.	
2023 AAR, Page Nos. 61-64	6. Incomplete documentation on the submission of the procurement requirements by the BAC Secretariat Personnel and Procurement Section of the GSD due to lack of familiarity and sufficient training may lead to mismanagement of the procurement process and create a possible risk of loss/misuse of government funds.	Management agreed to: (a) submit a copy of executed contracts and POs together with their necessary attachments within five working days for the timely review by the Audit Team pursuant to COA Circular 2009-001 dated February 12, 2009; (b) comply with the post-award posting requirements of Appendix 33 of the Revised IRR of RA No. 9184 and transparency requirement on the procurement process of AO No. 34, series of 2020; and (c) reflect in the Revised APP, any deviations from the original mode of procurement, pursuant to Section 48.3 of the Revised IRR of RA No. 9184.	To comply with the Audit recommendations	General Services Division			Fully Implemented		General Services Division (GSD) will ensure complete submission of the Contracts and POs with necessary attachments within the prescribed period. -Submission thru email	
			To comply with the Audit recommendations	General Services Division			Fully Implemented		Attached as Annex A is the proof of the post-award posting requirements of Appendix 33 in the BOC's official website. Moreover, the BOC Bids and Awards Committee (BAC), through the BAC Secretariat, will ensure compliance with post-award posting on succeeding procurement projects of the BOC and will include the proof of post-award posting in transmittal of documents to COA.	
			To comply with the Audit recommendations	General Services Division			Not Implemented		In the succeeding submission of the Annual Procurement Plan (APP), the BOC will reflect the appropriate mode of procurement and amend any deviations from the original mode of procurement, if necessary.	
2023 AAR, Page Nos. 65-66	7. The BOC maintains deposit accounts with AGDBs without specific authority from the BTr, thus, huge cash balances remain in the agency's fund which does not accrue to the unappropriated surplus of the government, depriving the government of the much needed funds to finance its programs, activities, and projects.	Management agreed to obtain specific authority/legal basis in maintaining deposit accounts with the AGDB designated by the TOP. Nevertheless, discuss and coordinate with the Bureau of the Treasury (BTr) to determine the nature and status of the deposit accounts with the various AGDBs and validate/evaluate the veracity and necessity of their continued existence.	To seek/request for the Bureau of the Treasury (BTR) Authority for the maintenance of AGDBs	Accounting Division And Various Ports	May 2024	May 2024	Fully Implemented		In response to the various request from BOC offices, the BTR issued letter reply dated 31 May 2024, allowing the retention of the following accounts: •General Funds •Trust receipts/fund accounts •Forfeiture Funds	

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2023 AAR, Page Nos. 66-67	8. Incomplete and/or non-submission of reports of seized/abandoned and forfeited goods/cargoes by the ports' ACDD to the ACDMD - Port Operations Service, Assessment and Operations Coordinating Group, and the non-appraisal causing exclusion of some of seized/abandoned and forfeited goods/cargoes by the port's ACDD, cast doubt on the accuracy and completeness of the Confiscated Assets in the financial statements and likewise affects the information needed and intended for decision-making purposes of the agency.	Management agreed to: (a) ensure that all the seized/abandoned and forfeited goods of the ports are included in the monthly reports;	To comply with the Audit recommendations	AOCG ACDD, ACDMD	May 2024	May 2024	Fully Implemented		OCOM Memorandum Order No. 26-2024 was issued directing the Ports to submit all abandoned/seized and/or forfeited goods including fair market value on a monthly basis.	
		(b) conduct an appraisal to determine the updated fair value of the seized/abandoned and forfeited goods/articles without value in the possession of various ports; and	To comply with the Audit recommendations	AOCG ACDD, ACDMD	May 2024	May 2024	Fully Implemented		OCOM Memorandum Order No. 26-2024 was issued directing the Ports to submit all abandoned/seized and/or forfeited goods including fair market value on a monthly basis.	
		(c) submit to the Accounting Division for proper recognition and recording of seized/abandoned and forfeited goods/articles.	To comply with the Audit recommendations	AOCG ACDD, ACDMD	May 2024	Dec 2024	Fully Implemented		ACDMD, AOCG consolidates the monthly submission of Ports and submits the same to the Accounting Division ACDMD submits to the accounting report of confiscated cargoes which are recorded in the books	
2023 AAR, Page Nos. 68-70	9. Lack of specific timelines on the disposition of abandoned/seized and forfeited goods/articles amounting to ₱5.738 billion resulted in the delayed resolution of pending legal cases and disposal ranging from 2 days to 278 months, thus contributing to port congestion and exposing these goods/articles to further spoilage/deterioration, and resulting in foregone government revenues representing disposal proceeds through auction, collection of assessed duties and taxes, and additional storage fees due from these cargoes.	Management agreed to: (a) provide specific timelines for disposal of goods/articles subject to disposition under Section 1139 of CMTA;	To comply with Audit recommendations	AOCG	May 2024	May 2024	Fully Implemented		Memorandum was forwarded to Deputy Commissioner, RCMG requesting for comments and actions undertaken for abandoned and/or forfeited goods amounting to Four Billion Three Hundred Forty-Four Million Five Hundred Eighty-Two Thousand Thirty-Seven and 35/100 Pesos (PHP 4,344,582,037.35) identified on the AOM as pending under the Legal Service	
		(b) facilitate the immediate resolution of all pending cases under the Legal Services; and	To comply with the Audit recommendations	AOCG Legal Service	May 2024	May 2024	Fully Implemented		Memorandum was forwarded to Deputy Commissioner, RCMG to direct PMO to review and draft regulations FOR specific timelines for the disposal of goods/articles subject to disposition pursuant to Section 1139 of the CMTA.	
		(c) require the ports to immediately dispose of goods/articles subject to disposition to prevent loss, spoilage, and deterioration resulting in foregone government revenues.	To comply with the Audit recommendations	AOCG	May 2024	May 2024	Fully Implemented		Memorandum was issued to all district collectors requiring the immediate disposition of overstaying cargoes that are presently situated in container yards. Constant monitoring is being implemented by this Office through issuances of memoranda addressed to Ports for disposition of	

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								overstaying cargoes.		
2023 AAR, Page Nos. 70-74	10. The insufficient number of AMO personnel handling the accreditation process resulted in delays in the processing of 80 out of 206 or 39 percent of applications for accreditation of brokers and importers, undermining efficient revenue collection and streamlined trade facilitation.	Management agreed to: (a) enhance support by providing additional personnel capable of meeting the high volume of applications received daily;	AMO requested for additional Permanent and Contract of Service personnel	AMO HR	Mar 2024	Dec 2024	Fully Implemented		Recommendation for additional Six (6) Contracts of Service to AMO was approved by the Chief, AMO in April 2024. Customs Personnel Order (CPO) No. B-16-2024 dated March 13, 2024, was issued wherein two (2) Permanent personnel were designated to AMO.	
		(b) facilitate and fast-track the accreditation process by strictly observing timely checking, evaluation, approval, and activation of the applications; and	AMO coordinated with MISTG re: new Accreditation System for the fast-track of accreditation process	MISTG	Jan 2024	Dec 2024	Fully Implemented		BOC-AMO has received high praise from the Federation of Indian Chambers of Commerce Philippines (FICCP), the Practicing Customs Brokers Association of the Philippines (PCBAP), and the Chamber of Customs Brokers, Inc. (CCBI) for significantly improving operational efficiency and client service.	
		(c) consider streamlining the process of pre-checking and evaluation to reduce the time involved in said activities.	To comply with the Audit recommendations	AMO	Jan 2024	Dec 2024	Fully Implemented		AMO continues to review and revisit the existing policy and procedure and recommends measures and enhancements to ensure effective delivery of service and adhere to policy of ease of doing business.	
2023 AAR, Page Nos. 75-79	11. Delayed implementation of the Customs Modernization Program slowed the development of an effective risk management system, thus affecting the seamless trade facilitation mandate.	Management agreed to: (a) continuously pursue the implementation of the PCMP; and	To follow the directive from the DOF	PMU	May 2024	Dec 2024	Fully Implemented	Implementation of the PCMP is for cancellation. Following the directive from the DOF on 4 January 2024 to work on the full cancellation of the PCMP, the BOC is now pursuing steps for the approval of the World Bank loan cancellation and project cancellation by the NEDA.	The BOC submitted to the Department of Finance (DOF) a letter dated 19 June 2024 submitting the following for review and approval: a) Draft letter to Secretary Hon. Arsenio Balisacan of National Economic and Development Authority (NEDA) on the "Request for Partial Loan Cancellation of the World Bank- International Bank for Reconstruction and Development (WB-IBRD) Loan for the Philippines Customs Modernization Project (PCMP) b) Explanation for the Proposed Cancellation c) Latest Physical Performance of the PCMP	

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		(b) make a representation to the DOF to pursue the regionalization of the PCAG.	1. Revision of the regulations of PCAG CAO 01-2019 to include updated provisions. 2. Submission of CMO implementing regionalization of PCAG.	PCAG	May 2024	Dec 2024	Not Implemented	1.Draft CAO 01-2019 and CMO was submitted to PMO for review last 2023. 2.PMO returned to PCAG due to revisions. 3.Finalize draft CAO 01-2019 based on PMO reviews. Resubmitted revisions to PMO. Related CMO's being revised and to be resubmitted to PMO.	No need for representation to DOF. The Commissioner had approved the regionalization of PCAG pursuant to the recommendation of AOM. Draft CAO 01-2019 submitted to PMO for final review.	
2023 AAR, Page Nos. 79-81	12. Non-strict adherence and compliance with the basic requirements and required certifications on disbursements may create doubt on the reliability, regularity, and authority of the disbursements or payments made from public funds.	Management agreed to faithfully adhere to the fundamental principles for all financial transactions and observe strictly the provisions cited in Section 36, Chapter 2, Volume I of GAM for NGAs on the basic requirements for disbursements and the required certifications indicated therein.	To observe strictly the basic requirements of disbursements and the required certification	Accounting Division	July 2024	Dec 2024	Fully Implemented		1. Accounting Division provided and attached the checklist of requirements as per GAM and COA Circular 2012-01. The said checklist shall form part of the disbursement voucher/payroll. 2. Assigned an employee to check/verify if the necessary certifications on the disbursements are duly signed.	
2023 AAR, Page Nos. 81-82	13. The cases filed before the Legal Service - Appellate Division have remained unresolved for one to eight years as of December 31, 2023 due to lack of manpower, depriving the importers of the speedy disposition of their cases and the government of the additional funds from the forfeiture of the cash bonds or the immediate refund of the cash bond to importers, contingent on the finality of the decision of these cases.	Legal Service agreed to: (a) request for additional full-time action lawyers from Human Resource Management Division for the Appellate Division; and (b) expedite the review and issuance of the resolution of the filed cases before them.	Opening of the Plantilla positions for lawyers under Appellate Division Expedite resolution of the Protest (Dispute Settlement) cases filed before the Commissioner of Customs for automatic review	Legal Service Legal Service	May 2024 May 2024	Dec 2024 Dec 2024	Fully Implemented Fully Implemented		HRMD recently published four (4) vacant positions under Appellate Division, two (2) Attorney II and two (2) Attorney III. The Director, Legal Service, has directed the Chief, AD to assign Dispute Settlement cases to all lawyers of the Legal Service even those under the other Divisions, to expedite resolution of said cases.	
2023	14. The Bureau did not totally	Management agreed to:							a.)LBD had already transmitted the	

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AAR, Page Nos. 82-83	submit to the AT the goods declarations and supporting documents for 625,744 importation entries for CYs 2020 to 2023 due to lack of allocated/available and secured storage for all the lodged entries, thereby precluding the AT from conducting an objective examination/evaluation of the port's revenue transactions.	(a) provide an appropriate, safe, and secure storage room exclusively accessible to COA personnel; and	To comply with the Audit recommendations	NAIA	May 2024	Dec 2024	Not Implemented	On-going	<p>entries of PAL/PSI to COA on a regular basis and stored at the designated storage area.</p> <p>Received a letter from DHL informing us that they have to hold any improvements until New NAIA Infra Corp. (MMIC) will take over NAIA on September 2024. LBD will continue to monitor the updates on this matter.</p> <p>For PAIRCARGO, LBD had a meeting with the Bldg. Administrator last 06 Aug. 2024. A suitable storage area has been identified. However, further coordination is needed with the Operations Division as they are the one handling the storage areas inside the building. LBD will schedule a meeting with their Operations Manager this September 2024.</p>	
		(b) submit the deficient goods declarations together with the supporting documents and make regular submissions of liquidated import documents to the AT as provided under paragraph 4, Section 43 of PD No. 1445.	To comply with the Audit recommendations	NAIA	May 2024	Dec 2024	Fully Implemented	<p>The Port already completed submission of the lacking documents based on COA's list thru EPD.</p> <p>All documents transmitted to LBD are thoroughly checked for completeness and authenticity upon transmittal. Entries with lacking documents were not received until all the documents are complete</p>		
2023 AAR, Page Nos. 84-85	15. Deficiencies in cash management exposed government funds to risk of loss, theft, or misuse.	<p>Management agreed to:</p> <p>(a) ensure that the Chiefs of the concerned Collection Divisions conduct a proper review of the RCDs and affix their signatures thereof as "reviewed by";</p>		POM MICP NAIA	May 2024	Aug 2024	Fully Implemented	<p>POM:</p> <p>As per memorandum from the District Collector, POM dated July 16, 2024, the Collection Division implemented the following measures:</p> <ul style="list-style-type: none"> All National Collecting Officers (NCO) were instructed that all deposit slips shall affix the initial of the Chief, Collection Division and, in her absence, the Assistant Chief The List of Deposited 		

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								<p>Collections (LDC) must have the initial of the Assistant Chief or in his absence, any Senior NCO before the Chief's signature.</p> <ul style="list-style-type: none"> All Bureau of Customs Official Receipts (BCORs) series issued during the collection day must be indicated in the LDC. <p>MICP:</p> <p>The Collection Division has already updated the Report on August 22, 2024. A copy of the revised report was sent to ODC through a memo dated August 22, 2024.</p> <p>NAIA:</p> <p>The Chief of Collection Division reviewed Reports of Collections and Deposits (RCD's) of all Collecting Officers by affixing signature in the "reviewed by:" on the Abstract of Collections of all Collecting Officers</p>		
		(b) ensure that all Collecting Officers are properly bonded with the BTr and ensure the renewal of fidelity bonds of its Accountable Officers with the BTr before expiration;		NAIA Aparri	May 2024	Aug 2024	Fully Implemented	<p>Aparri:</p> <p>All Collecting Officers of the Port of Aparri are now properly bonded with the Bureau of the Treasury (BTr), and the fidelity bonds for Accountable Officers have been renewed.</p> <p>NAIA:</p> <p>All Collecting Officers are properly bonded with BTr at the Collection Division.</p>		
		(c) instruct the Special Disbursing Officer to communicate/coordinate to the Accounting Division of BOC-Central Office for the proper recording of the staled checks;	To coordinate with the Accounting Division of BOC-Central Office	Subic Clark	Jan 2024	Feb 2024	Fully Implemented	<p>Subic:</p> <p>Informed the BOC National Office for the adjustment of the two (2) Staled Checks amounting to P2,400.00</p> <p>Clark:</p> <p>Report of Disbursements with the copy of Staled Checks and adjustments are submitted to BOC</p>		

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							copy of Staled Checks and adjustments are submitted to BOC Accounting Division and Bookkeeping			
		(d) deposit intact all collections within the prescribed period;	The Collecting Officers and Alternate Collecting Officers will adhere to CMO NO. 05-2023 as recommended by the auditor	POM San Fernando Surigao Nasipit Bislig	Jan 2024	Feb 2024	Fully Implemented	<p>POM: As per memorandum from the District Collector, POM dated July 16, 2024, the Collection Division will subsist in strictly monitoring all daily collections and collection reports of all NCO to ensure that all collections are promptly remitted and duly accounted for as mandatorily required under the Government Accounting Manual and its implementing rules.</p> <p>San Fernando: Compliance to the recommendation has already been carried out through a Disposition Form requesting for the designation of a personnel stationed at the Subport of PEZA Baguio as the Acting Collecting Officer. As such all collections/payments are immediately deposited in the Bank.</p> <p>Surigao: A memorandum dated 12 February 2024 was signed by the District Collector directing all Collecting officers to adhere to CMO 05-2023.</p> <p>Nasipit: The Collecting Officer to deposit all collections daily or not later than the next banking day to AGDB, in compliance with the Customs Memorandum Order No. 5-2013, so that cash is adequately protected and its possible loss, use/misuse could be avoided.</p> <p>Bislig: In order to adhere to the rules pertaining to required daily deposit of collections, we will do our best to</p>		

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							bank closes, and deposit collections received after closing time of the bank immediately the next banking day. Furthermore, we will advise our stakeholders to do their transactions early.			
		(e) provide a safety vault for the Accountable Officer/Designated Cashier, to ensure the safety of government funds and accountable forms; and	To purchase and use a safety vault	Nasipit	May 2024	May 2024	Fully Implemented	The Accountable Officer/Designated Cashier is currently using the newly purchased safety vault to ensure safety of government funds and accountable forms.		
		(f) prepare and submit all the required collection reports within the prescribed period.	The Collecting Officers will adhere to all the recommendations of the auditor	POM San Fernando Surigao Mactan Aparri Cebu	Feb 2024	Feb 2024	Fully Implemented	<p>POM: As per memorandum from the District Collector, POM dated July 16, 2024, the Collection Division will subsist in strictly monitoring all daily collections and collection reports of all NCO to ensure that all collections are promptly remitted and duly accounted for as mandatorily required under the Government Accounting Manual and its implementing rules.</p> <p>San Fernando: The Collecting Officer submitted the lacking documents on January 17, 2024.</p> <p>Aparri: All Collecting Officers of the Port of Aparri have now submitted their collection reports on time, in full adherence to the prescribed period.</p> <p>Mactan: a. Memorandum has been issued to submit the lacking RAAF reports to COA on or before February 29, 2024</p> <p>b. A meeting with the supply officer and collecting officers was also conducted last February 7, 2024, to review the previous RAAF reports submitted, correct any errors made in the same and to discuss with them the guidelines on the proper filling out of the Forms</p>		

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/ Non-Implementation, If applicable	Action Taken/ Action to be taken	Audit Remarks
			Action Plan	Person/ Dept. Responsible	Target Implementation Date					
					From	To				
								<p>c. We further requested that these officials be invited to COA trainings pertaining to these matters</p> <p>Surigao: The Port have already submitted the documents that were missed out in the attachments during the submission of reports.</p> <p>Cebu: All reports are submitted monthly</p>		
2023 AAR, Page Nos. 85-86	16. BOC allocated only ₱16.881 million or 0.46 percent of the total appropriations of ₱3.705 billion for GAD programs and activities. Thus, the planned activities were not fully implemented with fund utilization of only ₱2.421 million or 14.34 percent of the allocated fund.	Management agreed to include in the succeeding plans and budget the attendance to relevant training on GAD such as GAD planning and budgeting, Gender Analysis (GA) and GA Tools, etc., so the knowledge gained could be used/applied in drafting succeeding years' GPB.	As per submitted Gender and Development (GAD) Plans and Budget (GPB) 2024, GFPS shall undergo GAD Capacity Building Programs that support continuing education, updating and enhancing skills customized according to the functions of the GFPS. These capacity building programs may include gender sensitivity, gender analysis, gender-responsive planning and budgeting and gender audit, among others.	HRMD GFPS	Aug 2024	Dec 2024	Fully Implemented	<p>Completed Training</p> <p>Participation of the BOC - GFPS Secretariat to the Gender Statistics Training - Workshop for the Finance Sector to be facilitated by National Tax Research Center (NTRC - GFPS) on August 27 - 30, 2024 in Iloilo City.</p> <p>Future Trainings- Disposition Form for revision and approval</p> <p>-Conduct of Enhanced Training on GAD Plan and Budget (GPB) Preparation and Harmonized Gender and Development Guidelines (HGDG) for the members of Bureau of Customs - Gender and Development Focal Point System (BOC - GFPS) (Central and Local)</p> <p>-Proposed Conduct of Gender Sensitivity and Gender Fair Language Training for Newly Hired Employees in September 2024; On going preparation of proposal subject to approval of the Commissioner</p> <p>-Proposed Conduct of Various Activities for the 18-day Campaign to end the Violence Against Women</p>		

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					From	To				
								and Children (VAWC) in November 2024; On going planning		
2023 AAR, Page Nos. 87-90	17. Tax Laws and Regulations, GSIS and Pag-IBIG Premium Contributions and Loan Amortizations, and PhilHealth Premium Contributions Unremitted balances of <i>Due to BIR</i> , <i>Due to GSIS</i> , <i>Due to Pag-IBIG</i> , and <i>Due to PhilHealth</i> amounting to ₱97.916 million, ₱62.289 million, ₱2.902 million, and ₱3.057 million, respectively, may result in the imposition of a penalty to the employer and employees, in case of unremitted loan payments, as well as preventing the personnel from availment of benefits from GSIS, Pag-IBIG and PhilHealth.	Management agreed to instruct the Chief of the Accounting Division to reconcile and remit the unremitted balances and henceforth ensure the intact remittance of taxes and mandatory contributions deducted/withheld.	To update subsidiary ledgers, to reconcile and remit the unremitted balance Inform the Disbursing Officer per port with the balances of <i>Due to BIR</i> , <i>Due to GSIS</i> , <i>Due to Pag-IBIG</i> , and <i>Due to PhilHealth</i> with lacking reports of remittances.	Accounting Division	May 2024	Dec 2024	Not Implemented	Subsidiary ledger of accounts is already updated. Reconciliation of per sub account, per port and per employee is ongoing.	Follow up the Disbursing Officer of ports to submit reports of remittances to help reconcile and finalize the balances. Reconciliation is currently ongoing.	
	a. Accumulated unremitted amount to GSIS totaling ₱26.423 million	Management agreed to require the concerned personnel of the Accounting Division to: (a) hasten the reconciliation of Agency remittances and billing by the GSIS to finalize the amount that should be remitted; and	To update employee records using Agency Remittance Advice Form to adjust the billing of GSIS	Accounting Division	May 2024	Dec 2024	Not Implemented	The remaining discrepancies are still for reconciliation.	Follow up the HRMD for the updating of employee records to reconcile the remittances and billing.	
		(b) remit immediately the amount due to GSIS resulting from the reconciliation.	To make the necessary adjustments and remit the reconciled billing of GSIS	Accounting Division	May 2024	Dec 2024	Not Implemented	The remaining discrepancies are still for reconciliation.	Reconciliation is currently ongoing.	
2022 AAR, Page Nos. 53-55	18. The existence, completeness, and accuracy of the balances of several asset, and liability accounts were not ascertained due to non-maintenance/incomplete documentation on financial transactions for	Management agreed to require the concerned offices/divisions to address the accounting deficiencies noted, in accordance with the relevant provisions of the Presidential Decree (PD) No. 1445 and Commission on Audit (COA) Circulars, and the Government Accounting Manual (GAM) for National	To resubmit the request for write-off of various dormant accounts	Accounting Division	May 2024	May 2024	Fully Implemented		The Accounting Division resubmitted the request for write-off to COA thru a letter dated 10 May 2024 and received by COA on 27 May 2024	

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/ Non-Implementation, If applicable	Action Taken/ Action to be taken	Audit Remarks
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					From	To				
	recognition in the books, dormant and negative account balances, and non-compliance with accounting standards and other relevant issuances. a. Dormant and/or closed bank accounts without documentation	Government Agencies (NGAs).								
2022 AAR, Page Nos. 60-62	19. Various deficiencies in the handling of cash and cash advances (CAs) exposed cash to the risks of misappropriation, loss or theft, among others. a. Issuance of pre-signed official receipts	Management agreed to require the Petty Cash Custodians and accountable officers (AOs) to address the deficiencies in the handling of cash and CAs in accordance with the relevant provisions of PD No. 1445, COA and Treasury Circulars, and the GAM for NGAs.	Designate additional Collection Officers in the Collection Division covered by Fidelity Bond.	NAIA	May 2024	Dec 2024	Not Implemented	On-going	Four (4) newly designated Collecting Officers were already added to the personnel complement of Collection Division as per CPO No. B-64-2024 and CPO No. B-61-2024 (Implementation: 16 July 2024). The Fidelity Bonds of the Collecting Officers from the Bureau of Treasury (BTr) have been approved. The Port is currently waiting for the release of the budget for the payment of the bonds	

Agency sign-off:

Prepared by:

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Accountant III

Recommending Approval:


DIVINA A. PANDO
Chief Accountant

Approved:


BIENVENIDO Y. RUBIO
Commissioner