

AUDIT COMMITTEE ACCOMPLISHMENT REPORT FOR CY 2023

I. INTRODUCTION

1. This annual report covers the accomplishment of the Board’s Audit Committee from March 8 to December 31, 2023. During this period, the audit committee meets 7 times and covered 19 agenda items.

2. Composition of the Audit Committee:

(January to August 2023)

- a. Jaime Laya - Chairman
- b. Marivic Del Pilar - Member
- c. Benedict Carandang – Member

(September to December 2023)

- a. Benedict Carandang - Chairman
- b. Marivic Del Pilar - Member
- c. Jaime Laya – Member

3. The Audit Committee met with staff from Internal Audit Department as coordinator / prepare the minutes of the meeting. The staff from Financial Service Department also regularly contributed to the work of the committee and were invited to attend the relevant sessions.

II. ACCOMPLISHMENT OF THE AUDIT COMMITTEE

1. Regular Work Program

| Date of Meeting | Time | Platform | Attendance | Position | Accomplishment |
|-----------------|----------|------------------------------|---|------------------------------|---|
| March 8, 2023 | 10:00 AM | Conference Room and via Zoom | Jaime Laya Marivic Del Pilar Benedict Carandang | Chairman Member Member | <ul style="list-style-type: none"> a. Cash Operating Budget-change in the schedule of submission b. Financial Statements 2022 c. Financial Performance 2022 d. 2023 Corporate Operating Budget e. Monitoring system of the processing of FSD f. Submitted report on the regular audit of Cultural and Exchange Department. g. Cash count conducted to Treasury Division, Maintenance and Engineering Services Division, Procurement Management Division and Library and Archives Division. |
| April 12, 2023 | 10:00 AM | Conference Room and via Zoom | Jaime Laya Marivic Del Pilar Benedict Carandang | Chairman Member Member | <ul style="list-style-type: none"> a. 2023 Corporate Operating Budget b. CCP Rehabilitation |

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|------------------|----------|------------------------------|---|------------------------------|---|
| | | | | | <ul style="list-style-type: none"> c. Income for 2022 and Projected Income for 2023 d. Congressional Initiatives e. Discussed the procedures on the Minutes of the Meeting f. Submitted report on the regular audit of Production and Exhibition Department. |
| May 10, 2023 | 10:00 AM | Conference Room and via Zoom | Jaime Laya Marivic Del Pilar Benedict Carandang | Chairman Member Member | <ul style="list-style-type: none"> a. Reports on Operating Income for the first quarter of 2023 b. Reports on Operating Expenses for the first quarter of 2023 c. Status of COA Findings |
| August 9, 2023 | 10:00 AM | Conference Room and via Zoom | Jaime Laya Marivic Del Pilar Benedict Carandang | Chairman Member Member | <ul style="list-style-type: none"> a. Accounting Division shifted from using the manual accounting system to Xero system. b. Reports on operating and non-operating income c. Financial Report as June 30, 2023. d. Conducted the regular audit of Cultural Content Department. e. Submitted report on the regular audit of the Arts Education Department. |
| October 11, 2023 | 3:00 PM | Conference Room and via Zoom | Benedict Carandang Jaime Laya Marivic | Chairman Member Member | <ul style="list-style-type: none"> a. Implementation of Xero Accounting System b. Submission of PPE Data to COA for one-time cleansing c. Report in the increase in the interest income from investments. d. Savings from tax payments (2021 VAT and from 2022 dividends) e. Timely and successful submission of 2023 COB to DBM f. Assisted the Chairman, President and the VP-OAD during the Budget Deliberation-Plenary (CCP NEP approved in the HOR) g. Submitted reports on the regular audit of the Cultural |

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|-------------------|---------|------------------------------|---|------------------------------|---|
| | | | | | Content h. Attended COA Entry Conference |
| November 8, 2023 | 3:00 PM | Conference Room and via Zoom | Benedict Carandang Jaime Laya Marivic | Chairman Member Member | a. Application of Point-of-Sale (POS) Debit/Credit Terminal b. Reported Increase in Trading Income (Trading Income vs Personnel Services) c. Report on dividends payable to Department of Finance (deferment of payment due to request of reduction in the dividends payable) d. CCP complied with the PPE one- time cleansing of PPE e. Updated COA Findings <ul style="list-style-type: none"> • <i>Regular Audit</i> (6 Fully implemented and 5 partially implemented) • <i>Compliance Audit</i> (Fully implemented) |
| December 11, 2023 | 3:00 PM | via Zoom | Benedict Carandang Jaime Laya Marivic | Chairman Member Member | Updated COA Findings <ul style="list-style-type: none"> • <i>Regular Audit</i> (6 Fully implemented and 5 partially implemented) • <i>Compliance Audit</i> (Fully implemented) |

2. REVIEWED AND APPROVED THE WORK OF THE INTERNAL AUDIT DEPARTMENT

| INTERNAL AUDIT DEPARTMENT ACCOMPLISHMENT REPORT AS OF NOVEMBER 30, 2023 | | | |
|--|---------------|--|-----------------------------|
| CORE FUNCTION | | | |
| Seq. | Activity | Actual Accomplishment | Date Conducted |
| 1 | Regular audit | Production Management and Services Division (PMSD) | January 2023 |
| | | Cultural Exchange Department (CED) | February 2023 |
| | | Cash Count | March 2023 |
| | | Arts Education Department | April – June 2023 |
| | | Cultural Content Department | July – September 2023 |
| | | Philippine Philharmonic Orchestra | October 2023 |
| | Inspection | Particulars | Number of Inspection |
| | | Inspection Reports made | 1,090 |
| | | Pre-Inspection Reports | 169 |

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|---------------------------|---|---------------------------|-----|
| 2 | made as of November 30 30, 2023 | Infrastructure Projects | 127 |
| | | Report of Waste Materials | 163 |
| | | Disposal | 5 |
| STRATEGIC FUNCTION | | | |
| 3 | The Internal Audit Department led the CCP ISO Core Team during the conduct of third-party surveillance audit on October 20, 2023. | | |
| SUPPORT FUNCTION | | | |
| 4 | Submitted updates on the Agency Action Plan and Status of Implementation (AAPSI) to COA. | | |
| 5 | The Internal Auditor IV, assigned in the conduct of inspection, attended total of thirty-eight (38) meetings with the Maintenance and Engineering Services Division (MESD), Oscar R. Ruivivar and Associates (ORRA), Vista Green Builders regarding the CCP Rehabilitation. | | |

III. AUDIT COMMITTEE WORK PROGRAM CY 2023

1. FINANCIAL MANAGEMENT

| Date | Particulars |
|-------------------|--|
| March 8, 2023 | Audit Committee meets on 2022 Financial Statements |
| March 15, 2023 | The board meets on 2022 Financial Statements |
| March 31, 2023 | Departments submit budget estimates to FSD |
| April 12, 2023 | Audit Committee meets on Q-I Financial Statements |
| April 19, 2023 | The Board meets on Q-I Financial Statements |
| April 21, 2023 | FSD submits CCP budget estimates to VP Admin |
| April 26, 2023 | VP Admin submits CCP budget estimates to President |
| May 3, 2023 | President submits budget estimates to Audit Committee |
| May 10, 2023 | Audit Committee meets on budget estimates |
| May 17, 2023 | The Board of Trustees meets on budget estimates |
| May 31, 2023 | CCP submits CCP budget proposal to DBM |
| July 25, 2023 | CCP receives DBM recommended appropriation |
| | FSD and Departments review DBM recommendations and prepare "a wish list" |
| | FSD prepares budget presentation material for Congress Hearings |
| August 5, 2023 | Executive Committee meets on budget presentation material |
| August 9, 2023 | Audit Committee meets on Q-II Financial Statements |
| August 11, 2023 | President submits DBM recommendations and "wish list" to the Board |
| August 16, 2023 | The board meets on Q-II Financial Statements |
| | The Board meets on a "wish list" for possible Legislative Initiatives |
| | Congress and Senate Hearings |
| October 11, 2023 | Audit Committee meets on Q-III financial statements |
| October 11, 2023 | Audit Committee meets on projected CY 2023 financial statements |
| October 18, 2023 | The board meets on Q-III financial statements |
| October 20, 2023 | FSD receives the 2024 budget program from DBM |
| October 25, 2023 | Departments submit proposed 2024 operating budget to FSD |
| October 27, 2023 | FSD submits CCP 2025 operating budget to VP Admin |
| October 30, 2023 | VP Admin submits CCP 2024 operating budget to President |
| November 6, 2023 | President submits 2024 operating budget to Audit Committee |
| November 8, 2023 | Audit Committee meets on 2024 operating budget |
| November 15, 2023 | Board of Trustees meet on 2024 operating budget |

2. AUDIT COMMITTEE AGENDA

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| March 8, 2023 |
| Financial Statements as of 31 December 2022 |
| Commission on Audit Findings and Recommendations, 2022 Audit |
| Update on Xero installation |
| Land Bank Portfolio Report, 2022 |
| Internal Audit Accomplishments, 2022 |
| Income Tax Return, 2022 |
| |
| April 12, 2023 |
| Financial Statements as of 30 March 2023 |
| Internal Audit Charter Review |
| |
| May 10, 2023 |
| Budget estimates for 2023 (for DBM submission) |
| Meeting on COA Findings, 2022 Audit |
| |
| August 9, 2023 |
| Financial Statements as of 30 June 2023 |
| Land Bank Portfolio Report, First Sem 2023 |
| Review of Budget Presentation Material |
| |
| October 11, 2023 |
| Financial Statements as of 30 September 2023 |
| Projected Financial Statements, October-December 2023 |
| |
| November 8, 2023 |
| Proposed Operating Budget, 2023 (based on GAA) |
| Update on compliance with COA findings, 2022 |
| |
| December 11, 2023 |
| Budget Utilization, 2023 |
| Update on compliance with COA findings, 2022 |