

# AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION

Audit Observations and Recommendations

For the Calendar Year 2023

**Philippine Racing Commission**

Makati City

AGENCY ACTION PLAN and STATUS of IMPLEMENTATION								
Ref.	Audit Observation	Audit Recommendation	Agency Action Plan					
			Action Plan	Person/Dept Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/Delayed/ Non-Implementation, if applicable
					From	To		
AAR p.34	1. The PHILRACOM did not maintain Subsidiary Ledgers (SLs), not in accordance with Section 60, Chapter 19 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, thus, the accuracy of the general ledgers (GLs) could not be ascertained.	We recommended and Management agreed to direct the Chief Accountant to prepare, maintain and submit the SLs of all accounts to the Audit Team.	a. Maintain Subsidiary Ledger on current available free online spreadsheet software.	Chief Accountant / Finance and Administrative Division			Fully Implemented	
AAR p.34	2. The absence of a designated bonded collecting officer at the Equine Laboratory	We recommended and Management agreed to direct the Executive Director to:	a. Assign Collecting Officer for ELDC	Chief Accountant / Finance and Administrative Division			Fully Implemented	

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	Diagnostic Center (ELDC) resulted in: a) issuance of temporary receipts upon collection of payments from clients, not in accordance with Section 4(e), Chapter 2 of the GAM for NGAs, Volume I; and b) collections were deposited with the AGDB delayed up to 48 days incompliant with Appendix 26 of the GAM for NGAs, Volume II, thus, exposing government funds to risk of loss.	a) designate and properly bond a Collecting Officer at the ELDC; and  b) ensure the issuance of OR upon the collection of Coggins Testing fee to acknowledge receipt thereof then deposit its collections intact to the AGDB.	b. Issue bond for assigned Collecting Officer for ELDC  c. Request new set of official receipt exclusive for ELDC						
AAR p. 37	3. PHILRACOM failed to establish a mechanism to grant hazard pays to its two Chemists and Chemical Technician who were exposed to risk, thus, not	We recommended and Management agreed to instruct the Office of the Executive Director to: a) establish an internal guideline on	a. Create an internal guideline on the issuance of hazard pay to qualified employees	Office of the Executive Director and Finance and Administrative Division			On Going	Department of Science and Technology (DOST) issued DOST AO No. 009-2020 authorizing the head of the agency to identify and certify	a. Letter regarding the request for hazardous work certification was sent to the



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	compliant with Section 50 of the implementing rules and regulations (IRR) of Republic Act (RA) No. 10657, due to the absence of internal guidelines to implement such.	the proper implementation of IRR of RA No. 10657; and b) ensure that qualified Chemists and Chemical Technicians are granted hazard pay, if warranted.	b. Seek degree of hazardous work certification from the Department of Science and Technology (DOST) Secretary for non-DOST personnel					the degree of hazardous work of non-DOST employees. However, Commission on Audit issued the Updated Documentary Requirements for Common Government Transactions dated June 2023 requiring the certification from the DOST Secretary.	Secretary of DOST.  b. Letter of inquiry and clarification on updated documentary requirements was sent to the Commission on Audit.  c. Draft guidelines on the certification for hazardous work to qualified employees upon clarification of DOST and COA certification and requirements dispute.

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									d. Draft guidelines on the issuance of hazard pay to qualified employees upon clarification of DOST and COA certification and requirements dispute.
AAR p. 38	4. The Chairman of the Bids and Awards Committee (BAC) of Agency is an approving official not in accordance with Section 11.2.5 of the Revised IRR of RA No. 9184, thus, indicates lack of segregation of duty - a weakness in its internal control.	We recommended and Management agreed to require the HoPE to designate a BAC Chairman who is not an approving official to ensure that proper segregation of duties in the procurement process of the agency is observed for check and balance which will strengthen its internal control.	a. Assign BAC Chairman who is not an approving official	Bids and Awards Committee (BAC)			Fully Implemented		



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AAR p. 40	5. Benefit Races was not included as services in the PHILRACOM Citizen's Charter, not in accordance with Section 3, Rule IV of the Joint Memorandum Circular No. 2019-001: The IRR of RA No. 11032, thus, depriving the general public an equal opportunity to apply to the said service.	We recommended and Management agreed to direct the Office of the Executive Director to: a) prepare a step-by-step procedure in availing beneficiary in Benefit Races and include it in the PHILRACOM Citizen's Charter; and b) actively promote the said program/service to ensure equal opportunities among stakeholders are given.	a. Create the guidelines providing the requirements and procedure for Benefit Races application.  b. Upon approval from the Board of Commissioners, include the abovementioned guidelines in the PHILRACOM Citizen's Charter.	Office of the Executive Director and Planning Officer			Fully Implemented		
AAR p.41	6. Reported accomplishments in the Physical Report of Operation of the Horse Racing Incentive Program (HRIP) was based on estimates instead of actual figures due to	We recommended and Management agreed to direct the Office of the Executive Director to:  a) coordinate with GAB requesting	a. Coordinate with the Games and Amusement Board (GAB) in connection to submission of detailed report on the sales generated by the	Finance and Administrative Division			On going	Awaiting submission of reports from the Games and Amusement Board (GAB).	a. Letter regarding the request for the submission of detailed report on the sales generated by the club per type of bet per



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	the unavailability thereof during reporting period, thus, prevented proper evaluation and the information presented was inaccurate. On the other hand, there was an over collection of Jockey's and Horse Trainer's Injury, Disability, and Death Compensation Fund from MMTCI's Total Wager Funds due to the misapplication of the rate of the Accounting Section in its Order of Payment.	the timely submission of data to be incorporated on the Accomplishment Report, hence, ensure that the reported actual accomplishments are accurate and not based on estimates; and b) ensure that the share of Jockey's and Horse Trainer's Injury, Disability and Death Compensation Fund is equivalent to 0.25 percent of the Total Wager Fund of MMTCI.	club per type of bet per racing day in addition to the monthly Statement of Sales and Distribution of Wager Funds.  b. Verify the accuracy of the data submitted by the racing club based on the reports received from GAB.					<p>racing day in addition to the monthly Statement of Sales and Distribution of Wager Funds was sent to the Games and Amusement Board (GAB).</p> <p>b. Monitor data submitted the racing club per racing day.</p>
AAR p.48	7. The Agency failed to tag in their budget for CY 2023 for climate change adaptation and mitigation due to unawareness of the Management to do so during CY 2023	We recommended and Management agreed to ensure compliance for the Climate Budget tagging as provided in the GAA.	a. Submit Quality Assurance Report (QAR) Form to the Climate Change Commission (CCC) as compliance with the technical and	Planning Officer			Fully Implemented	

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	budget preparation, not in accordance with Section 41 of the GP of the GAA of FY 2023.		procedural provisions of Joint Circular No. 2015-01.  b. Attend Orientation on Guidelines on Tagging of Government Expenditures for Climate Change.					

Note: Status of Implementation may either be (a) Fully Implemented, (b) On-going, (c) Not Implemented, (d) Partially Implemented or (e) Delayed

Prepared by: **Original Signed**

**CLARISSA MAE P. SULANGI**  
Chief Accountant

Noted **Original Signed**

**RONALD A. CORPUZ**  
Executive Director III

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Received: *[Signature]*  
Audit team LOANAL  
7/26/2023