



**2013 COA ANNUAL AUDIT OBSERVATIONS (FINDINGS), RECOMMENDATIONS WITH MANAGEMENT COMMENTS  
 AND ACTIONS TAKEN**  
 As of AUGUST 30, 2013

	COA Audit Observations (Findings)	COA Audit Recommendations	Management (DOLE-RO)	
			Comments and actions Taken	Timeframe (to be committed)
1.	Cash advances amounting to P386,901.79 composing P272,791.79 of two retired DOLE employees remained dormant since 2010, contrary to the provisions of Section 89 of PD 1445 and COA Circular No. 97-002 dated February 7, 1997.	<ul style="list-style-type: none"> <li>➤ To Require the Chief Accountant to deduct from the salaries of officers and employees who are still active in service their outstanding balances;</li> <li>➤ Request for write-off of receivables of the employee who have absconded after utmost efforts to collect them would be in vain.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Compliance on progress.</b> Submitted liquidations for settlement to COA for prior years P270,071.79 remained unsettled due to absconded employee (Former cashier) and case now pending the Office of the Ombudsman. For previous year employee concerned refunded the amount with a settlement rating of 87%.</li> </ul>	<ul style="list-style-type: none"> <li>➤ For final discussion and coordination with COA for the write-off within the month.</li> </ul>
2.	The account Receivables/Disallowances and Charges totaling P658,182.97 as of December 31, 2012 of which 415,182.97 remained unsettled for more than two (2) years in violation of Section 10.4 of COA Circular No. 2009-06, dated September 15, 2009.	<ul style="list-style-type: none"> <li>➤ Requests for write-off of these disallowances from proper authorities if after all means have been exerted, still the same is impossible to meet.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Compliance on progress.</b> Some employees refunded the amount of disallowances with the remaining P628,182.97 as of July 2013 or 4% settlement.</li> </ul>	<ul style="list-style-type: none"> <li>➤ September 2013 start of payroll deduction.</li> </ul>



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3.	Segregation of duties and responsibilities were not observed by management in the recording and preparation of agency payroll which is done by the Accounting Section, thus internal control over agency assets is weak.	➤ Effect immediately the payroll preparation to the HRMO for proper internal control procedure. Instruct the Accountant to properly turn-over said task to the HRMO.	➤ <b>Fully complied/Implemented.</b>	➤ Effective January 2013.
4.	Failure of the oversight and implementing DOLE officials to monitor the actual implementation of funded projects and to enforce the prompt submission of the Funds Utilization Reports as well as the continuous release of funds and failure of management to impose the prescribed sanctions have resulted in the accumulated financial assistance of P1,767,393.95 for LGU and P8,782,337.04 for NGOs/POs, respectively, for CY 2011 and below. Hence, the efficiency and effectiveness in the use of programmed funds to attain program objectives cannot be determined.	➤ Strictly enforce compliance by the LGUs/NGOs/POs of the prescribed time frame for the submission of Fund Utilization Reports, and to refund any excess or unutilized funds. We likewise recommend that the prescribed sanctions against defaulting LGUs and NGOs/POs be enforced to preclude further incidence of mismanagement of funds and programs.	➤ <b>Compliance on Progress.</b> Management is already strictly enforcing compliance on the LGUs/NGOs/POs of the prescribed time frame. Likewise, concerned LGUs/NGOs/POs were already reprimanded and directed to submit liquidations.	➤ Effective June 30, 2013.
5.	SPES beneficiaries were not fully paid within the period prescribed in the IRR of RA 9547 as payments to students in CY 2012 for the 40% share of DOLE were delayed or not paid at all as manifested by stale and unreleased checks amounting to P170,535.48, as of December 31, 2012, thus affecting the attainment of the program objective of helping the poor but deserving students pursue their education by providing income or augment their income.	➤ Ensure that student beneficiaries are paid their 40% salaries within 11 days prescribed period. Require the employers, PESO and DOLE X to perform their duties and responsibilities within the period provided in the RA 9547 for the payment of the 40% share of DOLE;  ➤ Require the TSSD and DOLE X Field Offices to closely monitor the PESOs to ensure that the list of checks were actually	➤ <b>Compliance on progress.</b>  ➤ <b>Compliance on Progress.</b> TSSD through the Focal Person	➤ Effective September 2013 management adopt new payment scheme for SPES.  ➤ As of June 30, 2013.



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		<p>posted and students beneficiaries were informed of their claims; and</p> <p>➤ Instruct the Accounting unit to exclude from the payrolls under processing those students with inadequate documents/deficiencies while the necessary requirements are being completed in order not to deprived the complying students the timely payment of their 40% salaries.</p>	<p>is closely monitoring the PFOs and PESOs on grantees names.</p> <p>➤ <b>Fully complied/Implemented.</b> Accounting unit had been strict in the processing of SPES claims with inadequate/deficiencies documents.</p>	<p>➤ As of June 30, 2013.</p>
6.	Agency's focal person did not submit Annual Gender and Development (GAS) Plans and Budget and Accomplishment Report to proper authorities for earlier review and evaluation. Thus, defeating the purpose envisioned for the program.	<p>➤ Require GAD Focal Person to prepare earlier GAD Plans, Programs and Budget for CY 2012 and submit it immediately to the National Commission on the Role of the Women (NCRFW) for proper evaluation and approval of the same.</p>	<p>➤ <b>Fully complied/Implemented.</b> GAD plans and budget for CY 2012 were already prepared. DOLE COA and NCRFW were given copies.</p>	<p>➤ As of June 30, 2013.</p>
7.	Compliance with Tax Laws		<p>➤ <b>Full compliance and adherence to Tax Laws.</b></p>	<p>➤ Every 10<sup>th</sup> day of the month.</p>

Prepared by:

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Approved and submitted by:

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