

EXECUTIVE SUMMARY

Introduction

The Presidential Broadcast Staff (PBS) formerly known as the Radio, Television Malacanang (RTVM) was created as a result of reorganizing the Office of the Press Secretary by virtue of Executive Order No. 297 dated July 26, 1987.

As an attached agency of the Office of the Press Secretary, the Presidential Broadcast Staff-RTVM is tasked to (1) provide audio and video documentation of the President's activities; (2) undertake in-house production of broadcast materials, to produce such materials in coordination with other government offices and entities; and (3) undertake active coordination with members of the public and private broadcast section for inter action between the President and the various publics.

In order to establish proper coordination and to streamline the functional operations of the different agencies in the government charged with public relations, public information and news and information dissemination regarding the administration and the Presidency, President Gloria Macapagal-Arroyo signed Executive Order No. 348 on August 11, 2004, creating the Office of the Communications Director and placing the PBS- (RTVM) under the direct control and supervision of the Press Secretary.

Organization Set-up

The agency is headed by Executive Director and complemented by plantilla personnel as well as temporary and casual employees.

Financial Highlights

PBS's legislative appropriation based on a reenacted budget are as follows:

| | <u>2005</u> | <u>2004</u> |
|----------------------------|-----------------|----------------|
| Allotments Current Year | P 91,802,000.00 | P56,540,000.00 |
| Expenditures | | |
| PS | 25,902,000.00 | 23,799,000.00 |
| MOOE | 32,900,000.00 | 32,741,000.00 |
| CO | 33,000,000.00 | |

Funds are being augmented by the Office of the President (OP) as the need arises.

Scope of Audit

An audit was made on the accounts and operations of the Presidential Broadcast Staff. The audit includes the review of the financial transactions during the year, and also includes the test of the existing internal control system in place. It was aimed to ascertain the fairness and reliability of the financial position and results of operations of the PBS- (RTVM).

Auditor's Report

The auditor rendered an unqualified opinion on the fairness of presentation of the financial statements.

Observations and Recommendations

1. Allotment for foreign travel used for purposes other than for travel.

We recommended that the proper monitoring of allotment and disbursement of contingent funds. Management has to avoid the use of fund for other purposes other than what was intended.

2. Irregular Cash Disbursement procedures lead to unrecorded advances.

The management was advised to device procedure to remedy the problem.

3. Previous year observation on irregular mode of payments still in practice – P2,109,403.91.

We recommended that management refrain from continuing the practice.

Implementation of Prior Years' Recommendation

Of the five (5) recommendation given last year, three (3) were partially implemented and two (2) were not implemented.