

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)



Senate
Office of the Secretary

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SENATE
P. S. R. No. 1315

RECEIVED BY: JL

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID
OF LEGISLATION, ON THE 2013 COMMISSION ON AUDIT (COA) REPORT THAT THE
DEPARTMENT OF TRADE AND INDUSTRY HAS BILLIONS OF UNLIQUIDATED
PAYOUTS

WHEREAS, the Constitution, Article 2, Section 27, provides: "The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption";

WHEREAS, the Constitution further states in Article 2, Section 28: "Subject to reasonable conditions prescribed by law, the State adopts and implements a policy of full public disclosure of all its transactions involving public interest";

WHEREAS, Presidential Decree No. 1445, otherwise known as the "State Audit Code of the Philippines," Section 89, states:

Limitations on cash advance. No cash advance shall be given unless for a legally authorized specific purpose. A cash advance shall be reported on and liquidated as soon as the purpose for which it was given has been served. No additional cash advance shall be allowed to any official or employee unless the previous cash advance given to him is first settled or a proper accounting thereof is made;

WHEREAS, the COA has reportedly uncovered deficiencies in the ₱1.3 billion expenditures of the Department of Trade and Industries (DTI) in 2013;

WHEREAS, a non-government organization in 2013 allegedly undertook the implementation of an information technology project in the DTI Regional Office I costing ₱5,000,000, which was sourced from the Priority Development Assistance Fund (PDAF) of the 3rd District of Pangasinan despite the absence of any appropriations law in public procurement;

1 WHEREAS, the procurement was reportedly not in consonance with the provisions as
2 required under Government Procurement Policy Board (GPPB) Resolution No. 12-2007 dated
3 June 29, 2007;

4 WHEREAS, it was claimed in the COA report that of the total fund allocation of
5 ₱770,000,000,000 only ₱408,654,747.26 or 53.07 percent was expended or obligated, leaving an
6 unutilized balance of ₱361,345,252.74 or 46.93 percent;

7 WHEREAS, as of the end of 2013, at least ₱105,908,000 in cash advances that were
8 given to officers and employees allegedly remain unliquidated;

9 WHEREAS, government agencies should strictly adhere to the provisions of the laws on
10 procurement and accounting in order to ensure transparency in the government and to avoid graft
11 and corruption;

12 WHEREAS, the unliquidated payouts should be accounted immediately and make the
13 public officials who neglected the relevant laws and who committed graft be held accountable;

14 WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct
15 the proper Senate committee to conduct an inquiry, in aid of legislation, on the recent
16 Commission on Audit report that the Department of Trade and Industry has billions of
17 unliquidated payouts.

Adopted,


MIRIAM DEFENSOR SANTIAGO
RP

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