



Cultural Center of the Philippines
SENTRONG PANGKULTURA NG PILIPINAS

FOR: Ms. CECILIA E. FUNTINILLA
Division Chief III
Management Services Division

FROM: INTERNAL AUDIT DEPARTMENT

**SUBJECT: SUBMISSION OF AGENCY ACTION PLAN AND STATUS OF
IMPLEMENTATION FOR FY 2024**

DATE: July 2, 2025

In compliance with the requirements of the Governance Commission for GOCCs (GCG), we are respectfully providing your office with a copy of the Agency Action Plan and Status of Implementation (AAPSI) for FY 2024 as of May 31, 2025.

The AAPSI details our organization's planned actions and progress in addressing the audit findings and recommendations issued by the Commission on Audit (COA).

For your reference.

Thank you.


JOANNA D. LOGRONIO
Officer-in-Charge
Internal Audit Department





Cultural Center of the Philippines

SENTRONG PANGKULTURA NG PILIPINAS

TO: MS. SUZETTE G. PORNALES
Supervising Auditor
Commission on Audit

FROM: MS. KAYE C. TINGA
President
Cultural Center of the Philippines

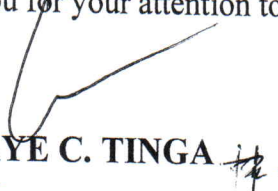
SUBJECT: Submission of Updates on the Agency Action Plan and Status of Implementation for CY 2024 as of May 31, 2025

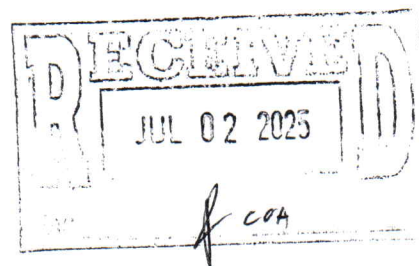
DATE: July 1, 2025

In compliance with the Commission on Audit's requirements, we are submitting the updated Agency Action Plan and Status of Implementation (AAPSI) for the CY 2024 as of May 31, 2025. The AAPSI is attached to this memo for your reference.

Should you require further clarification or additional information, please do not hesitate to contact us at internal.audit@culturalcenter.gov.ph.

Thank you for your attention to this matter.


MS. KAYE C. TINGA
President
Cultural Center of the Philippines



Cultural Center of the Philippines
Agency Action Plan and Status of Implementations
As of May 31, 2025

AOM No.	Audit Observation	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			
AAR 2024 AO No. 1 p.55	The fair presentation of the Property, Plant and Equipment (PPE) accounts, totaling P1.910 billion with a carrying amount of P1.273 billion as at December 31, 2024, could not be established due to a variance of P6.965 million in absolute value between the balances per books and the Report on the Physical Count of Property, Plant and Equipment, contrary to Paragraph 27 of the International Public Sector Accounting Standard 1 and Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities.	<p>We recommended that CCP Management:</p> <p>a. Require the AD, in coordination with the PD, to prepare and submit a Reconciliation Action Plan, indicating the specific PPE items for reconciliation, assigned personnel, required supporting documents and realistic timelines for completion;</p> <p>b. Ensure the conduct and completion of the reconciliation process, and submit a Reconciliation Report to the Audit Team, duly signed by both AD and PD, detailing the actions taken, adjustments made, and remaining unresolved variances, if any; and</p>	<p>a. The Property and Supply Division (PSD) and the Accounting Division (AD) are continuing their periodic (annual) reconciliation and validation of their respective records to prevent any increase in discrepancies.</p> <p>b. The PSD is requesting the adjustment of PhP266,240.16 to be recorded under Other PPE (Musical Instruments).</p> <p>According to the Accounting Division, they will record the adjustment of PPE to Other PPE (Musical Instruments) amounting to PhP266,240.16.</p>	<p>a. Accounting Division & Property and Supply Division</p> <p>b. Accounting Division & Property and Supply Division</p>	<p>Jan. 2025</p> <p>Dec. 2025</p> <p>April 2025</p> <p>July 2025</p>	<p>Not Implemented</p> <p>Not Implemented</p>	<p>Continuous periodic reconciliation between PSD and AD</p> <p>The compilation of documents required for the adjusting entries is ongoing.</p>	<p>Continuous periodic reconciliation between the PSD and AD. The AD and PSD are tasked with drafting a reconciliation action plan that outlines the timeline, proposed adjustments, and resolutions for the remaining items.</p> <p>The adjustment to Other PPE – Musical Instruments must be recorded this year to reduce the variance in the PPE account. According to the Accounting Division, the adjustment will be recorded in the books of account in June 2025.</p>	

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					From	To			
		c. Require the AD to prepare necessary adjusting entries, consistent with the results of the reconciliation.	c. The PSD requested the AD to record the adjustments to Information Equipment and Software, and Other PPE (Other Assets – Others), amounting to PhP504,711.00 and PhP580,684.89, respectively.	c. Accounting Division	April 2025	May 2025	Implemented	n/a	The adjustment was recorded in the books of account under JEV No. 05-0253-25.
AAR 2024 AO No. 2 p. 58	The CCP was not able to recognize the accrued liabilities arising from the money value of earned leave credits amounting to P57.928 million as at December 31, 2024, resulting in the understatement of the Leave Benefits Payable account and the overstatement of the Accumulated Surplus/(Deficit) account by the same amount, contrary to Paragraph 27 of International Public Sector Accounting Standard (IPSAS) 1, Paragraph 11(a) of IPSAS 39 and Paragraph 3.10 of the Conceptual Framework for General Purpose	We recommended, and CCP Management agreed, to require the AD to: a. Prepare the necessary adjusting entries to correct the balances of the affected accounts; b. In coordination with the Human Resource Management Department, monitor and determine the accumulated leave credits of CCP employees on a regular basis; and c. Henceforth, ensure that earned leave credits are	a. The Accounting Division (AD) has recorded the adjustment to Leave Benefits Payable and Accumulated Surplus/(Deficit) amounting to PhP60,954,357.27. b. The AD and the Human Resource Management Department (HRMD) will continue to monitor accumulated leave credits, and adjustments will be made annually before the closing of the books. c. Management will ensure compliance with	a. Accounting Division b. Accounting Division / Human Resource Management Department c. Accounting Division	April 2025	May 2025 Dec. 2025 Dec. 2025	Implemented Implemented Implemented	n/a n/a n/a	The adjustment was recorded in the books of account under JEV No. 05-0254-25.

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	Financial Reporting by Public Sector Entities.	recorded at year-end, in compliance with Paragraph 27 of IPSAS 1, Paragraph 11(a) of IPSAS 39 and Paragraph 3.10 of the CFGPFR by Public Sector Entities.	Paragraph 27 of IPSAS 1, Paragraph 11(a) of IPSAS 39, and Paragraph 3.10 of the CF-GFR by Public Sector Entities.						

Reviewed by:



MS. LOURDES S. MENDOZA
 Department Manager III
 Financial Services Department





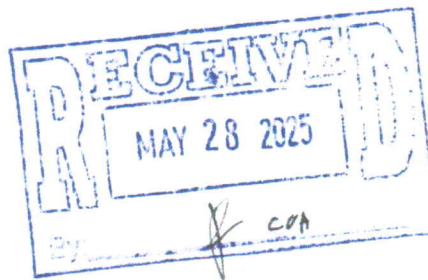
MS. TERESA S. RANCES
 Department Manager III
 Administrative Services Department

Noted by:



MS. KAYE C. TINGA
 President

JOURNAL ENTRY VOUCHER				05-0253-25	
CULTURAL CENTER OF THE PHILIPPINES				27/05/2025	
Agency					
Resp. Center	Accounts and Explanation	Account Code	P	Amount	
				Debit	Credit
	Accumulated Surplus/(Deficit)- Prior	3010101001		1,085,455.89	
	Information and Communication Technology Equipment	1060503000			504,771.00
	Other Property, Plant and Equipment (Other Assets-Others)	1069999008			580,684.89
<p>To take up reclassification of various Information and Communication Technology equipment and other properties to semi expendable expense/ accumulated surplus, in compliance with COA Circular No. 2022-004 and Audit Observation Memorandum (AOM) No. 25-001 (24)</p>					
TOTAL				1,085,455.89	1,085,455.89
Prepared by:			Approved by:		
 BLESS ANNE RUBY P. DE PERALTA Administrative Assistant IV			 JEMMAH MARIA M. FLORES OIC - Accounting		



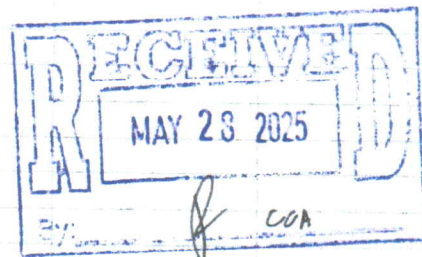
JOURNAL ENTRY VOUCHER
CULTURAL CENTER OF THE PHILIPPINES

05-0254-25

Agency

Date: 05/16/2025

Resp. Center	Accounts and Explanation	Account Code	P	Amount	
				Debit	Credit
	Accumulated Surplus (Terminal Leave Benefits)	3010101001 (5010403000)		60,954,357.27	
	Leave Benefits Payable	20101010110			60,954,357.27
	To take up Accumulated Leave Credits as per compliance with Audit Observation Memorandum 25-004 (24)				
TOTAL				60,954,357.27	60,954,357.27



Prepared by:

Michelle C. La Torre
MICHELLE C. LA TORRE
 Accounting Personnel

Approved by:


Jemmah Maria M. Flores
JEMMAH MARIA M. FLORES
 OIC Accounting

<p>and Section 1, Annex F.</p> <p>These lapses undermined the principles of transparency, competitiveness, and accountability in public procurement processes. It is crucial for government agencies to strictly adhere to the guidelines set forth in RA No. 9184 to ensure fair and efficient procurement practices. Moreover, the consultants engaged under the project received irregular payments, unauthorized settlements of fees, and unjustified contract discounts, contrary to Sections 2 and 4(5) of Presidential Decree No. 1445.</p>	<p>contracts, as defined under Section 54.1 of the IRR, and require that all related project phases and deliverables be consolidated in a single procurement package whenever feasible;</p> <p>c. Institute a review mechanism within the organization to detect possible instances of contract splitting and provide early intervention prior to award or execution;</p> <p>d. Strictly require the inclusion of all projects in the APP prior to implementation, in accordance with Section 7, Rule II of the 2016 Revised IRR of RA No. 9184, to ensure alignment with agency budget and procurement timelines;</p> <p>e. Require the early preparation and proper approval of the Project Profile and TOR, ensuring that they are signed by authorized officials and clearly reflect the scope, objectives, and budget for each procurement undertaking;</p>	<p>future consultants to be hired.</p> <p>c. Hiring of consultants should be coursed through the Procurement Management Division.</p> <p>d. Inclusion of Hiring of Consultants in the Annual Procurement Plan (APP) or Supplemental APP;</p> <p>e. TORs prepared should be signed by the Implementing Units and CCP Officials (e.g. Department Manager, Vice President and President of CCP).</p>	<p>Management Division</p> <p>c. Procurement Management Division</p> <p>d. Procurement Management Division</p> <p>e. Procurement Management Division</p>	<p>2026</p> <p>3rd Qtr. of 2025</p> <p>2nd Qtr. of 2025</p>	<p>2026</p> <p>4th Qtr. of 2025</p> <p>4th Qtr. of 2025</p>	<p>Not Implemented</p> <p>Implemented</p> <p>Not Implemented</p>	<p>In the interim, the Vice President for Administration is looking into this matter, which will also be addressed in the Procurement Manual.</p> <p>n/a</p> <p>Ongoing Implementation and Scheduling by the Vice President for Administration</p>	<p>prepare a justification and market study for the selection of future consultants.</p> <p>b. The drafting of the Procurement Manual is ongoing.</p> <p>In the interim, the Vice President for Administration is looking into this matter, which will also be addressed in the Procurement Manual.</p> <p>For procurement activities, the Procurement Management Division will require end-users to include the hiring of consultants in the Annual Procurement Plan (APP) starting next year.</p> <p>Ongoing Implementation and Scheduling by the Vice President for Administration</p>
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		<p>f. Require that all procurement-related contracts be subject to review by the Legal Office prior to finalization, to ensure compliance with applicable procurement laws and circulars; and</p> <p>g. Conduct a formal internal investigation on the unauthorized fee settlements and questionable contract discounts to determine liability of the involved officials and consultants.</p>	<p>f. Currently practiced by the CCP.</p> <p>g. Ongoing discussion with the Board of Trustees.</p>	<p>f. Procurement Management Division / Legal Office</p> <p>g. BOT</p>	<p>Jan. 2025</p> <p>3rd Qtr. of 2025</p>	<p>Dec. 2025</p> <p>4th Qtr. of 2025</p>	<p>Implemented</p> <p>Not Implemented</p>	<p>n/a</p> <p>Ongoing discussions with the Board of Trustees.</p>	<p>Under the current policy, all contracts must be reviewed by the Legal Office.</p> <p>Ongoing discussions with the Board of Trustees.</p>
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Reviewed by:


MS. VANESSA A. DELA TORRE
 Officer-in-Charge
 Procurement Management Division


ATTY. HENCY L. TANBENGCO
 Attorney V
 Legal Office

Noted by:


MS. KAYE C. TINGA
 President

Cultural Center of the Philippines
Agency Action Plan and Status of Implementations
As of May 31, 2025

AOM No.	Audit Observation	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/ Non-Implementation, if applicable	Action Taken/ Action be Taken
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AAR 2024 AO No. 4 p. 72	The CCP was unable to submit its Gender and Development (GAD) Plan and Budget, as well as the GAD Accomplishment Report, to the Audit Team within the prescribed deadline, contrary to COA Circular No. 2014-01, thus precluding the Audit Team from assessing CCP's GAD-related programs, projects, and programs, thereby affecting the evaluation of gender-responsive initiatives within the organization.	We recommend that CCP Management ensure the timely preparation and submission, the GPB and GAD AR to the PCW for review and endorsement in accordance with the deadlines set forth in the applicable Memorandum Circulars issued by the PCW, and provide the Audit Team with copies of the GPB and GAD AR within the timelines prescribed under COA Circular No. 2014-001, to enable the conduct of audit on the CCP's GAD-related Programs and Activities.	Formulate and submit the approved CCP Gender and Development (GAD) Plan and Budget (GPB) for 2025, along with related GAD initiatives, on or before July 10, 2025.	GAD Committee	May 2025	July 2025	Not Implemented	The CCP is currently reviewing and updating its GAD Agenda to align with the agency's revised Strategy Map.	<p>The CCP GAD Agenda has been routed to the CCP GAD Committee for approval, prior to final approval by the Office of the President (OP). The CCP GAD Committee Technical Working Group (TWG) has begun drafting the CCP Gender and Development (GAD) Plan and Budget (GPB) for 2025.</p> <ol style="list-style-type: none"> 1. Formulation of CCP GAD Agenda <ol style="list-style-type: none"> a. The GAD Agenda will serve as the basis for the CCP GPB 2025. b. The CCP GAD Committee TWG committed to hold weekly meetings every Friday to expedite the process. c. The updated GAD Agenda has been drafted and approved by the CCP GAD Committee for endorsement to CCP OP for approval. d. A GAD Orientation and Lecture was conducted by a PCW-certified GAD resource person to capacitate the committee. 2. Development and Approval of GPB 2025 <ol style="list-style-type: none"> a. The draft GPB will be presented to the CCP GAD Committee for review and endorsement.

