

**DEPARTMENT OF LABOR AND EMPLOYMENT  
SUMMARY OF ACTIONS TAKEN/COMMENTS ON 2012 COA AUDIT OBSERVATION MEMORANDUM (AOM)**

OFFICE : DOLE REGION IV-A

AUDITOR'S OPINION : \_\_\_\_\_

SUMMARY OF COA FINDINGS	COA RECOMMENDATIONS As of Jan. 24, 2012	AGENCY ACTION/COMMENTS As of March 26, 2012
<p><b>AOM No. 2012-001</b></p> <p>The validity of gasoline expenses amounting to P 296,699.58 could not be ascertained due to failure of Management to enforce proper preparation of the Daily Trip Tickets before the use of government vehicle in violation of COA Circular No. 75-6, resulting to loose control of gasoline consumption</p>	<p>Management to:</p> <ol style="list-style-type: none"> <li>1. Strictly enforce the use of the Driver's Trip Tickets before authorizing the use of a vehicle;</li> <li>2. Instruct the Supply Officer to ensure that the Trip Ticket is properly accomplished to support the claims for payment of gasoline and fuel expenses; and</li> <li>3. Direct the designated personnel to submit regularly the Monthly Report of Fuel Consumption and the Monthly Report of Official Travel.</li> </ol>	<p>The No approved Daily Trip Ticket, No Travel policy is being strictly enforced and implemented by the Office before the use of any government vehicle. The OIC-Administrative Officer personally talked to all drivers concerned and discussed compliance of said form. Also, the Property Officer regularly prepares the monthly report on fuel consumption and attached it to the voucher as one (1) of the supporting documents for payment of monthly fuel expenses. A complete compilation of said reports for 2011 is attached, for information and reference. On February 8 and March 21, 2012, we submitted the January and February 2012 Fuel Report, respectively.</p> <p>Relative to the Monthly Report on Official Travel, the management will submit the said report starting May 2012. Likewise, the Office will issue a memorandum to all drivers reiterating the strict compliance in accomplishing the Trip Ticket as well as the preparation of the Monthly Report of Official Travels.</p>

SUMMARY OF COA FINDINGS	COA RECOMMENDATIONS As of Jan. 24, 2012	AGENCY ACTION/COMMENTS As of March 26, 2012
<p><b>AOM No. 2012-002</b></p> <p>Had Management designated a key personnel to monitor and inspect the project implementation of the different LGUs and NGOs/POs, which were funded by DOLE in the amount of P 50,875,456.59, in compliance with Sections 5.3 and 5.4 of COA Circular No. 2007-001, early completion, settlement or liquidation of the released fund could have been realized, thereby reducing the outstanding balance as of Dec. 31, 2011 and attaining the mandate of the agency.</p>	<p>Management to :</p> <ol style="list-style-type: none"> <li>1. Intensify collections of the Loan Receivable; and designate a key personnel who can monitor the loan granted and the project implementation and enforce repayment thereof;</li> <li>2. Enforce the provision of COA Circular 2007-001 and MOA for the submission of the Final Utilization Report/Liquidation Report to decrease the outstanding balance;</li> <li>3. File appropriate charge against the erring LGUs, NGOs/POs who continuously failed to settle their obligations. The actual status of the projects and funds will result in a more accurate and reliable financial information of DOLE; and</li> <li>4. Evaluate the status of the outstanding obligation and to request for writing off of the unpaid loans amount by the beneficiaries, if collection is not feasible anymore.</li> </ol>	<p>The Regional Monitoring Team composed of personnel from TSSD, IMSD and Provincial Office focal person was created to monitor the loan granted. They conducted actual project site visits in the provinces of Cavite, Laguna, Batangas, Rizal and Quezon and documented the monitoring activities including the provision of technical assistance in collecting the loans receivable, LGUs and NGOs/POs. Also, the Team had distributed the final demand letters to the recipients of loans and was able to partially secure necessary documents needed to support the management's request for dormant accounts to be written-off. Said requests for write-off are now with the DOLE - IAS consisting of (69) ACP's amounting to P 7,519,098.78 (including interest receivables of P 567,349.00) for evaluation and recommendation.</p> <p>As of Feb 29, 2012, the total liquidation for Due from NGOs/POs/LGUs is P 6,518,529.25 and P 10,036.87 respectively.</p>

SUMMARY OF COA FINDINGS	COA RECOMMENDATIONS As of February 27, 2012	AGENCY ACTION/COMMENTS As of March 26, 2012
<p><b>AOM No. 2012-003</b></p> <p>Cash advances of officers and employees amounting to P 436,997.70 for travels and projects/programs were not liquidated within the prescribed period pursuant to Section 4.1.3, 5.1.3 and 5.9 of COA Circular No. 97-002 dated Feb. 10, 1997, resulted in the accumulation of outstanding balances as at year end.</p>	<p>Management to :</p> <ul style="list-style-type: none"> <li>&gt; Instruct the Regional Accountant to enforce liquidation of cash advances on the prescribed frequency and impose sanctions by withholding their salaries pursuant to Sections 4.1.3, 5.1.3 and 5.9 of COA Circular 97-002;</li> <li>&gt; Exert extra effort to locate the whereabouts of the accountable officer and cause the liquidation of the long outstanding cash advances in compliance with the existing rules and regulations.</li> </ul>	<p>The management already instructed the Regional Accountant to strictly enforce liquidation of cash advances to all accountable officers and employees. Hence, no new cash advance maybe granted unless the previous cash advance be liquidated. As of March 15, 2012, the unliquidated cash advance is only P 5,705.00. To date, the management is in the process of preparing memorandum to concerned employee requiring to liquidate the cash advance within the prescribed period. If no liquidation had been submitted within that period, the management shall impose sanctions pursuant to Sections 4.1.3, 5.1.3 and 5.9 of COA Circular 97-002.</p> <p>On long term outstanding cash advances where the accountable officers were already retired/transferred/resigned/dropped from the rolls, the management exhausting all possible means of locating the whereabouts of the accountable officers and will send demand letters accordingly. On the part of the deceased accountable officers, we are in the process of gathering information and if possible, secure necessary documents needed to support before the management will make a request for write-off.</p>