

Republic of the Philippines  
DEPARTMENT OF LABOR AND EMPLOYMENT  
Regional Office No. 02  
Tuguegarao City

Agency Action Plan and  
Status of Implementation  
Audit Observations and Recommendations  
As of June 30, 2020

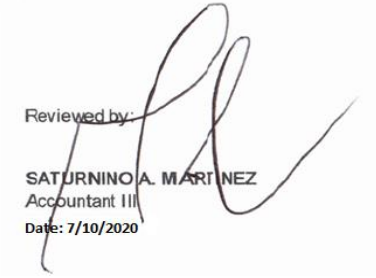
Reference	Audit Observation	Recommendation	ACTION PLAN	PERSON/DEPT. RESPONSIBLE	TARGET DATE IMPLEMENTATION		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/ DELAY/ NO IMPLEMENTATION IF APPLICABLE	ACTION TAKEN/ ACTION TO BE TAKEN
					FROM	TO			
<b>AOM No. 2019-012-101 (2018-TUPAD) dated November 18, 2019</b>	The leniency of DOLE Isabela Field Office in allowing the LGU PESO Managers and other individuals to conduct the profiling/interviews of applicants for the Tulong Panghanapbuhay sa Ating Disadvantaged/ Displaced Workers (TUPAD) Project particularly for the “Weeding, cleaning, sweeping of barangay roads, de-clogging of street canals, and community cleaning and beautification” undertaken in the eleven municipalities of Isabela for the period February 20, 2018 to April 10, 2018 is not in conformity with the provision of Section 16.1 of Department Order No. 173 Series of 2017 re: Revised Guidelines in the Implementation of the Department of Labor and Employment Integrated Livelihood and Emergency Employment Programs (DILEEP), thus resulted in the doubtful identities of some	<b>We recommend that:</b>  <b>a. That the DOLE Regional Office or the concerned Field Office in coordination with the proponent should conduct the interviews/profiling of applicants which would be the basis for the provision of assistance as provided under Section 16.1 of DO 173 Series of 2017 in order to establish accountability and ensure proper profiling of beneficiaries particularly in accuracy and correctness of entries/signatures in the Profiles, Contracts of Service and Daily Time Records.</b>  <b>b. Management explain the discrepancies noted in the signatures of some beneficiaries in their Profiles, Contracts of Service and Daily Time Records casting doubt of the identities of the recipient beneficiaries.</b>		Isabela Field Office			Fully Implemented		>>A memorandum was sent dated November 28, 2019 (See Annex A.1), a reply letter was sent (See Annex A.2) and a refund was made amounting P 30,600.00 (See Annex A.3)
<b>AOM No. 2020-001-101(2019) DOLE dated February 7, 2020</b>	Late Submission of Disbursements Vouchers (DVs)/Liquidation Reports (LRs)  Delayed submission of Disbursements Vouchers (DVs)/Liquidation Reports (LRs) together with the supporting documents for CY 2019, contrary to the provisions of Section 122 of PD No. 1445 and pertinent provisions of the RRSA, hampered the timely verification and audit of the accounts.  to Section 36 (a) of RA No. 9710 or the Magna Carta of Women, due to limited funds downloaded by NLRC- CO to RAB II.	We recommend that Management instruct the accountant to submit immediately the Disbursement Vouchers together with the supporting documents and Liquidation Reports for the period October to December 2019 and November to December 2019, respectively. Further, strictly comply with the prescribed period of submission of accounts pursuant to COA Circular No. 2009-006 dated February 15, 2009 to ensure timely conduct of audit verification of the transactions and accounts.	To improve our process in the submission of the required reports.	Internal Management Services Division			Fully Implemented		We already submitted liquidation reports for C.Y 2019 dated February 26,2020.(See Annex A.4)

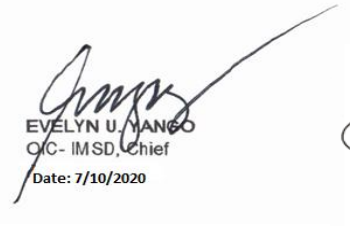
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AOM No. 2020-002-101(2019) DOLE dated February 21, 2020	<p>Equipment not turned-over to proponent-beneficiary/proponent ACP still in operation after one (1) year from the start of project implementation- P14,646, 184.92</p> <p>Equipment purchased in 2010-2014 for the use of proponent-beneficiaries/proponent Accredited Co-Partners (ACPs) for the implementation of livelihood projects with an aggregate amount of P14,646,184.92 were not turned-over to those proponent-beneficiaries /ACPs still in operation, after one (1) year from the start of project implementation, or pulled out in case in case they ceased operation, due to the failure of the agency to monitor the status</p>	<p>We recommend that management monitor the status of the implementation of the Livelihood Projects awarded to proponent-beneficiary/proponent ACP. If found to be in operation after one (1) year from the start of project implementation, the equipment purchased for their operation should be awarded to them through a Deed of Donation in pursuance to Section 12.D.3 of Department Order No. 173 Series of 2017. Recording of the donated equipment should be recorded by the accountant as well by crediting account Other PPE – Project Fund.</p> <p>Likewise, for projects which already ceased to operate within the 1-year period from the start of its implementation, pulling out of</p>	To monitor the status of the implementation of livelihood projects.	Internal Management Services Division	January 2020	December 2020	Partially Implemented		We already gave a copy of the list of of other ppe project fund to the field offices for them to monitor.
AOM No. 2020-003-101(2019) DOLE dated February 21 , 2020	<p>issued Semi-Expendable Properties not derecognized - P1,746,026.81</p> <p>Semi-Expendable properties already issued to end-users with an aggregate amount of P1,746,026.81 are still recorded in the books due to the failure of the accountant to derecognized the items upon issuance, in violation of the provision of Section 10, Chapter 8, GAM for NGAs Volume I, thus overstating the semi-expendable property accounts by P1,746,026.81 and understating the corresponding expense accounts by the same amount and ultimately affecting the fair presentation of the accounts in the financial statements of the agency.</p>	<p>We recommend that management instruct the Accountant to recognize all the semi-expendable properties issued amounting to P 1,746,026.81 as expenses pursuant to Section 10, Chapter 8, GAM for NGAs Volume I, for the fair presentation of the semi-expendable and corresponding expense accounts in the financial statements.</p> <p>Recommended entry:</p> <p>Dr. Semi-Expendable ICT Equipment Expense --- P 1,746,026.81 Cr. Semi-Expendable ICT Equipment ----- P 1,746,026.81</p>		Internal Management Services Division			Fully Implemented		We already complied with the audit recommendation.

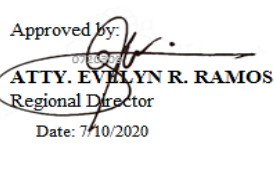
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AOM No. 2020-004-101(2019) DOLE dated February 21 , 2020	<p>Inappropriate use of account Advances to Officers and Employees - ₱63,085.07</p> <p>Cash Advances totalling ₱63,085.07 granted to employees for special purpose/time bound undertakings were recorded under account Advances to Officers and Employees (19901040) instead of Advances to Special Disbursing Officers contrary to the Revised Chart of Accounts under Government Accounting Manual for NGAs (GAM) Volume III, thus overstating the said account by the said amount. Likewise, the employees who were granted cash advances for special purposes are not designated as Special Disbursing Officers.</p>	<p>We recommend that management instruct the Accountant to reclassify the accounts in the appropriate accounts as prescribed in the Revised Chart of Accounts under the Government Accounting Manual (GAM) for National Government Agencies, Volume III, for the fair presentation of accounts in the financial statements.</p> <p>Recommended entry: Dr. Advances to SDO -- 63,085.07 Cr. Advances to Officers and Employees --63,085.07</p>		Internal Management Services Division	January 2020	December 2020	Partially Implemented		Some AOE were already liquidated, and we will adjust the recommended entry in the succeeding month.
AOM No. 2020-005-101(2019) DOLE dated March 6 , 2020	<p>Non-liquidation of funds transferred to DPWH for the construction of DOLE office building recorded under account Due from NGAs- P19,650,000.00</p> <p>Funds amounting to P19,650,000.00 transferred to the Department of Public Works and Highways – Cagayan Third District Engineering Office (DPWH – CTDEO) being the Implementing Agency (IA) by the Department of Labor and Employment, Regional Office No. 02 (DOLE Region 02), Source Agency (SA) for the construction of the DOLE office building remained unliquidated as of December 31, 2019 due to the failure of the IA to pay the</p>	<p>We recommend that Management exert extra efforts to coordinate with the DPWH to facilitate the final payment of P1,367,830.84 to the contractor and submit final liquidation report which will be ultimately the basis in recording the building constructed in the books of DOLE. In that way, Due from National Government Agencies account will be settled and the appropriate Buildings and Other Structures account will be recognized and fairly presented in the financial statements pursuant to GAM for NGAs Vol. III- the Revised Chart of Accounts.</p>	Request DPWH to earnestly request that the said balance be utilized and the turnover of the building be effected.	Internal Management Services Division	January 2020	December 2020	Partially Implemented		Attached is the letter sent to the DPWH. (Annex B) and still awaiting action from DPWH.

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	contractor the amount of P1,367,830.84, in violation of Section 4.6 of COA Circular No. 94-013, thus overstating the cash account particularly account Due from NGAs -10303010 by P19,650,000.00 and understating the related PPE account, Buildings - 10604010 by the same amount.								

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