



Repubhka ng Pilipinas
PANGASIWAAN NG DAUNGAN NG PILIPINAS
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PPA ADMINISTRATIVE ORDER
NO. 24 - 95

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TO : PDO/PMO Managers, Cargo Handling Operators/
Contractors Others Concerned

SUBJECT . **Guidelines Rationalizing the Conduct of Performance
Audit of Cargo Handling Operators/Contractors**

1. **Authority/Reference:**

- 1 1 PPA Administrative Order No 10-81
- 1 2 PPA Administrative Order No 03-90
- 1.3 PPA Memorandum Circular No 27-94.

2 **Objective:**

- 2 1 To ensure a more rational and practical conduct of audit of cargo handling (CH) services through the complementary efforts of the ICD, the PDOs and PMOs

3. **Purposes:**

- 3 1 To provide guidelines in determining the responsible office that will conduct performance audit of a cargo handler

4 **Scope:**

- 4 1 This Order shall apply to the conduct of Performance Audit of all CH operators/contractors with existing or expired contracts/permits to operate cargo handling services

5 **Guidelines:**

- 5 1 H O Internal Control Department (ICD) shall conduct the performance audit of cargo handlers with 5-year and above contract terms
- 5 2 PDO Internal Control Staff (ICS) shall conduct the performance audit of cargo handlers with contract/permit below 5-year terms
- 5 3 PDO-ICS may be assisted by the PMO staff members who have successfully completed the Internal Audit seminar/workshop conducted in April and May 1995 by PPATC in coordination with ICD
- 5 3 3 The qualified PMO staff members may be formed into a Special Audit Task Force (SATF) by the Port Manager to be headed by a PDO-ICS staff member in case of an urgent need to perform an audit work

5 3 4 The SATF shall be only temporary in nature and shall conduct audit of CH operators with one (1) year permit only for the purpose of expediting the processing of application for renewal of permit to operate.

5 4 Performance audit shall be conducted at least six (6) months before expiry dates of a 5-year and above contract, four (4) months before expiry date of below 5-year contract and two (2) months before the expiry date of a 1-year permit

5 5 The audit shall cover operations, finance and management of the CH services, including an inquiry into specific complaints, if any, lodged against it by port users or others concerned

5 6 The ICD and ICS are not precluded from conducting regular performance audits of authorized cargo handlers in order to determine the extent of their compliance with the terms and conditions of their contracts/permits and remedy deficiencies to improve the services and protect public and government interest

6 Reporting System

6 1 ICD and PDO-ICS shall observe the existing approved standard reporting system

7 Repealing Clause:

The provision of Section 15 of PPA Administrative Order No 03-90 and other PPA issuances inconsistent herewith are therefore amended or modified accordingly

8 Effectivity Clause:

This Order shall take effect upon approval and shall remain in force until revoked or amended


CARLOS D. AGUSTIN
General Manager