

Department of Labor and Employment, Region IV-A
ACTION PLAN and STATUS of IMPLEMENTATION
 Audit Observations and Recommendations
 For the Calendar Year 2018
 As of December 31, 2019

ANNEX E

Reference	Audit Observations	Audit Recommendations	Action Plan			Status of Implementation	Reason for Partial or Non-Implementation	Action taken/ To be taken
			Action Plan	Person/Dept. Responsible	Target Implementation Date From To			
1 <i>(ML 2018)</i>	Documents supporting the liquidation of fund transfer to Municipality of Jalajala under the Dole Integrated Livelihood Program (DLIP) for the purchase of Sewing Machine, Edging Machine and Supplies amounting to ₱3,445,575.00 for distribution to 280 beneficiaries were incomplete contrary to Item 2.2 of COA Circular No. 2012-001 dated June 14, 2012 and Sections 4(2) & (6) of Presidential Decree	We recommend that the Regional Director require the Accountant to submit the following: a) Bidding documents in the purchase of equipment amounting to ₱3,445,575.00; b) Copy of Property Acknowledgment Receipts (PAR) of Sewing Hi-Speed Machine and Edging Machine); c) Report on the Physical Count of Property, Plant and Equipment as of to date;	Submission of the required documents attached to Liquidation Vouchers	Regional Accountant PO-Focal Person			Fully implemented Fully implemented Fully implemented	Rizal Provincial Office through TSSD E/W submitted the additional documentary requirements from the Municipality of Jalajala in support to our compliance to the AOM issued by the COA.

	(PD) No. 1445, thus rendering the validity, necessity and legality of the transactions doubtful.	<p>d) Terminal Report of the project duly signed by the proponent's resident auditor;</p> <p>e) List of Beneficiaries with complete address and signatures; and</p> <p>f) Copy of Official Receipts issued by the Municipality of Jalajala to the DOLE acknowledging receipt of fund transferred.</p>					Fully implemented		
2	Fund Transfer amounting to ₱5,425,369.00 was granted to different NGOs/POs despite incomplete documentations contrary to Section 2.0 of COA Circular No. 2012-001 dated June 14, 2012 and Sections 4(6) of Presidential Decree	<p>We recommend that the Regional Director instruct the Regional Accountant to:</p> <p>a. strictly comply with the documentary requirements under COA Circular No. 2012-001 to ensure that Disbursement Vouchers are supported with complete documentation prior to</p>	Submission of the required documents in the Fund Transfer to Non-Government Organizations (NGOs) and Peoples Organizations (POs)	Regional Accountant	b. Cashier	c. Redempta V. Aquino-OIC, TSSD Employment and Welfare	Fully implemented		

<p>3</p>	<p>(P.D.) No. 1445 rendering the validity, necessity and legality of the transactions doubtful.</p> <p>Incomplete documentations of liquidation report in the amount of ₱9,442,859.17 is not</p>	<p>payment;</p> <p>b. submit to the Office of the Auditor the required lacking supporting documents listed in the above table for evaluation;</p> <p>c. evaluate firmly financial capacity or the equity of the NGOs/POs if they can contribute to their counterpart in the form of labor, facilities, equipment and the like for the attainment of goals and accomplishment of the project; and</p> <p>d. assess the legal existence of the NGOs/POs before granting assistance or fund transfer to implement projects.</p> <p>We recommend that the OIC, Regional Director:</p> <p>a. direct the Regional Accountant to strictly</p>	<p>Submission of Liquidation Report of TUPAD Project</p>	<p>a. Provincial Director, Provincial Office of Cavite</p>			<p>Fully implemented</p> <p>Partially implemented</p> <p>Partially implemented</p> <p>Partially implemented</p>		<p>TSSD E/W prepared Memorandum No. TSSD E/W-DILEEP-2019-003 to POs signed by the Regional Director requiring prospective ACPs to submit latest General Information Sheet (GIS) with duly stamp received by SEC, in case of Association, Peoples Organization and NGOs, and Certificate of Compliance issued by CDA, in case of Cooperative to validate the legal existence aside from the project site validation conducted by the Provincial Offices.</p>
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	<p>in keeping with the provisions of COA Circular No. 2012-001 dated June 14, 2012 and Sections 4(2) & (6) of Presidential Decree (P.D.) No. 1445 rendering the validity, necessity and legality of the submitted liquidation report doubtful.</p>	<p>evaluate completeness of supporting documents before it was transmitted to the Office of the Auditor;</p> <p>b. require the Regional Accountant to submit immediately the lacking documents for validation and post audit to avoid suspension of the transactions; and</p> <p>c. coordinate with the LGU Public Employment Service Offices (PESOs) and LGU Accountants to closely monitor the implementation of the projects and timely submission of liquidation reports, respectively, in order to ensure that the projects are completed as planned and ultimately achieve DOLE's objective in increasing labor employment and augmentation of worker's income.</p>		<p>b. Chief IMSD.</p> <p>c. LGU Public Employment Service Offices (PESOs)</p>			<p>Partially implemented</p> <p>Fully implemented</p>		<p>Regional Accountant will adhere with the recommendation sited.</p> <p>Cavite Provincial Office in coordination with the City Government of Dasmariñas already submitted the lacking documentary requirements to the Office of the COA Resident Auditor last May 20, 2019 for validation.</p> <p>Rest assured that we will closely monitor the implementation of the projects to ensure that the projects are completed as planned.</p>
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4	<p>1. Cash Collections and Deposits under the General Fund and Trust Fund were reported in one (1) report in the Report of Collections and Deposits(RCD).The cashier also used same booklet of Official Receipts for recording of collections of both funds contrary to Appendix 22 of Government Accounting Manual(GAM) for National Government Agencies (NGAs), Volume II and Section 65.2 of Presidential Decree (PD) No. 1445 rendering the undeposited balances of general fund and trust fund as of the date of cash examination doubtful.</p>	<p>We recommend that the Regional Director:</p> <p>a. direct the Cashier/Collecting Officer to maintain separate Cashbook/Cash Receipts Record (CRR) for each fund to properly and correctly record the transactions;</p> <p>b. require the Cashier/Collecting Officer and the Accountant to reconcile their corresponding records regularly to determine correctness of account balances in the book for fair presentation of the financial position of the agency; and</p> <p>c. instruct the Accountant to maintain separate Cash Receipts Journal (CRJ) for each fund.</p>	<p>Preparation of Separate records of CRR and issuance of separate series of ORs for collections of Trust Fund and General Fund</p>	<p>Regional Accountant Cashier</p>			<p>Fully implemented</p>	<p>Fully implemented</p>	<p>Fully implemented</p>
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	<p>2.Delayed deposit of daily collections with holding period of one (1) day to more than one (1) month contrary to the provisions of Section 69(1), PD No. 1445 and Section 32, Chapter II of COA Memorandum No. 2013-004 dated July 9, 2013 or the Revised Cash Examination Manual, exposed the government funds to risk of possible loss and/or misuse.</p>	<p>We recommend that Regional Director direct the Cashier to deposit her collections intact not later than the next banking day and strictly observe the guidelines pertaining to the deposit/remittance of the collections.</p>	<p>Deposit the collections on time and intact</p>	<p>Cashier</p>			<p>Fully implemented</p>		
<p>5</p>	<p>The Annual GAD Plan and Budget (GPB) and Accomplishment Report (AR) for CY 2018 were not submitted within the prescribed period as stated in Section V, COA Circular No. 2014-001 dated March</p>	<p>We recommend that the Regional Director instruct the:</p> <p>a. GAD focal person to submit Annual GAD Plan and Budget as well as Accomplishment Report for CY 2018; and</p>	<p>Submission of GAD Plan and Accomplishment Report</p>	<p>GAD Focal Person</p>			<p>Fully implemented</p>		

	<p>18, 2014, rendering the agency's compliance with the requirements of the laws on the attainment of gender equality and women's empowerment doubtful.</p>	<p>b. Regional Accountant and Budget Officer to submit actual expenditures incurred in the implementation of GAD programs, project and activities.</p>					<p>Fully implemented</p>		
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Department of Labor and Employment, Region IV-A
ACTION PLAN and STATUS of IMPLEMENTATION
 Of Prior Year's Audit Recommendations
 As of December 31, 2019

Reference	Audit Observations	Audit Recommendations	Action Plan			Status of Implementation	Reason for Partial or Non-Implementation	Action taken/ To be taken	
			Action Plan	Person/Dept. Responsible	Target Implementation Date From To				
1 <i>(ML 2016)</i>	The balance of transferred funds from the DOLE IV-A to Non-Government Organizations/People's Organizations (NGOs/POs) amounting to ₱37,485,621.60 as of December 31, 2016, remained unliquidated over the years contrary to COA Circular 2007-001, Section 5.4, dated October 25, 2007, and DOLE Department Order No. 36-02, series of 2002, dated December 27, 2002,	We recommend that the Management: a. direct the program implementers/facilitators to exert utmost efforts to monitor the implementation of the projects and assist the beneficiaries in the preparation and consolidation of their terminal/liquidation reports to ensure correctness of the liquidation reports and immediate/prompt submission thereof; b. conduct regular inspection of the recipient NGOs/POs; prepare an		TSSD Chief RO-Program Manager PO-Heads PO-Focal Persons			Partially implemented	The requested project funds were utilized by previous administration wherein all the required supporting documents needed for the liquidation report were not properly turned-over to the officer in charge under the new administration.	TSSD E/W prepared Memorandum No. TSSD E/W-DILEEP-2019-003 to POs signed by the Regional Director requiring prospective ACPs to submit latest General Information Sheet (GIS) with duly stamp received by SEC, in case of Association, Peoples Organization and NGOs, and Certificate of Compliance issued by CDA, in case of Cooperative to validate the legal existence aside from the project site validation conducted by the Provincial Offices.

	<p>resulting in the difficulty of ascertaining the feasibility of implementation and possibility of liquidation.</p>	<p>inspection/monitoring schedule covering current and prior years' projects to determine if funds transferred to them were properly utilized in accordance with the provisions of the MOAs; and constantly update their addresses and contact numbers to facilitate monitoring of their whereabouts;</p> <p>c. strictly adhere to the provisions of COA Circular Nos. 2007-001 on the grant and liquidation of fund transfers to NGOs/POs and enforce the terms and conditions provided for in the MOA particularly on the obligation of the Proponent to immediately refund any unutilized funds and for the DOLE RO to institute appropriate actions against Proponents violating the same.</p>				<p>Partially implemented</p>		<p>As of December 31, 2019, nine (9) liquidation reports were recorded in the books amounting to <i>P20,004,416.21</i>.</p> <p>The top mgt. will adhere to the recommendations cited and comply rules and regulations.</p>
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<p>3 <i>(ML 2015)</i></p>	<p>None of the cash advances granted way back in 2001 up to 2014 totaling P40,466,171.67 was liquidated, while only P764,616.00 or 24% of the current year's cash advances of P3,155,149.75 was liquidated contrary to Section 5.4 of COA Circular No. 2007-001. Further, the said current year's cash advances were granted to eight NGOs/POs for the implementation of livelihood projects despite the lack of some documentary requirements and certain deficiencies in the</p>	<p>1. Explore the legal remedies against the NGOs/POs with outstanding cash advances prior to January 1, 2015.</p> <p>2. Ensure the immediate liquidation of the cash advances granted in CY 2015 and onwards through regular monitoring and the prompt issuance of Demand Letters.</p> <p>3. Justify why a MOA was entered into by DOLE IV-A with Now Moving for Better Philippines Multi-Purpose Cooperative despite the lack of appropriation in CY</p>		<p>TSSD Chief RO-Program Manager PO-Heads PO-Focal Persons</p>			<p>Partially implemented</p> <p>Partially implemented</p> <p>Partially implemented</p>	<p>Delayed project implementation due to late implementation of partner NGAs of the convergence project such as training and FDA approval and changes in the set of officers.</p>	<p><i>P51,162,072.43.</i></p> <p>The management will adhere to the recommendations cited and comply with the existing rules and regulations.</p> <p>One (1) recipient from the Province of Batangas submitted their liquidation report amounting to P52,084.60 covering CY 2003.</p> <p>The heads of the five (5) Provincial Offices assured the top management that they will adhere to the recommendations cited and comply with the existing rules and regulations.</p>
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	<p>Memorandum of Agreement contrary to Section 2 of COA Circular No. 2012-001 and Sections 4(6), 85 to 87 of P.D. No. 1445, thus, rendering the propriety and regularity of the transactions doubtful.</p>	<p>2014.</p> <p>4. Direct the following personnel:</p> <ul style="list-style-type: none"> ➤ The Heads of the Provincial Offices <ul style="list-style-type: none"> • To be strict in the initial evaluation of the necessary documents for the grant of cash advances to NGOs/POs • To conduct frequent monitoring of the implementation of the projects by the NGOs/POs so that problems, if any, may be addressed as early as possible ➤ The Chief, Technical Support and Services Division (TSSD) <ul style="list-style-type: none"> • To be stricter in the final evaluation of the necessary documents for the grant of cash advances to NGOs/POs • To blacklist the NGOs/POs with prior 				<p>Partially implemented</p>		<p>The management will adhere to the recommendations cited and comply with the existing rules and regulations.</p>
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		<p>years' unliquidated cash advances</p> <p>➤ The Chief, Accounting Unit</p> <ul style="list-style-type: none"> To justify why two or three checks were granted to five NGOs/POs under the same Allotment and Obligation Slip (Alobs) and for the same purpose. <p>To ensure that the basic requirements prescribed under existing laws, rules and regulations are complied with before processing claims for payments.</p>							
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Prepared by:

Approved by:

INA LOU B. FLORENDO
IMSD Chief

HENRY JOHN S. JALBUENA
Regional Director

Note: Status of implementation may either be (a) Fully Implement, (b) Ongoing, (c) Not implemented, (d) Partially implemented, or (e) Delayed