

OVERSEAS WORKERS WELFARE ADMINISTRATION

AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION

Audit Observations and Recommendations For the Calendar Year 2021

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken			
			Action Plan	Person / Dept. Responsible	Target Implementation Date							
					From	To						
1	<p><i>Accounting Errors, Omissions and Misstatements</i></p> <p>A total of ₱18,858,152.48 in misstatements was found in the audit of Cash and Cash Equivalents, Inventories, Property, Plant and Equipment (PPE), Other Non-Current Assets and Liabilities accounts of OWWA Central Office (CO)and its Regional Welfare Offices (RWOs) due to errors and omissions and improper accounting treatment of transactions that were considered as departures from the International Public Sector Accounting Standards (IPSAS), but without material impact affecting the fair presentation of the consolidated financial statements (FSs) for the year ended December 31, 2021.</p> <p>Section 15 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, states that</p>	<p>It was recommended and the concerned RWOs agreed to prepare the adjusting entries in order to reflect the correct balance of CIB-LCCA and other affected accounts in the FSs.</p> <p>The Management commented as follows:</p> <table><tr><th>Office / RWOs</th><th>Management Comments</th></tr><tr><td>NCR</td><td>The Management informed that adjustments were already made to reflect the correct balance of Cash-in-Bank. In addition, the RWO NCR Director had issued a Memorandum dated March 23, 2022, directing the Head of Cashiering Unit (CU) to notify the payees when their checks were already available in order to avoid/mitigate accumulation of unreleased/unclaimed checks.</td></tr></table>	Office / RWOs	Management Comments	NCR	The Management informed that adjustments were already made to reflect the correct balance of Cash-in-Bank. In addition, the RWO NCR Director had issued a Memorandum dated March 23, 2022, directing the Head of Cashiering Unit (CU) to notify the payees when their checks were already available in order to avoid/mitigate accumulation of unreleased/unclaimed checks.		<p>RWO NCR</p> <p>RWO I</p>			<p>Fully Implemented</p> <p>Fully Implemented</p>	<p><u>NCR</u></p> <p>The Management informed that adjustments were already made to reflect the correct balance of Cash-in-Bank.</p> <p><u>RWO I</u></p> <p>The cashier submits monthly RCI and List of Unreleased/Cancelled Checks to the Accounting Unit as reference for the verification of Cash in Bank Balance. The Accounting Unit has prepared the adjusting entry required to correct the noted error in the Cash in Bank Balance of the Operations Account and was reflected in the 1st Quarterly Report of CY 2022.</p>
Office / RWOs	Management Comments											
NCR	The Management informed that adjustments were already made to reflect the correct balance of Cash-in-Bank. In addition, the RWO NCR Director had issued a Memorandum dated March 23, 2022, directing the Head of Cashiering Unit (CU) to notify the payees when their checks were already available in order to avoid/mitigate accumulation of unreleased/unclaimed checks.											

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	<p><i>“The Financial Statements (FSs) shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful presentation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses set out in Philippine Public Sector Accounting Standards (PPSAS)¹.”</i></p> <p>Moreover, Section 111 (1) of Presidential Decree (PD) No. 1445 provides that the accounts of the agency shall be kept in such detail as necessary to meet the needs of the agency and at the same time be adequate to furnish the information needed by the fiscal or control agencies of the government.</p> <p>Section 112 of the same Decree, likewise states that each government agency shall record its financial transactions and operations conformably with generally accepted accounting principles and in accordance with pertinent laws and regulations.</p> <p>Details of the uncorrected misstatements as at December 31, 2021 which do not affect the fair presentation of the</p>	<table><tr><td>I</td><td>Management promised to comply with the audit recommendations and agreed on the importance of proper reporting of cancelled checks. Likewise, informed that an adjusting entry was already prepared for the unrecorded cancelled checks, which will be reflected in the CY 2022 First Quarter Financial Reports.</td></tr><tr><td>VIII</td><td><p>During the exit conference, Management committed to comply with the recommendation.</p><p>The Management further informed that an adjustment was already prepared for Check No. 4624946 amounting to P10,000.00 and was replaced last January 2022. Check No. 4624959, however, may not have been encashed or lost by the payee. But the payee has not informed the agency yet.</p></td></tr></table>	I	Management promised to comply with the audit recommendations and agreed on the importance of proper reporting of cancelled checks. Likewise, informed that an adjusting entry was already prepared for the unrecorded cancelled checks, which will be reflected in the CY 2022 First Quarter Financial Reports.	VIII	<p>During the exit conference, Management committed to comply with the recommendation.</p> <p>The Management further informed that an adjustment was already prepared for Check No. 4624946 amounting to P10,000.00 and was replaced last January 2022. Check No. 4624959, however, may not have been encashed or lost by the payee. But the payee has not informed the agency yet.</p>		RWO VIII			Fully Implemented		<p><u>RWO VIII</u></p> <p>Coordinated with the payees and the necessary adjustment have already been done.</p>
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	<p>consolidated financial statements, are presented in the succeeding paragraphs.</p> <table><caption>Table 1: Misstatements in the FSs</caption><thead><tr><th>Category/Classification</th><th>Office/RWOs</th><th>Balance as at December 31, 2021</th><th>Amount of Misstatements (in PhP)</th></tr></thead><tbody><tr><td>a) Cash and Cash Equivalents</td><td>NCR, I, IV-B, VIII, IX</td><td>1,893,891,785.34</td><td>2,318,845.16</td></tr><tr><td>b) Inventories</td><td>CAR</td><td>20,772,479.98</td><td>114,411.00</td></tr><tr><td>c) Property, Plant and Equipment (PPE)</td><td>CAR, NCR, II, XIII</td><td>250,927,061.87</td><td>3,386,500.95</td></tr><tr><td>d) Other Non-Current Assets</td><td>IX</td><td>2,550,525.50</td><td>(23,370.02)</td></tr><tr><td>e) Liabilities</td><td>CO, CAR, II, X, XIII, BARMM</td><td>1,573,928,612.78</td><td>13,061,765.39</td></tr><tr><td colspan="2">Total Misstatements</td><td>3,742,070,465.47</td><td>18,858,152.48</td></tr></tbody></table> <p>A. Cash and Cash Equivalents</p> <p><i>a) Misstatements in Cash and Cash Equivalents account – P2,318,845.16</i></p> <p>As at December 31, 2021, the following were the misstatements found in the audit of Cash and Cash Equivalents, which the Management did not adjust in their books:</p> <table><caption>Table 2: Schedule of Misstatements in Cash Accounts</caption><thead><tr><th>Description of</th><th>Office/</th><th>Amount of Misstatemen</th><th>Accounts Affected</th><th>Over/(Under) Statement (in</th></tr></thead></table>	Category/Classification	Office/RWOs	Balance as at December 31, 2021	Amount of Misstatements (in PhP)	a) Cash and Cash Equivalents	NCR, I, IV-B, VIII, IX	1,893,891,785.34	2,318,845.16	b) Inventories	CAR	20,772,479.98	114,411.00	c) Property, Plant and Equipment (PPE)	CAR, NCR, II, XIII	250,927,061.87	3,386,500.95	d) Other Non-Current Assets	IX	2,550,525.50	(23,370.02)	e) Liabilities	CO, CAR, II, X, XIII, BARMM	1,573,928,612.78	13,061,765.39	Total Misstatements		3,742,070,465.47	18,858,152.48	Description of	Office/	Amount of Misstatemen	Accounts Affected	Over/(Under) Statement (in							
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	<table><tr><th>Deficiency / Misstatements</th><th>RWOs</th><th>t (in Php)</th><th></th><th>Php)</th></tr><tr><td rowspan="5">a.1 Lapses in accounting of unreleased, outstanding, and stale checks</td><td rowspan="2">NCR</td><td>(950,681.00)</td><td>Cash in Bank (CIB) – Local Currency, Current Account (LCCA) Liabilities Accounts</td><td>(950,681.00)</td></tr><tr><td>4,552,756.40</td><td>CIB-LCCA Liabilities Accounts</td><td>4,552,756.0 4,552,756.40</td></tr><tr><td>I</td><td>(10,000.00)</td><td>CIB-LCCA Other MOOE</td><td>(10,000.00) 10,000.00</td></tr><tr><td rowspan="2">VIII</td><td>(1,498,844.60)</td><td>CIB-LCCA Liabilities accounts</td><td>(1,498,844.60) (1,498,844.60)</td></tr><tr><td>(11,466.64)</td><td>CIB-LCCA Liabilities accounts</td><td>(11,466.64) (11,466.64)</td></tr><tr><td rowspan="2">a.2 Various errors and omissions in recording</td><td>IV-B</td><td>-</td><td>CIB-LCCA Cash-Modified Disbursement System (MDS)</td><td>(2,986,724.88) 2,986,724.88</td></tr><tr><td>IX</td><td>237,081.00</td><td>CIB-LCCA Due to HO</td><td>237,081.00 (237,081.00)</td></tr><tr><td>TOTAL</td><td></td><td>2,318,845.16</td><td></td><td></td></tr></table> <p><i>a.1 Lapses in accounting of unreleased, outstanding, and stale checks</i></p> <p>Section 10, Chapter 6 of the GAM for NGAs, Volume I provides the proper recording of all checks, whether released, unreleased or cancelled, in their respective reports. While Section 56, Chapter 19 of the same Manual provides the accounting of unreleased checks.</p>	Deficiency / Misstatements	RWOs	t (in Php)		Php)	a.1 Lapses in accounting of unreleased, outstanding, and stale checks	NCR	(950,681.00)	Cash in Bank (CIB) – Local Currency, Current Account (LCCA) Liabilities Accounts	(950,681.00)	4,552,756.40	CIB-LCCA Liabilities Accounts	4,552,756.0 4,552,756.40	I	(10,000.00)	CIB-LCCA Other MOOE	(10,000.00) 10,000.00	VIII	(1,498,844.60)	CIB-LCCA Liabilities accounts	(1,498,844.60) (1,498,844.60)	(11,466.64)	CIB-LCCA Liabilities accounts	(11,466.64) (11,466.64)	a.2 Various errors and omissions in recording	IV-B	-	CIB-LCCA Cash-Modified Disbursement System (MDS)	(2,986,724.88) 2,986,724.88	IX	237,081.00	CIB-LCCA Due to HO	237,081.00 (237,081.00)	TOTAL		2,318,845.16									
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	<p>Section 44, Chapter 6 of the same Manual likewise provides that “<i>Checks may be cancelled when they become stale, voided or spoiled. The depository bank considers a check stale, if it has been outstanding for over six months from the date of issue or as prescribed. A stale, voided or spoiled check shall be marked cancelled on its face and reported xxx</i>”</p> <p>Verification of the Bank Reconciliation Statements (BRSs) of the CIB-LCCA in four RWOs revealed various lapses such as non-reversion of the unreleased checks, reversion of outstanding checks, aged less than six months and unadjusted cancelled and stale checks with an aggregated net overstatement amount of P2,081,764.16 remained unadjusted as of reporting date. Details are shown as follows:</p> <p>Table 3: Summary of Lapses in Accounting of Unreleased, Outstanding, and Stale Checks</p> <table><tr><th>Office/ RWOs</th><th>Deficiencies/Errors</th><th>Over/(Under) Statement (in Php)</th></tr><tr><td rowspan="2">NCR</td><td>Review of the adjusting entries made for the reversion of the unreleased/unclaimed checks in the General Journal (GJ) for the month of December 2021 disclosed that 32 unreleased checks totaling P950,681.00 were not reverted back to the Cash in Bank account as of year-end.</td><td>(950,681.00)</td></tr><tr><td>The adjusting entries for the reversion of the outstanding</td><td>4,552,756.40</td></tr></table>	Office/ RWOs	Deficiencies/Errors	Over/(Under) Statement (in Php)	NCR	Review of the adjusting entries made for the reversion of the unreleased/unclaimed checks in the General Journal (GJ) for the month of December 2021 disclosed that 32 unreleased checks totaling P950,681.00 were not reverted back to the Cash in Bank account as of year-end.	(950,681.00)	The adjusting entries for the reversion of the outstanding	4,552,756.40						
Office/ RWOs	Deficiencies/Errors	Over/(Under) Statement (in Php)													
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		checks in the GJ for the month of December 2021 revealed that 182 outstanding checks, aged less than six months aggregating P4,552,756.40 were included in the list of outstanding checks reverted back to CIB account as of year-end, thus resulted to the overstatement of the CIB and payable accounts in the amount of P4,552,756.40.								
	I	Verification of the BRSs for CIB-LCCA-Operations Fund LBP 0202-0185-72 revealed that the cancellation on September 8, 2021 of Check No. 2000715 dated September 2, 2021, remained not recorded in the books as of December 31, 2021 and not reflected as a book reconciling item in the BRSs from September 30, 2021 to December 31, 2021. Inquiry with the Accountant disclosed that the basis in the preparation of the JEV and Check Disbursement Journal (CDJ) was the checks issued per RWO I computer system and not from the RCI of the Cashier, which is not in accordance with the provisions of Section 10, Chapter 6 of the GAM for NGAs, Volume I. Likewise, the List of Unreleased Checks for cancelled and unclaimed stale checks was not submitted by the Cashier to the Accounting Unit (AU) for recording, as required in Section 44, Chapter 6 of the same Manual.	(10,000.00)							
	VIII	Review of the agency's GJ disclosed that there were no adjusting journal entries for the restoration of 45, 11 and four unreleased checks under the General Fund, GAA Fund, and Insurance Claims Fund (ICF), respectively, and the	(1,498,844.60)							

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		appropriate liability account was not recognized.									
		Inquiry with the Accountant revealed that the Cashier did not provide the report of unreleased checks as of December 31, 2021 resulting in non-preparation of the JEV. Hence, the year-end balances of the assets, liabilities and expenses are not fairly presented.									
		BRSs for all accounts of RWO VIII revealed that as of December 31, 2021, there were two checks in the list of outstanding checks of GAA Fund with the total amount of P11,466.64 that remained unrepresented to the drawee bank for over six months from the date of issuance and have become stale.	(11,466.64)								
		In an inquiry, the Accountant stated that Check No. 4624946 with an amount of P10,000.00 was unclaimed. While Check No. 4624959 was released but not yet deposited by the payee.									
	Total Overstatement		2,081,764.16								
	The aforementioned checks remained outstanding in the records of the respective offices which resulted in the understatement of the Cash in Bank – LCCA and the corresponding Liability accounts.										
2	Various errors and omissions in recording										
	Audit of the Cash accounts disclosed the following errors and omission in recording, which resulted in net overstatement of			It was recommended and the concerned RWOs agreed to require their respective AUs to prepare the	RWO IV-B			Fully		RWO IV-B Accountant already submitted to	

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	<p>P237,081.00 in the Cash accounts. Details shown below:</p> <table><tr><th>Office / RWOs</th><th>Account</th><th>Deficiencies / Errors</th><th>Over / (Under) Statement (in Php)</th></tr><tr><td>IV-B</td><td>Cash-MDS, Regular, and CIB-LCCA</td><td>Verification of the GL disclosed that the receipts of P9,966,943.89 from OWWA CO were taken up under the account Cash-MDS, Regular instead of CIB-LCCA. Out of the funds received, P6,980,219.01 were disbursed in CY 2021, leaving a balance of P2,986,724.88 as at year-end.</td><td>(2,986,724.88) 2,986,724.88</td></tr><tr><td>IX</td><td>CIB-LCCA</td><td></td><td>237,081.00</td></tr><tr><td colspan="3">Net Overstatement</td><td>237,081.00</td></tr></table>	Office / RWOs	Account	Deficiencies / Errors	Over / (Under) Statement (in Php)	IV-B	Cash-MDS, Regular, and CIB-LCCA	Verification of the GL disclosed that the receipts of P9,966,943.89 from OWWA CO were taken up under the account Cash-MDS, Regular instead of CIB-LCCA. Out of the funds received, P6,980,219.01 were disbursed in CY 2021, leaving a balance of P2,986,724.88 as at year-end.	(2,986,724.88) 2,986,724.88	IX	CIB-LCCA		237,081.00	Net Overstatement			237,081.00	adjusting entries to correct the balances of the affected Cash accounts in the FSSs at year-end.		RWO IX		Implemented Fully Implemented	COA per Memo Reply dated 31 March 2022 <u>RWO IX</u> The Management has already sent a letter to the Bank and is actively working to recognize unidentified transactions and items that have not yet been adjusted. The Accountant has already recognized Transactions #16 and #18, which total P7,590.00 and P187,500.00, respectively, and made the required adjustment entries in January 2022.
Office / RWOs	Account	Deficiencies / Errors	Over / (Under) Statement (in Php)																				
IV-B	Cash-MDS, Regular, and CIB-LCCA	Verification of the GL disclosed that the receipts of P9,966,943.89 from OWWA CO were taken up under the account Cash-MDS, Regular instead of CIB-LCCA. Out of the funds received, P6,980,219.01 were disbursed in CY 2021, leaving a balance of P2,986,724.88 as at year-end.	(2,986,724.88) 2,986,724.88																				
IX	CIB-LCCA		237,081.00																				
Net Overstatement			237,081.00																				
3	<p>Inventories</p> <p><i>Misstatement in the Inventory accounts of P114,411.00</i></p> <p>The balance of Inventory accounts as of December 31, 2021 is misstated in the amount of P114,411.00, details are shown below:</p> <p>Table 5: Schedule of Misstatements in Inventory Accounts</p> <table><tr><th>Description of Deficiency / Misstatement</th><th>Office / RWO</th><th>Amount of Misstatement (in Php)</th><th>Accounted Affected</th><th>Over / (Under) Statement (in Php)</th></tr><tr><td>b.1 Inclusion of issued</td><td>CAR</td><td>113,811.00</td><td>• Semi-Expendable</td><td>113,811.00</td></tr></table>	Description of Deficiency / Misstatement	Office / RWO	Amount of Misstatement (in Php)	Accounted Affected	Over / (Under) Statement (in Php)	b.1 Inclusion of issued	CAR	113,811.00	• Semi-Expendable	113,811.00	<p>It was recommended and the RWO CAR agreed that:</p> <p>a. Both the Supply and/or Property Custodian and the AU strictly follow the procedures in recording the issued supplies, which includes the semi-expendable items;</p> <p>b. The AU records all receipts of accountable forms by the</p>		CAR			Fully Implemented	Adjusted January 2022 under GF 2022-01-01.					
Description of Deficiency / Misstatement	Office / RWO	Amount of Misstatement (in Php)	Accounted Affected	Over / (Under) Statement (in Php)																			
b.1 Inclusion of issued	CAR	113,811.00	• Semi-Expendable	113,811.00																			

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	semi-expendable items			Furniture, Fixtures and Books	(113,811.00)	cashier (end-user) as expenses; and c. The AU use the proper inventory account based on the 2020 RCA for the recording of inventory items. Management stated that they have complied with the recommendations and that they have made the necessary adjustments on the semi-expendable items and recorded inventory in their proper inventory account. Auditor’s Rejoinder The AT verified the compliance of RWO CAR, and it is noted that the adjustments were already effected, however, the same is reflected only in January 2022 Trial Balance.							
	b.2 Improper recording of inventories	CAR	-	• Semi-Expendable Furniture and Fixtures Expenses	5,721.30								
				• Office Supplies Inventory	(5,721.30)								
			600.00	• Accountabl e Forms, Plates and Stickers Inventory	600.00								
				• Accountabl e Forms Expense	(600.00)								
	TOTAL		114,411.00										
	Section 10(b), Chapter 8 of the GAM for NGAs, Volume I states that “Semi-expendable Property shall be recognized as expenses upon issue to the end-user”. Section 17.1, further states that “Inventory Custodian Slip (ICS) (Appendix 59) shall be prepared upon the issue of Semi-Expendable Property covered by approved Requisition and Issue Slip (RIS)”.												
	Similarly, Section 16, Chapter 8, of the same Manual enumerates the procedures for the issue of inventory items.												
	On the other hand, COA Circular No. 2020-001 dated January 8, 2020, which replaces Volume III of the Revised Chart of Accounts in 2015 contains the description												

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	<p>of the accounts used in NGAs for guidance and reference, such as Office Supplies Inventory Semi-Expendable Furniture and Fixtures Accountable Forms Expenses.</p> <p>Verification made on the Inventory account in OWWA-CAR showed lapses that affected the presentation of the account, as follows:</p> <p><i>Inclusion of issued semi-expendable items</i></p> <p>Inclusion of inventory items costing P113,811.00 issued to end-users remained in the Inventory Account because the RIS covering these items were not included in the Report of Supplies and Materials Issued (RSMI) submitted to the AU. Although ICS were prepared and distributed to both end-user and property/supply custodian, the AU, however, was not given a copy;</p> <p><i>Improper recording of inventories</i></p> <p>Delivery of ordinary office supplies costing P5,721.30 was recorded as Semi-Expendable Furniture and Fixtures, instead of Office Supplies Inventory account. There was no adjustment in the Semi-Expendable Furniture and Fixtures account to correct the recording of the said</p>								

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					From	To																
	<p>office supplies at year-end, resulting in the overstatement of the Semi-Expendable Furniture and Fixtures account; and</p> <p>Once Checkbook costing P600.00 out of the ten checkbooks received by the Cashier from LBP was in the inventory account at year-end despite having it posted in the “receive” column of the Report of Accountability for Accountable Forms (RAAF) in June 2021, for monitoring.</p> <p>This was attributable to non-preparation and/or non-submission of RIS, ICS and RSMI by the Property and/or Supply Unit to the AU which the latter uses as basis in preparing JEV to record the supplies and semi-expendable items issued.</p>																					
4	<p>Property, Plant and Equipment</p> <p><i>Misstatement in the PPE accounts of P3,386,500.95</i></p> <p>The reported total balance of PPE accounts as of December 31, 2021 was misstated by P3,386,500.95 due to the following errors and omissions.</p> <table><tr><th colspan="5">Table 6: Schedule of Misstatements in PPE Accounts</th></tr><tr><th>Description of Deficiency / Misstatement</th><th>Office / RWOs</th><th>Amount of Misstatement (in Php)</th><th>PPE Accounts Affected</th><th>Over / (Under) Statement (in Php)</th></tr><tr><td></td><td></td><td></td><td></td><td></td></tr></table>	Table 6: Schedule of Misstatements in PPE Accounts					Description of Deficiency / Misstatement	Office / RWOs	Amount of Misstatement (in Php)	PPE Accounts Affected	Over / (Under) Statement (in Php)						<p>It was recommended and the concerned RWOs agreed to direct the Accountants to consistently review the correctness of the depreciation for the PPE items, and henceforth, make necessary adjustments in the books of accounts to rectify the noted deficiencies and to present the PPE at its appropriate carrying amount.</p>		<p>RWO NCR</p> <p>RWO CAR</p>		<p>Fully Implemented</p> <p>Fully Implemented</p>	<p><u>RWO NCR</u></p> <p>The Management informed that adjustments were already made to reflect the correct balance of PPE account.</p> <p><u>RWO CAR</u></p> <p>Adjusted January 2022 under GF 2022-01-06.</p>
Table 6: Schedule of Misstatements in PPE Accounts																						
Description of Deficiency / Misstatement	Office / RWOs	Amount of Misstatement (in Php)	PPE Accounts Affected	Over / (Under) Statement (in Php)																		

Ref	Audit Observations					Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
							Action Plan	Person / Dept. Responsible	Target Implementation Date				
									From	To			
	c.1 Erroneous computation of Depreciation Expenses	NCR	(71,266.60)	• Accumulated Depreciation of PPE items: Information and Communication Technology (ICT) Equipment and Software, Furniture and Fixtures, Office Equipment, Motor vehicle, and Other PPE • Accumulated Surplus / (Deficit)	(71,266.60) 								

Ref	Audit Observations					Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
							Action Plan	Person / Dept. Responsible	Target Implementation Date				
									From	To			
				Depreciation of PPE items: Land Improvement Office Building, Office Equipment, Furniture and Fixtures, ICT Equipment, Other Machinery and Equipment, and Motor Vehicle	2,142,293.15								
	c.2 Non-derecognition of unserviceable properties	CAR	130,281.14	Office Equipment, ICT Equipment, Communication Equipment, and Motor Vehicles	130,281.14								
				Impairment Loss, and Accumulated Impairment Losses	(130,281.14)								
		II	975,028.75	ICT Equipment, Office Equipment, and Motor Vehicle	975,028.75								
			Due to Central Office/Home Office	975,028.75									
Total		3,386,500.95											
	Section 27(c), (1) and Section 40 (d), Chapter 10 of GAM for NGAs, Volume I provide when the depreciation of an asset begins; it shall be recognized as a debit to the Depreciation Expense account and a credit to the Accumulated Depreciation account and all unserviceable property shall be reported in the Inventory and Inspection report of Unserviceable												

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken									
			Action Plan	Person / Dept. Responsible	Target Implementation Date													
					From	To												
	<p>Property (IIRUP) and be dropped from the books by debiting Impairment Loss – Property, Plant & Equipment, respectively.</p> <p><i>Erroneous computation of Depreciation Expenses</i></p> <p>Based on the analysis and recomputation performed by the Audit Teams (ATs), the amount of Accumulated Depreciation recognized in the books was overstated by a total amount of P2,281,191.06 which consequently overstated the carrying amount of the affected PPE accounts by the same amount broken down as follows:</p> <p>Table 7: Breakdown of Erroneous/Non-provision of Depreciation</p> <table><tr><th>Office/ RWOs</th><th>Observation</th><th>Effect on Accounts</th><th>Over/(Under) Statement (in Php)</th></tr><tr><td rowspan="2">NCR</td><td>Review of the PPE accounts, disclosed that the Accumulated Depreciation should have been P6,352,005.83 instead of P6,423,272.42 as reported, hence resulted to an overstatement of P71,266.60, thereby, affecting the carrying cost of the PPE.</td><td>Overstatement of the Accumulated Depreciation of the subject PPE items resulted in the understatement of Accumulated Surplus/(Deficit).</td><td>(71,266.60)</td></tr><tr><td>It was also observed that</td><td>Understatement of</td><td>99,465.26</td></tr></table>	Office/ RWOs	Observation	Effect on Accounts	Over/(Under) Statement (in Php)	NCR	Review of the PPE accounts, disclosed that the Accumulated Depreciation should have been P6,352,005.83 instead of P6,423,272.42 as reported, hence resulted to an overstatement of P71,266.60, thereby, affecting the carrying cost of the PPE.	Overstatement of the Accumulated Depreciation of the subject PPE items resulted in the understatement of Accumulated Surplus/(Deficit).	(71,266.60)	It was also observed that	Understatement of	99,465.26						
Office/ RWOs	Observation	Effect on Accounts	Over/(Under) Statement (in Php)															
NCR	Review of the PPE accounts, disclosed that the Accumulated Depreciation should have been P6,352,005.83 instead of P6,423,272.42 as reported, hence resulted to an overstatement of P71,266.60, thereby, affecting the carrying cost of the PPE.	Overstatement of the Accumulated Depreciation of the subject PPE items resulted in the understatement of Accumulated Surplus/(Deficit).	(71,266.60)															
	It was also observed that	Understatement of	99,465.26															

Ref	Audit Observations				Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
						Action Plan	Person / Dept. Responsible	Target Implementation Date				
								From	To			
		the Management had recognized Depreciation Expenses totaling P1,076,081.30, however, based on the foregoing, the AT likewise recomputed the amount of depreciation expenses for CY 2021. Examination disclosed that the amount of Depreciation Expense should be P1,175,546.56, following the change in accounting estimate, or understated by P99,465.26.	both the Depreciation Expense and Accumulated Depreciation and overstatement of Accumulated Surplus/(Deficit).									
	II	Re-computation of the PPE account recognizing depreciation in accordance with the guidelines provided under Section 27, Chapter 10 of the GAM for NGAs Volume I revealed that the carrying value of the affected PPE account was misstated by P975,028.75 and the Accumulated Surplus (Deficit) was misstated by P2,142,293.15. Consequently,	Understatement of both the Depreciation Expense and Accumulated Depreciation and overstatement of Accumulated Surplus/(Deficit).	2,142,293.15								

Ref	Audit Observations				Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
						Action Plan	Person / Dept. Responsible	Target Implementation Date				
								From	To			
		the carrying amount per books was understated by the amount of P1,167,264.40										
	XIII	Although, the balance of depreciation expense account in the Statement of Financial Position as at December 31, 2021 is correct, based on the re-computation made, the depreciation expense as reflected in the monthly trial balance is understated by P20,470.57.		20,470.57								
		Total		2,281,191.06								
	Records disclosed that the common causes of the understatement in Accumulated Depreciation were due to the following: a. Retrospective application of change in accounting estimate; and b. Erroneous/miscomputation of depreciation.											

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken											
			Action Plan	Person / Dept. Responsible	Target Implementation Date															
					From	To														
5	<p><i>Non-derecognition of unserviceable properties</i></p> <p>The following RWOs have assets which were already evaluated by the Property Unit (PU) as unserviceable or beyond economic repair that still remained in the books and not disposed, which resulted in the overstatement of the PPE accounts:</p> <p>Table 8: Summary of not Derecognized Unserviceable, Lost, and Damage Assets</p> <table><tr><th>Office/ RWOs</th><th>Observation</th><th>Specific Account</th><th>Amount (in Php)</th></tr><tr><td>CAR</td><td>PPE items that were reported in the Inventory and IIRUP were not dropped from the books of accounts resulting in an understatement of Impairment Loss and Accumulated Impairment Losses in the total amount of P130,281.14 or P46,841.96, P20,516.00, P10,523.18, and P52,400.00 for Office equipment, ICT Equipment, Communication Equipment, and Motor Vehicle, respectively, contrary to Section 40(d), Chapter 10 of the GAM for NGAs, Volume I.</td><td>Office Equipment; Information and Communication technology (ICT) Equipment; Communication Equipment; and Motor Vehicles</td><td>130,281.14</td></tr><tr><td>II</td><td>Inclusion of unserviceable properties worth P975,028.75 under PPE accounts which were not reported to the</td><td>Office Equipment; Information and Communication Technology (ICT) Equipment</td><td>975,028.75</td></tr></table>	Office/ RWOs	Observation	Specific Account	Amount (in Php)	CAR	PPE items that were reported in the Inventory and IIRUP were not dropped from the books of accounts resulting in an understatement of Impairment Loss and Accumulated Impairment Losses in the total amount of P130,281.14 or P46,841.96, P20,516.00, P10,523.18, and P52,400.00 for Office equipment, ICT Equipment, Communication Equipment, and Motor Vehicle, respectively, contrary to Section 40(d), Chapter 10 of the GAM for NGAs, Volume I.	Office Equipment; Information and Communication technology (ICT) Equipment; Communication Equipment; and Motor Vehicles	130,281.14	II	Inclusion of unserviceable properties worth P975,028.75 under PPE accounts which were not reported to the	Office Equipment; Information and Communication Technology (ICT) Equipment	975,028.75	<p>It was recommended and the concerned RWOs agreed to:</p> <p><u>RWO CAR</u></p> <p>a. Record impairment loss equivalent to the carrying amount of the PPE items in its books by the following adjustment entries: Debit Impairment Loss – Property, Plant and Equipment P130,281.14 and credit Accumulated Impairment Losses for Office Equipment, ICT Equipment, Communication Equipment, and Motor Vehicle amounting to P46,841.96, P20,516.00, P10,523.8, and P52,400.00 respectively; and</p> <p><u>RWO II</u></p> <p>b. Direct to Supply Officer to report the unserviceable properties in the IIRUP for approval of the agency head and furnish same to the accountant as her basis to derecognize the cost of these</p>		RWO CAR	Jan 1 2022	Jan 31 2022	Fully Implemented	Adjusted January 2022 under GF 2022-01-06
Office/ RWOs	Observation	Specific Account	Amount (in Php)																	
CAR	PPE items that were reported in the Inventory and IIRUP were not dropped from the books of accounts resulting in an understatement of Impairment Loss and Accumulated Impairment Losses in the total amount of P130,281.14 or P46,841.96, P20,516.00, P10,523.18, and P52,400.00 for Office equipment, ICT Equipment, Communication Equipment, and Motor Vehicle, respectively, contrary to Section 40(d), Chapter 10 of the GAM for NGAs, Volume I.	Office Equipment; Information and Communication technology (ICT) Equipment; Communication Equipment; and Motor Vehicles	130,281.14																	
II	Inclusion of unserviceable properties worth P975,028.75 under PPE accounts which were not reported to the	Office Equipment; Information and Communication Technology (ICT) Equipment	975,028.75																	
				RWO II			Fully Implemented	Management complied with the audit recommendations.												

Ref	Audit Observations				Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
						Action Plan	Person / Dept. Responsible	Target Implementation Date				
								From	To			
		AU for the derecognition thereof from the books, as required under Section 40(d), Chapter 10 of the GAM for NGAs, Volume I.			unserviceable properties and the corresponding accumulated depreciation from the PPE accounts for proper presentation in the financial statements							
		Total		1,105,309.89								
6	Other Non-Current Assets <i>Misstatement in the Prepaid Insurance/Other Prepayments accounts – P23,370.02</i> The balance of non-current assets as of December 31, 2021 is misstated in the amount of P23,370.02, due to the Premium payments for fire insurance and fidelity bond directly recorded as outright which affected the following accounts of RWO IX: Prepaid Registration, Prepaid Insurance and Other Prepayments Expense account IPSAS 1 on Presentation of FSs and Section 6, Chapter 1 of the GAM for NGAs, Volume I defined the accrual basis of accounting as a basis “under which transactions and other events are recognized when they occur (and not only when cash or its equivalent is received or paid). Therefore, the transactions and				It was recommended and RWO IX agreed to direct the Accountant to record expenses relating to the year incurred, using the proper account and set up pertinent prepayments (i.e. Prepaid registration, Prepaid Insurance and Other Prepayments) to achieve fair presentation of the FS.		RWO IX			On-going		Currently working on the adjustments.

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																											
			Action Plan	Person / Dept. Responsible	Target Implementation Date																															
					From	To																														
	<p><i>events are recorded in the accounting records and recognized in the financial statements of the periods to which they relate.”</i></p> <p>Audit of payments for fire insurance premiums and fidelity bond premiums revealed that the whole amounts paid were treated as outright expenses regardless of the term or period covered by the premiums paid. In effect, the related expense accounts were overstated by P23,370.02 which is the total prepaid portion of the premiums as of December 31, 2021. Likewise, prepayments were also understated by the same amount. Details are the following:</p> <table><caption>Table 9: Details of Prepayments</caption><tr><th rowspan="2">Check Number / Amount</th><th rowspan="2">Particular</th><th colspan="2">Coverage of Prepayment</th><th>Expired Portion</th><th>Prepaid Portion</th></tr><tr><th></th><th></th><th colspan="2">(in Php)</th></tr><tr><td>0002767463 P1,500.00</td><td>Fidelity Bond of Accountable Officer for Feb 22, 2021 – Feb 22, 2022</td><td>2/22/21</td><td>2/22/22</td><td>1,286.30</td><td>213.70</td></tr><tr><td>0002790415 P3,375.00</td><td>Fidelity Bond of Accountable Officer for June 16 2021- June 16 2022</td><td>6/14/21</td><td>6/14/22</td><td>1,858.56</td><td>1,516.44</td></tr><tr><td>0002790417 P16,450.06</td><td>Renewal of Fire insurance for Leashold Improvement, ICT</td><td>6/16/21</td><td>6/16/22</td><td>9,013.73</td><td>7,436.33</td></tr></table>	Check Number / Amount	Particular	Coverage of Prepayment		Expired Portion	Prepaid Portion			(in Php)		0002767463 P1,500.00	Fidelity Bond of Accountable Officer for Feb 22, 2021 – Feb 22, 2022	2/22/21	2/22/22	1,286.30	213.70	0002790415 P3,375.00	Fidelity Bond of Accountable Officer for June 16 2021- June 16 2022	6/14/21	6/14/22	1,858.56	1,516.44	0002790417 P16,450.06	Renewal of Fire insurance for Leashold Improvement, ICT	6/16/21	6/16/22	9,013.73	7,436.33							
Check Number / Amount	Particular			Coverage of Prepayment		Expired Portion	Prepaid Portion																													
				(in Php)																																
0002767463 P1,500.00	Fidelity Bond of Accountable Officer for Feb 22, 2021 – Feb 22, 2022	2/22/21	2/22/22	1,286.30	213.70																															
0002790415 P3,375.00	Fidelity Bond of Accountable Officer for June 16 2021- June 16 2022	6/14/21	6/14/22	1,858.56	1,516.44																															
0002790417 P16,450.06	Renewal of Fire insurance for Leashold Improvement, ICT	6/16/21	6/16/22	9,013.73	7,436.33																															

Ref	Audit Observations						Audit Recommendation				Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																			
											Action Plan	Person / Dept. Responsible	Target Implementation Date																							
													From	To																						
		Equipment, Furniture and Fixture for June 16, 2021- June 16, 2022																																		
	0002790628 P17,295.20	Payment of insurance for Office vehicles (Isuzu, Hi-Lux and Revo)	9/30/21	9/30/22	4,406.72	12,888.48																														
	0002830262 P1,500.00	Fidelity Bond of SDO for Nov 23, 2021-Nov 23, 2022	11/17/21	11/17/22	184.93	1,315.07																														
	Total				16,750.24	23,370.02																														
	Accurate recognition of transaction affecting each element of the FS and appropriate use of accounts in accounting thereof are essential in fairly presenting the FS to its users.																																			
7	Liabilities <i>Misstatement in the Liabilities accounts of P13,061,765.39</i> The balance of Liabilities accounts as of December 31, 2021 is misstated in the amount of P13,061,765.39, due to the following: <table><tr><th colspan="5">Table 10: Summary of Misstatement in the Liabilities Account</th></tr><tr><th>Description of Misstatement</th><th>Office/ RWOs</th><th>Amount (in Php)</th><th>Accounts Affected</th><th>Over/(Under) Statement (in Php)</th></tr><tr><td>e.1 Unreverted</td><td>CAR</td><td>432,000.68</td><td rowspan="2">Accumulated</td><td rowspan="2">(12,599,367.34)</td></tr><tr><td></td><td>II</td><td>10,250,423.6</td></tr></table>						Table 10: Summary of Misstatement in the Liabilities Account					Description of Misstatement	Office/ RWOs	Amount (in Php)	Accounts Affected	Over/(Under) Statement (in Php)	e.1 Unreverted	CAR	432,000.68	Accumulated	(12,599,367.34)		II	10,250,423.6												
Table 10: Summary of Misstatement in the Liabilities Account																																				
Description of Misstatement	Office/ RWOs	Amount (in Php)	Accounts Affected	Over/(Under) Statement (in Php)																																
e.1 Unreverted	CAR	432,000.68	Accumulated	(12,599,367.34)																																
	II	10,250,423.6																																		
	It was recommended and the concerned RWOs agreed to require the concerned Accountant of : <u>RWOs CAR, II, XIII and BARRM</u> a. Revert to Accumulated Surplus (deficit) the Accounts Payables																																			

Ref	Audit Observations					Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken		
							Action Plan	Person / Dept. Responsible	Target Implementation Date						
									From	To					
	<table><tr><td rowspan="3">Accounts Payable</td><td></td><td>4</td><td rowspan="3">Surplus/(D eficit)</td><td rowspan="3">12,599,367.34</td></tr><tr><td>XIII</td><td>383,331.51</td></tr><tr><td>BARR M</td><td>1,533,611.51</td></tr></table>	Accounts Payable		4	Surplus/(D eficit)	12,599,367.34	XIII	383,331.51	BARR M	1,533,611.51	totaling P12,599,367.34, which have been outstanding for more than two years pursuant to EO No. 87 dated August 13, 2019; <u>RWOs CAR, II and XIII</u> b. Prepare necessary adjusting entries for transactions which were erroneously debited/credited to Accounts Payable account; <u>RWOs II and XIII</u> c. Reclassify the recorded payable claims of officers and employees to Due to Officers and Employees account prescribed under Chapter III of the GAM for NGAS Volume III; and <u>CO</u> Analyze and effect the necessary adjustments on the erroneous entry per JEV No. 2021-12-0133 GAA to correct the balance of the Due to GSIS as of December 31, 2021.	RWO II	3 rd Qtr. of CY 2022	Fully Implemented	
Accounts Payable			4	Surplus/(D eficit)			12,599,367.34								
	XIII		383,331.51												
	BARR M	1,533,611.51													
e.2 Undelivered supplies and cost of unimplement ed programs credited to AP	CAR	448,940.25	• Accumula ted Surplus/(Deficit)	(448,940.25)											
e.3 Misclassified liabilities	II	63,359.99	• Accounts payable Due to Officers and Employee s	70,541.76											
	XIII	7,181.77		(70,541.76)											
e.4 Erroneous debit to Accounts Payable	XIII	434,184.25	• Accounts Payable Accumula ted Surplus/(Deficit)	(434,184.25)											
e.5 Erroneous accrual of life & Retirement Premium – Gov't Share	CO	(665,786.68)	• Accounts Payable Due to GSIS	(1,872,259.92)											
				Life & Retireme nt Premium Expense	(2,538,046.60)										
e.6 Unrecorded Due to BIR balance	X	205,630.52	• Employee Compens ation Insurance Program	(624,086.68)											
e.7 Erroneous entry of Due to BIR	Co, XIII	(31,112.05)	• Due to BIR	(41,700.00)											
				• Subsidy from Central Office	(205,630.52)										
Total		13,061,765.39		(31,112.05)											

Section 2.a, Chapter 6 of the GAM for NGAs, Volume 1 defines Accounts Payable as the valid and legal obligations of the NGAs, for which, goods/services/projects have been delivered/rendered/completed and

 | | | | || 2022-02-01. RWO II The Management made necessary adjustments to fairly present the balance of Accounts Payable. Further, the management sought the assistance of the Focal Persons on various program in ascertaining our payables in various. Programs. RWO BARMM OWWA RWO-BARMM has already returned the P603,162.00 for CMWSF and P40,000 for Financial Assistance – Syria to the Central Office on August 28, 2020 with Debit Memo No. RWO-ARMM 2020-08-010 and Debit Memo No. RWO-ARMM 2020-08-015 respectively. We have also already made adjusting entries with JEV No. GF 01 20-995. The following adjustments were made on August 2020: To revert Accounts Payable | | | | | | | | | | | | |

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
	<p>accepted, regardless of the year when these obligations were incurred.</p> <p>Section 2(f), Chapter 2, Volume I of the GAM for NGAs define expenses as decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrence of liabilities that result in decreases in net asset/equity, other than those relating to distributions to owners.</p> <p>Chapter 3 of the GAM for NGAs, Volume III, provides the description of the liability accounts such as Accounts Payable and Due to Officers and Employees</p> <p><i>“Accounts Payable. This account is used to recognize receipt of goods or services on account in the normal course of trade and business operation. Debit this account for payment or settlement of liabilities.</i></p> <p><i>Due to Officers and Employees. This account is used to recognize incurrence of liability to officers and employees for salaries, benefits and other emoluments including authorized expenses advanced by the officers and employees. debit this account for settlement or payment to officers and employees.”</i></p>							<p>account: (Dr) Accounts Payable-CMWSF P603,162 (Cr) Due to Central Office P603,162</p> <p>To transfer fund back to Central Office: (Dr) Due to Central Office P603,162 (Cr) Cash in Bank-LCCA-CMWSF P603,162</p> <p>(Dr) Due to Central Office P40,000 (Cr) Cash in Bank-LCCA-GenFund P40,000</p> <p>OWWA RWO-BARMM was not able to make another entry for the reversal of Accounts Payable for Financial Assistance – Syria amounting to P40,000 on August 2020. The adjusting entry was made on June 30, 2022.</p> <p>To revert Accounts Payable account: (Dr) Accounts Payable-GF P40,000 (Cr) Due to Central Office P40,000.</p> <p><u>Central Office</u></p> <p>Necessary adjustments will be</p>	
				Central Office		On or	On-going		

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																				
			Action Plan	Person / Dept. Responsible	Target Implementation Date																								
					From	To																							
	<p>EO No. 87 dated August 13, 2019 states that “<i>All documented accounts payables for the fiscal year 2016 and years prior thereto shall be reverted to the Accumulated Surplus or Deficit of the General Fund, or the Cumulative Result of Operations of the National Government. Henceforth, all documented accounts payable which remain outstanding for at least two years, for which no actual administrative or judicial claim has been filed, shall be subject to automatic reversion.</i>”</p> <p><i>Unreverted Accounts Payable</i></p> <p>The balances of Accounts Payables in RWOs CAR, II, XIII and BARRM totaling P12,599,367.34 were outstanding for more than two years, contrary to Executive Order (EO) No. 87, as follows:</p> <table><tr><th colspan="3">Table 11: Summary of RWOs outstanding Accounts Payables</th></tr><tr><th>Office/ RWOs</th><th>Description</th><th>Amount (in Php)</th></tr><tr><td>CAR</td><td>Refers to claims of scholars for the school year 2018-2019.</td><td>432,000.68</td></tr><tr><td>II</td><td>Refers to claims for financial assistance to OFW beneficiaries whose families were affected by Typhoons Ompong in 2018, and Quiel in 2019.</td><td>10,250,423.64</td></tr><tr><td>XIII</td><td>Refers to claims for various OWWA programs from years 2017-2019.</td><td>383,331.51</td></tr><tr><td>BARRM</td><td>Refers to claims for the payment of ODSP, CMWSF, and Financial Assistance – Syria outstanding for over two years.</td><td>1,533,611.51</td></tr><tr><td>Total</td><td></td><td>12,599,367.34</td></tr></table>	Table 11: Summary of RWOs outstanding Accounts Payables			Office/ RWOs	Description	Amount (in Php)	CAR	Refers to claims of scholars for the school year 2018-2019.	432,000.68	II	Refers to claims for financial assistance to OFW beneficiaries whose families were affected by Typhoons Ompong in 2018, and Quiel in 2019.	10,250,423.64	XIII	Refers to claims for various OWWA programs from years 2017-2019.	383,331.51	BARRM	Refers to claims for the payment of ODSP, CMWSF, and Financial Assistance – Syria outstanding for over two years.	1,533,611.51	Total		12,599,367.34				before Sept 2022			prepared as soon as the reconciliation with the HRMDD is done.
Table 11: Summary of RWOs outstanding Accounts Payables																													
Office/ RWOs	Description	Amount (in Php)																											
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	<p>Consequently, the non-reversion of long outstanding payables of P12,599,367.34 to the Accumulated Surplus/(Deficit) account overstated the balance of the Accounts Payable account by the same amount as at year-end.</p> <p>Moreover, undelivered supplies and cost of unimplemented programs in RWO CAR totaling P448,940.25 was included in Accounts payable where in no delivery had been made by the suppliers and no incurrence of expenses for the proposed activity had been made as of year-end.</p> <p>Also, claims of officers and employees in RWO II totaling P63,359.99 for travelling expenses and separation pay were erroneously classified as accounts payable instead of Due to Officers and Employees account.</p> <p>Further, in RWO XIII, travelling expenses incurred in excess of the cash advances of its officers and employees for their official travels totaling P7,181.7 were erroneously recorded as credit to Accounts payable instead of Due to Officers and Employees account.</p> <p>Lastly, in RWO XIII, CY 2020 transactions which were not previously recorded as Accounts Payable and were paid in CY</p>								

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	<p>2021 totaling P434,184.25, were erroneously debited to Accounts Payable upon settlement instead of Accumulated Surplus (Deficit) account.</p> <p>Furthermore, in OWWA CO, analysis of the amount withheld and remittances shows that the entry made for the accrual of Life and Retirement Premium – Government Share per JEV No. 2021-12-0133 GAA was erroneous. Details as seen below:</p> <p><i>Entry Made:</i></p> <table><tr><th>Account</th><th>Debit</th><th>Credit</th></tr><tr><td>Life & Ret. Prem. Expense</td><td>1,872,259.92</td><td></td></tr><tr><td>Accounts Payable</td><td></td><td>1,872,259.92</td></tr></table> <p><i>Should Be:</i></p> <table><tr><th>Account</th><th>Debit</th><th>Credit</th></tr><tr><td>Life & Ret. Prem. Expense</td><td>2,496,346.60</td><td></td></tr><tr><td>Employees Compensation Insurance Premiums</td><td>41,700.00</td><td></td></tr><tr><td>Due to GSIS</td><td></td><td>2,496,346.60</td></tr><tr><td>Due to GSIS</td><td></td><td>41,700.00</td></tr></table> <p><i>Adjustment:</i></p> <table><tr><th>Account</th><th>Debit</th><th>Credit</th></tr><tr><td>Accounts Payable</td><td>1,872,259.92</td><td></td></tr><tr><td>Life & ret. Prem. Expense / retained Earnings</td><td>624,086.68</td><td></td></tr><tr><td>Employees Compensation Insurance Premiums</td><td>41,700.00</td><td></td></tr><tr><td>Due to GSIS</td><td></td><td>2,538,046.60</td></tr></table>	Account	Debit	Credit	Life & Ret. Prem. Expense	1,872,259.92		Accounts Payable		1,872,259.92	Account	Debit	Credit	Life & Ret. Prem. Expense	2,496,346.60		Employees Compensation Insurance Premiums	41,700.00		Due to GSIS		2,496,346.60	Due to GSIS		41,700.00	Account	Debit	Credit	Accounts Payable	1,872,259.92		Life & ret. Prem. Expense / retained Earnings	624,086.68		Employees Compensation Insurance Premiums	41,700.00		Due to GSIS		2,538,046.60							
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8	<p><i>Unrecorded Due to BIR balance</i></p> <p>In RWO X, it was observed that the tax portion of the liabilities were not separately accounts for and was lumped together with the accounts payable at the year-end</p>	<p>It was recommended and RWO X agreed to the necessary adjustment to reclassify the tax portion of the accounts payable to the Due to BIR</p>		RWO X			Fully Implemented		<p>RWO X already reclassify the tax portion of the accounts payable to the Due to BIR account.</p>																																						

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	<p>accrual of liabilities, therefore resulting in the understatement of Due to BIR account by P205,630.52 in the CY 2021 financial statements</p> <p>It was noted that under RWO XIII, the tax remittances withheld for January 2022 under GAA fund was erroneously recorded in December 2021. Remittances were covered by TRA Nos. 0171032022587963 and 0171032022588481 dated January 14, and 27, 2022, amounting to P17,231.85 and P13,880.20, respectively. Thus, understanding the account by P31,112.05.</p>	<p>account.</p> <p>It was recommended that management direct the Accountant of RWO XIII to prepare the necessary adjusting entry for the understatement of the account amounting to P31,112.05.</p>							
9	<p>OTHER ACCOUNTING DEFICIENCIES</p> <p>Various deficiencies were noted in the Cash and Cash Equivalents, Receivables, Inventories, PPE, and Liabilities accounts totaling P4,396,528,250.75, thus affected the reliability, accuracy, completeness and valuation of the said accounts.</p> <p>Section 6, Chapter 19 of the GAM for NGAs, Volume I enumerates the qualitative characteristics of financial reporting. Among which, are timeliness, reliability, faithful representation and completeness.</p>	<p>It was recommended and the CO and concerned RWOs agreed to:</p> <p>a. Identify the nature and composition of unaccounted/unreconciled balances by substantiating the same with documents relative thereto and subsequently, prepare the necessary adjustments, as warranted, to reflect the accurate balance of the Cash accounts; and</p> <p>b. Prepare and submit the monthly</p>		<p>Central Office</p> <p>RWO NCR</p>			<p>Fully Implemented</p> <p>Fully Implemented</p>	<p><u>Central Office</u></p> <p>a. Adjustments were prepared and submitted.</p> <p>b. BRS were submitted on June 19, 2022.</p> <p><u>RWO NCR</u></p> <p>The Management informed that adjustments were already made to reflect the correct balance of PPE and receivable accounts</p>	

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					From	To														
	<p>Section 7, Chapter 19, Volume I of the GAM for NGAs states that financial statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events, and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue, and expenses set out in IPSASs.</p> <p>Section 111, Chapter 2 of PD No. 1445 provides that the highest standards of honesty objectivity and consistency shall be observed in the keeping of accounts to safeguard against inaccurate or misleading information.</p> <p>The following deficiencies in recording and reporting financial transactions resulting from lack of reconciliation of Accounting and Property records that affected the reliability, accuracy, completeness, and valuation of the reported account balances of the FSs.</p> <table><tr><th colspan="3">Table 12: Summary of Other Accounting Deficiencies</th></tr><tr><th>Observations/ Accounts Affected</th><th>Office/RWOs</th><th>Amount (in Php)</th></tr><tr><td>a. Unreliable cash and cash equivalent account balances</td><td>CO, NCR, I, VI, X</td><td>43,848,736.69</td></tr><tr><td>b. Unreliable receivables account balances</td><td>CO, NCR, II, VI</td><td>214,216,974.71</td></tr></table>	Table 12: Summary of Other Accounting Deficiencies			Observations/ Accounts Affected	Office/RWOs	Amount (in Php)	a. Unreliable cash and cash equivalent account balances	CO, NCR, I, VI, X	43,848,736.69	b. Unreliable receivables account balances	CO, NCR, II, VI	214,216,974.71	<p>BRSs, in adjusted balance method, for all bank accounts maintained by the AD to determine all reconciling items that need correction/adjustment in the books to reflect the correct balance of the cash in bank and other affected accounts, and henceforth, strictly comply with the prescribed period on the preparation and submission of the BRS.</p>		<p>RWO I</p>	<p>Jan 2022</p>	<p>Dec 2022</p>	<p>On-going</p>	<p>and there is an on-going reconciliation for cash and cash equivalent account.</p> <p><u>RWO I</u></p> <p>a. The Management commits to reconcile and account for the proper cash balances of the Operations and GAA Funds to come up with the correct amount to be reverted to OWWA Central Office.</p> <p>b. Ongoing reconciliation for the discrepancy between Cash in Bank Balance and accounting records for the eventual reversion of the unaccounted funds to the Central Office.</p> <p><u>RWO II</u></p> <p>Management complied with the audit recommendations.</p> <p><u>RWO III</u></p> <p>a. The Management have</p>
Table 12: Summary of Other Accounting Deficiencies																				
Observations/ Accounts Affected	Office/RWOs	Amount (in Php)																		
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				<p>RWO II</p>			<p>Fully Implemented</p>													
				<p>RWO III</p>			<p>Fully</p>													

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							From				To												
	<table><tr><td>c. Unreliable Inventories account balances</td><td>CO, NCR, III, IV-B, IX, XI</td><td>14,262,781.03</td></tr><tr><td>d. Unreliable PPE account balances</td><td>CO, NCR, IV-B, V, XII, XIII</td><td>514,230,108.30</td></tr><tr><td>e. Unreliable Liabilities account balances</td><td>CO, CAR, II, IV-B, VI, IX, XII, XIII</td><td>2,986,067,486.55</td></tr><tr><td>f. Dormant Accounts</td><td>CO, CAR, NCR, II, III, IV-B, V, VI, IX, XIII</td><td>623,902,163.47</td></tr><tr><td>Total Accounting Deficiencies</td><td></td><td>4,396,528,250.75</td></tr></table> <p>The details on the deficiencies summarized in the preceding table are discussed below:</p> <p>Cash and Cash Equivalents</p> <p><i>a. Deficiencies affecting the reliability of Cash and cash Equivalents accounts – P43,848,736.69</i></p> <p>Sound internal control on cash requires prompt and correct recording and reporting of transactions to ensure that financial information is reliable, accurate and reported within the given accounting period. Likewise, to strengthen internal control, the maintenance of Subsidiary Ledger (SL) is a requirement to check the accuracy of the controlling asset account in the General Ledger (GL).</p> <p>Audit of cash and cash equivalent account revealed unreliable account balance of P43,848,736.69 for CY 2021, resulting</p>	c. Unreliable Inventories account balances	CO, NCR, III, IV-B, IX, XI	14,262,781.03	d. Unreliable PPE account balances	CO, NCR, IV-B, V, XII, XIII	514,230,108.30	e. Unreliable Liabilities account balances	CO, CAR, II, IV-B, VI, IX, XII, XIII	2,986,067,486.55	f. Dormant Accounts	CO, CAR, NCR, II, III, IV-B, V, VI, IX, XIII	623,902,163.47	Total Accounting Deficiencies		4,396,528,250.75					Implemented		<p>updated the supplies stock card, and the supply officer regularly submits Report of Supplies and Materials Issued (RSMI).</p> <p>b. Mid-year inventory has been conducted</p> <p><u>RWO IV-B</u></p> <p>Accountant's report was submitted to COA.</p> <p><u>RWO V</u></p> <p>The Management complied since 2020.</p> <p><u>RWO IX</u></p> <p>Currently preparing Subsidiary Ledger for reconciliation.</p> <p><u>RWO X</u></p> <p>RWO X already required the accountable officers to maintain and update their respective cashbooks.</p> <p><u>RWO XI</u></p>
c. Unreliable Inventories account balances	CO, NCR, III, IV-B, IX, XI	14,262,781.03																					
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	<p>from non-preparation/non-submission of BRSs, unreconciled variance between book and bank confirmation, non-maintenance of SL, and other deficiencies on the keeping of cash accounts, including procedural and internal control lapses in cash accounts, thus casts doubt on the accuracy, reliability of cash accounts and other affected accounts. Breakdown as follows:</p> <p>Table 13: Summary of Other Accounting Deficiencies: Cash and Cash Equivalent</p> <table><tr><th>Accounts</th><th>Office / RWOs</th><th>Observation</th><th>Amount (in Php)</th><th>Standard</th></tr><tr><td colspan="5">Cash and Cash Equivalents</td></tr><tr><td>Cash in Bank</td><td>Co, NCR, VI</td><td>a.1 Deficiencies noted in the preparation / submission of BRS</td><td>No amount involved</td><td>Chapter 21 of the GAM for NGAs, Volume I</td></tr><tr><td>CIB-LCCA and LCSA</td><td>Co</td><td>a.2 Unreconciled variance between bank confirmation and books</td><td>(80,440,679.36)</td><td>Section 74 of PD No. 1445</td></tr><tr><td>CIB-LCCA</td><td>I</td><td rowspan="5">a.3 Non-preparation / maintenance of SL</td><td>55,555,045.69</td><td rowspan="3">Appendix 6, Volume II of the GAM for NGAs</td></tr><tr><td>GAA Fund</td><td>I</td><td>14,903,977.56</td></tr><tr><td>Cash-Collecting Officer (Secretariat, Euro and MDS)</td><td>CO</td><td>6,916,174.70</td></tr><tr><td>Cash-Collecting Officer (Dollar)</td><td>CO</td><td>(19,474,072.98)</td><td rowspan="2">Chapter 2 of the GAM for NGAs, Volume I</td></tr><tr><td>CIB-LCCA, Cash-Collecting Officer</td><td>CO</td><td>65,807,300.40</td></tr><tr><td></td><td>CAR</td><td rowspan="3">a.4 Other deficiencies on the keeping of Cash accounts</td><td>27,889.88</td><td rowspan="3">PD No. 1445, Chapter 5 and 19 of the GAM for NGAs, Volume I.</td></tr><tr><td></td><td>NCR</td><td>54,534.75</td></tr><tr><td></td><td>II</td><td>498,566.05</td></tr><tr><td>CIB-LCCA,</td><td>X</td><td></td><td></td><td></td></tr></table>	Accounts	Office / RWOs	Observation	Amount (in Php)	Standard	Cash and Cash Equivalents					Cash in Bank	Co, NCR, VI	a.1 Deficiencies noted in the preparation / submission of BRS	No amount involved	Chapter 21 of the GAM for NGAs, Volume I	CIB-LCCA and LCSA	Co	a.2 Unreconciled variance between bank confirmation and books	(80,440,679.36)	Section 74 of PD No. 1445	CIB-LCCA	I	a.3 Non-preparation / maintenance of SL	55,555,045.69	Appendix 6, Volume II of the GAM for NGAs	GAA Fund	I	14,903,977.56	Cash-Collecting Officer (Secretariat, Euro and MDS)	CO	6,916,174.70	Cash-Collecting Officer (Dollar)	CO	(19,474,072.98)	Chapter 2 of the GAM for NGAs, Volume I	CIB-LCCA, Cash-Collecting Officer	CO	65,807,300.40		CAR	a.4 Other deficiencies on the keeping of Cash accounts	27,889.88	PD No. 1445, Chapter 5 and 19 of the GAM for NGAs, Volume I.		NCR	54,534.75		II	498,566.05	CIB-LCCA,	X					RWO XII			Fully Implemented		<p>The Management already made an adjusting entry in January 2022 Trial Balance by reclassifying Office Supplies Inventory to Semi-expendable Inventory.</p> <p><u>RWO XII</u></p> <p>The office has already complied with the documents needed by our COA and as per recommendation of COA, the office will make the necessary adjusting entries for the other payable.</p>
Accounts	Office / RWOs	Observation	Amount (in Php)	Standard																																																										
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	Cash Collecting Officer				COA Circular No. 2009-006, COA Circular No. 2020-001, and Revised Cash Examination Manual								
		CAR, II, VIII, XI	a.5 Other Procedural and Internal Control Lapses in Cash Accounts	No amount involved	GAM for NGAs, Volume I								
	Total			43,848,736.69									
	Details of the observations/deficiencies noted in cash and cash equivalent account are discussed, as follows:												
	Deficiencies noted in the preparation/submission of BRS												
	For CY 2021, the latest submitted BRS by CO pertains to cash transactions for the month of June 2020, which was submitted last November 5, 2021. In contravention of the aforementioned laws, rules and regulations, the said BRS was prepared on semestral basis or as a single BRS for the months of January to June 2021. The current designated staff explained that his predecessor's late turnover of the prior year's pertinent records caused the delay in the BRS submission. The non-submission of the BRS was also noted in RWO VI.												

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					From	To			
	<p>While in NCR, the Management utilized the Book to Bank Reconciliation method in the preparation of the BRSs for all ten bank accounts with the LBP, instead of the adjusted balance method, as provided in Section 4, Chapter 21 of the GAM for NGAs, Volume I and Appendix 81 of GAM for NGAs, Volume II. Further, the same did not maintain/submit the RCI, contrary to the provisions of Chapter 6, 19 and 21 of GAM for NGAs, Volume I and Appendix 35, Instructions of the Gam for NGAs, Volume II.</p> <p>This resulted in errors in recording bank reconciling items such as outstanding checks not over six months that should be deducted in the bank balance but were added back in the book balance as noted.</p>								
10	<p>Details of the observations/deficiencies noted in cash and cash equivalent account are discussed , as follows:</p> <p><i>Deficiencies noted in the preparation/submission of BRS</i></p> <p>For CY 2021, the latest submitted BRS by CO pertains to cash transactions for the month of June 2020, which was submitted last November 5, 2021. In contravention of the aforementioned laws, rules and regulations, the said BRS was prepared on</p>	<p>It was recommended and the CO and concerned RWOs agreed to:</p> <p>a. Identify the nature and composition of unaccounted/unreconciled balances by substantiating the same with documents relative thereto and subsequently,</p>		Central Office			Fully Implemented Fully		<p><u>Central Office</u></p> <p>a. Adjustments were prepared and submitted.</p> <p>b. BRS were submitted on June</p>

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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	<p>semestral basis or as a single BRS for the months of January to June 2021. The current designated staff explained that his predecessor's late turnover of the prior year's pertinent records caused the delay in the BRS submission. The non-submission of the BRS was also noted in RWO VI.</p> <p>While in NCR, the Management utilized the Book to Bank Reconciliation method in the preparation of the BRSS for all ten bank accounts with the LBP, instead of the adjusted balance method, as provided in Section 4, Chapter 21 of the GAM for NGAs, Volume I and Appendix 81 of GAM for NGAs, Volume II. Further, the same did not maintain/submit the RCI, contrary to the provisions of Chapters 6, 19 and 21 of Gam for NGAs, Volume I and Appendix 35, Instructions of the GAM for NGAs, Volume II.</p> <p>This resulted in errors in recording bank reconciling items such as outstanding checks not over six months that should be deducted in the bank balance but were added back in the book balance as noted.</p>	<p>prepare the necessary adjustments, as warranted, to reflect the accurate balance of the Cash accounts; and</p> <p>b. Prepare and submit the monthly BRS, in adjusted balance method, for all bank accounts maintained by the AD to determine all reconciling items that need correction/adjustment in the books to reflect the correct balance of the cash in bank and other affected accounts, and henceforth, strictly comply with the prescribed period on the preparation and submission of the BRS.</p>		RWO NCR			Implemented 		

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
			Action Plan	Person / Dept. Responsible	Target Implementation Date				
					From	To			
	accounts in CO disclosed discrepancy in the amount of negative P48,905,417.62 between the GL balance and the confirmed bank balance, as at year-end, while CIB-FCSA revealed a difference of negative USD621,090.75 with an equivalent of negative P31,535,261.74 as of December 31, 2021, or a total of negative P80,679.36, thus, the amount appearing in the financial report as of December 31, 2021 cannot be ascertained.	Management agreed to require the AD to verify immediately, the discrepancy between bank and book balance and prepare the necessary JEV to record the book reconciling items in the CIB-LCCA, LCSA and the appropriate accounts affected.		Accounting Division			Implemented		HEV# 2021-12-0274P to 2021-12-0279P.
12	<p><i>Non-preparation/maintenance of SL</i></p> <p>On the other hand, audit of the CIB accounts in RWO I revealed that SLs were not yet maintained for the composition of the GL balances of CIB-LCCA – Operations Fund and GAA Fund amounting to P55,555,045.69 and P14,903,977.56, respectively, as of December 31, 2021. The CIB-LCCA – Operation Fund consists of various program funds under the OWWA Fund, while the CIB-LCCA – GAA Fund composed of fund transfers for MOOE, Emergency Repatriation Program (ERP), and National Reintegration center for OFWs (NRCO) Program.</p>	<p>It was recommended and the CO and RWO I agreed to:</p> <p><u>CO</u></p> <p>a. Reconcile the discrepancy of P19,474,072.98 between the balance per books and per SL of Dollar OWWA Fund; and</p> <p><u>CO and RWO I</u></p> <p>b. Prepare and maintain SL for all the accounts, per program fund, to properly monitor the receipts, utilization, and balances of the funds. Further prepare necessary adjusting entries to</p>		<p>Central Office</p> <p>Central Office</p> <p>RWO I</p>			<p>Fully Implemented</p> <p>Fully Implemented</p> <p>On-going</p>		<p><u>Central Office</u></p> <p>Adjustments were prepared per JEV# 2021-12-0198D.</p> <p><u>Central Office</u></p> <p>SL per cash accounts is being maintained.</p> <p><u>RWO I</u></p> <p>The Management commits to</p>

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken												
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					From	To															
	<p>The absence/non-submission of SL were further noted in CO for the Cash-Collecting Officer account for Secretariat, Euro and MDS totaling P6,916,174.70. While, a total variance between the reported balances per FSs as against SL balance for Cash-Collecting Officer under Dollar OWWA Fund had amounted to (P19,474,072.98).</p> <p>The non-maintenance of SLs prevented the timely verification and reconciliation of the accounts, early detection of deficiencies and immediate communication of results by the ATs to the Management.</p>	effect the correct balance of the account/s affected			2022	2022			<p>reconcile and account for the proper cash balances of the Operations and GAA Funds to come up with the correct amount to be reverted to OWWA Central Office.</p> <p>Ongoing reconciliation for the discrepancy between Cash in Bank Balance and accounting records for the eventual reversion of the unaccounted funds to the Central Office.</p>												
13	<p><i>Other deficiencies on the keeping of Cash accounts – P69,375,015.96</i></p> <p>Table 14: Summary of Other Deficiencies on the Keeping of Cash Accounts</p> <table><tr><th>Office / RWOs</th><th>Account</th><th>Deficiencies/Errors</th><th>Amount (in Php)</th></tr><tr><td rowspan="3">CO</td><td>CIB and Payable Accounts</td><td>The CIB accounts disclosed non-reversion of the unreleased checks to CIB account which had resulted in understatement of the CIB and Payable Account by P125,000.30. the said unreleased Checks refers to the checks which remained unreleased to the payee as of year-end, thus no existing valid claim against the Management was established.</td><td>(125,000.30)</td></tr><tr><td>CIB-LCCA</td><td>Collection of P78,433.60 was credited to OWWA <i>Tuloy Aral Project</i> with Bank Account No. 1702-1004-33 last June 17, 2021 but was not recognized and recorded in SL.</td><td>(78,433.60)</td></tr><tr><td>Cash Collecting Officer</td><td>A total of USD1,286,984.74 or P66,010,734.30 as of February 28, 2022 remained in the hands of the Collecting Officers at the Overseas Post for three months to over three years which exposed the funds to possible loss and/or misuse contrary to Section 69 of PD No. 1445 and</td><td>66,010,734.30</td></tr></table>	Office / RWOs	Account	Deficiencies/Errors	Amount (in Php)	CO	CIB and Payable Accounts	The CIB accounts disclosed non-reversion of the unreleased checks to CIB account which had resulted in understatement of the CIB and Payable Account by P125,000.30. the said unreleased Checks refers to the checks which remained unreleased to the payee as of year-end, thus no existing valid claim against the Management was established.	(125,000.30)	CIB-LCCA	Collection of P78,433.60 was credited to OWWA <i>Tuloy Aral Project</i> with Bank Account No. 1702-1004-33 last June 17, 2021 but was not recognized and recorded in SL.	(78,433.60)	Cash Collecting Officer	A total of USD1,286,984.74 or P66,010,734.30 as of February 28, 2022 remained in the hands of the Collecting Officers at the Overseas Post for three months to over three years which exposed the funds to possible loss and/or misuse contrary to Section 69 of PD No. 1445 and	66,010,734.30	<p>It was recommended and the CO and the RWOs agreed to:</p> <p><u>CO and RWO NCR</u></p> <p>a. Instruct the Collecting Officer to cause the immediate deposit of all collections and receipts in her possession with the AGDB to avoid the risk of possible loss or misuse of government funds;</p>		<p>Central Office</p> <p>RWO NCR</p>		<p>On-going</p> <p>Fully Implemented</p>	<p><u>Central Office</u></p> <p>1. The AD is reconciling the amount of P125,000.03 to be reverted and will prepare adjusting entries once done.</p> <p>2. The Collection of P78,433.60 which was credited to OWWA <i>Tuloy Aral Project</i> with Bank Account No. 1702-1004-33 last June 17, 2021 that wasn't recognized was adjusted per JEV# 2022-06-0067P.</p> <p><u>RWO NCR</u></p>
Office / RWOs	Account	Deficiencies/Errors	Amount (in Php)																		
CO	CIB and Payable Accounts	The CIB accounts disclosed non-reversion of the unreleased checks to CIB account which had resulted in understatement of the CIB and Payable Account by P125,000.30. the said unreleased Checks refers to the checks which remained unreleased to the payee as of year-end, thus no existing valid claim against the Management was established.	(125,000.30)																		
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	Cash Collecting Officer	A total of USD1,286,984.74 or P66,010,734.30 as of February 28, 2022 remained in the hands of the Collecting Officers at the Overseas Post for three months to over three years which exposed the funds to possible loss and/or misuse contrary to Section 69 of PD No. 1445 and	66,010,734.30																		

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						Action Plan	Person / Dept. Responsible	Target Implementation Date																
								From	To															
			Section 32, Chapter 2 of the Revised Cash Examination Manual.		<u>RWO NCR</u> b. Submit the RCDs and its supporting documents to the AT within the prescribed time set in COA Circular No. 2009-006 dated September 15, 2009; <u>RWO CAR</u> c. Remit to the CO all interests earned from bank deposits for the succeeding periods, including the unremitted interest income amounting to P27,889.88; <u>RWO II</u> d. Require the accountant to effect the closure of the inactive		RWO NCR		July 2022	Fully Implemented	On-going	The Management informed and instruct the Collecting Officers to cause the immediate deposit of all collections and receipts in her possession with the AGDB to avoid the risk of possible loss or misuse of government funds. <u>RWO NCR</u> The Management will submit the RCDs and its supporting documents to the AT within the prescribed time set in COA Circular No. 2009-006 dated September 15, 2009. <u>RWO CAR</u> The accountant will remit the accumulated interest this July 2022. <u>RWO II</u> Management complied with the												
	CAR	CIB-:LCCA	Verification of the bank accounts maintained in LBP Baguio and La Trinidad Branches revealed that for FY 2020, interests earned from the bank totaling P27,889.88 were not remitted to the Central Office. <table><tr><td>Particulars</td><td>FY 2020</td></tr><tr><td>General Fund</td><td>P 24,710.11</td></tr><tr><td>ICF</td><td>1,251.30</td></tr><tr><td>CMWSF</td><td>1,616.46</td></tr><tr><td>WF</td><td>312.01</td></tr><tr><td>Total</td><td>P 27,889.88</td></tr></table> The non-remittance of the said interest income to the CO increased the bank balance, which the RWO could not be utilized. Remitting the said income will become part of the OWWA Fund, which the BOT and the Secretariat manage.	Particulars									FY 2020	General Fund	P 24,710.11	ICF	1,251.30	CMWSF	1,616.46	WF	312.01	Total	P 27,889.88	27,889.88
	Particulars	FY 2020																						
	General Fund	P 24,710.11																						
	ICF	1,251.30																						
	CMWSF	1,616.46																						
	WF	312.01																						
	Total	P 27,889.88																						
	NCR	Cash-Collecting Officer	Review of the submission of the reports disclosed that there was delay and/or non-submission of the RCDs and its supporting documents (SDs) for the period August 2019 to September 2021 ranging from five to 688 days.	-																				
			Post audit of the submitted May 2020 RCD revealed that the deposit slips for Official receipt Nos. 17022257 to 17022299 totaling P54,534.75 were not included in the documents submitted by the AU, thus, verification of the remittance of the said collections cannot be completed.	54,534.75																				
		There was a noted delay in the remittance of collections ranging from one to ten days thus, exposing the collections to high risk of possible loss by misappropriation, theft, or robbery, and depriving the Agency of the immediate use of the funds.	-																					
		Various JEVs were not duly signed by the preparer and certifier, contrary to Section 69 of PD No. 1445, Section 6, Chapter 149 and Section 39, Chapter 5 of the GAM for NGAs, Volume I, Section 7.2.1.a of the Rules and Regulations on the Settlement of Accounts (RRSA) as prescribed under COA Circular No. 2009-006 and Revised Cash Examination Manual (RCEM), pursuant to COA Memorandum No. 2014-004 dated July 09, 2013, thus, hindered the timely audit and verification of the account.	-																					
II	Cash in	Verification of the Cash in Bank	498,566.0																					

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								From	To								
		Bank	accounts of RWO II disclosed that LBP Bank Account number 3702-1010-33 with a balance of P498,566.05 is still being maintained by the Office despite that the account has already served the purpose for which it was intended, thus, no longer necessary to be maintained in the books of RWO II. This account relates to the Filipino Expatriate Livelihood Support Fund (FELSF) sourced from the OWWA Fund.	5	account and transfer the corresponding balance of P498,566.05 of the account to CO; and <u>RWO X</u> e. Require the AOs to maintain/update the cashbooks accordingly. The Management commented as follows: <table><tr><th>Office / RWOs</th><th>Management Comments</th></tr><tr><td>CO</td><td><p>Management commented that as of December 31, 2021, the balances n Cash Collecting Officer Dollar OWA Fund reflect the 2021 December Collections and come November Collections as the remittances of these collections were made in January 2022 onwards which are adjusted accordingly in CRJ Dollar 2022 books parallel to the verification of these amounts in 2022 Bank Statements in LBP Dollar Account No. 1704-0000-53. Remittances are usually reflected and verified in bank statements the month following the said collection. Such concerned posts are the following: Brunei, Canada (Vancouver and Toronto), Hongkong, Israel, Japan (Osaka and Tokyo), Jordan, Korea, Al Khobar, Jeddah, Kuwait, Lebanon, Macau, Malaysia, Oman, Qatar, Singapore, Spain (Madrid), Taiwan (Kaohsiung and Taichung), Abu Dhabi, London, and Washington DC.</p><p>Moreover, the above collecting posts have submitted complete monthly Reports of Collections and proof of remittances to the Central Office as of December 31, 2021.</p><p>Secondly, the Greece Collecting post has an Advice of Disbursement limit (ADL) Memorandum wherein membership collections are not being remitted and overseas allowances of the officers in the said posts are deducted from this amount due to capital control policy in the said country since 2016. This ADL Memo was retracted back in August 2020 which essentially requires them to remit the collections, however, the Collecting</p></td></tr></table>	Office / RWOs	Management Comments	CO	<p>Management commented that as of December 31, 2021, the balances n Cash Collecting Officer Dollar OWA Fund reflect the 2021 December Collections and come November Collections as the remittances of these collections were made in January 2022 onwards which are adjusted accordingly in CRJ Dollar 2022 books parallel to the verification of these amounts in 2022 Bank Statements in LBP Dollar Account No. 1704-0000-53. Remittances are usually reflected and verified in bank statements the month following the said collection. Such concerned posts are the following: Brunei, Canada (Vancouver and Toronto), Hongkong, Israel, Japan (Osaka and Tokyo), Jordan, Korea, Al Khobar, Jeddah, Kuwait, Lebanon, Macau, Malaysia, Oman, Qatar, Singapore, Spain (Madrid), Taiwan (Kaohsiung and Taichung), Abu Dhabi, London, and Washington DC.</p> <p>Moreover, the above collecting posts have submitted complete monthly Reports of Collections and proof of remittances to the Central Office as of December 31, 2021.</p> <p>Secondly, the Greece Collecting post has an Advice of Disbursement limit (ADL) Memorandum wherein membership collections are not being remitted and overseas allowances of the officers in the said posts are deducted from this amount due to capital control policy in the said country since 2016. This ADL Memo was retracted back in August 2020 which essentially requires them to remit the collections, however, the Collecting</p>		RWO X			Implemented	Fully Implemented	<u>RWO X</u> RWO X already required the accountable officers to maintain and update their respective cashbooks.	audit recommendations.
Office / RWOs	Management Comments																
CO	<p>Management commented that as of December 31, 2021, the balances n Cash Collecting Officer Dollar OWA Fund reflect the 2021 December Collections and come November Collections as the remittances of these collections were made in January 2022 onwards which are adjusted accordingly in CRJ Dollar 2022 books parallel to the verification of these amounts in 2022 Bank Statements in LBP Dollar Account No. 1704-0000-53. Remittances are usually reflected and verified in bank statements the month following the said collection. Such concerned posts are the following: Brunei, Canada (Vancouver and Toronto), Hongkong, Israel, Japan (Osaka and Tokyo), Jordan, Korea, Al Khobar, Jeddah, Kuwait, Lebanon, Macau, Malaysia, Oman, Qatar, Singapore, Spain (Madrid), Taiwan (Kaohsiung and Taichung), Abu Dhabi, London, and Washington DC.</p> <p>Moreover, the above collecting posts have submitted complete monthly Reports of Collections and proof of remittances to the Central Office as of December 31, 2021.</p> <p>Secondly, the Greece Collecting post has an Advice of Disbursement limit (ADL) Memorandum wherein membership collections are not being remitted and overseas allowances of the officers in the said posts are deducted from this amount due to capital control policy in the said country since 2016. This ADL Memo was retracted back in August 2020 which essentially requires them to remit the collections, however, the Collecting</p>																
	X	Cash on Hand	The conduct of cash examination on the accountable officers of the agency revealed that the cashbooks maintained by the accountable officers were not updated. It also revealed that balances appearing in the cashbook were not reconciled with the accounting records at the end of each month. Moreover, it was noted that the daily balances were not reconciled by the accountable officers against the ending cashbook balance therefore exposing the agency to risks of shortages or omission in records.	-													
Total				66,388,291.08													

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						From				To
		<div><div></div><div>Officer transferred the amount to a bank account from the vault. As per last discussion with the collecting officer, an attempt has been made to withdraw the said amount for remittance, however, the foreign bank does not allow huge amounts to be withdrawn as per capital control policy.</div><div>The Collecting posts of Rome, Italy and Milan, Italy have complete monthly Reports of Collections and proof remittances in Euro amounts as of December 31, 2021. However, such remittances do not contain the USD equivalents, giving difficulty to verify it in LBP Dollar Bank Statements. We have communicated these to the concerned posts in 2021, however, no response was received from them. Thus, the Accounting and cash Division has been in communication with the Land Bank regarding this matter.</div><div>The balances in Al Khobar of Mr. Jeffrey Signo and Dubai of Mr. Roberto Santos are already closed as of December 31, 2021 with JEV No. 2021-12-0156D. Moreover, the balances in Riyadh of Mr. Austin Bade have already been adjusted in 2022 books with JEV No. 2022-01-0002D simultaneous to his settlement of these balances.</div></div>								
		II	Management informed the AT that the accountant was ordered to effect the closure of the FELSF account.							
14	<p><i>Other Procedural and Internal Control Lapses</i></p> <p>Items 8 and 8.1 of the handbook on Cash Management and Control System provide for the safeguarding of government resources against loss or wastage which include the provision of sale and other facilities to ensure protection of cash and unused accountable forms as well as unused checks and other documents.</p> <p>Moreover, Item No. 5 of COA Circular No. 2012-001 dated June 14, 2012 prescribed the revised Guidelines and Documentary</p>	It was recommended and the concerned RWOs agreed to: <u>RWO CAR</u> a. Provide immediately, a safety vault for the Collecting Officer to secure their collections, accountable forms, and records against loss or unauthorized use; b. Inform the PCF Custodians that PCF need not to be liquidated at the end of every year unless no			RWO CAR		Mar 2022	Fully Implemented	<u>RWO CAR</u> The vault was already in a secured place,	

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					From	To															
	<p>Requirements for Common Government Transactions to establish validity of claims. The required records to be prepared and maintained by the AOs are prescribed under the GAM for NGAs, Volume II.</p> <p>The following deficiencies were observed in the handling and reporting cash accountabilities:</p> <p>Table 15: Summary of Other Procedural and Internal Control Lapses in cash Accounts</p> <table><tr><th>Office / RWOs</th><th>Audit Observations</th></tr><tr><td colspan="2"><i>Deficient handling of Accountable Forms</i></td></tr><tr><td>CAR</td><td>Inspection of the office of the Collecting Officer disclosed that she was not provided with a safety vault, thus, collections not deposited during the day were placed in an ordinary four-door steel drawer. Collections are still at risk for theft or robbery considering that the building where the office was located was not provided with security personnel and the enclosure of the Offices was made of glass.</td></tr><tr><td colspan="2"><i>Handling Petty cash</i></td></tr><tr><td>CAR</td><td>Petty Cash Fund (PCF) of two PCF Custodians were liquidated at the end of the year and a new cash advance was granted at the beginning of the year, contrary to Section 35 of the GAM for NGAs, Volume I.</td></tr><tr><td colspan="2"><i>Expired Fidelity bonds of Accountable Officers</i></td></tr><tr><td>II</td><td><p>Review of copies of fidelity bond submitted to the Office of the Auditor revealed that the Officer in Charge (OIC) – Regional Director was bonded with a maximum accountability of P750,000.00 as Signing Officer or signatory (approving) on the DVs or as Counter Signatory of checks. However, with respect to her function as SDO for special purpose/time-bound undertakings such as conduct of training, granting of welfare assistance programs, among others, she was not bonded or her accountability was not covered with fidelity bond.</p><p>According to management, the OIC is least expected to be granted with cash advance because of the nature of her designation. At present, there are only seven permanent employees of the RWO II and only four are bonded as disbursing officers. Due to the numerous cash advances required to effectively implement the agency's programs and overlapping of cash advances is not allowed, the OIC has to be granted with cash advances.</p><p>On the other hand, results of the cash examination conducted last November 8, 2021 revealed that the fidelity bond of one SDO, already expired last September 16, 2021. Accordingly, the fidelity bond was not yet renewed because the online system for the application and renewal of fidelity bonds of the Bureau of Treasury (BTR) has been erratic for some time. Several attempts to renew the AO's fidelity bond were made by management.</p></td></tr></table>	Office / RWOs	Audit Observations	<i>Deficient handling of Accountable Forms</i>		CAR	Inspection of the office of the Collecting Officer disclosed that she was not provided with a safety vault, thus, collections not deposited during the day were placed in an ordinary four-door steel drawer. Collections are still at risk for theft or robbery considering that the building where the office was located was not provided with security personnel and the enclosure of the Offices was made of glass.	<i>Handling Petty cash</i>		CAR	Petty Cash Fund (PCF) of two PCF Custodians were liquidated at the end of the year and a new cash advance was granted at the beginning of the year, contrary to Section 35 of the GAM for NGAs, Volume I.	<i>Expired Fidelity bonds of Accountable Officers</i>		II	<p>Review of copies of fidelity bond submitted to the Office of the Auditor revealed that the Officer in Charge (OIC) – Regional Director was bonded with a maximum accountability of P750,000.00 as Signing Officer or signatory (approving) on the DVs or as Counter Signatory of checks. However, with respect to her function as SDO for special purpose/time-bound undertakings such as conduct of training, granting of welfare assistance programs, among others, she was not bonded or her accountability was not covered with fidelity bond.</p> <p>According to management, the OIC is least expected to be granted with cash advance because of the nature of her designation. At present, there are only seven permanent employees of the RWO II and only four are bonded as disbursing officers. Due to the numerous cash advances required to effectively implement the agency's programs and overlapping of cash advances is not allowed, the OIC has to be granted with cash advances.</p> <p>On the other hand, results of the cash examination conducted last November 8, 2021 revealed that the fidelity bond of one SDO, already expired last September 16, 2021. Accordingly, the fidelity bond was not yet renewed because the online system for the application and renewal of fidelity bonds of the Bureau of Treasury (BTR) has been erratic for some time. Several attempts to renew the AO's fidelity bond were made by management.</p>	<p>longer designated as such will retire/resign from the service;</p> <p><u>RWO II and XI</u></p> <p>c. Ensure timely renewal of fidelity bonds pursuant to the pertinent provisions of Treasury Circular No. 02-009 and PD No. 1445; and</p> <p><u>RWO VIII</u></p> <p>d. Require the Accountant to record/monitor payment of claims through the maintenance of the Index of Payment in conformity with GAM for NGAs.</p>		<p>RWO II</p> <p>RWO XI</p> <p>RWO VIII</p>		<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>	<p><u>RWO II</u></p> <p>Management complied with the audit recommendations.</p> <p><u>RWO XI</u></p> <p>The fidelity bond was renewed after registration with the new system of the Bureau of Treasury.</p> <p><u>RWO VIII</u></p> <p>The Management has complied with the recommendations.</p>
Office / RWOs	Audit Observations																				
<i>Deficient handling of Accountable Forms</i>																					
CAR	Inspection of the office of the Collecting Officer disclosed that she was not provided with a safety vault, thus, collections not deposited during the day were placed in an ordinary four-door steel drawer. Collections are still at risk for theft or robbery considering that the building where the office was located was not provided with security personnel and the enclosure of the Offices was made of glass.																				
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II	<p>Review of copies of fidelity bond submitted to the Office of the Auditor revealed that the Officer in Charge (OIC) – Regional Director was bonded with a maximum accountability of P750,000.00 as Signing Officer or signatory (approving) on the DVs or as Counter Signatory of checks. However, with respect to her function as SDO for special purpose/time-bound undertakings such as conduct of training, granting of welfare assistance programs, among others, she was not bonded or her accountability was not covered with fidelity bond.</p> <p>According to management, the OIC is least expected to be granted with cash advance because of the nature of her designation. At present, there are only seven permanent employees of the RWO II and only four are bonded as disbursing officers. Due to the numerous cash advances required to effectively implement the agency's programs and overlapping of cash advances is not allowed, the OIC has to be granted with cash advances.</p> <p>On the other hand, results of the cash examination conducted last November 8, 2021 revealed that the fidelity bond of one SDO, already expired last September 16, 2021. Accordingly, the fidelity bond was not yet renewed because the online system for the application and renewal of fidelity bonds of the Bureau of Treasury (BTR) has been erratic for some time. Several attempts to renew the AO's fidelity bond were made by management.</p>																				

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						From				To
		<p>however the BTR online system remained offline.</p> <p>Considering that the fidelity bonds of the concerned AOs were not yet filed/renewed as Disbursing Officers, there is a risk that the agency will not be indemnified in case of shortages and losses in their cash and accounts.</p> <p>XI Scrutiny of the DVs of the RWO XI covering the period January 1, 2021 to December 31, 2021 disclosed that cash advances totaling P436,660.00 were still granted to RWO XI personnel whose fidelity bonds had already expired</p> <p><i>Cash Examination</i></p> <p>II Results of the cash examination conducted last October 27, 2021 revealed that the CkADADRec for the seven existing bank accounts were not updated due to non-recording of checks issued, NCA/NTA received and deposits made during the year which signified weakness in the internal control system over cash in bank account. While it is noteworthy that the SDO was able to prepare the RCI per bank account; report of Collections, Cash Receipts Record, and cash Disbursements Record per fund, the importance of the information incorporated in the CkADADRec cannot be set aside. Without the said information, the actual cash in bank balance per fund cluster cannot be easily determined by the SDO prior to the issuance of another check which may lead to overdraft or insufficiency of funds.</p> <p>Currently, the AU monitors the cash in bank balances, however, reconciliation between the Accounting and Treasury records was not performed due to non-preparation of the CkADAREc. As a result, there is difficulty in the verification as to accuracy and completeness of the receipts and disbursements recorded in the agency's books and the risk that deficit of funds due to issuance of checks more than the actual cash may arise.</p> <p>Accordingly, the designated SDO was not able to update the said record due to lack of time. Considering that there are only seven permanent employees in the RWO II and the SDO is also involved in the evaluation and implementation of the OWWA programs such as the "Uwian na" and DOLE-AKAP, among others. However, committed to update the CkADAREc, as required.</p> <p><i>Other Lapses</i></p> <p>VIII The Au does not maintain the Index of payment (IP) to record/monitor payments made to each creditor/payee thus, rendering it non-compliant with Section 15, Chapter 6, Volume I and Appendix 38, Volume III of the GAM NGAs.</p> <p>The foregoing lapses and deficiencies showed unsound practices in the handling of cash accountabilities and are indicative of weak internal control system over government resources. As an asset most susceptible to risk of loss and/or misappropriations, strong and adequate internal controls over cash must be ensured.</p>								

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15	<p>RECEIVABLES</p> <p><i>Deficiencies affecting the reliability of Receivables accounts – P214,216,974.71</i></p> <p>Audit of receivable accounts revealed unreliable account balance of P214,216,974.71 for CY 2021, resulting from difference of balances between the GL/SL and Aging of accounts, Unreconciled variances due to absence of reconciliation between Accounting Divisions (AD) of OWWA and its Implementing Agencies/RWOs, Existence of negative balances in the SL, and Doubtful collectability of Loans Receivable and re-assessment for allowance for impairment was not yet made, thus casts doubt on the accuracy, reliability of the receivable accounts and other affected accounts, details as follows:</p> <table><tr><th colspan="5">Table 16: Summary of Other Accounting Deficiencies: Receivables</th></tr><tr><th>Account s</th><th>Office/ RWOs</th><th>Observati on</th><th>Amount (in Php)</th><th>Standard</th></tr><tr><td colspan="5">Receivables</td></tr><tr><td rowspan="3">Loans receivabl e</td><td>CO</td><td rowspan="3">b.1 Difference between the balances of GL/SL and Aging of Accounts</td><td>6,224,006.19</td><td rowspan="3">Chapter 19 of the GAM for NGAs, Volume I</td></tr><tr><td>II</td><td>316,810.78</td></tr><tr><td>VI</td><td>1,730,755.54</td><td>PD No. 1445 and Chapter 7, Volume I of the GAM for NGAs</td></tr><tr><td rowspan="2">Inter-Agency receivabl es</td><td>CO</td><td rowspan="2">b.2 Unreconcil ed variances due to absence of reconciliati</td><td>27,071,416.49</td><td rowspan="2">COA Circular No. 94-013 dated December 13, 1994 Chapter 19, GAM for NGAs, Volume I</td></tr><tr><td>VI</td><td>131,919,270.97 39,067,838.07</td></tr></table>	Table 16: Summary of Other Accounting Deficiencies: Receivables					Account s	Office/ RWOs	Observati on	Amount (in Php)	Standard	Receivables					Loans receivabl e	CO	b.1 Difference between the balances of GL/SL and Aging of Accounts	6,224,006.19	Chapter 19 of the GAM for NGAs, Volume I	II	316,810.78	VI	1,730,755.54	PD No. 1445 and Chapter 7, Volume I of the GAM for NGAs	Inter-Agency receivabl es	CO	b.2 Unreconcil ed variances due to absence of reconciliati	27,071,416.49	COA Circular No. 94-013 dated December 13, 1994 Chapter 19, GAM for NGAs, Volume I	VI	131,919,270.97 39,067,838.07	<p>It was recommended and the concerned RWOs agreed to conduct regular reconciliation of the reports to facilitate adjustments of discrepancies or make the necessary corrections, if applicable.</p> <p>RWO II commented that demand letters will be sent to the borrowers this CY 2022 and will forward the matter to the OWWA Legal Division to address the concern on the policy and guidelines relative to collection of loans receivables.</p>		<p>Central Office</p> <p>RWO NCR</p> <p>RWO CAR</p> <p>RWO II</p> <p>RWO X</p>		<p>On-going</p> <p>On-going</p> <p>On-going</p> <p>On-going</p>	<p><u>Central Office</u></p> <p>The AD is currently doing review and analysis of the loans and gathering of documentary requirements needed for the request to write-off as per COA Circular.</p> <p><u>RWO NCR</u></p> <p>The Management informed that sending of collection letters are on-going.</p> <p><u>RWO CAR</u></p> <p>Reconciliation is still on-going. Demand letters are also being sent to respective borrowers.</p> <p><u>RWO II</u></p> <p>To institute measure to identify the OFW-Payors in order to establish the actual balances of the loans receivable accounts.</p> <p><u>RWO X</u></p>
Table 16: Summary of Other Accounting Deficiencies: Receivables																																							
Account s	Office/ RWOs	Observati on	Amount (in Php)	Standard																																			
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							Action Plan	Person / Dept. Responsible	Target Implementation Date					
									From	To				
			on between Accountin g Divisions of OWWA and its Implementi ng Agencies / RWOs					RWO BARMM			On-going		RWO X will coordinate with the Central Office for the reconciliation of the reports to make necessary corrections, if any.	
		CAR	b.3	(3,371,833.13)	Section 111 of PD No. 1445									
		II	Existence	(2,541,989.15)										
		X	of negative	(2,112,800.54)										
		BARM M	balances in the SL	(949,582.02)										
	Loans Receivabl e	CO	b.4	No amount	Chapter 7, Volume 1 of GAM for NGAs									
		NCR	Doubtful	involved										
		II	collectabilit y of Loans	6,654,248.05										
		VI	receivable and re-assessme nt for allowance for impairmen t was not yet made	10,208,833.46										

Ref	Audit Observations					Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
							Action Plan	Person / Dept. Responsible	Target Implementation Date				
									From	To			
	RWOs	s											
	CO	Review of the maintained schedules, SL and Aging of Accounts, under Regular and Livelihood Loans disclosed a net discrepancy of P6,224,006.19.	76,725,762.89	70,501,756.70	6,224,006.19								
	II	Comparison between the balances of the GL and Aging of Schedule of Loans receivables disclosed a total discrepancy of P316,810.78. According to the RWO II Accountant, the difference was due to loan payments of OFW-borrowers who pain on-line without the personal identity of the paying OFW thus these were not effected in the registry of borrowers as listed in the Aging Schedule.	17,410,128.68	17,726,939.46	316,810.78								
	VI	Loans Receivable of the Agency in RWO VI amounted to P23,520,820.93 as pf December 31, 2021. However, the latest aging schedules prepared for	23,520,820.93	21,790,065.39	1,730,755.54								

Ref	Audit Observations					Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
							Action Plan	Person / Dept. Responsible	Target Implementation Date				
									From	To			
		the said account as of March 31, 2021 showed a balance of P21,790,065.39 or a difference of P1,730,755.54 from the recorded amount. The noted difference was already brought to the attention of the Agency in prior years' audit observations. While no supporting schedule has been prepared at year end, the only movement for this account was a P3,740.05 grant of loan for beneficiary OFW of the Mohammad Al Mojil Group (MMG). Also, prior year balances of the said account remain unchanged.											
		Total			8,271,572.51								
	Failure to conduct reconciliation of balances regularly affected the accuracy and fair presentation of the reported outstanding balances.												
16	Unreconciled variances due to absence of reconciliation between the AD of the					It was recommended and the AD and RWO VI agreed to:							

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken												
			Action Plan	Person / Dept. Responsible	Target Implementation Date																
					From	To															
	<p><i>OWWA and its IAs/RWOs – P198,058,525.53</i></p> <p>Table 18: Details of Unreconciled Variances in Receivables Account</p> <table><tr><th>Office / RWOs</th><th>Account</th><th>Audit Observations</th><th>Amount (in Php)</th></tr><tr><td>CO</td><td>Inter-Agency Receivables</td><td>Verification of the SL balances of the Inter-Agency Receivable accounts as of December 31, 2021 and confirmation with its IAS-DOLE, PGMO showed a material difference of P6,972,475.00, and P20,098,941.49, respectively, or a total of P27,071,416.49 that affected the reliability of the account balances presented in the FSs. Per inquiry with the DOEL AD, ILO/International Labor Affairs Service (ILAS), now known as International Labor Affairs Bureau (ILAB), and Bureau of Local Employment (BLE), has no separate books of account, thus, discrepancy between books cannot be determined. POEA, likewise, confirmed that the AD is still reconciling the account and cannot provide the balance until they have finished obtaining source documents in support with the transactions of their payable account.</td><td>27,071,416.49</td></tr><tr><td></td><td>Intra-Agency Receivables</td><td>Out of the 17 RWOs, only 13 RWOs have replied to the confirmation letter sent. Results of confirmation</td><td>131,919,270.97</td></tr></table>	Office / RWOs	Account	Audit Observations	Amount (in Php)	CO	Inter-Agency Receivables	Verification of the SL balances of the Inter-Agency Receivable accounts as of December 31, 2021 and confirmation with its IAS-DOLE, PGMO showed a material difference of P6,972,475.00, and P20,098,941.49, respectively, or a total of P27,071,416.49 that affected the reliability of the account balances presented in the FSs. Per inquiry with the DOEL AD, ILO/International Labor Affairs Service (ILAS), now known as International Labor Affairs Bureau (ILAB), and Bureau of Local Employment (BLE), has no separate books of account, thus, discrepancy between books cannot be determined. POEA, likewise, confirmed that the AD is still reconciling the account and cannot provide the balance until they have finished obtaining source documents in support with the transactions of their payable account.	27,071,416.49		Intra-Agency Receivables	Out of the 17 RWOs, only 13 RWOs have replied to the confirmation letter sent. Results of confirmation	131,919,270.97	<p>a. As for the results of confirmation, verify and account immediately the discrepancies found and prepare the necessary adjusting entry, for fair presentation of the account balances presented in FSs; and</p> <p>b. Prepare and submit to the AT a reconciled balance of the reciprocal accounts of OWWA CO and OWWA RWOs and its IAs which should be the amount to be presented in the FSs of OWWA CO for CY 2021.</p> <p>Moreover, the AD informed that reconciliation of Intra-Agency Receivable accounts is on-going with the various RWOs and adjustments were already prepared per JEV No. 2021-12-0271P and 2021-12-0273P. Reconciliation Reports will be submitted as soon as the reconciliation between the CO and various RWOs is completed.</p>		Central Office			On-going		<p><u>Central Office</u></p> <p>The AD is currently reconciling the Inter and Intra-Agency Receivable accounts and necessary adjusting entries will be prepared once reconciliation is done.</p>
Office / RWOs	Account	Audit Observations	Amount (in Php)																		
CO	Inter-Agency Receivables	Verification of the SL balances of the Inter-Agency Receivable accounts as of December 31, 2021 and confirmation with its IAS-DOLE, PGMO showed a material difference of P6,972,475.00, and P20,098,941.49, respectively, or a total of P27,071,416.49 that affected the reliability of the account balances presented in the FSs. Per inquiry with the DOEL AD, ILO/International Labor Affairs Service (ILAS), now known as International Labor Affairs Bureau (ILAB), and Bureau of Local Employment (BLE), has no separate books of account, thus, discrepancy between books cannot be determined. POEA, likewise, confirmed that the AD is still reconciling the account and cannot provide the balance until they have finished obtaining source documents in support with the transactions of their payable account.	27,071,416.49																		
	Intra-Agency Receivables	Out of the 17 RWOs, only 13 RWOs have replied to the confirmation letter sent. Results of confirmation	131,919,270.97																		

Ref	Audit Observations				Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
						Action Plan	Person / Dept. Responsible	Target Implementation Date				
								From	To			
			revealed an unreconciled variance on the reciprocal accounts of OWWA CO and OWWA RWOs totaling P131,919,270.97.									
	VI	Intra-Agency receivables	Verification of the Due to CO account showed that as of December 31, 2021, the recorded balance for OWWA RWO VI amounted to P22,753,979.33. On the other hand, per records of OWWA CO, as per confirmation dated march 17, 2022, the account Due from FRO amounted to P61,821,817.40. This amount constitutes a difference of P39,067,838.07 between the two Intra-Agency accounts, thereby significantly affecting the reliability of the account balance, which is not in conformity with Section 6, Chapter 19, GAM for NGAs, Volume I.	39,067,838.07								
	Total			198,058,525.53								
	In view of the foregoing observations, the deficiencies noted in the Inter-Agency and Intra-Agency receivable accounts may result in the material misstatement of account balances if not adjusted in the books. Consequently, FSs do not comply with IPSASs if they contain either material errors, or immaterial errors made intentionally to achieve a particular presentation of an entity's FSs.											
17	Existence of negative balances in the SL				It was recommended and the Management agreed to instruct the		FMS / Accounting			On-going		The AD is currently doing reconciliation of Intra-Agency

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																		
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					From	To																																					
	<p>Review of the SL of the Intra-Agency Receivable accounts in OWWA CO revealed that there are negative balances totaling P8,976,204.84, details are as follows:</p> <table><caption>Table 19: Details of Negative Balance in OWWA CO</caption><thead><tr><th>Office / RWOs</th><th>OWWA Fund SL</th><th>GAA Fund SL</th><th>Total Balance per FS</th><th>Negative balances in the SL</th></tr></thead><tbody><tr><td colspan="5">(in Php)</td></tr><tr><td>Due from RWO CAR</td><td>(3,021,086.19)</td><td>(350,746.94)</td><td>(3,371,833.13)</td><td>(3,371,833.13)</td></tr><tr><td>Due from RWO II – Tuguegarao</td><td>10,455,399.84</td><td>(2,541,989.15)</td><td>7,913,350.69</td><td>(2,541,989.15)</td></tr><tr><td>Due from RWO X – Cagayan de Oro</td><td>15,043,636.35</td><td>(2,112,800.54)</td><td>12,930,835.81</td><td>(2,112,800.54)</td></tr><tr><td>Due from RWO ARMM</td><td>(949,582.02)</td><td>1,355,391.96</td><td>405,809.94</td><td>(949,582.02)</td></tr><tr><td>Total</td><td>21,528,307.98</td><td>(3,650,144.67)</td><td>17,878,163.31</td><td>(8,976,204.84)</td></tr></tbody></table> <p>The existence of the above negative balances, which should have been presented as a liability of a reduction in the receivable account, affects the fair presentation of the FS.</p>	Office / RWOs	OWWA Fund SL	GAA Fund SL	Total Balance per FS	Negative balances in the SL	(in Php)					Due from RWO CAR	(3,021,086.19)	(350,746.94)	(3,371,833.13)	(3,371,833.13)	Due from RWO II – Tuguegarao	10,455,399.84	(2,541,989.15)	7,913,350.69	(2,541,989.15)	Due from RWO X – Cagayan de Oro	15,043,636.35	(2,112,800.54)	12,930,835.81	(2,112,800.54)	Due from RWO ARMM	(949,582.02)	1,355,391.96	405,809.94	(949,582.02)	Total	21,528,307.98	(3,650,144.67)	17,878,163.31	(8,976,204.84)	AD to review and analyze the transactions surrounding the incurrence of the negative balance of the affected accounted so that appropriate adjustments will be made in the books to eliminate the abnormal balances.		Division				Receivable accounts with the various RWOs and necessary adjustments will be prepared when the reconciliation is done.
Office / RWOs	OWWA Fund SL	GAA Fund SL	Total Balance per FS	Negative balances in the SL																																							
(in Php)																																											
Due from RWO CAR	(3,021,086.19)	(350,746.94)	(3,371,833.13)	(3,371,833.13)																																							
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Total	21,528,307.98	(3,650,144.67)	17,878,163.31	(8,976,204.84)																																							
18	<p><i>Doubtful collectability of Loans Receivable and re-assessment for allowance for impairment was not yet made</i></p> <p>The balance of loans receivable was only decreased by P14,654.32 and P100,000.00 or 0.065 and 0.11 percent for OWWA CO and NCR respectively, out of total loan receivables accounted for in CY 2021.</p>	<p>It was recommended that management require the AD to:</p> <p>a. Intensify the collection of the Loans Receivable by employing an efficient collection mechanism, and regular monitoring of the loan accounts;</p> <p>b. Send demand letters to</p>		Central Office			On-going		<p><u>Central Office</u></p> <p>a. Assigned personnel to focus on the Loans Receivables accounts.</p> <p>b. Demand Letters were sent to</p>																																		

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
	<p>The concerned management had sent out demand letters to its debtors, however, the said demand letters were returned to sender due to non-existent addresses, moved out, unknown address and/or refused to accept, thus, the collectability of the said accounts is doubtful.</p> <p>Moreover, review of receivable accounts in OWWA NCR for the CY 2021 disclosed that Management had extended loans to workers of the SOL totaling P208,835.26 under SLAP-SOL, thus, increasing the outstanding balance of the Loans Receivable-SLAP SOL-OFWs accounts to P15,783,544.82.</p> <p>However, no collection has been received since CY 2017 as there is no resolution yet on the case files by the Philippine Government against the MMG and SOL with the Saudi Arabia Labor Court. Hence, the probability of collection of the total amount of P4,289,061.17 and P15,783,544.82 loans granted to retrench OFWs from the MMG and SOL, respectively, is improbable.</p> <p>Meanwhile, the Allowance for Impairment of Loans receivables in RWO II was understated by P6,654,248.05 while the Due to Central Office/Home Office was</p>	<p>concerned OFWs;</p> <p>c. Exert more effort to locate the OFW debtors and coordinate with other government agencies like the Commission on Election to trace the whereabouts of the OFWs and when proved futile, consider requesting for the write off of the accounts with the Commission on Audit; and</p> <p>d. Undertake as much as practicable the assessment, formulation and recognition of the allowance for impairment of Loans Receivables whose collectability were highly improbable and to disclose the same in the NFSs.</p> <p>RWO II Management admitted that there was indeed an inadvertent error in the account title used in recording Allowance for Impairment of the Loans Receivable and that the accountant was advised to effect the necessary adjustments. The management likewise directed the accountant to comply with the AOM and the relevant guidelines</p>						<p>debtors.</p> <p>c. The Management considers coordinating with other government agencies to trace the whereabouts.</p> <p>d. Allowance for Impairment in the books is being recognized.</p>	

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
	overstated by the same amount as of December 31, 2021 due to error in the computation. On the other hand, Allowance for Impairment amounting to P10,208,833.46 remained unadjusted and incorrectly recorded in the nooks of RWO VI as of December 31, 2021, which is not in conformity with Sections 6.1 and 7.1 of COA Circular No, 2016-005 dated December 19, 2016, and COA Circular No. 2020-001 dated January 8, 2020, thus, affecting the reliability of the reported balance of the Loans receivable account and the fair presentation of the Financial Statements. This is a reiteration of the CY 2019 audit observations.	<p>set under Section 7, Chapter 10 of the GAM for NGAs, Volume I and the OWWA’s Policy on the Provision for Allowance for Impairment and to reflect the necessary adjustments on the recording of the Provision of Allowance for Impairment on Loans Receivables.</p> <p>Auditor’s Rejoinder</p> <p>The AT recognized management’s positive response to the audit recommendations; however, the AT enjoins management to submit copies of the JEVs taking up the errors noted in the computation and recording of the Allowance for Impairment on Loans Receivables.</p>							
19	INVENTORIES <i>Deficiencies affecting the reliability of Inventories account – P14,262,781.03</i>	It was recommended and							

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																										
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					From	To																																													
	<p>Audit of Inventory account revealed unreliable account balance of P14,262,781.03 for CY 2021, resulting from non-maintenance and/or non-updating of the required records, forms and reports, inventories directly charged to expenses account, and non-reconciliation of Accounting and Property records, thus casts doubt on the accuracy reliability of the inventory accounts and other affected accounts. Breakdown as follows:</p> <table><caption>Table 20: Summary of Other Accounting Deficiencies: Inventories</caption><thead><tr><th>Acco units</th><th>Office / RWOs</th><th>Observation</th><th>Amount (in Php)</th><th>Standard</th></tr></thead><tbody><tr><td rowspan="10">Inventories</td><td rowspan="5">CO</td><td rowspan="5">c.1 Non-maintenance and/or non-updating of the required records, forms and reports</td><td>4,883,430.31</td><td rowspan="10">PD No. 1445, Chapter 8 and 17 of GAM for NGAs, Volume I</td></tr><tr><td>1,509,344.41</td></tr><tr><td></td></tr><tr><td></td></tr><tr><td></td></tr><tr><td>NCR</td><td></td><td>2,246,439.72</td></tr><tr><td>III</td><td></td><td>611,951.63</td></tr><tr><td>IV-B</td><td></td><td>323,351.04</td></tr><tr><td>IX</td><td></td><td>34,488.80</td></tr><tr><td>XI</td><td></td><td>130,911.70</td></tr><tr><td rowspan="3">III</td><td rowspan="3">c.2 Inventories directly charged to expenses account</td><td>611,951.63</td><td rowspan="5">PD No. 1445, Chapter 8, of GAM for NGAs, Volume I</td></tr><tr><td>651,055.46</td></tr><tr><td>1,624,198.51</td></tr><tr><td rowspan="2">CO</td><td rowspan="2">c.3 Non-reconciliation of Accounting and Property records</td><td>1,635,657.82</td></tr><tr><td></td></tr><tr><td>Total</td><td></td><td></td><td>14,262,781.03</td><td></td></tr></tbody></table> <p>Details of the observations/deficiencies noted in inventory accounts are discussed, as follows:</p> <p><i>Non-maintenance and/or non-updating of</i></p>	Acco units	Office / RWOs	Observation	Amount (in Php)	Standard	Inventories	CO	c.1 Non-maintenance and/or non-updating of the required records, forms and reports	4,883,430.31	PD No. 1445, Chapter 8 and 17 of GAM for NGAs, Volume I	1,509,344.41				NCR		2,246,439.72	III		611,951.63	IV-B		323,351.04	IX		34,488.80	XI		130,911.70	III	c.2 Inventories directly charged to expenses account	611,951.63	PD No. 1445, Chapter 8, of GAM for NGAs, Volume I	651,055.46	1,624,198.51	CO	c.3 Non-reconciliation of Accounting and Property records	1,635,657.82		Total			14,262,781.03		<p>Management agreed to require the AD to:</p> <p><u>RWOs IX and XI</u></p> <p>a. Completely conduct periodic physical count, using the prescribed format in Appendix 66 of the GAM for NGAs, Volume II on all inventory items duly reconciled with the accounting records semi-annually; and</p> <p><u>CO, RWOs III, IV-B and IX</u></p> <p>b. Observe the immediate recording of receipts and issuances/utilization of inventory items in the Stock Cards duly reconciled with the Supplied Ledger Cards of the accounting unit;</p> <p><u>CO, RWOs NCR and III</u></p> <p>c. Regularly prepare the RSMI based on the RIS and RPCI, and submit the same to the AD for proper recording so that the inventory account and the corresponding expense</p>		<p>Central Office</p> <p>RWO NCR</p> <p>RWO III</p> <p>RWO IV-B</p>		<p>On-going</p> <p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully</p>	<p><u>Central Office</u></p> <p>The AD, PPMD along with RWOs will conduct periodic physical count and will use the prescribed form as per GAM.</p> <p><u>RWO NCR</u></p> <p>The Management informed that adjustments were already made to reflect the correct balance of Inventory Account.</p> <p><u>RWO III</u></p> <p>a. The Management have updated the supplies stock card, and the supply officer regularly submits Report of Supplies and Materials Issued (RSMI).</p> <p>b. Mid-year inventory has been conducted.</p> <p><u>RWO IV-B</u></p> <p>The Management maintain soft</p>
Acco units	Office / RWOs	Observation	Amount (in Php)	Standard																																															
Inventories	CO	c.1 Non-maintenance and/or non-updating of the required records, forms and reports	4,883,430.31	PD No. 1445, Chapter 8 and 17 of GAM for NGAs, Volume I																																															
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CO	c.3 Non-reconciliation of Accounting and Property records	1,635,657.82																																																	
Total			14,262,781.03																																																

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			Action Plan	Person / Dept. Responsible	Target Implementation Date																										
					From	To																									
	<p><i>the required records, forms and reports</i></p> <p>Failure to maintain SCs, SLCs, and ICSs resulted in unreconciled amount of P9,739,719.61 of Office Supplies Inventory account of CO, NCR, and RWOs III, IV-B, IX and XI between the accounting and property records, contrary to Section 17 Chapter 8 of the GAM for NGAs, Volume I.</p> <p>Table 21: Details of Non-maintenance of SCs, SLCs, and ICSs</p> <table><tr><th>Office / RWOs</th><th>Observation</th><th>Amount (in Php)</th></tr><tr><td>CO</td><td>The Procurement and Property Management Division (PPMD) failed to prepare RPCI and SC of various accounts under Inventory Held for Consumption and Semi-expendable Properties with amounts totaling P4,883,460.31 or P4,421,496.34 and P461,933.97, respectively.</td><td>4,883,430.31</td></tr><tr><td></td><td>It was also noted that SLCs for various accounts under Inventory Held for Consumption were not adequately maintained and updated resulting in unreconciled variance aggregating P1,509,344.41.</td><td>1,509,344.41</td></tr><tr><td>NCR</td><td>Audit of Inventories account totaling P2,246,439.72 as of December 31, 2021 disclosed that although the Management has conducted the semi-annual physical count on inventory as of July 1, 2021, however, it failed to submit the RPCI, contrary to Instruction "E" of Appendix 66 which states that the report shall be submitted to the COA Auditor concerned not later than July 31 and January 31 of each year for the first and second semesters, respectively.</td><td>2,246,439.72</td></tr><tr><td></td><td>Likewise, it was observed that the Agency did not adopt the Perpetual Inventory System of recording the inventories due to non-</td><td></td></tr></table>	Office / RWOs	Observation	Amount (in Php)	CO	The Procurement and Property Management Division (PPMD) failed to prepare RPCI and SC of various accounts under Inventory Held for Consumption and Semi-expendable Properties with amounts totaling P4,883,460.31 or P4,421,496.34 and P461,933.97, respectively.	4,883,430.31		It was also noted that SLCs for various accounts under Inventory Held for Consumption were not adequately maintained and updated resulting in unreconciled variance aggregating P1,509,344.41.	1,509,344.41	NCR	Audit of Inventories account totaling P2,246,439.72 as of December 31, 2021 disclosed that although the Management has conducted the semi-annual physical count on inventory as of July 1, 2021, however, it failed to submit the RPCI, contrary to Instruction "E" of Appendix 66 which states that the report shall be submitted to the COA Auditor concerned not later than July 31 and January 31 of each year for the first and second semesters, respectively.	2,246,439.72		Likewise, it was observed that the Agency did not adopt the Perpetual Inventory System of recording the inventories due to non-		<p>accounts be fairly presented in the financial statements; and</p> <p><u>RWOs III, IV-B and IX</u></p> <p>d. Direct the respective AUs of the RWOs to prepare and maintain Supplies Ledger cards on all supplies duly reconciled with the GL and records maintained by the supply unit.</p> <p>The Management commented as follows:</p> <table><tr><th>Office / RWOs</th><th>Management Comments</th></tr><tr><td>NCR</td><td>The Management acknowledged the deficiencies noted in handling of Inventories and assured to adhere with the audit recommendations. Accordingly, management issued a Memorandum dated march 31, 2022 directing the concerned personnel to prepare and submit the required RPCI to the AT, and to regularly submit the RSMI to the AU for the timely recognition of issuance of supplies and materials.</td></tr><tr><td>III</td><td>The Management commented that they will comply and implement the use of Stock Cards and asset method of recording.</td></tr><tr><td>IV-B</td><td>The Management commented that they will comply and implement the use of Stock Cards and asset method of recording.</td></tr><tr><td>XI</td><td>Management stated in their reply letter dated March 28, 2022 that the RWO XI has not reconciled their office supplies inventory for two years now due to pandemic. The Supply Officer-Designate plays a major role in the implementation of the "Uwian na Program" and she handles several OWWA Programs. She has been the Repatriation Officer of the OWWA RWO XI even before the pandemic. During the early part of the COVID-19 pandemic, she led the airport team and was the focal person for all special cases of OFWs that arrived in the Region. She also handles</td></tr></table>	Office / RWOs	Management Comments	NCR	The Management acknowledged the deficiencies noted in handling of Inventories and assured to adhere with the audit recommendations. Accordingly, management issued a Memorandum dated march 31, 2022 directing the concerned personnel to prepare and submit the required RPCI to the AT, and to regularly submit the RSMI to the AU for the timely recognition of issuance of supplies and materials.	III	The Management commented that they will comply and implement the use of Stock Cards and asset method of recording.	IV-B	The Management commented that they will comply and implement the use of Stock Cards and asset method of recording.	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The Management already made an adjusting entry in January 2022 Trial Balance by reclassifying Office Supplies Inventory to Semi-expendable Inventory.</p> <p>b. Physical Count for the first semester was not implemented due to the deployment of the Supply Officer designate. The Management have already sent a letter invitation to COA for the conduct of actual Physical Count</p>
Office / RWOs	Observation	Amount (in Php)																													
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						Action Plan	Person / Dept. Responsible	Target Implementation Date									
								From				To					
		<p>maintenance and/or updating of SLCs and SCs by the AU and PPU, respectively. As a result, the records of the Property Custodian could not be reconciled against the records of the AU.</p>			<p>Education and Livelihood Assistance Program (ELAP), MedPlus, FRAP and other financial Assistance that have been downloaded by the Central Office. She attends to the 298 ELAP scholars enrolled in elementary to college and she is also responsible in the procurements and awarding relative to the ELAP. Due to these overlapping tasks and the time demanded by the Repatriation Program, the conduct of the physical count of office supplies was overlooked.</p> <p>The Management, however, directed the Accountant and the Supply Officer to immediately reconcile their records and make the necessary adjustments in the books, if necessary. They also committed to comply with the provisions of GAM on the conduct of physical count of inventories.</p>												
	III	<p>The inventory account of OWWA RWO III amounting to P611,951.63 could not be ascertained due to the following: (1) the required inventory taking, for checking the integrity of property custodianship was not conducted and/or consummated hence, the required RPCI was not prepared and submitted for reconciliation with the accounting records; (2) ICSs were not religiously issued to end-users of semi-expendable items thus, the whereabouts and accountability over the items could not be established; (3) SLCs and SCs were not maintained and/or updated; and (4) RISs were not regularly prepared by end-users and the related RSMIs were not submitted for recording.</p>	611,951.63	<p>Auditor's Rejoinder</p> <table><tr><th>Office / RWOs</th><th>Auditor's Rejoinder</th></tr><tr><td>NCR</td><td><p>The AT, during the exit conference emphasized the importance of reconciled SCs, SLCs, and RPCI. In addition, the AT recommended that the physical count of inventory items be taken semi-annually pursuant with the provisions of the GAM for NGAs.</p></td></tr><tr><td>XI</td><td><p>The AT understands the situation of the Supply Officer and again this needs the attention of the Central Office to resolve the issue on lack of manpower.</p><p>It is to be emphasized however that the non-conduct of physical count of office supplies inventory is a reiteration of the previous year's audit observation. With the commitment of the Management, we would expect that the said activity would be conducted this 2022.</p></td></tr></table>								Office / RWOs	Auditor's Rejoinder	NCR	<p>The AT, during the exit conference emphasized the importance of reconciled SCs, SLCs, and RPCI. In addition, the AT recommended that the physical count of inventory items be taken semi-annually pursuant with the provisions of the GAM for NGAs.</p>	XI	<p>The AT understands the situation of the Supply Officer and again this needs the attention of the Central Office to resolve the issue on lack of manpower.</p> <p>It is to be emphasized however that the non-conduct of physical count of office supplies inventory is a reiteration of the previous year's audit observation. With the commitment of the Management, we would expect that the said activity would be conducted this 2022.</p>
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	IV-B	<p>Failure to maintain Stock Cards (SCs) and Supplies Ledger Cards (SLCs) resulted in unreconciled amount of P323,351.04 of Office Supplies Inventory account between the accounting and property records, contrary to Section 17 Chapter 8 of the GAM for NGAs, Volume I.</p>	323,351.04														
	IX	<p>Accuracy and existence of the agency's reported balance of inventories in the Statement of Financial Position amounting to P34,488.80 as of December 31, 2021 could not be ascertained due to:</p> <p>a) Physical count of inventories was not completely conducted.</p> <p>Balances reflected in the RPCI and the Statement of Financial Position do not reconcile. The designated Property/Supply Officer did not submit the RPCI to the</p>	34,488.80														

Ref	Audit Observations			Audit Recommendation	Agency Action Plan			Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken	
					Action Plan	Person / Dept. Responsible	Target Implementation Date				
							From				To
		AT. b) Stock Cards not updated Upon review of the Stock Cards prepared by the supply unit, it was observed that the said stock cards were not duly updated. Latest date indicated therein was until June 30, 2021. The timely updating of such is necessary as balances indicated therein should be reconciled regularly with the Supplies Ledger cards maintained by the AU. c) Supplies Ledger Cards Not Maintained Verification revealed that the AU is not maintaining Supplies Ledger Cards on all of its inventory items.									
	XI	Non-conduct of the physical count of the office supplies inventory amounting to P184,174.05 and P130,911.70 as at June 30, 2021 and December 31, 2021, respectively, contravened Section 13, Chapter 8 of the Gam for NGAs, Volume I and Sections 111(2) and 112 of the PD No. 145, thereby rendering questions on the accuracy and completeness of the information provided in the Agency reports; as well as the existence of the items reported for CY 2021.	130,911.70								
20	Inventories directly charged to expenses account – P2,887,205.60 The perpetual inventory system in recording inventories was not observed in RWOs III, IV-B, and IX. Regular purchase			It was recommended that Management require the respective RWO Accountants to: a. Stop the practice of directly recording the purchases of		RWO III			Fully Implemented		RWO III a. The RWO III accountant are now recording all supplies purchases under asset method, and the

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken													
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					From	To																
	<p>of various supplies in the approximate amount of P2,887,205.60 were not coursed through the inventory account but were charged directly to the expense account. Details are shown below:</p> <p>Table 22: Summary of Purchased Inventories Directly Charged to Expenses</p> <table><tr><th>Office / RWOs</th><th>Observations / Deficiencies</th><th>Amount (in Php)</th></tr><tr><td>III</td><td>The inventory account of OWWA RWO III totaling P611,951.63 could not be ascertained due to purchases were recorded outright expense rather than as inventory account</td><td>611,951.63</td></tr><tr><td>IV-B</td><td>Audit disclosed that the purchases of supplies, materials and semi-expendable properties of the OWWA RWO IV-B (MIMAROPA) totaling P651,055.46 were directly charged to the Expenses accounts, instead of initially recording it under the appropriate Inventories account prior to its distribution/issuance.</td><td>651,055.46</td></tr><tr><td>IX</td><td>Audit revealed that the RWO IX procured food and office supplies and materials in the total amount of P1,624,198.51 were directly charged to expense at the time of payment, instead of being accounted as inventory upon receipt.</td><td>1,624,198.51</td></tr><tr><td></td><td>Total</td><td>2,887,205.60</td></tr></table>	Office / RWOs	Observations / Deficiencies	Amount (in Php)	III	The inventory account of OWWA RWO III totaling P611,951.63 could not be ascertained due to purchases were recorded outright expense rather than as inventory account	611,951.63	IV-B	Audit disclosed that the purchases of supplies, materials and semi-expendable properties of the OWWA RWO IV-B (MIMAROPA) totaling P651,055.46 were directly charged to the Expenses accounts, instead of initially recording it under the appropriate Inventories account prior to its distribution/issuance.	651,055.46	IX	Audit revealed that the RWO IX procured food and office supplies and materials in the total amount of P1,624,198.51 were directly charged to expense at the time of payment, instead of being accounted as inventory upon receipt.	1,624,198.51		Total	2,887,205.60	<p>inventories and semi-expendable items to Expenses account, instead, record all purchases and receipt of supplies and semi-expendable items through the appropriate Inventories account in accordance with the Perpetual Inventory System; and</p> <p>b. Prepare adjusting journal entries, if warranted, to reflect the accurate balances of the affected accounts.</p>		<p>RWO IV-B</p>		<p>Fully Implemented</p>	<p>corresponding general journal entry for prior-year adjustments have been posted as of June 30, 2022.</p> <p>b. Mid-year adjustment based on inventory has been made.</p> <p><u>RWO IV-B</u></p> <p>The Management already adhered strictly to the recording of all purchases & receipt of supplies and semi-expendable items accordance with the Perpetual Inventory System under Section 9, Chapter 8 of the GAM for NGAs Vol. 1. Also, the ICS for the issuance of Semi-Expendable items to end users was submitted to COA per our reply to COA AOM dated 31 March 2022.</p> <p><u>RWO IX</u></p> <p>Following the Perpetual Inventory, the regional office will record all purchase of supplies and materials as Inventory</p>
Office / RWOs	Observations / Deficiencies	Amount (in Php)																				
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				<p>RWO IX</p>	<p>Jan 2022</p>	<p>Dec 2022</p>	<p>On-going</p>															

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					From	To			
									whether or not these are consumed within the accounting period. It excludes purchases through petty cash fund. Currently preparing Subsidiary Ledger.
21	<p><i>Non-reconciliation of Accounting and Property records</i></p> <p>The Inventory Accounting System consists of the system of monitoring, controlling and recording of acquisition and disposal of inventory. It also required that the Accounting and Property Offices shall conduct periodic reconciliation of their records to identify and adjust any discrepancy.</p> <p>Audit of Inventories account revealed a significant amount of unreconciled discrepancies between the Accounting and Property records in OWWA CO amounting to at least P1,635,657.82.</p> <p>Non-reconciliation of the above variances renders the balance of the account as at year-end to doubtful hence will affect the fair presentation of the Inventory accounts in the FSs.</p>	It was recommended and Management agreed to require the AD and PPMD to identify the causes of P1,635,657.82 variance between the books and RPCI and conduct periodic reconciliation of their respective records.		Accounting Division / PPMD			On-going		<p><u>Accounting Division/PPMD</u></p> <p>The PPMD and AD are coordinating for the reconciliation of their respective records.</p>
22	PROPERTY, PLANT AND EQUIPMENT								

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																																						
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	<p><i>Deficiencies affecting the reliability of the PPE accounts – P514,230,108.30</i></p> <p>Audit of PPE account revealed unreliable account balance of P514,230,108.30 for CY 2021, resulting from variance in PPE Balances per books and RPCPPE, non-updating/non-maintenance of PCs and PPELCs, failure to issue Property Acknowledgement Receipt (PAR), inclusion of undisposed unserviceable properties, and non-conduct and/or incomplete of inventory taking, thus casts doubt on the accuracy, reliability of the PPE accounts and other affected accounts. Breakdown shown below:</p> <table><caption>Table 23: Summary of Other Accounting Deficiencies: PPE</caption><thead><tr><th>Account s</th><th>Office/ RWOs</th><th>Observation</th><th>Amount (in Php)</th><th>Standard</th></tr></thead><tbody><tr><td rowspan="6">Property, Plant and Equipme nt</td><td>CO</td><td>d.1 Variance in PPE Balances per books and RPCPPE</td><td>184,103,035.18</td><td>COA Circular No. 2020-006</td></tr><tr><td>CO</td><td>d.2 Non-updating / non-maintenance of PCs and PPELCs</td><td>316,226,757.92</td><td rowspan="3">Chapter 10 of the GAM for NGAs, Volume I Appendix 69 and 70, GAM for NGAs, Volume II</td></tr><tr><td>V</td><td></td><td>93,838.75</td></tr><tr><td>XII</td><td></td><td>1,336,477.51</td></tr><tr><td>XIII</td><td></td><td>Not indicated</td><td></td></tr><tr><td>IV-B</td><td>d.3 Failure to issue Property Acknowledgment Receipt (PAR)</td><td>4,033,048.61</td><td rowspan="2">Chapter 10, GAM, Volume I for NGAs</td></tr><tr><td>V</td><td></td><td>1,554,169.13</td></tr><tr><td></td><td>XIII</td><td>d.4 Undisposed Unserviceable Properties</td><td>71,818.40</td><td>Section 79 of PD No. 1445</td></tr><tr><td></td><td>IV-B</td><td>d.5 Non-conduct and/or incomplete inventory taking</td><td>4,033,048.61</td><td rowspan="3">Chapter 10 of the GAM for NGAs, Volume I</td></tr><tr><td></td><td>V</td><td></td><td>1,441,436.68</td></tr><tr><td></td><td>XII</td><td></td><td>1,336,477.51</td></tr><tr><td colspan="3">Total</td><td>514,230,108.</td><td></td></tr></tbody></table>	Account s	Office/ RWOs	Observation	Amount (in Php)	Standard	Property, Plant and Equipme nt	CO	d.1 Variance in PPE Balances per books and RPCPPE	184,103,035.18	COA Circular No. 2020-006	CO	d.2 Non-updating / non-maintenance of PCs and PPELCs	316,226,757.92	Chapter 10 of the GAM for NGAs, Volume I Appendix 69 and 70, GAM for NGAs, Volume II	V		93,838.75	XII		1,336,477.51	XIII		Not indicated		IV-B	d.3 Failure to issue Property Acknowledgment Receipt (PAR)	4,033,048.61	Chapter 10, GAM, Volume I for NGAs	V		1,554,169.13		XIII	d.4 Undisposed Unserviceable Properties	71,818.40	Section 79 of PD No. 1445		IV-B	d.5 Non-conduct and/or incomplete inventory taking	4,033,048.61	Chapter 10 of the GAM for NGAs, Volume I		V		1,441,436.68		XII		1,336,477.51	Total			514,230,108.		It was recommended and the CO PPMD and AD agreed to work together to reconcile the books with the RPCPPE and PCs with the amount recorded in the books.		Accounting Division / PPMD	Jan 2022	Dec 2022	On-going		<p><u>Accounting Division/PPMD</u></p> <p>The PPMD and AD are coordinating for the reconciliation of their respective records and for the updating of PC and PPELCs and will prepare necessary adjusting entries once done.</p>
Account s	Office/ RWOs	Observation	Amount (in Php)	Standard																																																											
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	<table><tr><td></td><td></td><td></td><td>30</td><td></td></tr></table> <p>Details of the observations/deficiencies noted in PPE accounts are discussed, as follows:</p> <p><i>d.1 Variance in PPE Balances per books and RPCPPE</i></p> <p>Comparison of the balances in the submitted RPCPPE of OWWA CO vis-à-vis the balance per books show discrepancies totaling P184,103,035.18 as provided in the table below:</p> <p>Table 24: Details of discrepancy between RPCPPPE and book balance</p> <table><tr><th>PPE Account</th><th>Books</th><th>RPCPPPE</th><th>Net Variance</th></tr><tr><td colspan="4">(in Php)</td></tr><tr><td colspan="4">Machinery and Equipment</td></tr><tr><td>Office equipment</td><td>108,659,482.19</td><td>2,060,425.64</td><td>106,599,056.55</td></tr><tr><td>ICT Equipment</td><td>74,914,883.30</td><td>37,841,172.91</td><td>37,073,710.39</td></tr><tr><td>Communication Equipment</td><td>2,059,897.59</td><td>330,000.00</td><td>1,729,897.59</td></tr><tr><td>Medical Equipment</td><td>373,942.76</td><td>90,440.00</td><td>283,502.76</td></tr><tr><td>Sports Equipment</td><td>2,340,168.70</td><td>4,569,040.30</td><td>(2,228,871.60)</td></tr><tr><td>Technical and Scientific Equipment</td><td>2,831,862.27</td><td>3,302,192.16</td><td>(470,329.89)</td></tr><tr><td>Other Equipment</td><td>9,391,379.50</td><td>9,334,945.45</td><td>56,434.05</td></tr><tr><td colspan="4">Transportation Equipment</td></tr><tr><td>Motor Vehicles</td><td>70,696,687.95</td><td>38,834,552.00</td><td>31,862,135.995</td></tr><tr><td colspan="4">Furniture, Fixtures and Books</td></tr><tr><td>Furniture and Fixtures</td><td>11,186,020.81</td><td>2,159,735.19</td><td>9,026,285.62</td></tr></table>				30		PPE Account	Books	RPCPPPE	Net Variance	(in Php)				Machinery and Equipment				Office equipment	108,659,482.19	2,060,425.64	106,599,056.55	ICT Equipment	74,914,883.30	37,841,172.91	37,073,710.39	Communication Equipment	2,059,897.59	330,000.00	1,729,897.59	Medical Equipment	373,942.76	90,440.00	283,502.76	Sports Equipment	2,340,168.70	4,569,040.30	(2,228,871.60)	Technical and Scientific Equipment	2,831,862.27	3,302,192.16	(470,329.89)	Other Equipment	9,391,379.50	9,334,945.45	56,434.05	Transportation Equipment				Motor Vehicles	70,696,687.95	38,834,552.00	31,862,135.995	Furniture, Fixtures and Books				Furniture and Fixtures	11,186,020.81	2,159,735.19	9,026,285.62								
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						Action Plan	Person / Dept. Responsible	Target Implementation Date										
								From				To						
	<table><tr><td>Books</td><td>173,755.76</td><td>2,542.00</td><td>171,213.76</td></tr><tr><td>Total</td><td>282,628,080.83</td><td>98,525,045.65</td><td>184,103,035.18</td></tr></table> <p>Non-reconciliation of the above variances renders the balance of the PPE account as at year-end to be doubtful which affects the fair presentation of the PPE accounts in the FSs.</p>	Books	173,755.76	2,542.00	171,213.76	Total	282,628,080.83	98,525,045.65	184,103,035.18									
Books	173,755.76	2,542.00	171,213.76															
Total	282,628,080.83	98,525,045.65	184,103,035.18															
23	<p><i>Non-updating/non-maintenance of PCs and PPELCs</i></p> <p>The omission to maintain the PCs and PPELCs in OWWA CO and RWOs V, XII, and XIII contributed to an aggregated amount of P317,657,074.18 unreconciled the PPE accounts balances per Accounting records and per Property records:</p> <table><tr><th colspan="3">Table 25: Details of Non-maintenance of PCs and PPELCs</th></tr><tr><th>Office / RWOs</th><th>Observations/Deficiencies</th><th>Amount (in Php)</th></tr><tr><td>CO</td><td>The PPMD has submitted RPCPPE and provided the PCs as of December 31, 2021 for some accounts except for the accounts Land, Buildings and other Structures, Machinery and Equipment, Lease Assets – Improvements, and Other Property, Plant and Equipment in the total amount of P316,226,757.92 which have no corresponding RPCPPE and PCs contrary to item (d) and (g) of Section 42, Chapter 10 of the GAM for NGAs, Volume I. Further, the AD was not able to provide an</td><td>316,226,757.92</td></tr></table>	Table 25: Details of Non-maintenance of PCs and PPELCs			Office / RWOs	Observations/Deficiencies	Amount (in Php)	CO	The PPMD has submitted RPCPPE and provided the PCs as of December 31, 2021 for some accounts except for the accounts Land, Buildings and other Structures, Machinery and Equipment, Lease Assets – Improvements, and Other Property, Plant and Equipment in the total amount of P316,226,757.92 which have no corresponding RPCPPE and PCs contrary to item (d) and (g) of Section 42, Chapter 10 of the GAM for NGAs, Volume I. Further, the AD was not able to provide an	316,226,757.92	<p>The management of RWO NCR was commended for the implementation of effective internal control measures, which resulted to the reconciled property and accounting records.</p> <p>It was recommended and the RWO NCR Management agreed to continue the same.</p> <p>It was also recommended the Management to direct the PPMD and AD of CO and AUs of RWOs V, XII and XIII to maintain and update their respective PCs and PPELCs, as prescribed in Section 42, Chapter 10 of the GAM for NGAs, Volume I, to facilitate the recording and monitoring of acquisition and disposal of PPE.</p> <p>RWO NCR acknowledged the audit recommendation and assured for the continued practice of</p>		Accounting Division / PPMD			On-going		<u>Accounting Division/PPMD</u>
Table 25: Details of Non-maintenance of PCs and PPELCs																		
Office / RWOs	Observations/Deficiencies	Amount (in Php)																
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					RWO NCR			Fully Implemented		The PPMD and AD are coordinating for the reconciliation of their respective records and for the updating PCs and PPELCs								
					RWO V			On-going		<u>RWO NCR</u>								
										The Management informed that adjustments were already made to reflect the correct balance of PPE Account.								
										<u>RWO V</u>								
										The Accounting Unit already complied with the audit observation regarding the updating and maintaining the required form of the PPELCs, also, the supply and property officer already committed to update the PCs after the conduct								

Ref	Audit Observations			Audit Recommendation	Agency Action Plan			Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken	
					Action Plan	Person / Dept. Responsible	Target Implementation Date				
							From				To
		updated PPELC of these PPE accounts, resulting to the difficulty establishing the accuracy of the balances of the said accounts.		implementing sound internal control measures for the continued achievement of a reconciled property and accounting records for PPE.		RWO XII		On-going		physical inventory which will take place this September 2022.	
	V	Review of the property records maintained by the Property Unit showed that Property Card was prepared by the Supply/Property Unit but it was not in accordance with the prescribed form of PC 9Appendix 69, GAM for NGAs, Volume II) and was not properly accomplished as to the required information. The AT also noted that the other information required in the prescribed PC form was omitted, such as the PAR No., Amount, and Remarks Column, which play a vital role in the immediate determination of the employee to whom it was issued and is accountable for the equipment. Even if the name of an officer or employee is indicated in the PC but was not supported with Property Acknowledgment Receipt (PAR), the agency cannot hold him/her accountable for an equipment or property. Likewise, perusal of the PPE ledger cards maintained by the Accounting Unit showed that the PPELC used was also not in accordance with the prescribed form of PPELC (Appendix 70 of GAM for NGAs, Volume II). It also lacks other information indicated in the prescribed form, such as Accumulated Impairment Losses, Adjusted Cost, and	93,838.75								

Ref	Audit Observations			Audit Recommendation	Agency Action Plan			Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken	
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							From				To
		Repair History which are very important in determining the status of the property and equipment, and the corresponding repairs undertaken. On the other hand, Property cards showed 21 serviceable semi-expendable equipment with a total cost of P93,838.75, still under the names of the retired, resigned, reshuffled and deployed officers and employees of OWWA RWO V.									
	XII	Non-maintenance of PPELC, Property Card, Property Acknowledgment Receipt and other schedules to support the PPE accounts with net book value of P1,336,477.51 as of December 31, 2021 not only affect the reliability and existence of the reported PPE accounts but will also affect the proper monitoring of the PPEs acquired by the management.	1,336,477.51								
	XIII	Evaluation of the agency's compliance with the above mentioned regulations, revealed that SL for all accounts, SLC and PPELC were not maintained by the Accounting Unit. Thus, details for each control account in the GL and the accuracy of the PPE and supplies accounts in the financial statement cannot be readily ascertained.	Not indicated								
		Total	317,657,074.18								
	On the contrary, the effective internal control measures implemented by the OWWA NCR Management, lead to (a)										

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
	reconciled RPSPPPE with the accounting records; and (b) effective use, preparation and maintenance of lapsing schedule for PPE, in compliance with the pertinent provisions of the PPSAS and Chapter 10, GAM for NGAs, Volume I.								
24	<p><i>Failure to issue Property Acknowledgement Receipt (PAR)</i></p> <p>The Property Unit failed to document/report the issuance of property and equipment to end users and the transfer of property and equipment from the outgoing officer to his successor or from one accountable officer/employee to another of the same or another entity through the issuance of Property Acknowledgement Receipt and Property Transfer Report, respectively, contrary to the requirements of Section 42 (f) and (j), Chapter 10, of GAM for NGAs, Volume I, thereby, causing difficulty in the immediate determination of responsibility and accountability over a property or equipment, and expose government properties to possible loss, unauthorized use or misappropriation.</p> <p>Verification of reports in RWO IV-B and V revealed that PPE items issued to end-users with total cost of P4,033,048.61 and P1,554,169.13, respectively, were not</p>	It was recommended and management agreed to instruct the Acting Property Officer of RWO IV-B and V to prepare PARs for all PPE items to be issued to all recipients/end-users to establish their accountabilities over the said properties.		<p>RWO IV-B</p> <p>RWO V</p>			<p>Fully Implemented</p> <p>On-going</p>	<p><u>RWO IV-B</u></p> <p>Updated PARS were already issued on 19 April 2022.</p> <p><u>RWO V</u></p> <p>The supply and property officer already committed to update the PARs after the conduct of physical inventory which will take place this September 2022.</p>	

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
	properly turned over or transferred to their successors upon retirement or reshuffling and remained in the records under the names of retired or reshuffled officers/employees and does not indicate the name of current officer/employee who is in possession and using the equipment.								
25	<p>Undisposed Unserviceable Properties</p> <p>Unserviceable properties in RWO XIII with a total cost of P71,818.40, remained undisposed as of year-end. As reflected in the IIRUP which was received last February 28, 2022, the Property Officer-Designate identified the said PPE items as unserviceable properties with a total appraised value of P8,967.00. Validation of the submitted report disclosed that all unserviceable properties are kept in the office premises pending for its disposal.</p> <p>Furthermore, inquiry with the Property Officer-Designate revealed that the agency was still not able to reconstitute the Disposal Committee who will undertake the immediate disposal of unserviceable properties.</p> <p>Similarly, PPMD in OWWA CO failed to provide the IIRUP resulting to the inability to determine should there be any unserviceable or obsolete equipment that</p>	It was recommended and Management agreed to reconstitute the Disposal Committee and undertake the immediate disposal of the unserviceable properties itemized in the Inventory and Inspection Reports of Unserviceable Property as at December 31, 2021 to avoid further deterioration and consequent depreciation in its value.		PPMD			On-going		PPMD The IIRUP and request letter for disposal is currently for signature and for approval of the Administrator as of 18 August 2022.

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken								
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					From	To											
	are still recorded in the books. Nevertheless, the person-in-charge is currently and continuously updating the IIRUP.																
26	<p><i>Non-conduct and/or incomplete inventory taking</i></p> <p>Audit disclosed that the PPE accounts of OWWA RWO IV-B had a total cost of P4,033,048.61 as of December 31, 2021. Inquiry with the Property Officer revealed that the Agency did not conduct actual physical count of PPEs as at year-end due to pandemic health restrictions. The RPCPPE submitted to the Office of the Auditor on March 10, 2022 is the same as the last year's report. The said report was likewise unsigned, thus proper review/accountabilities on the report were not shown. The non-conduct of physical count was also noted in RWO XII with the PPE net book value of P1,336,477.51.</p> <p>Moreover, the RWO V failed to comply with the required procedures and documentation in the conduct of physical inventory of PPE contrary to the pertinent provisions and requirements of COA Circular No. 2020-006 dated January 31, 2020, thus, the existence, completeness and accuracy of the reported balance with an aggregate amount of P1,441,436.68 as</p>	<p>It was recommended and the management agreed to instruct the respective Property Officers/Inventory Committee of RWOs IV-B, V and XII to strategize the conduct of physical inventory taking of PPE and submit the RPCPPE to the Office of the Auditor within the prescribed period.</p> <p>The Management commented as follows:</p> <table><tr><th>Office / RWOs</th><th>Management Comments</th></tr><tr><td>IV-B</td><td>The Management commented that the Designated Property Officer was instructed to conduct physical inventory of PPE starting on the first week of May until May 23, 2022 and to re-submit a new RPCPPE.</td></tr><tr><td>V</td><td><p>The Management had already created an Inventory Committee last November 16, 2021 as per Office Order No. 2021-11-156, with 3 regular employees, composed of 1 head and 2 members; and as per Office Order No. 2021-11-157, with 4 JOs as additional members.</p><p>The Management had already requested for disposal of unserviceable property dated April 6, 2022 and received by the AT on April 7, 2022.</p><p>The Management will require the Inventory Committee and/or the Property Officer Designate to comply with the, c to f, audit recommendations.</p></td></tr><tr><td>XII</td><td>Management justified during the exit conference that Physical count was not conducted due to various activities towards the end of the year. They committed to maintain and update regularly the PPELC, Property</td></tr></table>	Office / RWOs	Management Comments	IV-B	The Management commented that the Designated Property Officer was instructed to conduct physical inventory of PPE starting on the first week of May until May 23, 2022 and to re-submit a new RPCPPE.	V	<p>The Management had already created an Inventory Committee last November 16, 2021 as per Office Order No. 2021-11-156, with 3 regular employees, composed of 1 head and 2 members; and as per Office Order No. 2021-11-157, with 4 JOs as additional members.</p> <p>The Management had already requested for disposal of unserviceable property dated April 6, 2022 and received by the AT on April 7, 2022.</p> <p>The Management will require the Inventory Committee and/or the Property Officer Designate to comply with the, c to f, audit recommendations.</p>	XII	Management justified during the exit conference that Physical count was not conducted due to various activities towards the end of the year. They committed to maintain and update regularly the PPELC, Property		RWO IV-B				Fully Implemented	<u>RWO IV-B</u>
Office / RWOs	Management Comments																
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XII	Management justified during the exit conference that Physical count was not conducted due to various activities towards the end of the year. They committed to maintain and update regularly the PPELC, Property																
				RWO V	Sep 2, 2022	Sep17 2022	On-going	<u>RWO V</u>									
				RWO XII			On-going	<u>RWO XII</u>									

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken		
			Action Plan	Person / Dept. Responsible	Target Implementation Date						
					From	To					
	<p>of December 31, 2021 cannot be ascertained.</p> <p>The failure to conduct annual physical count and submit the corresponding RPCPPE within the prescribed period is contrary to Section 38, Chapter 10 of GAM for NGAs, Volume I, thus, rendered the reliability and accuracy of the PPE account balances recorded in the books doubtful.</p>	<table><tr><td></td><td>Card and other schedules to support the account balance as recommended by the AT.</td></tr></table>		Card and other schedules to support the account balance as recommended by the AT.							
	Card and other schedules to support the account balance as recommended by the AT.										
27	<p>LIABILITIES</p> <p>Various deficiencies noted in the Liabilities totaling P2,986,067,486.55, thus affected the reliability, accuracy, completeness and valuation of the said account.</p> <p>In the audit of accounts and transactions of the OWWA for CY 2021, deficiencies in the recording and reporting of financial transactions were noted that affected the reliability, accuracy, completeness and valuation of the reported balances of accounts in the FSs. These have resulted due to the absence of documents that support carry-over balances, non-compliance by the Management with some of the provisions and requirements of the GAM for NGAs, lack of reconciliation between the records of Accounting and Property Units and non-preparation and</p>	<p>It was recommended and Management agreed to prepare adjusting entries on the noted non-accrual of CY 2021 expenses pursuant to Section 52, Chapter 19 of the GAM for NGAs, Volume I.</p> <p>Management commented that with the rise of the pandemic, expenses that are not foreseen and beyond their control increased and because of insufficient funds as of December 31, 2021, they were not able to accrue the expenses totaling P2,705,204,239.83.</p> <p>As of March 31, 2022, Management informed that they are still receiving billings from partner suppliers</p>		<p>FMS / Accounting Division</p>			<p>Fully Implemented</p>		<p>The Management has already disclosed in the Notes to Financial Statements (NFS) the said CY 2021 expenses which were paid in CY 2022.</p>		

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																																														
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					From	To																																																																	
	<p>non-submission of some of the required reports on time.</p> <p>These deficiencies are as follows:</p> <table><caption>Table 26: Summary of Other Accounting Deficiencies</caption><thead><tr><th>Account s</th><th>Office / RWOs</th><th>Observati on</th><th>Amount (in Php)</th><th>Standard</th></tr></thead><tbody><tr><td rowspan="2">Expenses</td><td>CO</td><td>Non-accrual of CY 2021 expenses as disclosed in the Notes to Financial Statement s (NFS)</td><td>2,705,204,239.83</td><td>Sections 2, 6 and 15 Chapter 2 and Sections 34, 42 and 52 Chapter 19 of GAM for NGAs, Volume I;</td></tr><tr><td>VI</td><td>Unrelease d funds for Tulong-PUSO program expensed outright</td><td>796,740.00</td><td></td></tr><tr><td>Accounts Payable</td><td rowspan="2">II</td><td>Discrepan cy/Varianc e between balance per book and per aging schedule</td><td>529,007.36</td><td>Section 37 Chapter 2 of GAM for NGAs, Volume I; and Section 4(6) of PD No. 1445</td></tr><tr><td></td><td>Existence of negative balance</td><td>31,200.00</td><td>Section 37 Chapter 2 of GAM for NGAs, Volume I</td></tr><tr><td></td><td></td><td>Not supported with complete document ation.</td><td>55,708,734.23</td><td>Section 37 Chapter 2 of GAM for NGAs, Volume I; Section 4(6) of PD No. 1145; and Section 27 Chapter 7 of GAM for NGAs, Volume I</td></tr><tr><td></td><td>IV-B</td><td></td><td>27,425,177.56</td><td></td></tr><tr><td></td><td>IX</td><td></td><td>31,176,765.62</td><td></td></tr><tr><td></td><td>XII</td><td></td><td>18,197,620.43</td><td></td></tr><tr><td rowspan="4">Inter-Agency Payables</td><td>CAR</td><td rowspan="4">Not supported with complete document ation and balances that are dormant.</td><td>17,831.62</td><td rowspan="4">Paragraph 29, IPSAS I and Section 12, Chapter 2, Volume I of the GAM for NGAs and PD No. 1445</td></tr><tr><td>II</td><td>167,782.41</td></tr><tr><td>IX</td><td>450,452.97</td></tr><tr><td>XIII</td><td>45,119.70</td></tr><tr><td rowspan="2">Due to Central</td><td>VI</td><td>Unreconcil ed balance</td><td>39,067,838.07</td><td>Section 6, Chapter 19,</td></tr><tr><td>IX</td><td></td><td>14,144,042.87</td><td></td></tr></tbody></table>	Account s	Office / RWOs	Observati on	Amount (in Php)	Standard	Expenses	CO	Non-accrual of CY 2021 expenses as disclosed in the Notes to Financial Statement s (NFS)	2,705,204,239.83	Sections 2, 6 and 15 Chapter 2 and Sections 34, 42 and 52 Chapter 19 of GAM for NGAs, Volume I;	VI	Unrelease d funds for Tulong-PUSO program expensed outright	796,740.00		Accounts Payable	II	Discrepan cy/Varianc e between balance per book and per aging schedule	529,007.36	Section 37 Chapter 2 of GAM for NGAs, Volume I; and Section 4(6) of PD No. 1445		Existence of negative balance	31,200.00	Section 37 Chapter 2 of GAM for NGAs, Volume I			Not supported with complete document ation.	55,708,734.23	Section 37 Chapter 2 of GAM for NGAs, Volume I; Section 4(6) of PD No. 1145; and Section 27 Chapter 7 of GAM for NGAs, Volume I		IV-B		27,425,177.56			IX		31,176,765.62			XII		18,197,620.43		Inter-Agency Payables	CAR	Not supported with complete document ation and balances that are dormant.	17,831.62	Paragraph 29, IPSAS I and Section 12, Chapter 2, Volume I of the GAM for NGAs and PD No. 1445	II	167,782.41	IX	450,452.97	XIII	45,119.70	Due to Central	VI	Unreconcil ed balance	39,067,838.07	Section 6, Chapter 19,	IX		14,144,042.87		<p>pertaining to previous years accountabilities. The late submission prevented them to know the actual accountabilities of the Agency. As the Agency budget was fully utilized in December 31, 2021, thus, they were not able to obligate their accountabilities. As of March 31, 2022, the Agency's previous years' accountabilities aggregated P5,035,290,214.99.</p> <p>In addition, it was also informed that OWWA requested subsidy from the national government, through the DBM to continuously provide prompt services to OFWs and their families. Nevertheless, given that the COCID-19 pandemic still subsists, the funds received by the agency were not enough to pay all obligations as expenses continue to increase with the pandemic that is engulfing not only the Philippines but the whole world.</p> <p>In this view, the Management requested that the CY 2021 expenses be disclosed in the Notes to Financial Statements (NFS) instead.</p>						
Account s	Office / RWOs	Observati on	Amount (in Php)	Standard																																																																			
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		Not supported with complete document ation.	55,708,734.23	Section 37 Chapter 2 of GAM for NGAs, Volume I; Section 4(6) of PD No. 1145; and Section 27 Chapter 7 of GAM for NGAs, Volume I																																																																			
	IV-B		27,425,177.56																																																																				
	IX		31,176,765.62																																																																				
	XII		18,197,620.43																																																																				
Inter-Agency Payables	CAR	Not supported with complete document ation and balances that are dormant.	17,831.62	Paragraph 29, IPSAS I and Section 12, Chapter 2, Volume I of the GAM for NGAs and PD No. 1445																																																																			
	II		167,782.41																																																																				
	IX		450,452.97																																																																				
	XIII		45,119.70																																																																				
Due to Central	VI	Unreconcil ed balance	39,067,838.07	Section 6, Chapter 19,																																																																			
	IX		14,144,042.87																																																																				

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	<table><tr><td>Office</td><td>XI</td><td>of Due to Central Office account per books and per confirmation</td><td>93,104,933.88</td><td>Volume I of the GAM for NGAs</td></tr><tr><td></td><td></td><td></td><td>2,986,067,486.55</td><td></td></tr></table> <p>The details on the deficiencies summarized in Table No. 26 are discussed as follows:</p> <p>ACCOUNTS PAYABLE</p> <p><i>Non-accrual of expenses</i></p> <p>In OWWA CO, the Accounts Payable account as of December 31, 2021 has a total of balance P196,454,695.06, however, as per checking with the CY 2022 Registry of Allotment and Obligations (RAO), the account balance is not yet inclusive of the CY 2021 billings which have been processed by the Budget Division for the period of January 1 to March 3, 2022 totaling P2,705,204,239.83 which pertains to expenses funded by the ERP of the OWWA, as follows:</p> <table><tr><th colspan="3">Table 27: Summary of expenses funded by ERP</th></tr><tr><th>Expense Account</th><th>Particulars</th><th>Amount (in Php)</th></tr><tr><td>Travelling Expense – Foreign</td><td>Airfare-Foreign</td><td>116,995,330.50</td></tr><tr><td>Travelling Expense – Local</td><td>Airfare-Local</td><td>612,691,181.00</td></tr><tr><td>Other</td><td>Cremation</td><td>1,239,000.00</td></tr><tr><td>Maintenance and Operating</td><td>Food</td><td>43,367,382.67</td></tr><tr><td></td><td>Hotel</td><td>1,838,853,281.34</td></tr></table>	Office	XI	of Due to Central Office account per books and per confirmation	93,104,933.88	Volume I of the GAM for NGAs				2,986,067,486.55		Table 27: Summary of expenses funded by ERP			Expense Account	Particulars	Amount (in Php)	Travelling Expense – Foreign	Airfare-Foreign	116,995,330.50	Travelling Expense – Local	Airfare-Local	612,691,181.00	Other	Cremation	1,239,000.00	Maintenance and Operating	Food	43,367,382.67		Hotel	1,838,853,281.34	<p>Auditor’s Rejoinder</p> <p>We accept the Management proposal to disclose in the NFSS the P5,035,290,214.99 expenses for CY 2021, which was not accrued as at year-end, instead of preparing an adjusting entry.</p>							
Office	XI	of Due to Central Office account per books and per confirmation	93,104,933.88	Volume I of the GAM for NGAs																																				
			2,986,067,486.55																																					
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							From				To							
	<table><tr><td>Expenses (MOOE)</td><td></td><td></td></tr><tr><td>Transportation and Delivery Expense</td><td>In-Land Transportation</td><td>92,058,064.32</td></tr><tr><td>Total</td><td></td><td>2,705,204,239.83</td></tr></table> <p>Inquiry with the AD revealed that the above expenses totaling P2,705,204,239.83 cannot be accrued because it will result in an overdraft of the CY 2021 OWWA budget since the Agency received the supplemental budget only in CY 2022.</p> <p>Also in RWO VI, unreleased funds of P796,740.00 for <i>Tulong Pangkabuhayan sa Pag-unlad ng Samahang OFWs</i> (Tulong-PUSO) Program was taken up as expense outright and was closed at year-end. However, upon review it was noted that the total amount was not yet released for program implementation but was already reported as utilized for CY 2021.</p> <p>Still, the non-accrual of the P2,706,000,979.83 expenses incurred in CY 2021 will affect the fair presentation of the CY 2021 FSs.</p>	Expenses (MOOE)			Transportation and Delivery Expense	In-Land Transportation	92,058,064.32	Total		2,705,204,239.83								
Expenses (MOOE)																		
Transportation and Delivery Expense	In-Land Transportation	92,058,064.32																
Total		2,705,204,239.83																
28	<p><i>Discrepancy/Variance between balance per book and per aging schedule</i></p> <p>In RWO II, comparison of Accounts Payable balances between books and aging schedule disclosed a variance of P529,007.36, thus, casted doubt on the</p>	It was recommended and Management agreed to instruct the Accountant of RWO II determine and analyze the variance of P529,007.36 between books and aging schedule to come up with the corrected balance of the Accounts		RWO II			Fully Implemented		Management complied with the audit recommendations.									

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	accuracy, validity and reliability of the account.	<p>Payable account as of the period.</p> <p>Management commented that Accounts Payable includes payables under General Fund, CMWSP, ICF, NRCO, FELSF, Calamity and OWWA MOOE/CO. Aging Schedules submitted to the AT consist only of payables under General Fund, CMWSP and ICF. The variance noted in the amount of P529,007.36 pertains to unpaid claims of beneficiaries under National Reintegration Center for OFWs (NRCO), Filipino Expatriate Livelihood Support Fund (FELSF) and Calamity Assistance (Typhoon Ondoy) which management unintentionally failed to submit to the office of the Auditor. These claims were duly supported with documents and will be released in 2022. Also submitted the Aging Schedule for reference and reconsideration of the AT.</p>							
29	<p><i>Existence of negative balances</i></p> <p>In RWO II, evaluation revealed that Accounts Payable with negative or abnormal balances amounting to P31,200.00 have been existing in the books in prior years and were not acted</p>	<p>It was recommended and RWO II agreed to instruct the Accountant to review and analyze the transactions surrounding the negative/abnormal balance and prepare appropriate adjustments in the books to eliminate the</p>		RWO II			Fully Implemented		<p>The Management assured to commit with the audit recommendations. The Accountant made appropriate adjustments which resulted to decrease in the amount of the negative balance. The</p>

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	upon by Management. This negative balance of Accounts Payable account affected the fair presentation of the FS.	negative/abnormal balances.							Accountant will further review and analyze said transactions to eliminate said negative balance.
30	<p><i>Not supported with complete documentation</i></p> <p>In RWO II, verification disclosed that the total amount of P55,708,734.23 as current accounts payable as of December 31, 2021 were unsubstantiated or undocumented most of which pertain to financial assistance to OFW beneficiaries whose families were affected by Typhoon Ulysses in 2020.</p> <p>Also in RWO IV-B, verification of accounts payable disclosed that P14,360,666.66 which pertains to claims for five programs of OWWA namely ODSP, EDSP, EASE Program, ELAP and WAP that were lacking with supporting documents or sufficient evidence to establish its validity. Further, the Schedule of Accounts Payable for the remaining P136,064,510.9 was not submitted to the AT despite repeated demands, thus could not likewise be accounted/verified.</p> <p>Moreover, RWO IX, the Accountant failed to prepare the SLs to support the Accounts Payable account totaling P31,176,765.62 due to lack of qualified regular staff to</p>	<p>It was recommended and Management agreed to require the Accountant of the following Offices to:</p> <p><u>RWOs IV-B and XII</u></p> <p>a. Submit the Schedule of Accounts Payable and schedule of claimants/creditors together with the supporting documents for review and verification;</p> <p><u>RWO IX</u></p> <p>b. Prepare and maintain the necessary SLs to support the reported balance of Accounts Payable and to reconcile with the GL account by assigning personnel to maintain the record; and</p> <p><u>RWOs II, IV-B, IX and XII</u></p> <p>c. Submit the required documentation to substantiate the validity of the financial</p>		RWO II			Fully Implemented	<p><u>RWO II</u></p> <p>Management assured to comply with the audit recommendations</p> <p>The Management made necessary adjustments to fairly present the balance of Accounts Payable and said fund is reverted back to OWWA Capital Account in the amount of P46,389,000.00. This include 2021 Accrued Expenses and Accrued Expenses under Welfare Assistance Program (Calamity Assistance Ompong & Quiel). Further, the management sought the assistance of the Focal Persons on various program in ascertaining our payables in various programs.</p> <p><u>RWO IV-B</u></p>	

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	<p>prepare the reports, thus affecting the fair presentation of the account in the financial statements.</p> <p>Lastly, in RWO XII, verification of payable accounts as of December 31, 2021 disclosed that the Accounts Payable totaling P214,903.51 and other payables totaling P17,862,716.92 were not supported with Aging schedule and vouchers together with the supporting documents hence, the propriety of the claims cannot be verified.</p>	<p>assistance and prepare the necessary adjusting entries, if necessary, and henceforth, stop the practice of booking up payables without valid claims.</p> <p>The Management commented as follows:</p> <table><tr><th>Office / RWOs</th><th>Management Comments</th></tr><tr><td>RWO II</td><td><p>Based on the Aging Schedule, significant portion of undocumented payables consists of unpaid Calamity Assistance due to Typhoon Ulysses under the WAP amounting to P32,849,000.00. Application of OFWs for the said financial assistance including the submission of required documents was done online. There were qualified beneficiaries for the said program, however, there was a delay in the printing of approved application forms and late release of assistance due to the implementation of various OWWA programs responsive to COVID-19 pandemic. Since the start of the pandemic in the year 2020, the efforts of the RWO II were focused more on assisting OFWs who were repatriated due to the pandemic. Aside from the strict quarantine status implemented at the national/provincial/municipal/city level, transportation and movement from one locality to another became difficult, more so that a number of beneficiaries belong to the vulnerable age.</p><p>Currently, management created a group to expedite printing of approved Calamity Assistance extracted from their online Calamity Assistance system and eventually, release of the financial assistance will be done in various municipalities at the soonest possible time. As of this date, management released calamity assistance amounting to P768,000.00 to 256 beneficiaries. OWWA RWO II held a meeting with the Focal Person of each Program, including the Family Welfare Officer in the Central Office, asking for their assistance concerning the AOMO.</p><p>As to Other Long Outstanding Payables, the focal persons on various programs, including the support staff, committed to help management in ascertaining the payables in various programs such as BPBH, WAP, and Scholarship Programs.</p></td></tr></table>	Office / RWOs	Management Comments	RWO II	<p>Based on the Aging Schedule, significant portion of undocumented payables consists of unpaid Calamity Assistance due to Typhoon Ulysses under the WAP amounting to P32,849,000.00. Application of OFWs for the said financial assistance including the submission of required documents was done online. There were qualified beneficiaries for the said program, however, there was a delay in the printing of approved application forms and late release of assistance due to the implementation of various OWWA programs responsive to COVID-19 pandemic. Since the start of the pandemic in the year 2020, the efforts of the RWO II were focused more on assisting OFWs who were repatriated due to the pandemic. Aside from the strict quarantine status implemented at the national/provincial/municipal/city level, transportation and movement from one locality to another became difficult, more so that a number of beneficiaries belong to the vulnerable age.</p> <p>Currently, management created a group to expedite printing of approved Calamity Assistance extracted from their online Calamity Assistance system and eventually, release of the financial assistance will be done in various municipalities at the soonest possible time. As of this date, management released calamity assistance amounting to P768,000.00 to 256 beneficiaries. OWWA RWO II held a meeting with the Focal Person of each Program, including the Family Welfare Officer in the Central Office, asking for their assistance concerning the AOMO.</p> <p>As to Other Long Outstanding Payables, the focal persons on various programs, including the support staff, committed to help management in ascertaining the payables in various programs such as BPBH, WAP, and Scholarship Programs.</p>		<p>RWO IX</p> <p>RWO XII</p>	Jan 2022	Dec 2022	<p>Fully Implemented</p> <p>On-going</p> <p>On-going</p>	<p>a. Accountant submitted to COA the said reports.</p> <p>b. Accountant submitted to COA</p> <p><u>RWO IX</u></p> <p>Currently preparing the Subsidiary Ledger to support the aforementioned documents.</p> <p><u>RWO XII</u></p> <p>The office has submitted the list and necessary documents to support the various claims. Also, the office will make the necessary adjusting entries as per COA’s recommendation.</p>
Office / RWOs	Management Comments											
RWO II	<p>Based on the Aging Schedule, significant portion of undocumented payables consists of unpaid Calamity Assistance due to Typhoon Ulysses under the WAP amounting to P32,849,000.00. Application of OFWs for the said financial assistance including the submission of required documents was done online. There were qualified beneficiaries for the said program, however, there was a delay in the printing of approved application forms and late release of assistance due to the implementation of various OWWA programs responsive to COVID-19 pandemic. Since the start of the pandemic in the year 2020, the efforts of the RWO II were focused more on assisting OFWs who were repatriated due to the pandemic. Aside from the strict quarantine status implemented at the national/provincial/municipal/city level, transportation and movement from one locality to another became difficult, more so that a number of beneficiaries belong to the vulnerable age.</p> <p>Currently, management created a group to expedite printing of approved Calamity Assistance extracted from their online Calamity Assistance system and eventually, release of the financial assistance will be done in various municipalities at the soonest possible time. As of this date, management released calamity assistance amounting to P768,000.00 to 256 beneficiaries. OWWA RWO II held a meeting with the Focal Person of each Program, including the Family Welfare Officer in the Central Office, asking for their assistance concerning the AOMO.</p> <p>As to Other Long Outstanding Payables, the focal persons on various programs, including the support staff, committed to help management in ascertaining the payables in various programs such as BPBH, WAP, and Scholarship Programs.</p>											

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					From	To							
		<table><tr><td></td><td>After further verification, the management will effect necessary adjustments in the books to present fairly the balance of Accounts Payable. Further, management committed that obligations incurred will be duly recorded and founded on valid claims, in accordance with the provisions of PD No. 1445 and EO No. 87 dated August 13, 2019.</td></tr><tr><td>RWO XII</td><td>Management commented that accounts payable and other payables were all valid and legal claims with supporting documents and assured to comply with the recommendation.</td></tr></table> <p>Auditor's Rejoinder</p> <p>The AT in RWO II reiterated its previous recommendation that obligation must be duly recorded and founded on valid claims as enunciated under Section 2 of EO No. 87 stat that, "All accounts payable which are undocumented or not covered by perfected contracts on record, regardless of the year in which they were incurred, shall be reverted. The recording of undocumented accounts payable in the books of accounts of agencies shall be strictly prohibited. Since, the bulk of the recorded accounts payable in RWO II are undocumented, these must be reverted as directed under Section 2 of EO No. 87.</p>		After further verification, the management will effect necessary adjustments in the books to present fairly the balance of Accounts Payable. Further, management committed that obligations incurred will be duly recorded and founded on valid claims, in accordance with the provisions of PD No. 1445 and EO No. 87 dated August 13, 2019.	RWO XII	Management commented that accounts payable and other payables were all valid and legal claims with supporting documents and assured to comply with the recommendation.							
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RWO XII	Management commented that accounts payable and other payables were all valid and legal claims with supporting documents and assured to comply with the recommendation.												
31	INTER-AGENCY PAYABLES These applicable laws, rules and	We recommended and the concerned RWOs agreed to require the Accountant of the following											

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					From	To																
	<p>NGAs, Volume 1 states that the books of accounts and registries of the NG entities consist of:</p> <p>“a. xxx b. Ledgers 1. General Ledgers 2. Subsidiary Ledgers”</p> <p><i>Payables not supported with complete documentation</i></p> <p>In RWO CAR, the Inter-Agency Payables amounting to P17,831.62 could not be ascertained due to insufficient SL and records to support GL balance contrary to Section 12, Chapter 2 of the GAM for NGAs, Volume I. Breakdown presented next page:</p> <table><caption>Table 28: Detailed Inter-Agency Payable in RWO CAR</caption><tr><th>Account</th><th>Total</th></tr><tr><td>Due to GSIS</td><td>10,612.87</td></tr><tr><td>Due to Pag-IBIG</td><td>3,389.01</td></tr><tr><td>Due to PhilHealth</td><td>3,828.00</td></tr><tr><td>Due to NGAs</td><td>1.74</td></tr><tr><td>Total</td><td>17,831.62</td></tr></table> <p>In RWO II, review and analysis of the Inter-Agency Payable accounts, as of December 31, 2021 disclosed a total balance of P167,782.41, breakdown as follows:</p> <table><caption>Table 29: Detailed Inter-Agency Payable in RWO II</caption><tr><th>Account</th><th>Total</th></tr></table>	Account	Total	Due to GSIS	10,612.87	Due to Pag-IBIG	3,389.01	Due to PhilHealth	3,828.00	Due to NGAs	1.74	Total	17,831.62	Account	Total							
Account	Total																					
Due to GSIS	10,612.87																					
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	<table><tr><td>Due to BIR</td><td>127,084.88</td></tr><tr><td>Due to GSIS</td><td>3,123.71</td></tr><tr><td>Due to Pag-IBIG</td><td>100.00</td></tr><tr><td>Due to PhilHealth</td><td>350.60</td></tr><tr><td>Due to Other NGAs</td><td>37,123.22</td></tr><tr><td>Total</td><td>167,782.41</td></tr></table> <p>Based on the above table, audit revealed that out of 167,782.41, a total of P145,151.96 were non-moving balances from 2020. Details as follows:</p> <table><tr><td colspan="2">Table 30: Detailed Inter-Agency payable in RWO II</td></tr><tr><td>Account</td><td>Total</td></tr><tr><td>Due to GSIS</td><td>3,123.71</td></tr><tr><td>Due to Pag-IBIG</td><td>100.00</td></tr><tr><td>Due to PhilHealth</td><td>350.00</td></tr><tr><td>Due to Other NGAs (POEA)</td><td>37,123.22</td></tr><tr><td>Total</td><td>145,151.96</td></tr></table> <p>The non-settlement/non-remittance of these accounts exposed RWO II to unnecessary sanctions in the form of interest and penalties. Accordingly, these balances already existed in the books at the time of her assumption in August 2015. Moreover, verification of the accounts likewise disclosed that these were not provided with schedules which precluded the AT from ascertaining the accuracy and reliability thereof.</p> <p>In addition, in RWO XIII review of the Statement of Financial Position as at December 31, 2021 and prior years, disclosed that the Inter-Agency payables with an aggregate amount of P45,119.70,</p>	Due to BIR	127,084.88	Due to GSIS	3,123.71	Due to Pag-IBIG	100.00	Due to PhilHealth	350.60	Due to Other NGAs	37,123.22	Total	167,782.41	Table 30: Detailed Inter-Agency payable in RWO II		Account	Total	Due to GSIS	3,123.71	Due to Pag-IBIG	100.00	Due to PhilHealth	350.00	Due to Other NGAs (POEA)	37,123.22	Total	145,151.96							
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					From	To													
	<p>have been dormant for four to eight years. Moreover, these payables were not backed up with schedules and supporting documents.</p> <table><tr><th colspan="2">Table 31: Detailed Inter-Agency Payable in RWO XIII</th></tr><tr><th>Account</th><th>Total</th></tr><tr><td>Due to Pag-IBIG</td><td>13,237.20</td></tr><tr><td>Due to PhilHealth</td><td>1,882.50</td></tr><tr><td>Due to Other NGAs</td><td>30,000.00</td></tr><tr><td>Total</td><td>45,119.70</td></tr></table> <p>In 2017, OWWA adopted the centralized payroll system, thus the balance maintained by RWO XIII prior to the transition, should have been remitted to the respective agencies, returned to the employees, or adjusted, whichever is applicable. Also, the account “Due to NGAs” which was previously recorded under “Due to DOLE” account has no available information as to what specific program/project the fund was intended. This account has been dormant for more than eight years.</p> <p>Furthermore, in OWWA RWO IX, verification disclosed that balances of Inter-Agency Payables totaling P450,452.97 as pf December 31, 2021 could not be ascertained because the Accountant was unable to prepare and maintain the SLs. The Due to PhilHealth and Due to NGAs accounts were prior years balances which were carried forward</p>	Table 31: Detailed Inter-Agency Payable in RWO XIII		Account	Total	Due to Pag-IBIG	13,237.20	Due to PhilHealth	1,882.50	Due to Other NGAs	30,000.00	Total	45,119.70						
Table 31: Detailed Inter-Agency Payable in RWO XIII																			
Account	Total																		
Due to Pag-IBIG	13,237.20																		
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[illegible]

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	Description	Not included in the RCA as per Volume III of the GAM	This account is used to recognize the receipt of funds not covered by allotment from Central Office by Bureaus/Regional Offices/Operating Units of the same agency for the implementation of specific program or project and other intra-agency transactions. Debit this account for liquidation of funds received or settlement of liabilities.	the reports thereof; and <u>RWO XI</u> c. Prepare and submit separate financial statements for the GAA Fund and the OWWA Fund. The AT of RWOs VI, IX, and XI shall monitor the RWOs compliance.		RWO XI			Fully Implemented	<u>RWO XI</u> Starting January 2022 OWWA RWO XI has already prepared and submitted separate FS for the GAA Fund and the OWWA Fund.	
	Rule X, Section 48 of the OWWA Resolution No. 015 states that: “xxx. The OWWA Fund is a private fund held in trust by OWWA. Being a Trust Fund, no portion thereof or any of its income, dividends or earnings shall accrue to the general fund of the National Government. Neither shall any amount or portion thereof be conjoined with government money, nor revert to the National Government. In the same manner, <u>it is exempted from the “one fund doctrine”</u> of the government.” (Emphasis supplied) Unreconciled balance of Due to Central Office account per books and per confirmation In RWO VI, comparison of the Due to CO										

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	<p>account balance per books as of December 31, 2021 was P22,753,979.33 while the balance per CO confirmation was P61,821,817.40, thus a variance of P39,067,838.07.</p> <p>Upon inquiry, the RWO VI Accountant informed that the difference consists of entries recorded in the RWO VI books, but not taken up in the CO, specifically the balance amounting to P16,981,156.15 which was authorized for remittance to CO on November 18, 2021, corresponding to amounts for TRA that were downloaded to RWOs, but not remitted to the BIR.</p> <p>Further, RWO VI maintains that the Due to CO Account in the books as “Due to Home Office” contrary to Volume III of the GAM for NGAs.</p> <p>In RWO IX, comparison of the Due to Co account balance per books as of December 31, 2021 amounting to P10,887,862.51 and the balance per CO confirmation amounting to P25,031,905.38, resulted in variance of P14,144,042.87.</p> <p>The RWO IX Accountant was having difficulty in determining the details of said account, specifically the beginning balance</p>								

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	<p>because it was just taken from prior years' reports and there was no proper turnover of reports and documents upon assumption, thus preparation of the necessary reconciliation was difficult.</p> <p>In RWO XI, comparison of the Due to CO account balance per books as of December 31, 2021 amounting (P21,982,290.70) and the balance per CO confirmation amounting to P71,122,643.18, resulted in variance of P93,104,933.88.</p> <p>As per RWO XI Accountant, reconciliation of books between the CO and the RWO XI were never performed. The variances noted are considered as material in amount and immediate action should be performed by the OWWA Management on the matter. This requires a tedious scrutiny of prior years' transactions to be able to reconcile and eliminate the variance.</p> <p>Furthermore, RWO XI Accountant only prepared and submitted to the AT the Consolidated FSs which consists of the GAA Fund and the OWWA Fund. No separate FSs were prepared for each of the Funds. This practice is contrary to the above stated Section 48 of OWWA Resolution No. 015.</p>								

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33	<p>Dormant Accounts</p> <p>Section 2 of PD No. 1445 states that <i>“It is the declared policy of the State that all resources of the government shall managed, expended or utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with a view to ensuring efficiency, economy and effectiveness in the operations of government. The responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government concerned.” (Emphasis supplied)</i></p> <p>Audit of FSs accounts revealed dormant account balance of P623,902,163.47 for CY 2021 casted doubt on the accuracy, reliability of the accounts and other affected accounts. Details are as follows:</p> <p>Table 33: Summary of Other Accounting Deficiencies; Dormant Accounts</p> <table><tr><th>Account s</th><th>Office / RWOs</th><th>Observation</th><th>Amount (in Php)</th><th>Standard</th></tr><tr><td colspan="5">Dormant Accounts</td></tr><tr><td>CIB</td><td>CAR</td><td>h.1 Maintenance of Dormant and unnecessary bank account</td><td>307,520.14</td><td>COA Circular No. 97-001 dated February 5, 1997</td></tr><tr><td>Loans Receivables</td><td>CO</td><td>h.2 Dormant and non-moving Loans</td><td>91,028,008.95</td><td>COA Circular No. 2016-005 dated December 19, 2016; COA</td></tr><tr><td></td><td>NCR</td><td>Receivable</td><td>88,492,599.77</td><td></td></tr><tr><td></td><td>II</td><td>accounts</td><td>17,410,128.68</td><td></td></tr><tr><td></td><td>III</td><td>which</td><td>103,031,149.67</td><td></td></tr><tr><td></td><td>IV-B</td><td>remained</td><td>10,766,059.16</td><td></td></tr></table>	Account s	Office / RWOs	Observation	Amount (in Php)	Standard	Dormant Accounts					CIB	CAR	h.1 Maintenance of Dormant and unnecessary bank account	307,520.14	COA Circular No. 97-001 dated February 5, 1997	Loans Receivables	CO	h.2 Dormant and non-moving Loans	91,028,008.95	COA Circular No. 2016-005 dated December 19, 2016; COA		NCR	Receivable	88,492,599.77			II	accounts	17,410,128.68			III	which	103,031,149.67			IV-B	remained	10,766,059.16		<p>It was recommended and Management agreed to close the dormant accounts and transfer the current balances to the CO.</p>		<p>Central Office</p>		Dec 2022	On-going	<p><u>Central Office</u></p> <p>The AD is currently doing review and analysis and will prepare necessary adjustments once done.</p>	
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				<p>RWO NCR</p>			On-going	<p><u>RWO NCR</u></p> <p>The Management is on the process of closing dormant accounts.</p>																																									
				<p>RWO III</p>			On-going	<p><u>RWO III</u></p> <p>The Management will secure/prepare the necessary supporting documents for the closing of dormant accounts in the region.</p>																																									
				<p>RWO V</p>			On-going	<p><u>RWO V</u></p> <p>The Management cannot close the dormant accounts since some borrowers are still amenable to pay after our office sent them the Final Demand Letters last 2021. The request to</p>																																									

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	<table><tr><td></td><td>V</td><td>outstanding</td><td>20,090,223.47</td><td rowspan="4">Circular No. 97-001 dated February 05, 1997</td></tr><tr><td></td><td>VI</td><td>for over two</td><td>13,252,102.91</td></tr><tr><td></td><td>IX</td><td>years to more</td><td>11,032,029.48</td></tr><tr><td></td><td>XIII</td><td>than 30 years</td><td>5,196,416.24</td></tr><tr><td>Inter-Agency receivables</td><td rowspan="3">CO</td><td>h.3 Dormant Inter-Agency receivable</td><td>110,459,092.25</td><td rowspan="3">COA Circular No. 2016-005 dated December 9, 2016</td></tr><tr><td>Other Receivables</td><td>h.4 Dormant Other Receivables</td><td>115,582,613.56</td></tr><tr><td>Advances</td><td>h.5 Dormant Advances accounts</td><td>37,254,219.19</td></tr><tr><td>Total</td><td></td><td></td><td>623,902,163.47</td><td></td></tr></table> <p>Details of the observations/deficiencies noted in formant accounts are discussed, as follows:</p> <p><i>Maintenance of Dormant and unnecessary bank account</i></p> <p>It was observed that dormant bank accounts in RWO CAR were still maintained, with the total amount of P307,520.14 as of May 31, 2021, broken down as follows:</p> <table><tr><th colspan="3">Table 34: Summary of unnecessary bank account</th></tr><tr><th>Particulars</th><th>Account Numbers</th><th>Amount (in Php)</th></tr><tr><td>Calamity Loan Program (CLP)</td><td>LBp Baguio 0222-0228-27</td><td>46,150.00</td></tr><tr><td>Expanded Livelihood Development Program (ELDP)</td><td>LBP Baguio 0222-0080-85</td><td>58,151.50</td></tr><tr><td>Filipino Expatriate Livelihood Support Fund (FELSF)</td><td>LBP Baguio 0222-0226-22</td><td>137,514.04</td></tr><tr><td>National Reintegration</td><td>LBP Baguio 0222-0231-65</td><td>30,704.6</td></tr></table>		V	outstanding	20,090,223.47	Circular No. 97-001 dated February 05, 1997		VI	for over two	13,252,102.91		IX	years to more	11,032,029.48		XIII	than 30 years	5,196,416.24	Inter-Agency receivables	CO	h.3 Dormant Inter-Agency receivable	110,459,092.25	COA Circular No. 2016-005 dated December 9, 2016	Other Receivables	h.4 Dormant Other Receivables	115,582,613.56	Advances	h.5 Dormant Advances accounts	37,254,219.19	Total			623,902,163.47		Table 34: Summary of unnecessary bank account			Particulars	Account Numbers	Amount (in Php)	Calamity Loan Program (CLP)	LBp Baguio 0222-0228-27	46,150.00	Expanded Livelihood Development Program (ELDP)	LBP Baguio 0222-0080-85	58,151.50	Filipino Expatriate Livelihood Support Fund (FELSF)	LBP Baguio 0222-0226-22	137,514.04	National Reintegration	LBP Baguio 0222-0231-65	30,704.6							write-off the accounts of some eligible borrowers who have no means of paying their dues are already on process.
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							From				To
	Center for OFW (NRCO)										
	Emergency Assistance Fund (EAF)	LBP Baguio 0222-0231-81	35,000.00								
	Total		307,520.14								
	These dormant accounts, as stated above, pertain to the loan assistance to OWWA members such as the CLP, ELDP, FELSF, and projects like the NRCO and EAF which are all sourced from the OWWA Fund. The Agency did not continue funding the said loans and programs at present. Increases and/or decreases in the balances pertain to the deposit of loans collected, remittance of collections to the CO, and the interest earned from the bank. Maintenance of these accounts in the RWO CAR resulted in idle funds that could have been utilized for other project as deemed appropriate by the Board of Trustees for the benefit of OWWA members and their beneficiaries.										
34	Dormant and non-moving Loans Receivable accounts which remained outstanding for over two years to more than 30 years The OWWA extended nine regular loans, six other types of loans to members OFWs and their beneficiaries. The type, purpose and nature and the enabling law/MOI are			It was recommended and Management agreed to: a. Intensify its collection efforts		Central					Central Office

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		overseas job markets.		NCR	Management commented that the recommendations will be complied with and the issuances of demand letters are ongoing. With regard to the MMG and SOL case, management stated that this matter cannot be resolved at regional level therefore coordination with CO is needed. Further, Management will request for authority to write-off long standing loans receivables.		RWO V			Fully Implemented		Reply to COA AOM dated 31 March 2022 re: FELSF and GROCERIA Project was submitted. <u>RWO V</u> The Management already requested to write-off the uncollectible dormant accounts. <u>RWO IX</u> The Management intends to verify the status of the debtors, whether they are deceased or still alive, and to those who are, a demand letter will be sent for compliance.
	4. Educational Loan-Marine Radio Officers (MROs)	It is an interest-free monetary assistance extended to displace Radio Operators who wish to take up a course leading to Bachelors of Science in Marine Transportation (BSMT). The end goal of the assistance is to re-tool and upgrade the skills of the MROs in order to continue their career and employment as seafarers.	MOI No. 003, s. 1999	III	The Management commented that they will send a demand letter and evaluate collectively all receivables and evaluate possibility of writing-off, if needed. They will conduct inventory and reconciliation of titles/collaterals within the first semester.							
				IV-B	The Management commented that they are waiting for the instructions from the CO regarding the filing of request for write-off of long overdue loans because this AOM is common to all RWOs. The CO had conducted meetings to address this problem and RWO IV-B is just waiting for their decision whether the RWOs can go ahead and request for write-off at the regional level or the CO will do a one-time request for write-off which will cover the long overdue loans of all RWOs.				Dec 2022	Fully Implemented		
	5. Emergency Family Assistance Loan (EFAL)	It is a financial assistance to all OCWs evacuees from Kuwait to Iraq. It is a measure intended to provide overseas contract to workers (evacuees) immediate cash to pay off immediate family expenses thereby relieving them of momentary financial worries and/or crisis that have befallen them.	MOI No. 093, s. 1990	V	The Accountant made an adjusting entry with JEV No.: 2022-04-040. 04/08/2022 The Management stated that there was no proper turn-over of the necessary documents hence as per recommendation, the Management will re-assess the recoverable amount of the loan's receivable right after the Holy Week. The steps are as follows: a. The Management will conduct a search operation of the documents relative to the loans issued; b. If not found, the Management will try to look for addresses such as those found in the Titles available in the record; and c. Other procedures will follow.				Jan 2022	On-going		
	6. OWWA-UNICEF Assistance Program	Educational and training program assistance for Gulf returned and their dependents under OWWA-UNICEF Joint Project	MOI No. 115, s. 1991	IX	Management committed during the exit conference that they will comply with the recommendations.							
	7. Special Family Assistance Loan	This assistance was extended to the family of all POEA processed OCWs who are still in Kuwait and Iraq	MOI No. 094, s. 1990	XIII	The Management commented that they will prepare demand letters for all loan borrowers and after thorough monitoring of the accounts, they will file a request for write-off for qualified accounts.							
				Auditor's Rejoinder: During the Exit Conference, the AT recommended that RWO NCR Management coordinate with the CO to resolve the issue with regard								

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		provided the OCW has no outstanding loan to his name.		to the contingent nature of the loans granted to OFWs involved with the MMG and SOL case, and to determine the proper classification of said contingent loans receivables. Also, the AT reminded the Management for the disclosure of said issue on the NFSs, pursuant to Section 30, Chapter 19 of the GAM for NGAs, Volume I.							
	8. Gulf-War Assistance Loan	This special loan shall be extended to evacuees who have not availed of any OWWA Emergency Loan program and are in deep financial distress due to hospitalization or serious illness, maternity needs and death of immediate family members. Covered by the welfare assistance to OCWs who were evacuated from Kuwait/Iraq during the Gulf Crisis.	MOI No. 107, s. 1992								
	9. Pre-Departure Loan for Mt. Pinatubo	The credit assistance program is aimed at providing financial assistance to displaced workers in Region III who were affected by the eruptions of Mt. Pinatubo desiring to work overseas. The financial assistance is primarily intended to defray the workers placement fee, pre-qualification and documentary expenses prior to deployment for work abroad.									
	LIVELIHOOD LOANS										
	1. Re-Entry Program for OCW's thru Entrepreneurship Mediation (REPROEM)	Services under REPROEM included technical assistance, education and skills training, and a	MOI No. 075. S. 1989								

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		credit facility. Aside from the conduct of entrepreneurship appreciation and project management training, assistance in the preparation of project feasibility studies were also offered under the program.									
	2. Expanded Livelihood Fund (ELF)	The FUND shall refer to the P20M revolving fund appropriated pursuant to Board Resolution No. 101, s. 1990, dated August 22, 1990. The P20M Fund shall cover the following items, to wit: 1. Bridge Fund for NLSF Loan (P3M) 2. Loan Fund for Non-Collateralized Window (P1.4M) 3. Seed Fund for Small & Microenterprise Financing Scheme (P15.6)	MOI No. 099, s. 1990								
	3. Livelihood Development Program for OFWs (LDPO)	The LDPO shall be the agency's continuing [program in livelihood development. It replaces the ELDP and such as the resources and the established system of the same shall be employed in pursuit of the LDPO's objectives: (1) to aid in the development of alternative sources	MOI No. 002, s. 2000								

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		of livelihood for the unemployed and displaced OFWs and their beneficiaries; (2) to assist in the development of income-generating projects (IGPs) with the end-view of augmenting the incomes of gainfully-employed OFWs and their beneficiaries; (3) to provide opportunities and establish means where the economic gains achieved by OFWs and their beneficiaries from working abroad may be invested productively for their own benefit; and (4) to provide the social preparation, technical assistance and other support services necessary to attain the preceding objectives.									
	4. Non-Collateral Loan	The non-collateralized loan window shall be available to individual projects which shall require additional capital of P5,000.00 and below and group loans of a P50,000.00 loan ceiling.	MOI No. 099, s. 1990								
	5. Re-entry Loan for Displaced Workers	The credit window is exclusively open to OFWs who have been displaced or had been caused to	MOI No. 011, s. 2000								

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		prematurely return home due to any of the following reasons: 91) natural calamities in their countries of employment; (2) man-made calamities in their countries of employment; (3) contract violations by agencies or employers and other employment-related factors; (4) serious illness of workers that would constrain them to voluntarily terminate their employment overseas or serious illnesses of beneficiaries who are totally dependent on the workers that would similarly result in the returning home of workers ahead of time; and (5) industry regulations or restriction on trades or skills that would cause employment disruptions for the workers.									
	6. Conduit Loan	The program shall provide credit assistance to micro and small-scale enterprises, and impact projects, whether individual or group projects of the target clientele.	MOI No. 138, s. 1991								
	The details granted to OFWs and their beneficiaries are as follows:										

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	<table><tr><th>Type of Loan</th><th>Purpose and Nature of Loan</th><th>Enabling Law / OWWA MOI</th></tr><tr><td>1. Filipino Expatriate Livelihood Support Fund (FELSF)</td><td>For displaced OFWs due to global economic crisis. This is a non-collateral loan in the maximum amount of P50,000.00 per borrower, with an interest of five percent per annum, payable in 24 months, with 90 days grace period.</td><td>MOI No. 001, s. 2009 dated 12 January 2009</td></tr><tr><td>2. Calamity Loan Program (CLP)</td><td>For OFWs and family member affected by the calamities that struck the NCR, Region III and Region IV-A in 2009. The maximum loan amount is P10,000, non-interest and payable within 24 months with 120 days grace period.</td><td>MOI No. 008, s. 2009 dated 29 September 2009</td></tr><tr><td>3. Special Loan</td><td>Intended to 22 OFWs who were displaced from their jobs in the United Arab Emirates. It is a non0interest loan of P8,000 each, payable in full or in four installments, six months after its release.</td><td>MOI No. 004, s. 2009 dated 13 may 2009</td></tr><tr><td>4. Special Loan Assistance program for Mohammad Al Mojil Group OFWs (SLAP-MMG-OFWs)</td><td>A non-interest-bearing loan exclusively for MMG OFWs who have unpaid salaries and end of service benefits when the company retrenched, provided that the name of the OFW and his claim is included in the Department of Foreign Affairs (DFA) certification. Each OFW can avail of a loan of P50,000 or ten percent of his verified money claim</td><td>MOI No. 24, s. 2017 dated 29 September 2017</td></tr></table>	Type of Loan	Purpose and Nature of Loan	Enabling Law / OWWA MOI	1. Filipino Expatriate Livelihood Support Fund (FELSF)	For displaced OFWs due to global economic crisis. This is a non-collateral loan in the maximum amount of P50,000.00 per borrower, with an interest of five percent per annum, payable in 24 months, with 90 days grace period.	MOI No. 001, s. 2009 dated 12 January 2009	2. Calamity Loan Program (CLP)	For OFWs and family member affected by the calamities that struck the NCR, Region III and Region IV-A in 2009. The maximum loan amount is P10,000, non-interest and payable within 24 months with 120 days grace period.	MOI No. 008, s. 2009 dated 29 September 2009	3. Special Loan	Intended to 22 OFWs who were displaced from their jobs in the United Arab Emirates. It is a non0interest loan of P8,000 each, payable in full or in four installments, six months after its release.	MOI No. 004, s. 2009 dated 13 may 2009	4. Special Loan Assistance program for Mohammad Al Mojil Group OFWs (SLAP-MMG-OFWs)	A non-interest-bearing loan exclusively for MMG OFWs who have unpaid salaries and end of service benefits when the company retrenched, provided that the name of the OFW and his claim is included in the Department of Foreign Affairs (DFA) certification. Each OFW can avail of a loan of P50,000 or ten percent of his verified money claim	MOI No. 24, s. 2017 dated 29 September 2017							
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2. Calamity Loan Program (CLP)	For OFWs and family member affected by the calamities that struck the NCR, Region III and Region IV-A in 2009. The maximum loan amount is P10,000, non-interest and payable within 24 months with 120 days grace period.	MOI No. 008, s. 2009 dated 29 September 2009																					
3. Special Loan	Intended to 22 OFWs who were displaced from their jobs in the United Arab Emirates. It is a non0interest loan of P8,000 each, payable in full or in four installments, six months after its release.	MOI No. 004, s. 2009 dated 13 may 2009																					
4. Special Loan Assistance program for Mohammad Al Mojil Group OFWs (SLAP-MMG-OFWs)	A non-interest-bearing loan exclusively for MMG OFWs who have unpaid salaries and end of service benefits when the company retrenched, provided that the name of the OFW and his claim is included in the Department of Foreign Affairs (DFA) certification. Each OFW can avail of a loan of P50,000 or ten percent of his verified money claim	MOI No. 24, s. 2017 dated 29 September 2017																					

Ref	Audit Observations			Audit Recommendation	Agency Action Plan			Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken	
					Action Plan	Person / Dept. Responsible	Target Implementation Date				
							From				To
		whichever is higher, while waiting for the resolution of the case by the Saudi Arabia Labor Court. The OWWA shall be assisted by the DFA in the collection of loan repayments.									
	5. Special Financial Loan Assistance Program for Saudi Oger, Ltd. – OFWs (SLAP-SOL-OFWs)	A non-interest-bearing loan exclusively for SOL-OFWs who have unpaid salaries and end of service benefits when the company retrenched, provided that the name of the OFW and his claim is included in the DFA certification. Each OFW can avail of a loan of P50,000 or ten percent of his verified money claim whichever is higher, while waiting for the resolution of the case by the Saudi Arabia Labor Court. The OWWA shall be assisted by the DFA in the collection of loan repayments.	MOI No. 031. S 2017 dated 15 December 2017								
	6. Helping the Economy Recover Thru OFW Enterprise Start-ups (HEROES) Program	It aimed at helping repatriated OFWs rebuild their lives by providing opportunity to become entrepreneurs. Loan proceeds should strictly be used for working capital to start and sustain the business operations. OFWs may borrow a minimum of P10,000.00 to maximum of P100,000.00 free of interest and collateral. A service fee of 6 percent will be charged to loans with 24 months payment	Not indicated								

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	Audit of Loans Receivable account revealed that a total of P360,298,718.33 remained dormant and/or non-moving for over one to more than 30 years, details shown as follows:																																																																																																									
	<table><tr><th colspan="4">Table 35: Details of Dormant Loans receivables</th></tr><tr><th>Office / RWOs</th><th>Loan Granted</th><th>Amount of Loans Receivable (in Php)</th><th>Outstanding for:</th></tr><tr><td rowspan="2">CO</td><td>Regular Loans</td><td>37,316,659.04</td><td>Over ten to more than 30 years</td></tr><tr><td>Livelihood Loans</td><td>53,711,349.91</td><td>Over ten to more than 30 years</td></tr><tr><td rowspan="6">NCR</td><td>Groceria</td><td>2,312,302.93</td><td>Over five years</td></tr><tr><td>FELSF</td><td>28,955,827.35</td><td>Over three years</td></tr><tr><td>CLP</td><td>37,025,363.40</td><td>Over three years</td></tr><tr><td>Special Loan</td><td>126,500.00</td><td>Over five years</td></tr><tr><td>SLAP-MMG-OFWs</td><td>4,289,061.17</td><td>Over three years</td></tr><tr><td>SLAP-SOL-OFWs</td><td>15,783,544.82</td><td>Over three years</td></tr><tr><td>II</td><td>FELSF</td><td>10,863,959.38</td><td>Over 25 years</td></tr><tr><td></td><td>IRPO – Non-Collateralized</td><td>597,056.42</td><td>Over 25 years</td></tr><tr><td></td><td>IRPO – Collateralized</td><td>4,232,278.41</td><td>Over 25 years</td></tr><tr><td></td><td>Groceria</td><td>678,582.10</td><td>Over 25 years</td></tr><tr><td></td><td>Calamity</td><td>1,038,252.37</td><td>Over 25 years</td></tr><tr><td rowspan="10">III</td><td>Regular Loan</td><td>192,069.20</td><td>Over ten years</td></tr><tr><td>Livelihood Loan</td><td>5,425,527.93</td><td>Over ten years</td></tr><tr><td>Non-collateral Loan</td><td>367,404.34</td><td>Over ten years</td></tr><tr><td>Groceria</td><td>2,910,154.22</td><td>Over ten years</td></tr><tr><td>FELSF</td><td>23,495,406.85</td><td>Over ten years</td></tr><tr><td>Calamity</td><td>5,678,494.17</td><td>Over ten years</td></tr><tr><td>Special Financial Loan Assistance for Mohammad Al Mojil Group (MMG)</td><td>18,206,521.75</td><td>Over ten years</td></tr><tr><td>Special Financial Loan Assistance for Saudi Oger Limited (SOL)</td><td>46,755,571.21</td><td>Over ten years</td></tr><tr><td rowspan="4">IV-B</td><td>Groceria</td><td>474,585.02</td><td>Over ten years</td></tr><tr><td>FELSF</td><td>8,170,972.45</td><td>Over ten years</td></tr><tr><td>SLAP-MMG-OFWs</td><td>1,060,093.63</td><td>Over one to ten years</td></tr><tr><td>SLAP-OGER-OFWs</td><td>1,060,408.06</td><td>Over one to ten years</td></tr><tr><td>V</td><td>Regular Loan</td><td>3,627,565.97</td><td>Over 14 to 31 years</td></tr></table>			Table 35: Details of Dormant Loans receivables				Office / RWOs	Loan Granted	Amount of Loans Receivable (in Php)	Outstanding for:	CO	Regular Loans	37,316,659.04	Over ten to more than 30 years	Livelihood Loans	53,711,349.91	Over ten to more than 30 years	NCR	Groceria	2,312,302.93	Over five years	FELSF	28,955,827.35	Over three years	CLP	37,025,363.40	Over three years	Special Loan	126,500.00	Over five years	SLAP-MMG-OFWs	4,289,061.17	Over three years	SLAP-SOL-OFWs	15,783,544.82	Over three years	II	FELSF	10,863,959.38	Over 25 years		IRPO – Non-Collateralized	597,056.42	Over 25 years		IRPO – Collateralized	4,232,278.41	Over 25 years		Groceria	678,582.10	Over 25 years		Calamity	1,038,252.37	Over 25 years	III	Regular Loan	192,069.20	Over ten years	Livelihood Loan	5,425,527.93	Over ten years	Non-collateral Loan	367,404.34	Over ten years	Groceria	2,910,154.22	Over ten years	FELSF	23,495,406.85	Over ten years	Calamity	5,678,494.17	Over ten years	Special Financial Loan Assistance for Mohammad Al Mojil Group (MMG)	18,206,521.75	Over ten years	Special Financial Loan Assistance for Saudi Oger Limited (SOL)	46,755,571.21	Over ten years	IV-B	Groceria	474,585.02	Over ten years	FELSF	8,170,972.45	Over ten years	SLAP-MMG-OFWs	1,060,093.63	Over one to ten years	SLAP-OGER-OFWs	1,060,408.06	Over one to ten years	V	Regular Loan	3,627,565.97	Over 14 to 31 years							
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						Action Plan	Person / Dept. Responsible	Target Implementation Date				
								From				To
		FELSF	12,918,032.00	Over ten to 11 years								
		SFLAP-MMG	1,023,848.13	Over two to three years								
		SFLAP-SOL	2,520,777.37	Over one to three years								
	VI	FELSF	11,067,519.94	Over 4 years								
		Groceria Project	809,587.58	Over 4 years								
		ELF-LDPO	648,965.13	Over 4 years								
		Expanded Livelihood Fund	272,150.93	Over 4 years								
		Livelihood Development Program for OFWs	244,402.45	Over 4 years								
		Expanded Development and Loan Program – Collateralized Loan Program – Family Assistance Loan	135,837.85	Over 4 years								
		Integrated Return Program for OCWs	73,639.03	Over 4 years								
	IX	FELSF Loan	4,654,171.11	Over ten to 20 years								
		Groceria	1,426,331.84	Over ten to 20 years								
		Small Ent.	2,239,876.72	Over 20 years								
		IPRO Loan	228,665.3	Over 20 years								
		LDPO Loan	1,551,491.24	Over ten to 20 years								
		LDPO Loan	298,410.75	Over 20 years								
		LDPO Loan	526,482.29	Over 20 years								
		Family	106,600.00	Over 20 years								
	XIII	Groceria	6,399,203.86	Over 14 years								
		FELSF	5,196,416.24	Over 11 years								
		Total	360,298,718.33									
	Analysis disclosed that the very minimal collection of loans receivable was due to lack of pertinent information/data necessary such as address, in sending demand letters to the debtor-beneficiaries.											
35	Dormant Inter-Agency Receivable – P110,459,092.25				It was recommended and Management of CO agreed to initiate the request for the write-off on the inter0agency and other receivables that remained non-		FMS / Accounting Division			On-going		The Management is reviewing and analyzing the various accounts and make the necessary adjustment needed and will gather documentary
	Transfers made by the OWWA CO to various agencies aggregating P117,850,513.22 as of December 31, 2021 for the implementation of its several programs, such as: construction of hospital											

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																											
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					From	To																														
	<p>with wing reserved to OFWs and their families, conduct trainings and seminars, and reintegration program, etc. Out of total transferred funds, the amount P7,391,420.97 aged from over one year to ten years, whereas the amount of P110,459,092.25 remained dormant for more than ten years. Details are as follows:</p> <table><caption>Table 36: Details of Dormant Inter-Agency Receivables</caption><tr><th rowspan="2">Account</th><th rowspan="2">Outstanding balance</th><th colspan="3">Prior Years</th></tr><tr><th>Over 1-5 years</th><th>6-10 years</th><th>Over 10 years</th></tr><tr><td>Due from NGAs</td><td>77,980,894.45</td><td>-</td><td>94,243.75</td><td>77,886,650.70</td></tr><tr><td>Due from LGUs</td><td>31,500,000.00</td><td>-</td><td>-</td><td>31,500,000.00</td></tr><tr><td>DUE from GOCCs</td><td>8,369,618.77</td><td>7,297,177.22</td><td>-</td><td>1,072,441.55</td></tr><tr><td>Total Balance</td><td>117,850,513.22</td><td>7,297,177.22</td><td>94,243.75</td><td>110,459,092.25</td></tr></table> <p>This may be attributable to the laxity of the Management in requiring and/or monitoring the submission of required reports, such as but not limited to LRs and Report on the Utilization of Funds, from the respective IAs. Accordingly, the Management made follow-ups and sent demand letters in the previous years for these overdue accounts; however, it appears that these were not sufficient to address the deficiencies noted rendering the collectability of these receivables doubtful.</p>	Account	Outstanding balance	Prior Years			Over 1-5 years	6-10 years	Over 10 years	Due from NGAs	77,980,894.45	-	94,243.75	77,886,650.70	Due from LGUs	31,500,000.00	-	-	31,500,000.00	DUE from GOCCs	8,369,618.77	7,297,177.22	-	1,072,441.55	Total Balance	117,850,513.22	7,297,177.22	94,243.75	110,459,092.25	<p>moving for ten years or more in the books pursuant to COA Circular No. 2016-005 dated December 9, 2016, duly supported with the required documents.</p> <p>Management commented that they will continuously review and analyze the various accounts and make the necessary adjustment needed and would gather documentary requirements needed for the request for write-off as required by COA Circular No. 2016-005.</p>						requirement needed for the request for write-off.
Account	Outstanding balance			Prior Years																																
		Over 1-5 years	6-10 years	Over 10 years																																
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36	Dormant Other Receivables – P115,582,613.56																																			

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																															
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	<p>As of December 31, 2021, the Other receivables account in CO showed that out of the P251,981,927.15, a total of P115,582,613.56 or 45.87 percent were dormant and remained outstanding for more than ten years. Details are presented as follows:</p> <table><caption>Table 37: Details of Dormant Other Receivables</caption><tr><th rowspan="2">Particulars</th><th colspan="4">Aging</th><th rowspan="2">Total</th></tr><tr><th>Below 1 year</th><th>1 year to 4 years</th><th>More than 4 years</th><th>More than 10 years</th></tr><tr><td></td><td colspan="5">(in Php)</td></tr><tr><td>Other Receivables</td><td>3,689,300.00</td><td>-</td><td>80,394,457.26*</td><td>8,728,876.95</td><td>92,812,634.21</td></tr><tr><td>Other Receivables – employment Agencies</td><td>-</td><td>7,589,979.33</td><td>44,199,590.74*</td><td>106,853,736.62</td><td>158,643,306.69</td></tr><tr><td>Other Receivables – Service Provider (SP) for OWWA Rebate Program</td><td></td><td>245,986.25</td><td></td><td></td><td>245,986.25</td></tr><tr><td>Other receivables – SP for DOLE OWWA-AKAP</td><td></td><td>280,000.00</td><td></td><td></td><td>280,000.00</td></tr><tr><td>Total</td><td>3,689,300.00</td><td>8,115,965.58</td><td>124,5947,048.00</td><td>115,582,613.57</td><td>251,891,927.15</td></tr></table> <p><i>*Included in the amounts are undated receivables without any details as to purpose</i></p> <p>The P3,689,300.00 balance of the Other Receivable aged below one year pertains to the overpayments made for the hotel accommodation and transportation of quarantined OFWs in CY 2020. The said overpayments, which were communicated thru Audit Query No. 2021-001 dated September 1, 2021, were already settled in CY 2022. While the details of P80,394,457.26 and P8,729,879.95 or a</p>	Particulars	Aging				Total	Below 1 year	1 year to 4 years	More than 4 years	More than 10 years		(in Php)					Other Receivables	3,689,300.00	-	80,394,457.26*	8,728,876.95	92,812,634.21	Other Receivables – employment Agencies	-	7,589,979.33	44,199,590.74*	106,853,736.62	158,643,306.69	Other Receivables – Service Provider (SP) for OWWA Rebate Program		245,986.25			245,986.25	Other receivables – SP for DOLE OWWA-AKAP		280,000.00			280,000.00	Total	3,689,300.00	8,115,965.58	124,5947,048.00	115,582,613.57	251,891,927.15	<p>It was recommended and the Management of CO agreed to file a request for write-off, together with the supporting documents as required in Item 8.3 of COA Circular No. 2016-005, for the P115,582,613.57 dormant and long-outstanding Other Receivables which are deemed uncollectible aged more than ten years.</p> <p>Management commented that the AD is continuously reconciling the outstanding Receivables and preparing journal entries for adjustments if necessary and sending demand letters to identified debtors for the immediate collection. As recommended, they are gathering documentary requirements needed for the request to write-off of the dormant accounts pursuant to COA Circular No. 2016-005.</p>			FMS / Accounting Division		Dec 2022	On-going		<p>The AD is continuously reconciling the outstanding Receivables, sending demand letters to identified debtors for the immediate collection and gathering of documentary requirement needed for the request to write-off of the dormant accounts pursuant to COA Circular No. 2016-005.</p>
Particulars	Aging				Total																																																			
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					From	To																																	
	<p>total of P89,123,334.21 are as follows:</p> <table><tr><th colspan="3">Table 38: Summary of Overpayments to Hotels</th></tr><tr><th>Name of Recipient</th><th>Amount (in Php)</th><th>Remarks</th></tr><tr><td>Manning Agencies</td><td>941,087.20</td><td rowspan="7">No specific purpose and grant provide schedule.</td></tr><tr><td>Recruitment/Deploying Agencies</td><td>2,397,148.22</td></tr><tr><td>Travel Agencies</td><td>11,386,917.00</td></tr><tr><td>Other Agencies / Creditors</td><td>27,149,356.17</td></tr><tr><td>Reclassified Account – Trust Liabilities</td><td>37,300,381.39</td></tr><tr><td>Congressional Migrants Workers Fund</td><td>253,982.24</td></tr><tr><td>Insurance Benefits Programs</td><td>965,585.03</td></tr><tr><td>OWWA Medicare</td><td>4,411,112.51</td><td rowspan="2">Outstanding since 2007. No specific purpose and grant provide the schedule.</td></tr><tr><td>Department of Labor and Employment</td><td>4,317,764.44</td></tr><tr><td>Partner Hotel for accommodation of the quarantined OFWs</td><td>0.01</td><td>No specific purpose and grant provide schedule.</td></tr><tr><td>Total</td><td>89,123,334.21</td><td></td></tr></table> <p>Also, inquiry with the AD revealed that the Other Receivables – Employment Agencies totaling P158,643,306.69 are expenses for the plane tickets of returning OFWs which should be shouldered by the Employment Agencies, but were paid by the OWWA. Moreover, out of the P1589,643,306.69, a total of P106,853,736.62 are receivables from agencies that are outstanding for more than ten years and is already considered as dormant, hence, should be subject for filing for a request for write-off.</p> <p>Furthermore, the Other Receivables – SP</p>	Table 38: Summary of Overpayments to Hotels			Name of Recipient	Amount (in Php)	Remarks	Manning Agencies	941,087.20	No specific purpose and grant provide schedule.	Recruitment/Deploying Agencies	2,397,148.22	Travel Agencies	11,386,917.00	Other Agencies / Creditors	27,149,356.17	Reclassified Account – Trust Liabilities	37,300,381.39	Congressional Migrants Workers Fund	253,982.24	Insurance Benefits Programs	965,585.03	OWWA Medicare	4,411,112.51	Outstanding since 2007. No specific purpose and grant provide the schedule.	Department of Labor and Employment	4,317,764.44	Partner Hotel for accommodation of the quarantined OFWs	0.01	No specific purpose and grant provide schedule.	Total	89,123,334.21							
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			Action Plan	Person / Dept. Responsible	Target Implementation Date														
					From	To													
	<p>for the rebates and DOLE OWWA-AKAP were transferred in CY 2020 for the Rebate Program and DOLE OWWA-AKAP Program implementation. AOM NO. 2022-05(2021) dated February 8, 2022 was issued on the unclaimed amount still in the possession of SP for the DOLE OWWA-AKAP Program.</p> <p>Through the Management provided an Allowance for Impairment on uncollectible Other Receivables for the fair presentation of the said account, nevertheless, Management should file for a request for write-off in order to clean the books of accounts of dormant receivable.</p>																		
37	<p><i>Dormant Advances accounts – P37,254,219.19</i></p> <p>Aging Schedule of UCAs to SDO and OE in CO showed that the amount of P299,323,429.06 or 75.55 percent pertains to CAs granted during the year but remained outstanding for less than 90 to 365 days, whereas the amount of P96,883,122.52 or 24.45 percent refers to CAs granted in the PYs which has been due for over one year to more than ten years. Details are shown below:</p> <table><tr><th colspan="5">Table 39: Details of Dormant Advances Accounts</th></tr><tr><th>Age of CA</th><th>Advances to SDO</th><th>Advances to OE</th><th>Total</th><th>Percentage (%)</th></tr></table>	Table 39: Details of Dormant Advances Accounts					Age of CA	Advances to SDO	Advances to OE	Total	Percentage (%)	<p>It was recommended and Management agreed to exert effort to document, review and analyze the long outstanding/dormant CAs and submit a request for write-off pursuant to COA Circular No. 2016-005 dated December 9, 2016.</p> <p>Management Comment:</p> <p>During the OWWA CO Exit Conference, the Management</p>		FMS / Accounting Division		Dec 2022	On-going		The AD is currently doing review and analysis and will prepare necessary adjustments once done.
Table 39: Details of Dormant Advances Accounts																			
Age of CA	Advances to SDO	Advances to OE	Total	Percentage (%)															

Ref	Audit Observations						Audit Recommendation						Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																				
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			(in Php)				informed that a request for write-off will be submitted to COA. The AD is in the process of gathering documents to support the said request for qrite-off.																																
	CY																																						
	Less than 90 Days		96,218,300.58	1,142,052.36	97,360,352.94	24.57																																	
	91-365 days		201,963,076.12	-	201,963,076.12	50.98																																	
	Total CY		298,181,376.70	1,142,052.36	299,323,429.06	75.55																																	
	PYs																																						
	Over 1 year		16,298,543.68	836,990.25	17,135,533.93	4.33																																	
	Over 2 years		29,170,785.88	147,495.09	29,318,280.97	7.40																																	
	Over 3 years		5,341,613.14	2,992,433.01	8,334,046.15	2.10																																	
	Over 5 years		893,923.85	(62,788.01)	831,135.84	.21																																	
	Below 10 years		3,694,705.02	315,201.40	4,009,906.42	1.01																																	
	Over 10 years and onwards		2,135,435.12	35,118,784.07	37,254,219.19	9.40																																	
	Total PYs		57,535,006.69	39,348,115.81	96,883,122.50	24.45																																	
	Grand Total		355,716,383.39	40,490,168.17	396,206,551.56	100.00																																	
	As presented in the table above, the CAs granted to SDOs and OEs in the amounts of P2,135,435.12 and 35.118,784.07, respectively, or a total of P37,254,219.19, aged more than ten years, which became dormant and should have been requested for write-off as required under item 8.2 of COA Circular No. 2016-005.																																						
	38	COMPLIANCE AUDIT																																					
	Audit of Programs on COVID-19 Related Expenses																																						
	<i>Fund Utilization</i>																																						
	Out of the P17,367,559,655.88 total funds received by the OWWA for Emergency Repatriation Fund (ERF), P17,367,559,406.09 or 99.9999986																						The efforts and services of the OWWA Officers and employees headed by its Administrator in responding to the needs of														We acknowledge your commendation per Audit Observation Memorandum (AOM) No. 2022-025 (2021)		

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	<p>percent was utilized for accommodation, transportation, financial assistance and other COVID-19 incidental expenses of the repatriated OFWs. Moreover, out of the P17,367,559,406.09 obligated amount, P2,346,428,381.58 was used to pay for expenses incurred in CY 2020 which was not covered by the CY 2020 budget, while a total of P5,035,290,214.99 for CY 2021 expenses was not obligated and will be paid in CY 2022 upon availability of the budget for CY 2022 to be able to respond to the needs of repatriated/displaced OFWs due to the COVID-19 pandemic.</p> <p>For CY 2021, the approved adjusted appropriation of OWWA for the implementation of ERF totaled P17,367,559,655.88 of which P6,205,976,712.88 was from the General Appropriations Act of 2021, while P11,161,582,943.00 was covered by different SAROs released by the Department of Budget and Management (DBM) to the OWWA as an additional fund for the implementation of the ERF. Moreover, out of the P17,367,559,655.88 total funds received by the OWWA for ERF, P17,367,559,406.09 or 99.9999986% was utilized.</p>	repatriated/displaced OFWs due to the COVID-19 pandemic was commended.						<p>dated 25 May 2022 regarding the efforts and services of OWWA officers and employees in responding to the needs of repatriated/displaced OFWs due to the COVID-19 pandemic despite the limited budget.</p> <p>We would like to express our deepest gratitude to the Commission on Audit for recognizing our efforts during the pandemic. It was indeed a tough time for all of us for the past 2 years but with the support of the National Government and partner companies and suppliers, we were able to withstand the pandemic and be of service to our beloved OFWs and their families.</p> <p>Rest assured that we will continue to serve and protect the welfare of our OFWs and their families.</p>	

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	<p>Moreover, of the P17,367,59,406.09 obligated amount, P2,252,520,632.68 was used to pay for expenses incurred in CY 2020 which was not covered by the CY 2020 budget, while a total of P5,035,290,214.99 for CY 2021 expenses was not obligated and will be paid in CY 2022 upon availability of fund from the DBM for CY 2022.</p> <p>Management disclosed the above amounts in the Notes to Consolidated Financial Statements for CY 2021 stating the following:</p> <p><i>“Given the OWWA is in the frontline ever since the beginning of the COVID-19 pandemic in late 2019 and still subsists up to the present that various unforeseen expenses are inevitable and is also overwhelming. OWWA requested subsidy from the national government through DBM so as not to hamper our continued operation and public services. However, the funds received by the agency were not enough to pay all obligations brought about by the pandemic that is engulfing not only the Philippines but the whole world. Even as national government agencies are under obligations to utilize funds according to the approved annual budget, the</i></p>								

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	<p><i>occurrence of the pandemic has constrained the OWWA to incur expenses which were inevitable but necessary in order to provide the needed social welfare benefits and services to the Filipino people. It was inevitable that approved budget was expended and additional budget extended to help was also expended but was not enough to cover all payables. As these payables in CY 2020 are legal and services rendered ought to be paid that we have to utilize and exhaust available CY 2021 budget to pay our partner suppliers as they were a huge help for us in the government in extending help to all Filipinos notwithstanding that they are also gravely affected by this global pandemic. Moreover, payables in CY 2021 are also being paid utilizing current budget of CY 2022.”</i></p> <p>Despite limited budget, it is evident that the OWWA gave its best to provide the services and assistance that our OFWs needed in this time of pandemic.</p>								
39	<p><i>Unclaimed DOLE-OWWA AKAP for OFWs Financial Assistance still in the possession of the Service Provider (SP)</i></p> <p>A total amount of P280,000.00 financial assistance intended for 28 beneficiaries under the program <i>Abo Kamay ang</i></p>	It was recommended and the Management of CO agreed to closely monitor the status of the		FMS / Accounting Division			On-going		Portion of the amount was already released to qualified OFWs/beneficiaries. The

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	<p>Pagtulong (AKAP) for OFWs transferred to SP remained unclaimed and in the possession of SP, as of December 31, 2021, due to: (a) absence of stipulation in the Contract of Agreement of the unclaimed amounts; and (b) failure of SP to refund the same, thus the program’s objective of providing immediate financial report support to mitigate the adverse economic effect of the COVID-19 Pandemic was not fully achieved and further exposing the unclaimed funds to risk of possible loss thru misuse or misappropriation.</p> <p>Pursuant to Department of Labor and Employment (DOLE) Department Order (DO) No. 212, s. 2020 dated April 8, 2020 and OWWA Memorandum of Instruction (MOI) No. 004, s. 2020 dated April 13, 2020, a financial assistance of P10,000.00 also called the DOLE OWWA AKAP for OFWs, shall be provided to the displaced land-based and sea-based OFWs affected by COVID-19.</p> <p>As there is a need for the immediate distribution of the financial assistance to the OFWs for them to cope with their necessities, the OWWA CO has engaged the service of SP, as its money remittance SP, per Contract Agreement No. 2020-10</p>	<p>unclaimed amounts and/or require the SP for the immediate refund of the amounts intended for those unresponsive beneficiaries who failed to claim the financial assistance.</p> <p>The Management commented that the status of the unclaimed amounts has been monitored in coordination with Management Information System Division (MISD) and Regional Operations Coordination Services (ROCS) and that a memorandum from the Administrator was forwarded to all RWOs in August 2021 for the proper guidelines to be adopted. In addition per monitoring as of February 8, 2022, a total of P100,000.00 was released to OFW claimants, with only P180,000.00 balance for release this CY 2022.</p>						Management will continuously monitor the SP has already released the funds to OFWs and will ask for refund any amount the unclaimed intended financial assistance.	

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	<p>dated August 26, 2020, for the distribution of DOLE-OWWA AKAP for OFWs.</p> <p>In CY 2020, a total of P999,996,000.00 consisting of P998,000,000.00 financial assistance (FA) to 00,800 beneficiaries and P1,996,000.00 service fee (20.00 per beneficiary) was transferred to SP, details are as follows:</p> <p>Table 42: Summary of Financial Assistance Transferred to SP</p> <table><tr><th>Fund Source</th><th>Check No.</th><th>Date</th><th>Financial Assistance (FA)</th><th>Service Fee</th><th></th></tr><tr><td>Bayanihan 1</td><td>8435</td><td>10-Sep-2020</td><td>340,000,000.00</td><td>680,000.00</td><td></td></tr><tr><td>Bayanihan 1</td><td>9121</td><td>29-Sep-2020</td><td>60,000,000.00</td><td>120,000.00</td><td></td></tr><tr><td>Bayanihan 1</td><td>9376</td><td>07-Oct-2020</td><td>194,000,000.00</td><td>388,000.00</td><td></td></tr><tr><td>Bayanihan 1</td><td>10388</td><td>30-Oct-2020</td><td>4,000,000.00</td><td>8,000.00</td><td></td></tr><tr><td>Bayanihan 1</td><td>10392</td><td>30-Oct-2020</td><td>250,000,000.00</td><td>500,000.00</td><td></td></tr><tr><td>Bayanihan 2</td><td>12916</td><td>10-Dec-2020</td><td>150,000,000.00</td><td>300,000.00</td><td></td></tr><tr><td>Total</td><td></td><td></td><td>998,000,000.00</td><td>1,996,000.00</td><td></td></tr></table> <p>Out of the P998,000,000.00 FA, a total of P280,000.00 intended for 28 beneficiaries remained unclaimed and still in the possession of the SP as of December 31, 2021.</p> <p>It was noted that the OWWA CO did not include in the Contract of Agreement the provision whereby the SP has the obligation to remit the amount that remained unclaimed for a certain period. Only a provision in the Terms of Reference (TOR), Annex A of the Contract of Agreement No. 2020-10 dated August 26,</p>	Fund Source	Check No.	Date	Financial Assistance (FA)	Service Fee		Bayanihan 1	8435	10-Sep-2020	340,000,000.00	680,000.00		Bayanihan 1	9121	29-Sep-2020	60,000,000.00	120,000.00		Bayanihan 1	9376	07-Oct-2020	194,000,000.00	388,000.00		Bayanihan 1	10388	30-Oct-2020	4,000,000.00	8,000.00		Bayanihan 1	10392	30-Oct-2020	250,000,000.00	500,000.00		Bayanihan 2	12916	10-Dec-2020	150,000,000.00	300,000.00		Total			998,000,000.00	1,996,000.00							
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	<p>2020, was discussed in the succeeding pages.</p> <p><i>“Duration of the Contract: The distribution of DOLE-OWWA AKAP for OFWs must be completed within one month period.” (Emphasis supplied)</i></p> <p>The stipulation indicated in the TOR that the distribution must be completed within one month was not observed as there is still unclaimed FA with the SP which was not yet refunded to OWWA.</p> <p>It was also noted that the OWWA failed to monitor, and the SP failed to submit weekly and monthly reports, such as list of beneficiaries who already claimed the financial assistance, date and branches where the claim was made, including the amount given and service charge on a timely basis, hence, the occurrence of such unclaimed amount totaling P280,000.00 which could have benefitted 28 OFW beneficiaries.</p> <p>The SP was only able to provide/submit the said reports only on a semestral basis instead of monthly. Hence, a delay in reporting which prevented those charged with governance to take appropriate action on the unclaimed amounts.</p>								

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	Lastly, those unclaimed amounts are exposed to risk of possible loss thru misuse or misappropriation, considering that more than a year has lapsed since the financial assistance was transferred to the SP.								
40	<p><i>Implementation of “Agapay sa Naulila ng OFW” or the Agapay Project</i></p> <p>The effective implementation of the “Agapay sa Naulila ng OFW” or Agapay Project by the RWO NCR for the period March to April 2021 resulted in the release of 95.65 percent or P220,000.00 of the total budget of P230,000.00 to the surviving family/next-of-kin (NOK) of the deceased OFWs, thereby extending immediate assistance to 22 program beneficiaries for the shipment of remains, cremation or mortuary service of the deceased OFWs, regardless of the cause of death during the period of COVID-19 Pandemic. However, due to insufficiency in information dissemination with respect to the Agapay Project, only the abovementioned 22 beneficiaries have availed of the program and consequently, no additional funds were received thereafter for its</p>	<p>The Management’s effort in the adequate implementation of the Agapay Project which yielded extension of bereavement assistance to the surviving family/NOK of 22 deceased OFWs despite the ongoing COVID-19 Pandemic and recommend to continue the same effort in the implementation of the other programs and projects was commended.</p> <p>It was also recommended that Management require the concerned officials of RWO NCR:</p> <p>a. Submit the supporting documents of the grant as provided in Section IV(B) of the MOI No. 019, s. 2020;</p>		RWO NCR			Fully Implemented		<p><u>RWO NCR</u></p> <p>The Management wishes to reiterate its comment on audit observation dated 17 December 2021 that submission of AFS is optional as per the wording of Section V Item 4 MOI No. 018 Series of 2020 to wit: xxx, when applicable. All other recommendations were already complied.</p>

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	<p>implementation, thus the program objective within jurisdiction of the OWWA RWO NCR was not fully realized. Furthermore, it was observed that: (a) fund release amounting to P120,000.00 were supported with documentary requirements; (b) JEVs and supporting documents for the grant were not stamped paid which casts doubts to the availability and regularity of the disbursements; and (c) the remaining P10,000.00 fund was not granted to additional beneficiary nor reverted back to OWWA CO, thus depriving the OWWA of its needed funds to finance other welfare programs for the OFWs and their families, contrary to Section 4(6) of the PD No. 1445 and Section 2(Q) of COA Circular No. 92-389 dated November 3, 1992.</p> <p>MOI No. 019, s. 2020 dated October 27, 2020 prescribes the guidelines on the implementation of assistance for the deceased OFWs during the COVID-19 Pandemic <i>“Agapay sa Naulila ng OFW 9Agapay Project”</i>)” which aims to provide help and support to over 500,000 repatriated OFWs due to the effects of COVID-19 pandemic. This also includes providing assistance for the shipment of</p>	<p>b. Advise the AU to stamp ‘PAID” the vouchers and all its supporting documents after payment to avert any attempt to use the same supporting documents in payment of future claims; and</p> <p>c. Grant the remaining fund to an additional beneficiary or revert it back to OWWA CO to be used in financing other welfare programs for the OFWs and their beneficiaries.</p> <p>Management commented that recommendations will be complied with and issued a memorandum dated November 18, 2021 directing PSD to post on the Agency’s social media the projects that the OFWs can avail within its jurisdiction. Management also issued a memorandum dated November 18, 2021 directing the Head of CU to stamp “PAID” the vouchers and all their supporting documents after payment. Documents pertaining to said 12 checks were submitted to the AT. For the last recommendation, Management cited that the remaining fund is for the pending application for the said</p>							

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	<p>remains, cremation or mortuary service of over 300 deceased OFWs, regardless of the cause of death during the period of COVID-19 Pandemic.</p> <p>In compliance with Republic Act (RA) Nos. 11469 and 11494 or the <i>Bayanihan</i> to Heal as One Act and <i>Bayanihan</i> to Recover as One Act, respectively, OWWA implemented the program Agapay Project thru MOI No. 019, s. 2020. Agapay Project is a one-time additional bereavement assistance amounting to Ten Thousand Pesos (P10,000.00) to the surviving gamily/next-of-kin (NOK) of deceased OFWs who died during the COVID-19 Pandemic, and who was active or in-active OWWA member at the time of death. The implementation of the program is charged against the ERF released by the DBM for 2020 COVID-19 programs.</p> <p>Moreover, Section IV of the same MOI provides for the eligibility and requirements for the availment of the program, discussed below:</p> <p><i>A. Eligibility</i></p> <p><i>1. Must have at least one contribution, active or inactive</i></p>	<p>project due to incomplete documents.</p> <p><i>Auditor’s Rejoinder</i></p> <p>The AT will evaluate the submitted documents and will continue to monitor the project implementation.</p>							

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	<div>2. Death occurred during the following period:</div> <div>2.1 January 2020 during the COVID-19 outbreak in China, Macau, Hong Kong and Malaysia;</div> <div>2.2 February 1, 2020 during the COVID-19 outbreak in the Philippines and the rest of the world; and/or</div> <div>2.3 Within the period of declaration of state of national emergency throughout the Philippines until the COVID-19 pandemic has ceased and declared controlled by a competent government agency.</div> <div>3. Must file the claim upon arrival or within the period of pandemic</div> <div>B. Requirements</div> <div>x x x</div> <div>4. Bereavement Assistance</div> <div>4.1 Accomplishment Request for Assistance Form/Approved Request for Assistance;</div>								

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	<p>4.2 OFW Membership Record; 4.3 At least one (10 valid government ID of NOK; 4.4 Proof of Death of OFW</p> <p>Furthermore, MOI No. 19 requires the creation of information dissemination campaigns for its salient provisions for the information of the OWWA members and their families/NOK.</p> <p>Section 4(6) of the PD No. 1445 provides that “<i>Claims against government funds shall be supported with complete documentation.</i>”</p> <p>In addition, Section 2(Q) of COA Circular No. 92-389 dated November 3, 1992 states that “<i>Paid vouchers, including its supporting documents, shall be perforated and conspicuously stamped Paid by the Cashier</i>”. (Emphasis supplied)</p> <p>Audit disclosed that on March 17, 2021, OWWA CO deposited Check No. 19655 amounting to P230,000.00 to the LBO Current Account No. 1702-1008-59 for the fund release of Agency Agapay Project to OWWA RWO NCR. Out of this amount, P220,000.00 or 95.65 percent was released to 22 approved beneficiaries of the Agapay Project. Details are presented</p>								

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	<div>below:</div> <div><table><caption>Table 44: Fund Release of <i>Agapay</i> Project to RWO NCR</caption><tr><th>Particulars</th><th>Check No.</th><th>Date</th><th>Amount (in Php)</th></tr><tr><td>Downloaded Funds from OWWA CO CY 2021 Agapay Project for Deceased OFW's during COVID-19 Pandemic for GAA Account (Fund Source: ERF 2020 provided by DBM)</td><td>19655</td><td>Mar-31-2021</td><td>230,000.00</td></tr><tr><td colspan="4">**Paid to next-of-kin of:</td></tr><tr><td>OFW Agapay Beneficiary No. 1</td><td>273255</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 2</td><td>273257</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 3</td><td>273258</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 4</td><td>273259</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 5</td><td>273260</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 6</td><td>273261</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 7</td><td>273262</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 8</td><td>273263</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 9</td><td>273264</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 10</td><td>272265</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 11</td><td>272266</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 12</td><td>272267</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 13</td><td>272268</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 14</td><td>272269</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 15</td><td>272270</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 16</td><td>272271</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>OFW Agapay Beneficiary No. 17</td><td>272272</td><td>Apr-21-2021</td><td>10,000.00</td></tr></table></div>	Particulars	Check No.	Date	Amount (in Php)	Downloaded Funds from OWWA CO CY 2021 Agapay Project for Deceased OFW's during COVID-19 Pandemic for GAA Account (Fund Source: ERF 2020 provided by DBM)	19655	Mar-31-2021	230,000.00	**Paid to next-of-kin of:				OFW Agapay Beneficiary No. 1	273255	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 2	273257	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 3	273258	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 4	273259	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 5	273260	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 6	273261	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 7	273262	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 8	273263	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 9	273264	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 10	272265	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 11	272266	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 12	272267	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 13	272268	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 14	272269	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 15	272270	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 16	272271	Apr-21-2021	10,000.00	OFW Agapay Beneficiary No. 17	272272	Apr-21-2021	10,000.00							
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								Action Plan	Person / Dept. Responsible	Target Implementation Date				
										From	To			
	OFW Agapay Beneficiary No. 18	272273	Apr-21-2021	10,000.00										
	OFW Agapay Beneficiary No. 19	273311	Apr-28-2021	10,000.00										
	OFW Agapay Beneficiary No. 20	273312	Apr-28-2021	10,000.00										
	OFW Agapay Beneficiary No. 21	273313	Apr-28-2021	10,000.00										
	OFW Agapay Beneficiary No. 22	273314	Apr-28-2021	10,000.00										
	Total Releases			220,000.00										
	Total remaining fund			10,000.00										
	<p>Note: *Above data is as of November 12, 2021 **Names are changed pursuant to Data Privacy Act of 2012</p> <p>It can be gleaned from the table above that only 22 beneficiaries had vailed of the program. Inquiry with the Management revealed that no additional beneficiaries had applied for the availment of the program, consequently, no additional funds were downloaded by the OWWA CO for the program implementation thereafter.</p> <p>Moreover, the small number of availment of the program may be attributed to insufficiency of information dissemination campaigns to the member-OFWs, their families as well as the public. Examination of the RWO’s bulletin board as well as the RWO’s Facebook page showed no information regarding the Agapay Project resulting in fewer application of the OFW-members’ surviving family/NOK.</p> <p>Further, audit of the liquidation reports and</p>													

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																																						
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					From	To																																																									
	<p>implementation of the Agapay Project regarding the coverage, eligibility and documentary requirements of the 22 approved beneficiaries noted the following deficiencies:</p> <p><i>A. Fund releases amounting to P120,000.0 were not supported with complete documentary requirements.</i></p> <p>Audit revealed that fund releases pertaining to 12 JEVs aggregating P120,000.00 were not supported with any documentary requirement other than a journal entry voucher, the validity of the transaction cannot be ascertained by the AT contrary to Section 4(6) of the PD No. 1445, details as follows:</p> <table><tr><th colspan="5">Table 45: Summary of Undocumented Fund Releases</th></tr><tr><th>JEV No.</th><th>Check No.</th><th>Date</th><th>Amount (in Php)</th><th>Remarks</th></tr><tr><td>2021-04-152</td><td>273259</td><td>Apr-21-2021</td><td>10,000.00</td><td rowspan="11">Not supported with any document ary requireme nt other than a JEV</td></tr><tr><td>2021-04-153</td><td>273260</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>2021-04-154</td><td>273261</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>2021-04-156</td><td>273263</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>2021-04-159</td><td>273266</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>2021-04-160</td><td>273267</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>2021-04-161</td><td>273268</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>2021-04-163</td><td>273270</td><td>Apr-21-2021</td><td>10,000.00</td></tr><tr><td>2021-04-204</td><td>273311</td><td>Apr-28-2021</td><td>10,000.00</td></tr><tr><td>2021-04-205</td><td>273312</td><td>Apr-28-2021</td><td>10,000.00</td></tr><tr><td>2021-04-206</td><td>273313</td><td>Apr-28-2021</td><td>10,000.00</td></tr></table>	Table 45: Summary of Undocumented Fund Releases					JEV No.	Check No.	Date	Amount (in Php)	Remarks	2021-04-152	273259	Apr-21-2021	10,000.00	Not supported with any document ary requireme nt other than a JEV	2021-04-153	273260	Apr-21-2021	10,000.00	2021-04-154	273261	Apr-21-2021	10,000.00	2021-04-156	273263	Apr-21-2021	10,000.00	2021-04-159	273266	Apr-21-2021	10,000.00	2021-04-160	273267	Apr-21-2021	10,000.00	2021-04-161	273268	Apr-21-2021	10,000.00	2021-04-163	273270	Apr-21-2021	10,000.00	2021-04-204	273311	Apr-28-2021	10,000.00	2021-04-205	273312	Apr-28-2021	10,000.00	2021-04-206	273313	Apr-28-2021	10,000.00							
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2021-04-152	273259	Apr-21-2021	10,000.00	Not supported with any document ary requireme nt other than a JEV																																																											
2021-04-153	273260	Apr-21-2021	10,000.00																																																												
2021-04-154	273261	Apr-21-2021	10,000.00																																																												
2021-04-156	273263	Apr-21-2021	10,000.00																																																												
2021-04-159	273266	Apr-21-2021	10,000.00																																																												
2021-04-160	273267	Apr-21-2021	10,000.00																																																												
2021-04-161	273268	Apr-21-2021	10,000.00																																																												
2021-04-163	273270	Apr-21-2021	10,000.00																																																												
2021-04-204	273311	Apr-28-2021	10,000.00																																																												
2021-04-205	273312	Apr-28-2021	10,000.00																																																												
2021-04-206	273313	Apr-28-2021	10,000.00																																																												

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							Action Plan	Person / Dept. Responsible	Target Implementation Date				
									From	To			
	2021-04-207	273314	Apr-28-2021	10,000.00									
	Total			120,000.00									
	Pursuant to the above-cited provision, supporting documentary requirements are necessary in determining the validity and completeness of a financial transaction.												
	B. JEVs and other supporting documents for the grant were not stamped paid “PAID”												
	All paid JEVs and their supporting documents for Checks Nos. 273255, 273257-273258, 273264-273165, 273269 and 273271-273273 amounting to P90,000.00 were not stamped “PAID”, contrary to COA Circular No. 92-389 dated November 3, 1992, thus making the said supporting documents susceptible to possible re-use of future claims, as shown below:												
	Table 46: Summary of Claims Not Properly Stamped												
	Check No	Date	Amount (in Php)	Remarks									
	273255	Apr-21-2021	10,000.00	JEVs and their supporting documents were not stamped “PAID”									
	273257	Apr-21-2021	10,000.00										
	273258	Apr-21-2021	10,000.00										
	273264	Apr-21-2021	10,000.00										
	27325	Apr-21-2021	10,000.00										
	273269	Apr-21-2021	10,000.00										
	273271	Apr-21-2021	10,000.00										
	273272	Apr-21-2021	10,000.00										
	273273	Apr-21-2021	10,000.00										
	Total			90,000.00									
	C. Remaining fund of P10,000.00 was not												

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
	<p><i>granted to an additional beneficiary nor returned to OWWA CO.</i></p> <p>The remaining fund totaling P10,000.00 remained in the RWO's custody. Said funds, if not utilized, should be reverted back to OWWA CO to be used in facilitation of other welfare programs for OFWs and their beneficiaries.</p>								
41	<p><i>Implementation of Tulong Pangkabuhayan sa Pag-unlad ng Samahang OFWs (Tulong-PUSO) Program</i></p> <p>The full attainment of the objects of the Tulong-PUSO Program providing immediate livelihood support to OFWs and their families affected by COVID-19 pandemic was not fully realized; due to (a) low implementation rate of the program in RWO NCR; (b) grant of livelihood financial assistance in RWO V amounting to P500,000.00 to an OFW Group which apparently is a cooperative of a clan using one OFW for seven membership of interrelated families; (c) release of funds to OFW Groups despite non-compliance with the requirements and condition set forth in Sections V and VII of the MOI No. 018, s. 2020 and Section 4(6) of PD No. 1445; (d) JEVs and supporting documents for the grant were not</p>	<p>It was recommended and Management agreed to require the concerned RWOs to strictly comply with the pertinent provisions of MOI No. 018, s. 2020 and to improve the efficiency in the evaluation and processing of submitted documents, and granting of the Tulong-PUSO program to achieve the programs' objective in providing immediate livelihood support to OFWs and their families affected by the COVID-19 pandemic.</p> <p>It was also recommended and Management agreed to require the concerned officials:</p> <p>RWOs NCR, CAR, V and VI</p>		<p>RWO NCR</p> <p>RWO CAR</p> <p>RWO V</p>	<p>Feb 2022</p>	<p>Aug 2022</p>	<p>Fully Implemented</p> <p>On-going</p> <p>Fully Implemented</p>	<p><u>RWO NCR</u></p> <p>The Management already complied with the same.</p> <p><u>RWO CAR</u></p> <p>The Management already encoded in the BAP the members of the TSP avalees to avoid double availment.</p> <p><u>RWO V</u></p> <p>Compliance of necessary documents received by COA dated May 18, 2022.</p>	

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
	<p>stamped “PAID”, contrary to COA Circular No. 92-389, thus, the legality and reasonableness of the disbursements cannot be ascertained; and (e) procurement of food and beverage incurred in the awarding of Tulong-PUSO Program grants, did not comply with Section 52.3, IRR of RA No. 9184.</p> <p>MOI No. 018, s. 2020 dated October 2020 prescribes the guidelines on the implementation of DOLE-OWWA Tulong-PUSO Program for OFW Groups affected by the COVID-19 Pandemic which aims to provide immediate livelihood support to OFWs and their families affected by COVID-19 pandemic.</p> <p>Tulong-PUSO Program is a one-time livelihood financial grant that supports the proposed business plan for both start-up and expansion of the OFW Groups, duly recognized by DOLE, Cooperative Development Authority (CDA) and the Securities and Exchange Commission (SEC). OFW Groups may avail from P150,000.00 up to P1,000,000.00 depending on the category size of the group. The fund for this program or shall be sourced from the OWWA Capital Fund. The OFW Group must have at least 80</p>	<p>a. To submit the required supporting documents of the grant as provided in Section V and VII of the MOI No. 018, s. 2020; and</p> <p>b. RWO CAR to coordinate with the OWWA CO for the inclusion of the Tulong-PUSO Program as one of the application types in the BAP program so that the beneficiaries under the said program can be included;</p> <p><u>RWO NCR</u></p> <p>c. Advise the AU to stamp “PAID” the vouchers and all its supporting documents after payment to avert any attempt to use the same supporting documents in payment of future claims; and</p> <p>d. Ensure that food and beverage expenses for special events are duly supported with complete documentation as required in RA No. 9184;</p> <p><u>RWO V</u></p>							

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken							
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					From	To										
	<p>percent of its members considered as OWWA members and/or their families. The remaining 20 percent may comprise of undocumented/irregular OFWs and/or their families. Likewise, the cooperative must have proof of an equity of at least 20 percent comprising of available and/or existing capital assets, bank accounts/statement, and other similar proof.</p> <p>Nos. 4 and 5, Item V, MOI No. 018, s. 2020 provides for the requirements for OFW Group Applicants. This includes: (1) Audited Financial Statements certified by the Association/Group Treasurer and Auditor, when applicable; and (2) Business Proposal and Feasibility Study with proof of equity of at least 20 percent comprising of available and/or existing capital assets, bank accounts/statements, and other similar proof.</p> <p>Further, Item VII of the same MOI provides for condition for the release of the livelihood grant. The cash grant/assistance benefit shall be in three tranches, as follows:</p> <p>a. For start-up and restoration:</p> <ul style="list-style-type: none">• <i>1st tranche</i> – equivalent to 20 percent of the grant	<p>e. Secure the Official Receipts from the Cooperative for the 1st and 2nd tranches of the released livelihood financial grant; and</p> <p>f. Monitor the implementation of the project and require the cooperative to work on the transfer of the title of the lot to the cooperative.</p> <p>The Management comments are provided in the table below:</p> <table><tr><th>RWOs</th><th>Management Comments</th></tr><tr><td>NCR</td><td>Management have cited that submission of AFS by the beneficiaries were required only when applicable nevertheless had requested the OFW Group to submit the same. Management also issued a memorandum to the Property and Procurement Head to comply with RA No. 9184 in all transactions. Management also issued a memorandum dated November 18, 2021 directing the Head of Cashier Unit (CU) to stamp PAID the vouchers and all its supporting documents after payment.</td></tr><tr><td>CAR</td><td>Management commented that it had started to post the availment of the members of the association to the BAP to avoid double availment and that they are strictly complying with the requirements prior to releasing of each tranche, especially with the failure of the first recipient of the grant, to ensure the stability of the organization so as not to defeat the purpose of the grant.</td></tr><tr><td>V</td><td>The Management of RWO V explained that after evaluation it did not approve the application of the OFW Group due to the one OFW who was represented by seven clan members, the original application of the cooperative for the financial grant was P1,000,000.00, but was reduced to P500,000.00. However, the subject OFW Group made an appeal to the Head Office, consequently, NRCO instructed RWO V through a letter to approve the grant. They also committed to submit the revised documents to support the membership of the cooperative, dropping the six members represented by one OFW as well as the</td></tr></table>	RWOs	Management Comments	NCR	Management have cited that submission of AFS by the beneficiaries were required only when applicable nevertheless had requested the OFW Group to submit the same. Management also issued a memorandum to the Property and Procurement Head to comply with RA No. 9184 in all transactions. Management also issued a memorandum dated November 18, 2021 directing the Head of Cashier Unit (CU) to stamp PAID the vouchers and all its supporting documents after payment.	CAR	Management commented that it had started to post the availment of the members of the association to the BAP to avoid double availment and that they are strictly complying with the requirements prior to releasing of each tranche, especially with the failure of the first recipient of the grant, to ensure the stability of the organization so as not to defeat the purpose of the grant.	V	The Management of RWO V explained that after evaluation it did not approve the application of the OFW Group due to the one OFW who was represented by seven clan members, the original application of the cooperative for the financial grant was P1,000,000.00, but was reduced to P500,000.00. However, the subject OFW Group made an appeal to the Head Office, consequently, NRCO instructed RWO V through a letter to approve the grant. They also committed to submit the revised documents to support the membership of the cooperative, dropping the six members represented by one OFW as well as the						
RWOs	Management Comments															
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						From				To											
	<ul style="list-style-type: none">• <i>2nd tranche</i> – equivalent to 50 percent of the grant upon submission of business registration documents i.e., DTI business registration, Mayor’s permit, BIR, and other related documents• <i>3rd tranche</i> – equivalent to 30 percent of the grant upon submission of proof of business physical set-up and documentation, summary of disbursement of the first 2 tranches. <p>In addition, the total cash assistance shall be given to the qualified beneficiary within 30 days upon receipt of the first tranche. OFW groups are encouraged to immediately secure and comply the needed documentation to facilitate the release within the prescribed period.</p> <p>Section VIII of the same MOI, states that “<i>The National Reintegration Center for OFWs (NRCO) shall spearhead the conduct of periodic monitoring and evaluation through a maintained database of avaiilees, year-end program review and evaluation and a documentation of good practices every year.</i>”</p>	<table><tr><td></td><td>letter of the NRCO.</td></tr><tr><td>VI</td><td>The Management informed also that they have visited the Cooperative recommended some improvements for they have seen the status of the building as described in the audit observation. Likewise, the Management committed to submit the documents before April 26, 2022.</td></tr></table> <p>Auditor’s Rejoinder are as follows:</p> <table><tr><th>RWOs</th><th>Auditor’s Rejoinder</th></tr><tr><td>NCR</td><td>The AT will monitor RWO NCR’s compliance with the recommendation.</td></tr><tr><td>V</td><td>We reiterate our recommendations to submit all the required documents stated in the audit recommendations including the other documents which they commit to submit like the updated Membership Profile of the Cooperative, the letter of the NRCO and others.</td></tr><tr><td>VI</td><td>The AT informed Management that such document will still be evaluated/examined upon submission. The AT further emphasized the importance of the MOA and the conditions stipulated therein to be acknowledged and/or agreed upon by the parties to establish accountability, safeguard government funds and most importantly ensure that the program of the Agency will be properly implemented.</td></tr></table>		letter of the NRCO.	VI	The Management informed also that they have visited the Cooperative recommended some improvements for they have seen the status of the building as described in the audit observation. Likewise, the Management committed to submit the documents before April 26, 2022.	RWOs	Auditor’s Rejoinder	NCR	The AT will monitor RWO NCR’s compliance with the recommendation.	V	We reiterate our recommendations to submit all the required documents stated in the audit recommendations including the other documents which they commit to submit like the updated Membership Profile of the Cooperative, the letter of the NRCO and others.	VI	The AT informed Management that such document will still be evaluated/examined upon submission. The AT further emphasized the importance of the MOA and the conditions stipulated therein to be acknowledged and/or agreed upon by the parties to establish accountability, safeguard government funds and most importantly ensure that the program of the Agency will be properly implemented.							
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	<p>Further, Item X of the same MOI provides for the promotion, technical support, administrative cost and other related activities, an initial fund of P2,000,000.00 shall be allotted to NRCO, subject to approval of the Administrator.</p> <p>Section 4(6) of the PD No. 145 provides that <i>“Claims against government funds shall be supported with complete documentation.</i></p> <p>In addition, Section 2(Q) of COA Circular No. 92-389 dated November 03, 1992 states that <i>“Paid vouchers, including its supporting documents, shall be perforated and conspicuously stamped Paid b the Cashier” (Emphasis supplied)</i></p> <p>Section 52.3, IRR of RA No. 9184 states that <i>“at least three price quotations from bona fide suppliers shall be obtained.”</i></p> <p>Audit of the implementation of the Tulong-PUSO Program revealed the following deficiencies:</p> <p><i>a. Low implementation rate of Tulong-PUSO program in RWO NCR</i></p> <p>In RWO NCR, audit disclosed that from March to July 2021, the OWWA CO</p>								

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	<p>deposited the total amount of P6,190,000.00 thru check nos. 269875, 275200 and 275579 amounting to P3,000,000.00, P100,000.00 and P3,090,000.00, respectively, to the LBP Savings Account No. 1701-0212-62 for the implementation of the Tulong-PUSO Program in RWO NCR.</p> <p>However, it was observed that out of the total fund transfers received amounting to P6,190,000.00, only P1,409,625 or 22.77 percent were released to three OFW Groups as of November 03,2021, details as follows:</p> <p>Table 48: Release of Funds to OFWs for the Tulong-PUSO Program</p> <table><tr><th colspan="2">Particulars</th><th>Check No.</th><th>Date</th><th>Amount (in Php)</th></tr><tr><td colspan="5">Fund Transfer Received from OWWA CO</td></tr><tr><td colspan="5">Fund Disbursement</td></tr><tr><td colspan="5">**OFW Group – No. 1</td></tr><tr><td>First Tranche (20 percent)</td><td>44414</td><td>06/22/2021</td><td>200,000.00</td></tr><tr><td>Second Tranche (50 percent)</td><td>44693</td><td>07/07/2021</td><td>500,000.00</td></tr><tr><td>Third Tranche (30 percent)</td><td>45122</td><td>08/04/2021</td><td>300,000.00</td></tr><tr><td colspan="3">Subtotal</td><td>1,000,000.00</td></tr><tr><td colspan="5">**OFW Group – No. 2</td></tr><tr><td>First Tranche (20 percent)</td><td>44415</td><td>06/22/2021</td><td>200,000.00</td></tr><tr><td colspan="3">Subtotal</td><td>200,000.00</td></tr><tr><td colspan="5">**OFW Group – No. 3</td></tr><tr><td>First Tranche (20 percent)</td><td>44416</td><td>06/22/2021</td><td>200,000.00</td></tr><tr><td colspan="3">Subtotal</td><td>200,000.00</td></tr><tr><td colspan="5">Administrative Costs</td></tr><tr><td>Payment of food/beverage expenses for the awarding of Tulong-PUSO on June 3, 2021</td><td>44660</td><td>07/05/2021</td><td>4,375.00</td></tr><tr><td>Payment of food/beverage expenses for the awarding of</td><td>45251</td><td>08/17/2021</td><td>5,250.00</td></tr></table>	Particulars		Check No.	Date	Amount (in Php)	Fund Transfer Received from OWWA CO					Fund Disbursement					**OFW Group – No. 1					First Tranche (20 percent)	44414	06/22/2021	200,000.00	Second Tranche (50 percent)	44693	07/07/2021	500,000.00	Third Tranche (30 percent)	45122	08/04/2021	300,000.00	Subtotal			1,000,000.00	**OFW Group – No. 2					First Tranche (20 percent)	44415	06/22/2021	200,000.00	Subtotal			200,000.00	**OFW Group – No. 3					First Tranche (20 percent)	44416	06/22/2021	200,000.00	Subtotal			200,000.00	Administrative Costs					Payment of food/beverage expenses for the awarding of Tulong-PUSO on June 3, 2021	44660	07/05/2021	4,375.00	Payment of food/beverage expenses for the awarding of	45251	08/17/2021	5,250.00						
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	<table><tr><td>Tulong-PUSO on June 30,2021.</td><td></td><td></td><td></td></tr><tr><td colspan="3">Subtotal</td><td>9,625.00</td></tr><tr><td colspan="3">Total fund disbursements</td><td>1,409,625.00</td></tr><tr><td colspan="3">Total Remaining Fund</td><td>4,780,375.00</td></tr></table> <p>Note: *Above data is as of November 29, 2021 **OFW Groups Business name are changed pursuant to Data Privacy Act of 2012</p> <p>As can be gleaned from the above table the grant of third tranche was either pending or granted beyond 30 days from the receipt of the first tranche which is not in compliance with Section VII of MOI No. 18 which provides that “the total cash assistance shall be given to the qualified beneficiary within 30 days upon receipt of the first tranche:. It was also noted that only the first tranche was awarded to OFW Group No. 2, OFW Group No. 3 and that the total cash assistance given to OFW Group No. 1 was beyond 30 days from receipt of first tranche or 13 days delayed, thus, the program failed to achieve its objective to provide immediate livelihood support to OFWs and their families affected by COVID-19 pandemic.</p> <p>b. Grant of livelihood financial assistance in RWO V amounting to P500,000.00 to an OFW Group which apparently is cooperative of a clan using one OFW for seven membership of interrelated families.</p>	Tulong-PUSO on June 30,2021.				Subtotal			9,625.00	Total fund disbursements			1,409,625.00	Total Remaining Fund			4,780,375.00						
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	<p>In RWO V, the AT observed that an OFW cooperative was organized on November 26, 2018, duly registered with the Cooperative Development Authority with 35 members, situated at Brgy. Taban, Minalabac, Camarines Sur. The Cooperative submitted a Livelihood Project Proposal entitled “Cacao Nursery (Techno Demo Farm) and Cacao Plantation Farm”, with a total Project Cost of P700,000.00, of which P500,000.00 will be from financial grant from OWWA and the remaining P200,000.00 will be the equity of the cooperative. The composition of the Total Project Cost is shown as follows:</p> <p>Table 49: Project Cost for Livelihood Project Proposal Entitled “Cacao Nursery (Techno Demo Farm) and Cacao Plantation Farm”</p> <table><tr><th rowspan="2">Particulars</th><th rowspan="2">Total Cost</th><th colspan="2">Fund Source</th></tr><tr><th>OWWA</th><th>OFW Cooperative</th></tr><tr><td>1. Land</td><td>300,000.00</td><td>300,000.00</td><td>-</td></tr><tr><td>2. Building</td><td>50,000.00</td><td>50,000.00</td><td>-</td></tr><tr><td>3. Working Capital</td><td>150,000.00</td><td>150,000.00</td><td>-</td></tr><tr><td>• Raw Materials</td><td>30,000.00</td><td>30,000.00</td><td>-</td></tr><tr><td>• Labor</td><td>100,000.00</td><td>100,000.00</td><td>-</td></tr><tr><td>• Equipment</td><td>20,000.00</td><td>20,000.00</td><td>-</td></tr><tr><td>• Overhead / Administrative Cost</td><td>150,000.00</td><td></td><td>150,000.00</td></tr><tr><td colspan="2">(Rent, Marketing, Utilities and Transportation)</td><td></td><td></td></tr><tr><td>4. Pre-Operating Expenses</td><td>50,000.00</td><td></td><td>50,000.00</td></tr><tr><td>• Training</td><td>30,000.00</td><td></td><td>30,000.00</td></tr><tr><td>• Licenses/Permits</td><td>10,000.00</td><td></td><td>10,000.00</td></tr><tr><td>• Others</td><td>10,000.00</td><td></td><td>10,000.00</td></tr><tr><td>Total</td><td>700,000.00</td><td>500,000.00</td><td>200,000.00</td></tr></table> <p>Further, review of the OFW Group Profile and Members’ Profile disclosed that one OFW was used even times for</p>	Particulars	Total Cost	Fund Source		OWWA	OFW Cooperative	1. Land	300,000.00	300,000.00	-	2. Building	50,000.00	50,000.00	-	3. Working Capital	150,000.00	150,000.00	-	• Raw Materials	30,000.00	30,000.00	-	• Labor	100,000.00	100,000.00	-	• Equipment	20,000.00	20,000.00	-	• Overhead / Administrative Cost	150,000.00		150,000.00	(Rent, Marketing, Utilities and Transportation)				4. Pre-Operating Expenses	50,000.00		50,000.00	• Training	30,000.00		30,000.00	• Licenses/Permits	10,000.00		10,000.00	• Others	10,000.00		10,000.00	Total	700,000.00	500,000.00	200,000.00							
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	<p>membership of interrelated families to the OFW Cooperative. The position of the members representing the said OFW in the cooperative, the member’s relationship to the OFW and the level of degree of consanguinity/affinity are shown below:</p> <table><tr><th>Position in the Cooperative</th><th>Relation to the OFW</th><th>Level of degree of consanguinity / affinity</th></tr><tr><td>Member</td><td>Nephew</td><td>3rd Degree</td></tr><tr><td>Member</td><td>Niece</td><td>3rd Degree</td></tr><tr><td>Member</td><td>Brother-in-law</td><td>2nd Degree</td></tr><tr><td>Member</td><td>Parent</td><td>1st Degree</td></tr><tr><td>General Manager</td><td>Sibling</td><td>2nd Degree</td></tr><tr><td>Secretary</td><td>Niece</td><td>3rd Degree</td></tr><tr><td>Chairman, BOD</td><td>Niece</td><td>3rd Degree</td></tr></table> <p>The AT reiterated that MOI No. 018, s. 2020 was very clear in its guidelines on the Qualifications of Beneficiaries to be “OFWs and/or their families” which means that it should be the parent, children, spouse and sibling (<i>unmarried sibling in case the OFW is also not married</i>).</p> <p>The Family Code of the Philippines states that, “<i>Marriage is a special contract of permanent union between a man and a woman entered into in accordance with law for the establishment of conjugal and family life. It is the foundation of the family and an inviolable social institution</i>”. Hence, the nephews, nieces, and brother-in-law can no longer be considered as family of the OFW but are “relatives” because a “family” is founded on marriage. Hence,</p>	Position in the Cooperative	Relation to the OFW	Level of degree of consanguinity / affinity	Member	Nephew	3 rd Degree	Member	Niece	3 rd Degree	Member	Brother-in-law	2 nd Degree	Member	Parent	1 st Degree	General Manager	Sibling	2 nd Degree	Secretary	Niece	3 rd Degree	Chairman, BOD	Niece	3 rd Degree						
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	<p>the provision of the Cooperative's Constitution and By-Laws is not in accordance with the contention of the words "OFWs and/or their families" in the MOI.</p> <p>Moreover, the AT contended that the MOI did not provide and did not intend to have one OFW to be represented by two or more members of the family in an OFW Group, otherwise, a cooperative of only one or two OFWs could from a cooperative of 30 members if there is no limit to the number f representations of one OFW in an OFW Group contemplated in the Guidelines. The AT further explained that if that scenario will be allowed, only a few OFWs and/or their families will be benefited by the Tulong-PUSO Program.</p> <p>The AT emphasized that the seven members representing only one OFW comprised already 20 percent of the 35 members of the OFW Cooperative and they occupied the major positions in the Cooperative: Chairman of the Board of Directors, General Manager and Secretary, so it could be compared to a family corporation or family cooperative. In other words, they could control the affairs of the cooperative. There's a risk that in case of dissolution or termination of the</p>								

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	<p>cooperative the clan will be the ones to benefit from the 1.5 hectares of land purchased out of the livelihood grant from the government – OWWA.</p> <p>Moreover, the AT in RWO V noted that evaluation conducted by the Program Evaluator/s to the proposed project was very weak and considered only the presence or fulfillment of the required documents to avail the program, but did not consider the attainability of the main purpose of the Tulong-PUSO Program by the proponent cooperative and the benefit to the intended beneficiaries, hence, may result in wastage of government funds that would benefit only a clan.</p> <p><i>c. Release of funds to OFW Groups despite non-compliance with the requirements and conditions set forth in Sections V and VII of MOI No. 018, s. 2020.</i></p> <p>In RWO NCR, some requirements and conditions for the release of the livelihood grant stated in Sections V and VII of MOI No. 18 was not complied with by the OFW Groups but was still awarded with the said tranches. Details are as follows:</p> <ul style="list-style-type: none">• For the first tranche, OFW Group No. 1								

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	<p>did not submit an Audited Financial Statements (AFS) certified by the Association/Group Treasurer and Auditor; and the submitted AFS of OFW Group No. 3 was only certified by the Group Treasurer.</p> <ul style="list-style-type: none">• For the second tranche, OFW Group No. 1 submitted the business registration documents of the OFW Group located in Muntinlupa, and not the OFW Group's Catering Services, the business established in Ermita Manila.• For the third tranche, OFW Group No. 1 submitted list of disbursements for the first two tranches amounting P700,000.00 received, however, it did not provide any supporting documents for the said disbursements, like official receipts for the rent; statement of account for electricity and water expenses and payroll for salary expenses, as set forth in Section 4(6) of PD No. 1445 that “Claims against government funds should be supported with complete documentation.” <p>In RWO CAR, a total of 11 OFW groups with 313-member beneficiaries under the DOLE-OWWA Tulong-PUSO Program as</p>								

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	<p>of December 31, 2021, amounting to P1,320,000.00 were not posted in the Benefit Availment Program (BAP). The said BAO is an electronic monitoring system of financial assistance granted to OWWA members except for scholarships for dependents of OWWA members.</p> <p>Also, the RWO CAR released the whole amount of the grant to an OFW group with 15 members despite the non-submission of the required documents for the succeeding tranches as set in the MOI. At present, the said group was not able to comply with the requirements or conditions set in the release because the group was not able to sustain its business. A misunderstanding among members and officers occurred, thus the business was not properly managed. Their business failed to provide livelihood support for returning OFWs, the objective of the said program.</p> <p>With the increasing number of beneficiaries to the program, maintenance of a database thru the BAP is necessary for monitoring purposes especially since this program is availed of only once by OWWA members.</p> <p>Lastly, in RWO VI, release of funds</p>								

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	<p>amounting to P199,185.00 to the beneficiary of Tulong-PUSO program was not supported with sufficient supporting documentation as required by Item 6, Section 4 of PD No. 1445.</p> <p><i>d. JEVs and other supporting documents for the grant were not stamped paid.</i></p> <p>In RWO NCR, all paid JEVs and their supporting documents for Check Nos. 44414, 44693, 45122, 44415, 44416, 44660 and 45251 totaling P1,409,625.00 were not stamped “PAID”, contrary to COA Circular No. 92-389 dated November 3, 1992, thus making the said supporting documents susceptible to possible re-use of future claims.</p> <p><i>e. Procurement of food and beverage incurred in the awarding of Tulong-PUSO Program grants, did not comply with Section 52.3, IRR of RA No. 9184.</i></p> <p>In addition, in RWO NCR, food and beverages expenses amounting to P9,625.00 incurred for the conduct of OWWA Tulong-PUSO awarding last June 3 and 30, 2021 were not in compliance with Section 52.3, IRR of RA No. 9184. The Agency submitted only one quotation of the selected supplier and a screenshot</p>								

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	<p>of the menu does not equate to price quotations required in the aforementioned laws and regulations, thus legality and reasonableness of the expenses could not be validated.</p> <p>In view of the foregoing, the full realization of the program objectives of Tulong-PUSO Program has not been achieved and the legality and reasonableness of the disbursements cannot be validated.</p>								
42	<p><i>Implementation of Tertiary Education Subsidy (TABANG OFW Scholarship)</i></p> <p>In RWO III, the process of evaluation and approval of the applications for Tertiary Education Subsidy for dependents of repatriated, displaced or deceased OFWs under the TABANG OFW Program jointly undertaken by the DOLE and the Commission on Higher Education (CHED) facilitated by OWWA effected inconsistencies with the provisions of CHED-DOLE Joint Memorandum Circular (JMC) No. 2020-003 dated August 28, 2020 and DOLE Administrative Order (AO) No. 207, s. 2020 dated October 19, 2020, thus causing double payments of granting of scholarships to non-qualified beneficiaries and defeating the purpose of the TABANG OFW Program to</p>	<p>It was recommended ang management of RWO III agreed to require the:</p> <p>a. Program Coordinator to explain/justify the processing, approving and endorsing for payment of five OFWs who are not qualified under the TABANG OFW Program;</p> <p>b. Refund of payouts received by unqualified claimants and payees who receive the double payment made; and</p> <p>c. Program Coordinator should complete and make sure that</p>		RWO III			On-going	Reminder letter was sent to Tabang OFW Scholarship recipients and was coordinated to DOLE Regional Office.	

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	<p>provide aid to qualified/repatriated OFWs who have lost their jobs because of COVID-19.</p> <p>The rationale behind the issuance of CHED-DOLE JMC No. 2020-003 is to provide aid, like training and scholarships, to dependents of repatriated OFWs who have lost their jobs because of COVID-19 and shall be known as the TABANG OFW. the coverage of the program is intended for <i>one-college-level dependent</i> of an OFW repatriated, displaced or deceased during the COVID-19 pandemic. A qualified grantee shall be entitled to a one-time grant of Thirty Thousand Pesos (P30,000.00) covering AY 2020-2021.</p> <p>Paragraph 6.0 of CHED-DOLE JMC No. 2020-003 provides the list of qualifications for the TABANG OFW, as listed below:</p> <p><i>6.0 Qualification</i></p> <p><i>A grantee under this program must satisfy all the qualifications under the TES as stated in Section V of the DBM-CHED Joint Memorandum Circular No. 7, s. 2019 or the Guidelines on the TES Program, in accordance with Section 7 of RA No. 10931, namely:</i></p>	<p>data of OFWs and their claimants are available for reference to future assistance as required by DOLE AO No. 207, s. 2020.</p> <p>The Management of RWO III explained that upon receipt of the said five TABANG applications of medical students, RWO III brought this matter to the attention of the Plans and Programs Development Division and were verbally advised to process the applications. RWO III was belatedly advised however, that the program does not cover Medical Courses. The management called up the recipients and explained the matter to them and requested for a refund of the same. However, considering this time of pandemic, the recipients manifested that they do not have the means as yet. We will send out a formal letter demanding for the refund. As per the double payment, a certification from DOLE was issued that there was no double payment.</p>							

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	<p>6.1 <i>Must be a Filipino citizen;</i></p> <p>6.2 <i>Must be qualified under the existing admission and retention requirements of the SUCs, LUCs, and private HEIs, and have not exceeded the Maximum Residency Policy of HEI;</i></p> <p>6.3 <i>Has not been expelled from any HEI;</i></p> <p>6.4 <i>Must be enrolled in an undergraduate post-secondary program of SUCs, CHED-recognized LUCs or in program of private HEIs that are in the Registry;</i></p> <p><i>Provided that the grantees must also meet the following additional qualifications:</i></p> <p><i>Must be a dependent of an Overseas Filipino Workers as certified by the Department of Labor and Employment repatriated, displaced or deceased during the COVID-19 pandemic; and</i></p>								

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	<p><i>Must not be a recipient of scholarship/grant from any government agency.</i></p> <p><i>By dependent is meant that a person financially dependent on the Overseas Filipino Worker for his or her college education.</i></p> <p>To kick off the TABANG OFW Program, DOLE Administrative Order (AO) No. 207, s. 2020 dated October 19, 2020 was issued to ensure the efficient and effective implementation of the TABANG OFW Program for AY 2020-2021. As stated in Paragraph A of the said AO, the OWWA should carry out the following roles and responsibilities:</p> <p>1. <i>Identify/profile repatriated, displaced or deceased OFWs due to the COVID-19 pandemic that have at least a dependent enrolled or is intending to enroll in public and private HEI in AY 2020-2021.</i></p> <p>2. <i>Ensure that the profile of OFWs include complete name, sex, birth date, job site, occupation and province/region and dependent's complete name, sex, address, birth date, HEI, year level and</i></p>								

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	<p><i>degree program address.</i></p> <p>3. <i>Ensure that the program beneficiaries satisfy all qualifications under the program.</i></p> <p>4. <i>Accept and evaluate applications with corresponding documentary requirements, and endorse the list of approved beneficiaries to DOLE Regional Offices (ROs).</i></p> <p>5. <i>Develop and maintain program application and monitoring information system.</i></p> <p>6. <i>Provide the DOLE Command Center (DCC) access to the database of approved, disapproved, pending, and paid applications in order to respond promptly to inquiries regarding the programs.</i></p> <p>7. <i>Closely coordinate with DOLE ROs for verification and validation of pre-identified and pre-evaluated beneficiaries.</i></p> <p>In the audit of the transaction, some inconsistencies were noted, to wit:</p> <p>Double endorsement for payment for a</p>								

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	<p>OFW TABANG Beneficiary and his claimant (P30,000.00 x 2 = P60,000.00);</p> <p>Endorsement for payment for the following OFWs and their claimants, where only undergraduate post-secondary program are qualified for the assistance:</p> <p>Table 50: Claims of undergraduate OFWs</p> <table><tr><th>*OFW Beneficiaries</th><th>Claimant</th><th>Degree and Year Level</th><th>Amount (in Php)</th></tr><tr><td>OFW TABANG Beneficiary No. 1</td><td>Claimant No. 1</td><td>MD/2</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 2</td><td>Claimant No. 2</td><td>College of Medicine/1</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 3</td><td>Claimant No. 3</td><td>Medicine/2</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 4</td><td>Claimant No. 4</td><td>College of Medicine/1</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 5</td><td>Claimant No. 5</td><td>Medicine/3</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 6</td><td>Claimant No. 6</td><td>Doctor of Medicine</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 7</td><td>Claimant No. 7</td><td>SHS</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 8</td><td>Claimant No. 8</td><td>Medicine</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 9</td><td>Claimant No. 9</td><td>Medicine</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 10</td><td>Claimant No. 10</td><td>Medicine</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 11</td><td>Claimant No. 11</td><td>Medicine</td><td>30,000.00</td></tr><tr><td>OFW TABANG Beneficiary No. 12</td><td>Claimant No. 12</td><td>SHS</td><td>30,000.00</td></tr><tr><td>Total</td><td></td><td></td><td>360,000.00</td></tr></table> <p>Non-compliance with the requirements of Paragraph A of DOLE AO No. 207, s. 2020 under the Roles and Responsibilities of OWWA in making sure that profile of OFWs include complete name, sex, birth date, job site, occupation and province/region and dependent's complete name, sex, address, birth date, HEI, year</p>	*OFW Beneficiaries	Claimant	Degree and Year Level	Amount (in Php)	OFW TABANG Beneficiary No. 1	Claimant No. 1	MD/2	30,000.00	OFW TABANG Beneficiary No. 2	Claimant No. 2	College of Medicine/1	30,000.00	OFW TABANG Beneficiary No. 3	Claimant No. 3	Medicine/2	30,000.00	OFW TABANG Beneficiary No. 4	Claimant No. 4	College of Medicine/1	30,000.00	OFW TABANG Beneficiary No. 5	Claimant No. 5	Medicine/3	30,000.00	OFW TABANG Beneficiary No. 6	Claimant No. 6	Doctor of Medicine	30,000.00	OFW TABANG Beneficiary No. 7	Claimant No. 7	SHS	30,000.00	OFW TABANG Beneficiary No. 8	Claimant No. 8	Medicine	30,000.00	OFW TABANG Beneficiary No. 9	Claimant No. 9	Medicine	30,000.00	OFW TABANG Beneficiary No. 10	Claimant No. 10	Medicine	30,000.00	OFW TABANG Beneficiary No. 11	Claimant No. 11	Medicine	30,000.00	OFW TABANG Beneficiary No. 12	Claimant No. 12	SHS	30,000.00	Total			360,000.00						
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	<p>level and degree program address.</p> <p>The AT recognizes the efforts and desire of the agency to promptly facilitate the implementation of the TABANG Program, however, there are certain rules and regulations promulgated in this connection to be strictly complied with for the proper and successful implementation of the program.</p>								
43	<p>Audit of Regular OWWA Transactions</p> <p><i>Lapses/deficiencies in the handling of Cash Advances (CAs)</i></p> <p>Lapses were noted in the granting, utilization and liquidation of CAs, such that cash advances were not liquidated, cash advances were granted to Administrative Officers (AO) with previous unliquidated CAs, and incomplete submission of Liquidation Reports (LRs), which is contrary to existing COA rules and regulations.</p> <p>Sections 89 and 122 of PD No. 1445 provides that:</p> <p>Section 89. Limitations on cash advance. No cash advance shall be given unless for a legally authorized specific purpose. A cash advance shall be reported on any</p>	<p>It was recommended and the Management of CO and concerned RWOs IV-B, IX and XII agreed to:</p> <p>a. Issue demand letters to the concerned Accountable Officers to require the immediate liquidation of the outstanding cash advances, otherwise cause the withholding of salary of the concerned personnel;</p> <p>b. Instruct the Accountant to submit the LRs and necessary supporting documents to the Office of the Auditor and henceforth adhere to Section 7.2.1 of COA Circular No. 2009-006 and Section 25,</p>		<p>Central Office</p> <p>RWO IV-B</p>			<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>		<p><u>Central Office</u></p> <p>a. Demand letters were issued to Accommodate Officers to submit full liquidation of Cash Advances.</p> <p>b. The AD submitted necessary supporting documents to the Office of the Auditor.</p> <p>c. A training was conducted to remind Accountable Officers of the timely submission of Liquidation Reports and the prescribed documentary requirements.</p> <p><u>RWO IV-B</u></p>

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	<p>liquidated as soon as the purpose for which it was given has been served. No additional cash advance shall be allowed to any official or employee unless the previous cash advance given to him is first settled or a proper accounting thereof is made.</p> <p>Section 122. Submission of reports. Whenever deemed necessary in the exigencies of the service, the Commission may under regulations issued by it require the agency heads xxx to submit xxx such other reports as may be necessary for the exercise of its functions. (2) Failure on the part of the officials concerned to submit the documents and reports mentioned herein shall automatically cause the suspension of payment of their salaries until they shall have complied with the requirement of the Commission. (3) No appropriation authorized in the General Appropriations Act (GAA) shall be available to pay the salary or any official or employee who violates the provisions of this section, without prejudice to any disciplinary action that may be instituted against such official or employee.</p> <p>COA Circular Nos. 97-002, 2009-002 and 2012-004 dated February 10, 1997, May 18, 2009 and November 28, 2012,</p>	<p>Chapter 6 of GAM for NGAs;</p> <p>c. Strictly enforce the period of liquidation as prescribed under COA Circular No. 2009-006 and require the immediate refund/return of any excess amount thereof; and</p> <p>d. Analyze and determine the causes of the negative balances and prepare the necessary adjusting entries to correct the affected balances.</p>		<p>RWO IX</p> <p>RWO XII</p>			<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>	<p>Demand Letters dated 30 March 2022 were already sent.</p> <p><u>RWO IX</u></p> <p>All Cash Advances have been properly and appropriately liquidated as of today, per the strictly enforced deadline for submission of Liquidations.</p> <p><u>RWO XII</u></p> <p>As of today, all cash advances were properly liquidated and properly submitted to COA.</p>	

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	<p>paid through reimbursement contrary with the pertinent provisions of the RA No. 9184 or the Government Procurement Act and its' 2016 Revised Implementing Rules and Regulations (RIRR), PD No. 1445 and other laws, rules and regulations. On the other hand, RWO X has complied with provisions of RA No. 9184 and its 2016 RIRR in the procurement of goods and services.</p> <p>Section 4(6) of the PD No. 1445 provides that claims against government funds shall be supported with complete documentation</p> <p>Section 3, Rule I of the same RIRR requires that the procurement of the Government of the Philippines (GoP) shall be governed by these principles:</p> <p>a) Transparency in the procurement process and in the implementation of procurement contracts through wide dissemination of bid opportunities and participation of pertinent non-government organizations.</p> <p>b) Competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in</p>	<p>c. Require the BAC, thru the secretariat, to post the award on the PhilGEPS website, the website of the PE concerned, if available, and at any conspicuous place reserved for this purpose in the premises of the PE pursuant to Section 54.3 of the 2016 Revised IRR of RA No. 9184; and</p> <p>d. Require the BAC, thru the secretariat, to post the invitation or request for submission of price quotations/proposals for procurement on the PhilGEPS website, the website of the PE concerned, if available, and at any conspicuous place reserved for this purpose in the premises of the PE for at least three calendar days for shopping for ordinary office supplies and equipment not available in DBM-PS and SVP which has an ABC of more than P50,000.00 pursuant to Section 54.2 paragraph 2 of the 2016 Revised IRR of RA No. 9184.</p>							

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	<p>competitive bidding, except as provided in Rule XVI of this IRR.</p> <p>Section 52.3 of the 2016 RIRR of RA No. 9184 states that at least three price quotations from bona fide suppliers shall be obtained.</p> <p>Furthermore, Section 54.2 Paragraph 2 of the 2016 RIRR of RA No. 9184 states, for the following modalities, however, the Bids and Awards Committee (BAC), through its Secretariat, shall post the invitation or request for submission of price quotations/proposals in the Philippine Government Electronic Procurement System (PhilGEPS) website, the website of the Procuring Entity (PE) concerned, if available, and at any conspicuous place reserved for this purpose in the premises of the PE for at least three calendar days:</p> <p>1. xxx</p> <p>2. Section 52.1. (b) Shopping for ordinary office supplies and equipment not available in the Department of Budget and management – Procurement Service (DBM-PS) (for Approved Budget for the Contract (ABC) above P50,000.00);</p> <p>3. xxx</p>	<p>contracts with other government and private institutions</p> <p>h. To observe strictly the regulations provided in the procurement law with regard to the competitive bidding or alternative mode of procurement for consulting services; and</p> <p>i. Require the Medical retainer to submit the detailed monthly accomplishment reports for CYs 2020 and 2021</p> <p><u>RWO VIII</u></p> <p>j. Require the BAC to conduct public bidding for the procurement of motor vehicle lease contract covering the entire year requirement pursuant to the 2016 Revised IRR of RA No. 9184;</p> <p><u>RWO XI</u></p> <p>k. Submit a written explanation on the Agency’s non-</p>		<p>RWO VIII</p>			<p>Fully Implemented</p>	<p><u>RWO VIII</u></p> <p>The Management has complied with the recommendation.</p>	
				<p>RWO XI</p>			<p>Fully Implemented</p>	<p><u>RWO XI</u></p> <p>A written explanation was submitted and duly received by</p>	

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	<p>4. Section 53.9 Small Value Procurement (SVP) (for ABC above P50,000.00); and</p> <p>5. xxx</p> <p>Moreover, Section 54.3 states that in all instances of alternative methods of procurement, the BAC, through the Secretariat, shall post, for information purposes, the notice of award, contract of purchase order, including Notice to Proceed (NTP), if necessary, in the PhilGEPS website, the website of the PE concerned, if available, and at any conspicuous place reserved for this purpose in the premises of the PE< except for contracts with ABC of P50,000.00 and below.</p> <p>In Section 5(f) of Memorandum Circular 1-2021 dated June 2, 2021, issued by the Inter-Agency Task Force (IATF) on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems 9Administrative Order (A.O. No. 25 S. 2011), PhilGEPS posting of all invitations to bids and awarded contracts is one of the compliance requirements of agencies. It states in the last paragraph under Section 5 of the said memorandum that, “it is no longer required in determining the overall PBB eligibility of</p>	<p>compliance with the above-stated RA No. 9184 provisions on the procurement of goods and services totaling P850,576.61;</p> <p>l. Stop the practice of making payments through reimbursement; and</p> <p>m. Ascertain compliance with the provisions of the RA No. 9184 to adhere to the governing principles on government procurement</p> <p>The Management commented as follows:</p> <table><tr><th>Office/RWOs</th><th>Management Comment</th></tr><tr><td>VIII</td><td>Management explained that there is no specific budget on the rental of motor vehicles per quarter because it is not included in the regular budget. also, the cost for the quarterly rent of motor vehicles cannot satisfy the threshold amount of procuring through public bidding.</td></tr><tr><td>XI</td><td>Management commented that at the beginning of the year, there were no budget releases yet from the DBM but since the “Uwian na Program” of the President must continue, the Management had no other resource but to pay the expenses using their personal resources. Further, the Management explained that when the repatriation of OFWs affected by pandemic started, there were no establishments that offered catering services due to the lockdown policies of the City. The Office resorted to some fast-food chains for the meals of the repatriates since the time of arrival of flights were unpredictable. It was very difficult since the time of arrival as well as the number of passengers were only related to the OWWA</td></tr></table>	Office/RWOs	Management Comment	VIII	Management explained that there is no specific budget on the rental of motor vehicles per quarter because it is not included in the regular budget. also, the cost for the quarterly rent of motor vehicles cannot satisfy the threshold amount of procuring through public bidding.	XI	Management commented that at the beginning of the year, there were no budget releases yet from the DBM but since the “Uwian na Program” of the President must continue, the Management had no other resource but to pay the expenses using their personal resources. Further, the Management explained that when the repatriation of OFWs affected by pandemic started, there were no establishments that offered catering services due to the lockdown policies of the City. The Office resorted to some fast-food chains for the meals of the repatriates since the time of arrival of flights were unpredictable. It was very difficult since the time of arrival as well as the number of passengers were only related to the OWWA						<p>the office of the Audit Team on March 31, 2022.</p> <p>Already stopped the payments through reimbursement after the Exit Conference.</p>
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	<p>agencies, compliance with these conditions shall be used as the basis in determining the eligibility of responsible units and individuals. Agencies should submit these legal requirements directly to the oversight agencies.</p> <p>In Non-Policy Matter (NPM) 020-2015, the Government Procurement Policy Board (GPPB) pointed out that all procuring entities are mandated to fully use the PhilGEPS in the conduct of their procurement procedures, non-observance of which renders the proceeding to which it relates void, or the violation of which makes the decision therein rendered invalid.</p> <p>In NPM 070-2012, the GPPB mentioned that the PhilGEPS is tasked to accommodate the concerns of procuring entities in the use of the PhilGEPS website, and may easily be reached for assistance at telephone number 5849619 local 801 to 814, or email at philgepsbuyer@gmail.com. In addition, Section 48 of the above law and RIRR also states:</p> <p><i>48.1 Subject to the prior approval of the Head of the Procuring Entity, and whenever justified by the condition</i></p>	<table><tr><td></td><td><p>personnel concerned upon boarding the plane in Manila.</p><p>Moreover, Management informed that the personnel concerned were directed to refrain from using personal resources and adhere to the provisions of RA No. 9184 and to strictly observe the procedures of government disbursements.</p></td></tr></table> <p>Auditor's Rejoinder</p> <p>The AT shall monitor the Management's implementation of the audit recommendations and take appropriate audit actions whenever necessary.</p>		<p>personnel concerned upon boarding the plane in Manila.</p> <p>Moreover, Management informed that the personnel concerned were directed to refrain from using personal resources and adhere to the provisions of RA No. 9184 and to strictly observe the procedures of government disbursements.</p>						
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	<p><i>provided in this Act, the procuring entity may, in order to promote economy and efficiency, resort to any of the alternative methods of procurement provided in this Rule. In all instances, the procuring entity shall ensure that the most advantageous price for the Government is obtained. (Emphasis supplied)</i></p> <p><i>In accordance with Section 10 of this IRR, as a general rule, the Procuring Entities shall adopt public bidding as the general mode of procurement and shall see to it that the procurement program allows sufficient lead time for such public bidding. Alternative methods shall be resourced to only in the highly exceptional cases provided for the IRR, such are the following:</i></p> <ul style="list-style-type: none">• 3.1 Shopping under Section 52.1(a) of the IRR of RA No. 9184 – allows PE to procure directly from suppliers of known qualification, whenever:<ul style="list-style-type: none">3.1.1 The procurement involves readily available off-the-shelf Goods or ordinary/regular equipment; AND3.1.2 There is an unforeseen								

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	<p>contingency requiring immediate purchase. (Emphasis supplied)</p> <ul style="list-style-type: none">Small Value Procurement under Section 53.9 of the IRR of RA No. 9184. Where the procurement does not fall under Shopping in Section 52 of this IRR and the amount involved does not exceed the threshold prescribed in Annex “H” of this IRR <p>The method of procurement to be used shall be as indicated in the approved APP. If the original method of procurement recommended in the APP was competitive bidding but cannot be ultimately pursued, the BAC, through a resolution, shall justify and recommend the change in the method of procurement to be approved by the HoPE. Such changes must be reflected in the APP to be submitted to the GPBB, pursuant to Section 7.4 of this IRR.</p> <p>In addition, DBM NBC No. 446, s. 1995 listed down the information and document requirements as follows:</p> <p>12.3 Information Requirements – Requests for authority to rent shall be</p>								

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	<p><i>accompanied by the following:</i></p> <ul style="list-style-type: none"><i>Detailed justification for the rental of motor/transport vehicle(s) proposed, including the duration of the specific program, project and activity for which the motor vehicle(s) will be rented;</i><i>The number, type and specifications of vehicle(s) to be rented, and proposed rates;</i><i>Period of rental of the motor vehicle(s); and</i><i>Certification of fund source and availability.</i> <p>Rule XVI also provides the alternative methods of procurement, such as: (a) Limited Source Bidding (Section 49); (b) Direct Contracting (Section 50); (c) Repeat Order (Section 51); (d) Shopping 9Section 52); and € Negotiated Procurement (Section 53).</p> <p>COA Circular No. 2009-001 even requires that within five working days from the execution of a contract by the government or any of its subdivisions, agencies or instrumentalities, including government-owned and controlled corporations and their subsidiaries, a copy of said contract and each of all the documents forming part</p>								

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	<p>thereof by reference pr incorporation shall be furnished to the Auditor of the agency concerned. In case of agencies audited on an engagement basis, submission of a copy of the contract and its supporting documents shall be to the Auditor of the mother agency or parent company, as the case may be.</p> <p>The propriety and legality of procurements made were rendered doubtful due to the following deficiencies noted in the conduct of audit for compliance to RA No. 9184:</p> <p><i>a. Incomplete documentations for the procurement of goods and services in the implementation of OWWA programs in RWOs NCR and III</i></p> <p>In RWO NCR, audit revealed that procurement of food and beverages expenses in the implementation of OWWA Tulong-PUSO Program amounting to P9,625.00 were incurred for the conduct awarding last June 3 and 30, 2021. Scrutiny of records revealed that only one quotation of the selected supplier and a screenshot of the menu of two other known suppliers in the food market were submitted. Although the selected supplier had the lowest cost among the three, merely screenshot of the menu does not</p>								

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					From	To			
	<p>equate to price quotations required in the aforementioned laws and regulations, thus legality and reasonableness of the expenses could not be validated.</p> <p>Moreover, the rental of transport services in RWO III amounting to P55,551,803.13 were supported only by statement of account and summary of trips contracted with various providers. Although contracts were procured through the negotiated procurement under emergency cases, the procuring entity should have required the service providers' copies of PhilGEPS Certificate of Registration and Membership, Mayor's or Business Permit and Income Tax Returns. The agency shall negotiate then for the advantageous price to the government based on: (1) existing price date of the agency, the Department of Trade and Industry or other relevant agencies; or (2) preliminary market scanning done by the agency showing prevailing market prices and practice. Lastly, the agency shall then directly negotiate or procure from a legally technically, and financially capable supplier, distributor, manufacturer, contractor, or consultant.</p> <p><i>b. Non-posting of Request for Quotations (RFW)/Pos/Contracts/Awards on the</i></p>								

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	<p><i>PhilGEPS website in RWO CAR</i></p> <p>In RWO CAR, audit revealed that RFQs/Pos/Contracts/Awards were not posted on the PhilGEPS website. In addition, for CY 2021, the RWO CAR had paid for goods and services amounting to P991,242.00 through Small Value Procurement.</p> <p>Examination of records revealed that payments made for the said procurement of goods and services did not include in their supporting documents any proof of posting to the PhilGEPS for POs or Job Orders/Notice of Award/Contracts and RFQs. Considering the mandatory requirement of posting to the PhilGEPS as required in Memorandum Circular 1-2021 dated June 2, 2021 and NPM No. 020-2015, the non-posting of the award was not justified.</p> <p><i>c. Procurement of services was not made through public bidding in RWOs VII and VIII</i></p> <p>In RWO VII, it was observed that hiring of a Medical Retainer for medical services to carry out the agency's Social benefit Program for member-OFWs was not done through proper procurement method.</p>								

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	<p>Review of the records revealed that a total of P228,000.00 was disbursed for the payment of retainer fees. Verification of supporting documents attached to the DVs, revealed that one of the documents was a copy of the Contract of Services dated December 29, 2020 entered into by and between the RWO VII and the Medical Retainer.</p> <p>Inquiry with the BAC revealed that a notice in the official Facebook account of the OWWA was made that the RWO was in need of a Medical retainer. This procurement procedure employed by the agency is not one of the alternative methods of procurement provided in R No. 9184, thus irregular and illegal. The law provides that all procurement shall be done through competitive bidding, except as provided in RULE XVI of the IRR. Section 48.2 provides for the alternative methods of procurements, only in highly exceptional cases.</p> <p>Accordingly, the omission of both competitive bidding and alternative procurement procedures of the government procurement law resulted in non-submission/preparation of the pertinent documents by the medical retainer/BAC as required by Annex H and</p>								

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	<p>pertinent provisions of RA No. 9184.</p> <p>Moreover, in RWO VIII, an audit revealed that rental for vans/vehicles were procured through the Small Value Procurement basis without first complying with the pre-requisite conditions to resort to such mode. The AT also noted that the Agency's procurement for such rentals were not reflected in the Annual Procurement Plan (APP) for CY 2021. However, an amount of P479,750.00 was provided a supplemental for “transportation expenses for <i>Hatid</i> for OFWs”.</p> <p>The agency is reminded that RA No. 9184 and its IRR provide the parameters in resorting to alternative methods of procurement including the requirement that the conditions justifying the resort to any alternative methods of procurement must be present.</p> <p><i>d. Various procurement for COVID-19 related expenditures incurred by RWO XI in CY 2021 totaling P850,576.61 were paid through reimbursement</i></p> <p>Review of the CY 2021 DVs of the RWO CI revealed that various expenses such as those pertaining to the maintenance and operating expenses of the Agency, as well as in the implementation of its ERP,</p>								

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	<p>totaling P850,576.61 were paid through reimbursement. Inquiry with the Accountant disclosed that there were instances when the special disbursing officers concerned initially used their personal funds to pay for the official expenses incurred during the repatriation of OFWs.</p> <p>It should be emphasized however that reimbursement is not among the prescribed regular modes of procurement. Goods and services paid through reimbursement manifested Management’s disregard of the governing principles of transparency, accountability, equity, efficiency and economy on government procurement.</p> <p>Disbursement of funds in this manner also renders questions on the validity and propriety of transaction; and does not carry out the withholding of taxes on procured goods and services which would be unfavorable to the government’s interest.</p> <p>It is noted however that in RWO X, the AT has observed that the RWO has complied with provisions of RA No. 9184 and its 2016 IRR in the procurement of goods and services.</p>								

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	In view of the foregoing, the propriety and legality of procurements made for CY 2021 in the RWOs were rendered doubtful.								
45	<p><i>Delayed or non-submission /preparation of Financial Reports and Supporting Documents</i></p> <p>Delayed ranging from three to 372, or non-submission/preparation of financial reports, including their supporting schedules, other required reports and documents were noted in the OWWA CO and 11 RWOs, contrary to Section 122 of PD No. 1445, GAM for NGAs, and pertinent COA Circulars, thus affecting the timely audit/verification of financial transactions and the correction of errors/efficiencies that may be found in the course of the audit, if any.</p> <p>Section 122, PD No. 1445, otherwise known as the Government Auditing Code of the Philippines, provides that:</p> <p><i>“Submission of Reports. Whenever deemed necessary in the exigencies of the service, the Commission may under regulations issued by it require the agency heads, chief accountants, budget officers, cashiers, disbursing officers, disbursing officers, administrative or personnel officers, and other responsible</i></p>	<p>It was recommended and Management agreed to require the AU of the concerned RWOs to:</p> <p>a. Prepare and submit the required reports within the deadline prescribed in the GAM for NGAs and pertinent COA Circulars; and</p> <p>b. Submit immediately the overdue reports to the AT.</p> <p>It was also recommended and Management of RWO IV-A agreed to cause the suspension of the salaries of the Regional Accountant for non-submission of the required financial reports and supporting schedules in accordance with Section 122 of PD No. 1445 until such time he has complied with the requirements of the Commission.</p>		<p>Central Office</p> <p>RWO NCR</p> <p>RWO IV-A</p> <p>RWO IV-B</p>			<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p> <p>On-going</p>	<p><u>Central Office</u></p> <p>As of April 8, 2022, all reports/supporting documents were submitted to the Office of the Auditor.</p> <p><u>RWO NCR</u></p> <p>The Management already complied with the same.</p> <p><u>RWO IV-A</u></p> <p>Reports and other documents were already submitted.</p> <p><u>RWO IV-B</u></p> <p>Delayed reports were already submitted by the Designated Accountant.</p>	

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	<p>officials of various agencies to submit trial balances, physical inventory reports, current plantilla of personnel, and such other reports as may be necessary for the exercise of its functions.</p> <p>(2) Failure on the part of the officials concerned to submit the documents and reports mentioned herein shall automatically cause the suspension of payment of their salaries until they shall have complied with the requirements of the Commission.</p> <p>No appropriation authorized in the GAA shall be available to pay the salary or any official or employee who violates the provisions of this section, without prejudice to any disciplinary action that may be instituted against such official or employee.”</p> <p>The existing rules and regulations on the submission of financial reports, including their supporting schedules, other required reports and documents are as follows:</p> <p>a. Sections 7.1 and 7.2 of the Revised Rules and Regulations on the Settlement of Accounts (RRSA), as prescribed under COA Circular No. 2009-006 dated September 15, 2009 and Section 5.3 of COA Circular No.</p>			<p>RWO V</p> <p>RWO VII</p> <p>RWO VIII</p> <p>RWO IX</p>			<p>Fully Implemented</p> <p>On-going</p> <p>On-going</p> <p>On-going</p>	<p>be hired.</p> <p><u>RWO V</u></p> <p>Since FY 2021, the Regional Office V fully complied with the deadline prescribed in the GAM.</p> <p><u>RWO VII</u></p> <p>The office will still be sending a letter to the Office of the Solicitor General to seek authority to hire the services of a private lawyer. This has been set aside for a while due to the fire incident that broke out at OWWA RWO 7 recently.</p> <p><u>RWO VIII</u></p> <p>Partial implementation due to fire incident happened in the office and lack of manpower.</p> <p><u>RWO IX</u></p> <p>The Management is still awaiting the arrival of the new IRR plantilla – Budget Officer, who</p>	

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					From	To																	
	<p>97-002 provides the responsibility of the Agency Head and the Chief Accountant to ensure that the required financial and other reports and statements are submitted in such form and within the period prescribed by the Commission which is within 10 days of the ensuing months.</p> <p>b. Section 60.c, Chapter 19, GAM for NGAs, Volume I</p> <p><i>Deadlines on Submission of Reports – All NGAs shall prepare and submit the following financial statements and schedules as follows, within the prescribed deadline:</i></p> <p><i>Central/Head/Main Offices</i></p> <table><tr><th>Office</th><th>Statement / Report</th><th>Deadline</th><th>Submit to:</th></tr><tr><td>Monthly</td><td>Trial Balances (TBs) and Supporting Schedules (SSs)</td><td>Ten days after the end of the month</td><td>Auditor, DBM, Management</td></tr><tr><td>Quarterly</td><td>TB, FSs, SSs</td><td>Ten days after the end of the quarter</td><td>Auditor, DBM, Management</td></tr><tr><td>Yearend</td><td>TBs, FSs, SSs (combined CO, ROs and OUs)</td><td>February 14 of the following year</td><td>COA Auditor, DBM, COA-GAS</td></tr></table> <p>Sec. 3.2.1 of COA Circular No. 2009-01 provides that “a copy of any purchase order irrespective of amount, and each and</p>	Office	Statement / Report	Deadline	Submit to:	Monthly	Trial Balances (TBs) and Supporting Schedules (SSs)	Ten days after the end of the month	Auditor, DBM, Management	Quarterly	TB, FSs, SSs	Ten days after the end of the quarter	Auditor, DBM, Management	Yearend	TBs, FSs, SSs (combined CO, ROs and OUs)	February 14 of the following year	COA Auditor, DBM, COA-GAS		RWO XI			On-going	<p>will assist the accountant in preparing financial records and reports for prompt submission. Maintaining the reports is currently being added to the accounting department’s job duties.</p> <p><u>RWO XI</u></p> <p>Since the creation of AOV (Accountant) position in OWWA, RWO XI has only the SAO as the Accountant designate. Being a medium-high region, RWO XI has voluminous transactions and the SAO has been the lone Permanent staff performing all administrative and finance task. Due to the voluminous transactions, reports are complied but cannot be submitted on time to give priority in the processing of DVs as budget and accountant.</p> <p>Thus last December 2021 the Management has sent a letter request from the Central office for an Accountant plantilla position since this has always been reiterated in the COA</p>
Office	Statement / Report	Deadline	Submit to:																				
Monthly	Trial Balances (TBs) and Supporting Schedules (SSs)	Ten days after the end of the month	Auditor, DBM, Management																				
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	<p><i>every supporting document, shall, within five working days from issuance thereof, be submitted to the Auditor concerned.”</i></p> <p>Based on the above provisions, the reports to be furnished to COA within the prescribed period and the supporting records/documents to be prepared and submitted by Management are summarized below:</p> <table><tr><th colspan="3">Table 52: Deadline of Submission of Financial Reports</th></tr><tr><th>Reports</th><th>Due Date of Submission</th><th>Basis</th></tr><tr><td>1. JEVs, RCI, DVs, Payrolls; Report of Collection and Deposit (RCD) and Official Receipts (ORs)</td><td>10th day after end of each month</td><td>Section 7.2.1a of the RRSA as prescribed under COA Circular No. 2009-006 dated Sept. 15, 2009;</td></tr><tr><td>2. Liquidation Reports (LRs)</td><td>10 days from date of receipt of the Accountant</td><td>Section 5.3 of COA Circular No. 97-002</td></tr><tr><td rowspan="2">3. Trial Balances (TBs)/ Financial Statements (FSSs)</td><td>Within 10 days after the end of each month</td><td rowspan="2">Section 60, Chapter 19 of the GAM for NGAs, Volume I</td></tr><tr><td>Within 10 days after the end of each month</td></tr><tr><td>4. Contract/POs</td><td>Within 5 days from the date of issuance</td><td>Sec. 3.2.1 of COA Circular No. 2009-001 and RA No. 9184</td></tr></table> <p>Submission of the required financial reports, including their supporting schedules, other required reports and documents were either delayed ranging from three to 372 days or not submitted in</p>	Table 52: Deadline of Submission of Financial Reports			Reports	Due Date of Submission	Basis	1. JEVs, RCI, DVs, Payrolls; Report of Collection and Deposit (RCD) and Official Receipts (ORs)	10 th day after end of each month	Section 7.2.1a of the RRSA as prescribed under COA Circular No. 2009-006 dated Sept. 15, 2009;	2. Liquidation Reports (LRs)	10 days from date of receipt of the Accountant	Section 5.3 of COA Circular No. 97-002	3. Trial Balances (TBs)/ Financial Statements (FSSs)	Within 10 days after the end of each month	Section 60, Chapter 19 of the GAM for NGAs, Volume I	Within 10 days after the end of each month	4. Contract/POs	Within 5 days from the date of issuance	Sec. 3.2.1 of COA Circular No. 2009-001 and RA No. 9184			RWO XII		Fully Implemented	<p>findings.</p> <p><u>RWO XII</u></p> <p>The office has complied with all 2021 transactions.</p>
Table 52: Deadline of Submission of Financial Reports																										
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	<p>CO and 11 RWOs. Details of the delayed submission of required financial reports, including their supporting schedules, other required reports and documents ranging from three to 372 days are shown below:</p> <p>Table 53: Schedule of Delays in Submission of the Requires Financial Reports</p> <table><tr><th>Office/ RWOs</th><th>Financial Reports / Documents / Records</th><th>No. of Days Delayed</th></tr><tr><td rowspan="6">CO</td><td>JEVs</td><td>70 to 237</td></tr><tr><td>Checks with DVs / Payrolls</td><td>80 t 143</td></tr><tr><td>ADA with DVs / Payrolls</td><td>80 to 143</td></tr><tr><td>ORs</td><td>42 to 162</td></tr><tr><td>LRs</td><td>25 to 135</td></tr><tr><td>FSs and SS</td><td>23 to 101</td></tr><tr><td>NCR</td><td>FSs and SS</td><td>9 to 18</td></tr><tr><td>V</td><td>POs</td><td>6 to 74</td></tr><tr><td rowspan="3">VI</td><td>RCD</td><td>3 to 57</td></tr><tr><td>RCI</td><td>64 to 174</td></tr><tr><td>FSs and SS</td><td>43 to 124</td></tr><tr><td>VII</td><td>FSs and SS</td><td>23</td></tr><tr><td>VIII</td><td>DVs</td><td>25 to 72</td></tr><tr><td>IX</td><td>FSs and SS</td><td>29 to 60</td></tr><tr><td rowspan="3">XI</td><td>DVs and RCI</td><td>10 to 48</td></tr><tr><td>RCD, CRJ and OR</td><td>9 to 73</td></tr><tr><td>FSs and SS</td><td>48 to 139</td></tr><tr><td rowspan="5">XII</td><td>LRs</td><td>240 to 365</td></tr><tr><td>DVs</td><td>15 to 111</td></tr><tr><td>FSs and SS</td><td>40 to 142</td></tr><tr><td>RCD and ORs</td><td>11 to 55</td></tr><tr><td>RAAF for Checks and ORs</td><td>11 to 55</td></tr><tr><td>XIII</td><td>TB</td><td>26 to 341</td></tr><tr><td></td><td>Check Disbursement Journal</td><td>26 to 341</td></tr><tr><td></td><td>Cash Disbursement Journal</td><td>26 to 54</td></tr><tr><td></td><td>Cash Receipts Journal</td><td>49 to 372</td></tr><tr><td></td><td>GJ</td><td>59 to 372</td></tr><tr><td></td><td>RCI</td><td>4 to 133</td></tr><tr><td></td><td>RCD</td><td>4 to 129</td></tr><tr><td></td><td>DV</td><td>50 to 217</td></tr></table> <p>a. Details of the unsubmitted financial reports, including their supporting schedules, other required reports and</p>	Office/ RWOs	Financial Reports / Documents / Records	No. of Days Delayed	CO	JEVs	70 to 237	Checks with DVs / Payrolls	80 t 143	ADA with DVs / Payrolls	80 to 143	ORs	42 to 162	LRs	25 to 135	FSs and SS	23 to 101	NCR	FSs and SS	9 to 18	V	POs	6 to 74	VI	RCD	3 to 57	RCI	64 to 174	FSs and SS	43 to 124	VII	FSs and SS	23	VIII	DVs	25 to 72	IX	FSs and SS	29 to 60	XI	DVs and RCI	10 to 48	RCD, CRJ and OR	9 to 73	FSs and SS	48 to 139	XII	LRs	240 to 365	DVs	15 to 111	FSs and SS	40 to 142	RCD and ORs	11 to 55	RAAF for Checks and ORs	11 to 55	XIII	TB	26 to 341		Check Disbursement Journal	26 to 341		Cash Disbursement Journal	26 to 54		Cash Receipts Journal	49 to 372		GJ	59 to 372		RCI	4 to 133		RCD	4 to 129		DV	50 to 217							
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					From	To																																
	<div>documents are show below: Table 54: Details of the Unsubmitted Financial Reports of RWOs</div> <table><tr><th>Office / RWOs</th><th>Financial Reports / Documents / Records</th><th>Period Covered / Remarks</th></tr><tr><td>IV-A</td><td>DVs</td><td>Jan. to Aug. 2021 totaling P83,378,915.47</td></tr><tr><td></td><td>TB/FS</td><td>CY 2021</td></tr><tr><td></td><td>POs/Contracts including supporting documents</td><td>P2,106,132.74</td></tr><tr><td rowspan="3">IV-B</td><td>JEVs</td><td>CYs 2019 to 2021</td></tr><tr><td>ORs</td><td>Oct. to Dec. 2021</td></tr><tr><td>DVs</td><td>CY 2021</td></tr><tr><td>VIII</td><td>POs/Contracts including supporting documents</td><td>P1,329,282.11</td></tr><tr><td rowspan="2">XII</td><td>LRs</td><td>CY 2021 totaling P11,725,195.00</td></tr><tr><td>DVs</td><td>Feb. to Dec. 2021 totaling P22,836,198.73</td></tr><tr><td>XIII</td><td>DVs</td><td>Jan. to Dec. 2021 totaling P 13,474,693.38</td></tr></table> <div>The delay/non-submission of the required reports and its supporting documents affected the timely examination and verification of the transaction by the respective AT and the timely correction of errors, if any.</div>	Office / RWOs	Financial Reports / Documents / Records	Period Covered / Remarks	IV-A	DVs	Jan. to Aug. 2021 totaling P83,378,915.47		TB/FS	CY 2021		POs/Contracts including supporting documents	P2,106,132.74	IV-B	JEVs	CYs 2019 to 2021	ORs	Oct. to Dec. 2021	DVs	CY 2021	VIII	POs/Contracts including supporting documents	P1,329,282.11	XII	LRs	CY 2021 totaling P11,725,195.00	DVs	Feb. to Dec. 2021 totaling P22,836,198.73	XIII	DVs	Jan. to Dec. 2021 totaling P 13,474,693.38							
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	DVs	Feb. to Dec. 2021 totaling P22,836,198.73																																				
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46	<div>Incomplete supporting documents – P1,751,685,195.91</div> <div>Disbursements for the expenses incurred during the repatriation of OFWs totaling P1,751,685,185.91 in six RWOs were made without the complete supporting documents, contrary to Section 4(6) of PD No. 1445 and COA Circular No. 2012-001 dated June 14, 2012, thus rendered the propriety and</div>	<div>It was recommended and Management agreed to:</div> <div>a. Submit the lacking documentary requirements as required by PD No. 1445 and COA Circular No. 2012-001; and</div>		RWO I	Jan 2022	Apr 2022	Fully Implemented		<div>RWO I</div> <div>The Management has submitted all the accomplished lacking documents to the COA on April 21, 2022 to support the validity of the transactions.</div>																													

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																				
			Action Plan	Person / Dept. Responsible	Target Implementation Date																								
					From	To																							
	<p>validity of the transactions doubtful.</p> <p>Fundamental Principles governing the financial transactions and operations of any government agency as provided under Section 4(6) of PD No. 1445 provides, among others that: <i>“Claims against government funds shall be supported with complete documentation.”</i></p> <p>Likewise, COA Circular No. 2012-001, prescribes the revised guidelines and documentary requirements for common government transactions.</p> <p>Post-audit of DVs in six RWOs revealed that a total of P1,751,685,185.91 were made without the complete supporting documents: Details are as follows:</p> <p>Table 55: Summary of Incomplete Submission of Required Documents of RWOs</p> <table><tr><th>Office / RWOs</th><th>Particulars</th><th>Lacking Documents / Deficiencies Noted</th><th>Amount (in Php)</th></tr><tr><td rowspan="3">I</td><td>• Payment for the antigen test, RT-PCR test and isolation</td><td>• DV not certified by the Accountant</td><td rowspan="3">626,371.90</td></tr><tr><td>• Payment of hotel accommodation</td><td></td></tr><tr><td>• Reimbursement of janitorial services</td><td>• No proof of service / attendance of the janitor</td></tr><tr><td></td><td>• Reimbursement for meals at</td><td>• Not supports</td><td></td></tr></table>	Office / RWOs	Particulars	Lacking Documents / Deficiencies Noted	Amount (in Php)	I	• Payment for the antigen test, RT-PCR test and isolation	• DV not certified by the Accountant	626,371.90	• Payment of hotel accommodation		• Reimbursement of janitorial services	• No proof of service / attendance of the janitor		• Reimbursement for meals at	• Not supports		<p>b. Ensure that all disbursements shall be supported with duly certified DV and complete supporting documents.</p> <p>The Management commented as follows:</p> <table><tr><th>Office / RWOs</th><th>Management Comments</th></tr><tr><td>III</td><td>The Management commented that the transactions for transport services were entered into due to emergency and exigency of the service. Accordingly, the service providers were advised to comply with BIR registration and secure official receipts. As per Universal Health Care Act and Bayanihan Act, all arriving OFWs during the Pandemic are deemed in distress.</td></tr><tr><td>XII</td><td>Management justified as regards the reimbursement of scholarship grants to scholars, the office processed their refunds provided they can provide us with a Certificate of full payment with a school seal given by their respective schools. Furthermore, their grades are attached too to their refunds for scholars cannot get their grades if they have outstanding balances. Instead of a statement of account and official receipts, Management asks for the Certificate of full Payment with their school seal. Verification is also made by the scholarship-in-charge as to the obligation of the scholar before the processing of refunds. As to the unsubmitted DVs, Management promised to submit the same.</td></tr></table>	Office / RWOs	Management Comments	III	The Management commented that the transactions for transport services were entered into due to emergency and exigency of the service. Accordingly, the service providers were advised to comply with BIR registration and secure official receipts. As per Universal Health Care Act and Bayanihan Act, all arriving OFWs during the Pandemic are deemed in distress.	XII	Management justified as regards the reimbursement of scholarship grants to scholars, the office processed their refunds provided they can provide us with a Certificate of full payment with a school seal given by their respective schools. Furthermore, their grades are attached too to their refunds for scholars cannot get their grades if they have outstanding balances. Instead of a statement of account and official receipts, Management asks for the Certificate of full Payment with their school seal. Verification is also made by the scholarship-in-charge as to the obligation of the scholar before the processing of refunds. As to the unsubmitted DVs, Management promised to submit the same.		<p>RWO III</p> <p>RWO V</p> <p>RWO XII</p>		<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>	<p><u>RWO III</u></p> <p>The recommendation has been implemented and complied.</p> <p><u>RWO V</u></p> <p>The Regional Office V fully complied with the deadline prescribed in the GAM.</p> <p><u>RWO XII</u></p> <p>The office submitted the lacking vouchers and reiteration on the proper documents of scholarship refunds were relayed to our scholars.</p>
Office / RWOs	Particulars	Lacking Documents / Deficiencies Noted	Amount (in Php)																										
I	• Payment for the antigen test, RT-PCR test and isolation	• DV not certified by the Accountant	626,371.90																										
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								From	To			
		Urdaneta drop-off point	with Official Receipt (OR); Billing Statement exceeded by 1 pax (P825) in the quantity charged for meals on 09/01, 09/22, and 09/28 compared to the Attendance Sheets									
	III	Payments made for the transport services of returning OFWs	No attached rental contract, BIR registered ORs and other supporting documents necessary to validate the transactions	55,551,803.13								
		Payments for the hotel accommodations of OFWs	No certification of eligibility attached	1,693,511,758.31								
	V	Claims for hotel accommodations and venue for various OWWA RWO V activities	<ul style="list-style-type: none">• Training/seminars and other activities held in the hotels were not supported with Attendance Sheets• Hotel accommodations were not supported with list of accommod	311,720.38								

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								From	To			
			ated guests, specifying the number of rooms occupied and the duration of stay, in lieu of Guest Registration Form duly signed by the guest and hotel representative, if not available									
			<ul style="list-style-type: none">No Inspection and Acceptance ReportsNot supported with Travel or Office Order									
	VI	Release of funds to various LGUs	Lacking Official Receipt (OR) and no attached Individual OFW Membership Records & Passports	378,900.00								
	XII	Various expenses	DVs with no ORs and other supporting documents	487,944.79								
	XIII	Disbursements for the expenses incurred during the repatriation of OFWs and regular transactions:		816,687.40								
			<ul style="list-style-type: none">Not									

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								From	To		
		<ul style="list-style-type: none">• Transportation Exp.• Hotel Accommodation• Food/Meals	supported with the contract between OWWA RWO XIII and TRANSPORT PROVIDER, and the list of ferried passengers or passenger manifest of the sweeper flights								
		<ul style="list-style-type: none">• Others<ul style="list-style-type: none">- Purchase of office supplies which were not	<ul style="list-style-type: none">• Not supported with the memorandum or written instruction• Not supported with Purchase Request (PR), Inspection and Acceptance Report (IAR), and meal listing of OFWs or passenger manifest of sweeper flights• Not supports with Certificate of Non-								

Ref	Audit Observations				Audit Recommendation	Agency Action Plan			Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken						
						Action Plan	Person / Dept. Responsible	Target Implementation Date									
								From				To					
	<table><tr><td></td><td>purchased from PS-DDM - payment for the services of security guard</td><td>Availability of Stock (CNAS)<ul style="list-style-type: none">Not supports with the Statement of Account (SOA) from the Security Agency</td><td></td></tr><tr><td></td><td>Total</td><td></td><td>P1,751,685,185.91</td></tr></table>		purchased from PS-DDM - payment for the services of security guard	Availability of Stock (CNAS) <ul style="list-style-type: none">Not supports with the Statement of Account (SOA) from the Security Agency			Total		P1,751,685,185.91								
	purchased from PS-DDM - payment for the services of security guard	Availability of Stock (CNAS) <ul style="list-style-type: none">Not supports with the Statement of Account (SOA) from the Security Agency															
	Total		P1,751,685,185.91														
	The above enumerated observations were not in accordance with Section 4(6) of PD No. 1445, and COA Circular No. 2012-001 dated June 14, 2012, thereby the propriety and validity of the transactions are doubtful.																
47	<p><i>Irregular, Unnecessary, Excessive, Extravagant and Unconscionable (IUEEU) Expenditures</i></p> <p>A total of P826,718.13 disbursements in OWWA CO and five RWOs were deemed IUEEU expenditures, contrary to COA Circular No. 2012-003 dated October 29, 2012, Section 123 of PD No. 1445 and laws, rules and regulations pertaining to the transactions</p> <p>COA Circular No. 2012-003 provides the Updated Guidelines for the Prevention and Disallowance of Irregular, Unnecessary, Excessive, Extravagant and Unconscionable expenditures defining the</p>				<p>It was recommended and Management agreed to:</p> <p><u>CO and RWO V</u></p> <p>a. Investigate the cause of overpayment of AKAP for OFWs totaling P60,000.00 and P10,000.00 in the CO and RWO V, respectively and institute necessary actions;</p> <p>b. Evaluate the adequacy of</p>		<p>Central Office</p>			<p>On-going</p>	<p><u>Central Office</u></p> <p>The Management has been coordinating with the OFWs who availed twice of the AKAP. Of the six (6) OFWs, one (1) worker already refunded OWWA on 31 May 2022, two (2) of them promised to pay on installment and one (1) currently</p>						

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																	
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					From	To																				
	<p>terms irregular expenditures, unnecessary expenditures, excessive expenditures, extravagant expenditures and unconscionable expenditures.</p> <p>While Section 123 of PD No. 1445 provides the definition of Internal Control, as follows:</p> <p><i>“Internal control is the plan of organization and all the coordinate methods and measures adopted within an organization or agency to safeguard its assets, check the accuracy and reliability of its accounting data, and encourage adherence to prescribed managerial policies.”</i></p> <p>Post-audit of DVs in CO and five RWOs revealed that a total of P826,718.13 were deemed as IUEEU expenditures. Details are as follows:</p> <table><tr><th colspan="4">Table 56: Summary of IUEEU Expenditures of RWOs</th></tr><tr><th>Particulars</th><th>Laws, Rules, and Regulations</th><th>Office / RWOs</th><th>Amount (in Php)</th></tr><tr><td>a. DOLE_OWWA AKAP for OFWs Double Payment</td><td>Section 5.1 of COA Circular No. 2012-03 dated October 29, 2012 and the provisions of DO Nos. 220 and 212 s. 2020, and MOI No. 004 s. 2020.</td><td>CO</td><td>60,000.00</td></tr><tr><td></td><td></td><td>V</td><td>10,000.00</td></tr><tr><td>b. Extravagant, excessive, irregular and</td><td>COA Circular No. 2012-003 and Section 2 of PD</td><td>V</td><td>98,529.63</td></tr></table>	Table 56: Summary of IUEEU Expenditures of RWOs				Particulars	Laws, Rules, and Regulations	Office / RWOs	Amount (in Php)	a. DOLE_OWWA AKAP for OFWs Double Payment	Section 5.1 of COA Circular No. 2012-03 dated October 29, 2012 and the provisions of DO Nos. 220 and 212 s. 2020, and MOI No. 004 s. 2020.	CO	60,000.00			V	10,000.00	b. Extravagant, excessive, irregular and	COA Circular No. 2012-003 and Section 2 of PD	V	98,529.63	<p>existing Internal Controls in processing the application for the AKAP for OFWs Program and Institute additional procedures that would prevent double payments to availlees/beneficiaries;</p> <p><u>RWO V</u></p> <p>c. Submit the menu of meals served. Attendance Sheet, Inspection and Acceptance Report, Minutes of BAC meetings cited above and justification on the inconsistency of the dates in the documents;</p> <p>d. Submit Attendance Sheets and other documents such as pictures for the awarding of livelihood kits;</p> <p>e. Stop the practice of conducting BAC meetings in hotels/venues outside the Office and providing meals during flag ceremony and awarding of livelihood assistance to OWWA beneficiaries;</p>		<p>RWO V</p> <p>RWO VII</p> <p>RWO X</p>	<p>Fully Implemented</p> <p>On-going</p> <p>Fully Implemented</p>	<p>unemployed promised to pay one he get onboard.</p> <p><u>RWO V</u></p> <p>Compliance of necessary documents received by COA dated May 12, 2022.</p> <p><u>RWO VII</u></p> <p>The Office will still be sending a letter to the Office of the Solicitor General (OSG) to seek authority to hire the services of a private lawyer.</p> <p><u>RWO X</u></p> <p>RWO X already contacted/followed up the recipient of the overpayment livelihood assistance to pay within the year as stated in his promissory note. In addition, OWWA X will re-notify the OFW reminding his promise to pay the double availment on May 23, 2022.</p>
Table 56: Summary of IUEEU Expenditures of RWOs																										
Particulars	Laws, Rules, and Regulations	Office / RWOs	Amount (in Php)																							
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	<table><tr><td>unnecessary expenditures for disbursements for BAC meetings and meals during flag raising and warding of livelihood assistance/kits</td><td>No. 1445</td><td></td><td></td></tr><tr><td>c. Unauthorized release of OWWA Rebates Program (ORP) funds</td><td>OWWA MOI Nos. 008 and 013, s. 2018 and RA No. 10801, or the OWWA Act of 2016</td><td>VI</td><td>530,488.50</td></tr><tr><td>d. Retainer fees for legal services not supported with deputation from the Office of the Solicitor General (OSG)</td><td>COA Circular No. 95-011 dated December 4, 1995</td><td>VII</td><td>45,900.00</td></tr><tr><td>e. Overpayment of Balik Pinas Balik Hanapbuhay (BPPH)</td><td>Section 2 of OWWA MOI No. 005, s. 2017</td><td>X</td><td>20,000.00</td></tr><tr><td>f. Transportation Expense deemed excessive</td><td>COA Circular No. 2012-003 dated October 29, 2012</td><td>XIII</td><td>61,800.00</td></tr><tr><td></td><td>Total</td><td></td><td>826,718.13</td></tr></table>	unnecessary expenditures for disbursements for BAC meetings and meals during flag raising and warding of livelihood assistance/kits	No. 1445			c. Unauthorized release of OWWA Rebates Program (ORP) funds	OWWA MOI Nos. 008 and 013, s. 2018 and RA No. 10801, or the OWWA Act of 2016	VI	530,488.50	d. Retainer fees for legal services not supported with deputation from the Office of the Solicitor General (OSG)	COA Circular No. 95-011 dated December 4, 1995	VII	45,900.00	e. Overpayment of Balik Pinas Balik Hanapbuhay (BPPH)	Section 2 of OWWA MOI No. 005, s. 2017	X	20,000.00	f. Transportation Expense deemed excessive	COA Circular No. 2012-003 dated October 29, 2012	XIII	61,800.00		Total		826,718.13	<p>f. Henceforth, observe prudence in disbursing government funds and ensure compliance to rules, laws and regulations;</p> <p><u>RWO VI</u></p> <p>g. Institute remedies to recoup the released ORP funds amounting to P530,488.50 in the light of the provisions of Section 105 of PD No. 1445;</p> <p>h. Submit documents/proof for the designation of the RFPs and alternates, as well as the duly signed NDAs;</p> <p>i. Adhere to the procedures and/or processes in the implementation of various programs of the Agency as contained in the issued MOIs;</p> <p><u>RWO VII</u></p> <p>j. Provide a written explanation why a private lawyer has been engaged without deputation by the OSG and written concurrence from COA as provided in COA Circular No.</p>					
unnecessary expenditures for disbursements for BAC meetings and meals during flag raising and warding of livelihood assistance/kits	No. 1445																														
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	Total		826,718.13																												
<p>Detailed discussion of the above table are as follows:</p> <p>a. <i>DOLE-OWWA AKAP for OFWs Double Payment – P70,000.00</i></p> <p>DOLE Department Order (DO) No. 212 s. 2020 provides that “x x x <i>the Department of Labor and Employment (the Department) shall provide displaced OFWs on account of COVID-19 with a one-time financial assistance of USD200.00 or Php10,000.00 or its equivalent to the local currency of the host country. (Emphasis</i></p>																															

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	<p>supplied)</p> <p>Also, DO NO. 220 s. 2020 provides the following:</p> <p><i>“Pursuant to the provisions of RA 11494 or the “Bayanihan to Recover as One Act, the Department of Labor and Employment (the Department) shall provide displaced landbased and seabased OFWs due to COVID-19 with a one-time financial assistance (DOLE-AKAP) of USD200.00 or Php10,000.00 or its equivalent to the local currency of the host country.</i></p> <p>Section 2. ELIGIBILITY</p> <p><i>To be eligible for the DOLE-AKAP, the OFWs must satisfy the following conditions:</i></p> <p>a. <i>Must be experienced job displacement onsite or repatriated to the Philippines due to COVID-19 or Balik-Manggagawa/Re-engaged seafarers whose deployment has been suspended due to COVID-19; and</i></p> <p>b. <i>Must not have received financial assistance from DOLE-AKAP under Bayanihan to Heal as One Act or any financial support from the host</i></p>	<p>95-011 dated December 4, 1995;</p> <p>k. Observe the regulations provided in COA Circular No. 95-011 dated December 4, 1995 in engaging private lawyers, and COA Circular No. 2021-003 should the Agency would want to avail of the exemption to secure a written concurrence of COA;</p> <p>l. Require the Accountant to review the completeness and validity of the supporting documents;</p> <p><u>RWO X</u></p> <p>m. Strengthen controls over the screening of applicants for the livelihood assistance programs against established criteria for the program to ensure that reprocessing of the same claims by applicants and double payment/grant are avoided; and</p> <p><u>RWO XIII</u></p>							

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken							
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					From	To										
	<p>country or employer. <i>(Emphasis supplied)</i></p> <p>Moreover, MOI No. 004 s. 2020, which prescribes internal guidelines in the implementation of DOLE DO No. 212, s. 2020, provides the following:</p> <p><i>“II. Coverage, Eligibility and Exclusions</i></p> <p><i>x x x</i></p> <p><i>The following are not covered by the DOLE-AKAP one-time special cash assistance:</i></p> <p><i>a. Those who have already received special cash assistance under the OWWA Special Order No. 053, s. 2020, Special Financial Assistance to the Stranded OFWs due to the 2019 Novel Corona Virus Acute Respiratory Disease (2019 N-COV ARD) amounting to P10,000.00;</i></p> <p><i>b. Those who have already received their monthly salaries, separation pay, gratuity, financial assistance or other monetary benefits from their employers or pertinent host government office/s;</i></p> <p><i>c. Those whose employment contracts have expired or were</i></p>	<p>n. Ensure that the current fare matrix issued by the Land Transportation Franchising and regulatory Board is properly considered before contracting transportation services. Likewise, submit an explanation or justification of the incurrence of the expenditure, for further evaluation.</p> <p>The Management commented, as follows:</p> <table><tr><th>Office / RWOs</th><th>Management Comments</th></tr><tr><td>CO</td><td><i>On DOLE-OWWA AKAP for OFWs Double Payment:</i> During the Exit Conference, management commented that they have reached some of the OFWs concerned and that the said OFWs are willing to refund the overpayment.</td></tr><tr><td>V</td><td><i>On DOLE-OWWA AKAP for OFWs Double Payment:</i> The Management has taken immediate action by sending official communication to the concerned OFW who received the double payment, requesting to refund the amount. The concerned OFW promised to refund the amount on installment basis to start April 2022. The Management committed that they will monitor the refunds to be made by the OFW. On extravagant, excessive, irregular and unnecessary expenditures for disbursements for BAC meetings and meals during flag raising and awarding of livelihood assistance/kits.</td></tr><tr><td>VI</td><td>The following actions were taken by the OWWA Management relative to the alleged unauthorized transaction in the processing of the OWWA Rebate program (ORP) funds in RWO-VI: 1. A fact-Finding Committee (FFC) composed of OWWA officers was created by virtue of Special Order No. 338, series of 2021 after</td></tr></table>	Office / RWOs	Management Comments	CO	<i>On DOLE-OWWA AKAP for OFWs Double Payment:</i> During the Exit Conference, management commented that they have reached some of the OFWs concerned and that the said OFWs are willing to refund the overpayment.	V	<i>On DOLE-OWWA AKAP for OFWs Double Payment:</i> The Management has taken immediate action by sending official communication to the concerned OFW who received the double payment, requesting to refund the amount. The concerned OFW promised to refund the amount on installment basis to start April 2022. The Management committed that they will monitor the refunds to be made by the OFW. On extravagant, excessive, irregular and unnecessary expenditures for disbursements for BAC meetings and meals during flag raising and awarding of livelihood assistance/kits.	VI	The following actions were taken by the OWWA Management relative to the alleged unauthorized transaction in the processing of the OWWA Rebate program (ORP) funds in RWO-VI: 1. A fact-Finding Committee (FFC) composed of OWWA officers was created by virtue of Special Order No. 338, series of 2021 after						
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	<p><i>terminated for reasons other than the COVID-19 pandemic;</i></p> <p>d. <i>Those who were repatriated through amnesty program – i.e. grant pf Amnesty Program of the Host Country for undocumented worker; and</i></p> <p>e. <i>Those who voluntarily ended their employment contracts prior to or on occasion of the pandemic.”</i></p> <p>Based on the above provisions, the financial assistance under the AKAP for OFWs program is only a one-time grant. In CO, review of the submitted List of Payouts downloaded from SP Report Portal for the year 2021 submitted by the MISD revealed that there were six beneficiaries who were paid twice, hence and overpayment of P60,000.00.</p> <p>While in RWO V, audit of payments to DOLE-AKAP Bayanihan 2 beneficiaries paid through SP and Bank disclosed that one beneficiary claimed twice. Summary of the duplicate payment is shown below:</p> <p>Table 58: Summary of Duplicate Payment to DOLE-AKAP Bayanihan 2</p> <table><tr><th rowspan="2">Service Provider</th><th colspan="5">Downloaded Information from Service Provider</th></tr><tr><th>Date Claimed</th><th>Receiver's Name</th><th>SP/Bank Reference Number</th><th>Reference Number</th><th>Amount (in Php)</th></tr><tr><td>SP Money Remittances</td><td>12-Dec-2020</td><td>OFW G</td><td>001111195385673512</td><td>AP20-12-0020-T39ZK6</td><td>10,000.00</td></tr></table>	Service Provider	Downloaded Information from Service Provider					Date Claimed	Receiver's Name	SP/Bank Reference Number	Reference Number	Amount (in Php)	SP Money Remittances	12-Dec-2020	OFW G	001111195385673512	AP20-12-0020-T39ZK6	10,000.00	<p>the receipt of the Spot Report submitted by the OIC-Director of RWO VI;</p> <p>2. Procedural fact-finding investigations, review of documents and systems flow and interview of key personnel were conducted by the FFC to determine the lapses and the accountability of each personnel involved in the incident;</p> <p>3. A report containing the FFC's findings and recommendations had been submitted to the OWWA Administrator. The recommendations, specifically those that involve disciplinary action will be endorsed to the Administrative and Complaints Committee (ACC) for appropriate action;</p> <p>4. Management wrote a letter to the National Bureau of Investigation (NB) in Manila to request for further investigation pf the alleged irregularity so that appropriate sanction, whether criminal or administrative, may be filed against the personnel involved in the incident, if warranted, and further requested assistance to follow-up the status of the investigation undertaken by NBI Region VI based on the letter of RW VI OIC-Director to said office; and</p> <p>5. Management sent a letter to the Anti-Money Laundering Council (AMLA) requesting assistance to conduct the further investigation so that appropriate action, whether criminal or administrative, may be filed against proper individuals, if warranted.</p> <p>The Management assured that efforts are exerted to address the alleged irregularity in RWO VI and the people who are found liable will be appropriately sanctioned. Further, the Management will conduct a review of the systems and processes to ensure that similar incidents will be prevented in the future.</p> <p>VII</p> <p>The Management is amenable to the Audit Team's observation on the non-compliance to the COA Circular No. 95-011 dated December 4, 1995 relative to the hiring of a private lawyer. They will also provide a written explanation on the non-compliance and submit the documents of Atty. Astillero as required, and will observe mentioned COA Circular on the hiring of private lawyers.</p> <p>X</p> <p>Management acknowledged the observation and had initiated the process to recover the overpayment thru issuing a formal letter for the return of the excess cash assistance. In addition, Management commits to strengthening controls over screening for applicants for the livelihood assistance within established criteria of the program to ensure that reprocessing of the same claims by applicants and double payments are avoided.</p> <p>XIII</p> <p>The Management commented that they conducted a price quotation for the fare per trip during the repatriation of the ROFs and the TRANSPORT PROVIDER had the lowest offer which is P1,000.00 per trip. The PSD chief added that the route of the trip was specified in the</p>						
Service Provider	Downloaded Information from Service Provider																								
	Date Claimed	Receiver's Name	SP/Bank Reference Number	Reference Number	Amount (in Php)																				
SP Money Remittances	12-Dec-2020	OFW G	001111195385673512	AP20-12-0020-T39ZK6	10,000.00																				

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	<table><tr><td>Bank</td><td>31-Mar-2021</td><td>OFW G</td><td>DLFI0330 R0100029 A21147</td><td>AKAP2-05-RC-MR-210329</td><td>10,000.00</td></tr><tr><td colspan="5">Total Claimed</td><td>20,000.00</td></tr></table> <p>The above excessive payments are an indication of weak internal control measures in the processing of claims, thus depriving other qualified applicants for the AKAP financial assistance to help alleviate their economic struggles brought about by the COVID-19 Pandemic</p> <p><i>b. Extravagant, excessive, irregular and unnecessary expenditure for disbursements for BAC meetings and meals during flag raising and awarding of livelihood assistance/kits – P98,529.63</i></p> <p>In RWO V, extravagant, excessive, irregular and unnecessary expenditures for disbursements for BAC meetings and meals during flag raising and awarding of livelihood assistance/kits totaling P98,529.63 were noted. Details are presented below:</p> <table><tr><th colspan="4">Table 59: List of IUEEU Expenditure in RWO V</th></tr><tr><th>Particulars</th><th>Amount (in Php)</th><th>Ref.</th><th>Remarks</th></tr><tr><td>Disbursements for BAC meetings</td><td>20,310.00</td><td>Table 60</td><td>Extravagant, excessive and irregular</td></tr><tr><td>Expenses for meals during flag raising</td><td>31,954.00</td><td>Table 61</td><td>Unnecessary</td></tr><tr><td>,mnmExpenses</td><td>46,265.63</td><td>Table 62</td><td>Unnecessary</td></tr></table>	Bank	31-Mar-2021	OFW G	DLFI0330 R0100029 A21147	AKAP2-05-RC-MR-210329	10,000.00	Total Claimed					20,000.00	Table 59: List of IUEEU Expenditure in RWO V				Particulars	Amount (in Php)	Ref.	Remarks	Disbursements for BAC meetings	20,310.00	Table 60	Extravagant, excessive and irregular	Expenses for meals during flag raising	31,954.00	Table 61	Unnecessary	,mnmExpenses	46,265.63	Table 62	Unnecessary	<table><tr><td></td><td>contract. From the airport, all OFWs will be ferried to the different OWWA partner hotels. Among the factors that were considered in the determination of the price per trip are the number of OFWs to be ferried, their baggage which includes boxes of items and the waiting time for the sweeper flight to arrive which is sometimes extended up to two hours.</td></tr></table> <p>While the corresponding Auditor's rejoinders, are as follows:</p> <table><tr><th>Office / RWOs</th><th>Auditor's Rejoinder</th></tr><tr><td>CO</td><td>The AT will monitor the status of management action.</td></tr><tr><td>V</td><td>The Management will comply with the audit recommendations.</td></tr><tr><td>VI</td><td>The AT pointed out that the system-generated reports for the ORP reflected the name of the RFP and the name of the alternate and the ORP has been implemented without the RFP and the alternate questioning and/or objecting to being such, as shown in the system-generated reports. With regard to the non-signing/non-accomplishment of the NDAs, the AT pointed out that the non-signing/non-accomplishment of the NDAs, the AT pointed out that the MISD and RWO did not comply with the requirement of the MOI No. 013 s. 2019 in the implementation of the ORP.</td></tr><tr><td>VII</td><td>The AT will monitor the Management action on the written explanation, submission of the required documents and adherence to the COA Circular this CY 2022.</td></tr><tr><td>XIII</td><td>The contract between the OWWA RWO XIII and TRANSPORT PROVIDER, as well as the price quotations were not submitted to our end and were not attached to the DVs which made the transactions appear to have conducted through direct contracting. Also, there was no information as to the number or volume of baggage included for every trip and the actual waiting time for the sweeper flight to arrive which were considered in the quoted fare in their succeeding trips.</td></tr></table>		contract. 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								From				To																									
	<table><tr><td>for meals during awarding of livelihood assistance/kits</td><td></td><td></td><td></td></tr><tr><td>Total</td><td>98,529.63</td><td></td><td></td></tr></table> <p>Audit of the transactions disclosed disbursements for BAC meetings, as shown below:</p> <table><caption>Table 60: IUEEU Disbursements for BAC Meetings</caption><thead><tr><th>N o.</th><th>Date</th><th>Check No.</th><th>Payee</th><th>Particulars</th><th>Amount (In Php)</th><th>Remarks</th></tr></thead><tbody><tr><td>1</td><td>12/04 / 2020</td><td>2471989</td><td>Restaurant</td><td>Payment for 10 pax meals and venue re: BAC meeting Nov. 26, 2020. (whole day)</td><td>11,250.00 (Gross amount – P12,000.00; P1,200.00 per pax)</td><td>1.Composition of the food to be served or viand for two snacks and lunch were not itemized in the PR/Requirement for Quotation and PO 2.Not supported with Attendance Sheet and Inspection and Acceptance Report.</td></tr><tr><td>2</td><td>01/27 / 2021</td><td>2499736</td><td>Hotel Restaurant</td><td>Payment for 12 pax for 3 meals and venue re: OWWA RV BAC meetings Jan. 15, 2021 CY 2021 re: APP & other related procure</td><td>5,400.00 (Gross amount – P5,760.00; P480.00 per pax)</td><td>1.Composition of the food to be served or viand for two snacks and lunch were not itemized in the PR/Requirement for Quotation and PO 2.Acceptance in the IAR was</td></tr></tbody></table>	for meals during awarding of livelihood assistance/kits				Total	98,529.63			N o.	Date	Check No.	Payee	Particulars	Amount (In Php)	Remarks	1	12/04 / 2020	2471989	Restaurant	Payment for 10 pax meals and venue re: BAC meeting Nov. 26, 2020. (whole day)	11,250.00 (Gross amount – P12,000.00; P1,200.00 per pax)	1.Composition of the food to be served or viand for two snacks and lunch were not itemized in the PR/Requirement for Quotation and PO 2.Not supported with Attendance Sheet and Inspection and Acceptance Report.	2	01/27 / 2021	2499736	Hotel Restaurant	Payment for 12 pax for 3 meals and venue re: OWWA RV BAC meetings Jan. 15, 2021 CY 2021 re: APP & other related procure	5,400.00 (Gross amount – P5,760.00; P480.00 per pax)	1.Composition of the food to be served or viand for two snacks and lunch were not itemized in the PR/Requirement for Quotation and PO 2.Acceptance in the IAR was							
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											From	To			
					ment reports for GPP & Central Office		signed by a Job Order employee								
	3	05/07 / 2021	25340 46	OWWA-Employee of RWO V	Reimbursement of expenses incurred during the Bids & Awards Committee (BAC) Meeting on June 21, 2021	3,660.00	3.Particulars in the IAR indicated that the event was on June 30, 2021 but all other documents indicated June 21, 2021.								
				Total		20,310.00									
	<p>Further review of the transactions showed that the disbursements were insufficiently documented, such as a) lacking Attendance Sheet and IAR (Item No. 1) which would prove that the activity took place and attended by the BAC members; and b) composition of the food or viands to be served for two snacks and lunch were not itemized in the Purchase Request/Requests for Quotation and Purchase Order which would justify the amount paid, hence the transaction could be considered irregular.</p> <p>The disbursements are also considered extravagant and excessive based on the following issues/grounds:</p> <p>a) The procurements of the Agency are</p>														

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					From	To			
	<p>generally done through Shopping because most of the amounts do not even exceed P50,000.00 which would not require posting I the <i>PhilGEPS</i>, in the website of the agency, if any, and in any conspicuous place inside the premises of the agency, except for a few that are more than P50,000.00 but do not even exceed P200,000.00hence would not require longer hours of meeting of BAC members, unlike if the procurement is subject to public bidding. Of the 117 POs submitted to the AT for the period January to September 2021, 116 POs have amounts below P50,000.00 and only one PO amounted to P130,000.00</p> <p>For the aforementioned POs, the procurement activity would simply involve the preparation of the Abstract of Quotations by the Technical Working Group and present it to the BAC Members for their evaluation and signatures. Hence, a one-day meeting of the BAC would be unnecessary and a waste of time which the BAC Members could have used for other urgent tasks to be performed.</p> <p>b) The charge of P1,200.00 per pax is</p>								

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	<p>considered lavish and excessive, and holding the meeting in a hotel is extravagant. With the kind of transactions that are subjected to procurement that would not even warrant the holding of one-half day BAC meeting, even the P480.00 per pax would be still excessive. Besides, the transactions are small so that evaluation could be done in the office, and still observe the health protocols during the pandemic, because, as stated earlier, the Abstract of Quotations could be presented to the BAC Members for their evaluation and signatures.</p> <p>Expenses for meals during flag-raising ceremonies in CY 2021 reached a total amount of P31,954.00 and are considered unnecessary, as shown below:</p> <table><caption>Table 61: IUEEU Expenses for Meals During Flag Raising</caption><thead><tr><th>No.</th><th>Date</th><th>Check No.</th><th>Payee</th><th>Particulars</th><th>Amount (in Php)</th></tr></thead><tbody><tr><td>1</td><td>05/24/21</td><td>25339 67</td><td>OIC Regional Director</td><td>Expenses incurred during the weekly virtual flag raising ceremony held last May 17, 2021</td><td>1,932.00</td></tr><tr><td>2</td><td>02/07/21</td><td>25340 33</td><td>OIC Regional Director</td><td>Reimbursement of meal expenses re: virtual flag raising ceremony hosted by OWWA RWO V on Mat 31, 2021</td><td>1,649.00</td></tr><tr><td>3</td><td>07/07/21</td><td>25340</td><td>OIC</td><td>Reimbursement</td><td>2,926.00</td></tr></tbody></table>	No.	Date	Check No.	Payee	Particulars	Amount (in Php)	1	05/24/21	25339 67	OIC Regional Director	Expenses incurred during the weekly virtual flag raising ceremony held last May 17, 2021	1,932.00	2	02/07/21	25340 33	OIC Regional Director	Reimbursement of meal expenses re: virtual flag raising ceremony hosted by OWWA RWO V on Mat 31, 2021	1,649.00	3	07/07/21	25340	OIC	Reimbursement	2,926.00							
No.	Date	Check No.	Payee	Particulars	Amount (in Php)																											
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									Action Plan	Person / Dept. Responsible	Target Implementation Date				
											From				To
			53	Regional Director	nt of meal expenses re: virtual flag-raising ceremony hosted by OWWA RWO V on June 28, 2021.										
	4	07/14/21	2534068	OIC-PSD	Reimburseme nt of expenses incurred during the shooting for virtual flag raising ceremony at Cagsawa Ruins, Daraga, Albay on June 17, 2021	1,475.00									
	5	09/07/21	2534054	OIC Regional Director	Reimburseme nt of meal expenses re: virtual flag raining ceremony hosted by OWWA RWO V on July 5, 2021	3,344.00									
	6	08/25/21	2534152	OIC Regional Director	Expenses incurred during virtual flag raising ceremony dated on July 19, August 2 and 9, 2021	5,809.00									
	7	12/06/21	2584333	OIC Regional Director	Reimburseme nt of various meal expenses re: virtual flag raising ceremony hosted by OWWA Regional Welfare Offices dated Oct. 4, 11, Nov. 2, 15, 22, 29, and Dec. 6, 2021	14,819.00									
						31,954.00									
	Note: *Names are changed pursuant to Data Privacy Act of 2012														
The above expenses are considered unnecessary for they are not supportive of															

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																							
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					From	To																										
	<p>the implementation of the objectives and mission of the Agency relative to the nature of its operation. Besides, regular provision of meals to employees during the flag-raising ceremonies has no legal basis. If the head of the agency would like to provide some refreshments during flag ceremonies, he could use his Representation Allowance.</p> <p>Likewise, expenses for meals during awarding of livelihood assistance/kits to beneficiaries of OWWA programs also constitute unnecessary expenses, as follows:</p> <p>Table 62: IUUEU Expenses Incurred during Awarding of Livelihood Assistance/Kits</p> <table><tr><th>No.</th><th>Date</th><th>Check No.</th><th>Payee</th><th>Particulars</th><th>Amount (in Php)</th></tr><tr><td>1</td><td>01/25/21</td><td>2529225</td><td>Hotel in Naga City</td><td>Payment for 16 pax – AM snack and lunch also venue for awarding of Teaching Kits to beneficiaries “Sa Pinas Ikaw and Mam and Sir (SPIMS) at Cam Sur January 12, 2021</td><td>5,250.00</td></tr><tr><td>2</td><td>01/25/21</td><td>2529226</td><td>Bar and Restaurant, Legazpi City</td><td>Payment for 8 pax meals – AM snack and lunch also venue for awarding of Teaching Kits to beneficiaries “Sa Pinas Ikaw and Mam and Sir (SPIMS) at Legazpi City January 14, 2021</td><td>2,625.00</td></tr><tr><td>3</td><td>01/25/21</td><td>2529229</td><td>Hotel in Naga City</td><td>Payment for 47 pax – 3 day meals and venue for the conduct of</td><td>19,828.13</td></tr></table>	No.	Date	Check No.	Payee	Particulars	Amount (in Php)	1	01/25/21	2529225	Hotel in Naga City	Payment for 16 pax – AM snack and lunch also venue for awarding of Teaching Kits to beneficiaries “Sa Pinas Ikaw and Mam and Sir (SPIMS) at Cam Sur January 12, 2021	5,250.00	2	01/25/21	2529226	Bar and Restaurant, Legazpi City	Payment for 8 pax meals – AM snack and lunch also venue for awarding of Teaching Kits to beneficiaries “Sa Pinas Ikaw and Mam and Sir (SPIMS) at Legazpi City January 14, 2021	2,625.00	3	01/25/21	2529229	Hotel in Naga City	Payment for 47 pax – 3 day meals and venue for the conduct of	19,828.13							
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											From	To			
					FAS/SBMT and awarding of livelihood cash assistance dated Jan. 12, 2021, Naga City, Cam Sur (Cam Sur and Cam. Norte beneficiaries)										
	4	01/25/21	2529230	Bar and Restaurant, Legazpi City	Payment for 44 pax meals and venue re: conduct of Fin. Awareness Seminar and Small Business Mgt Training and awarding of Livelihood assistance dated Jan. 14, 2021 at Legazpi City, Albay (Albay and Sor beneficiaries)	18,562.50									
					Total	46,265.63									
	The Accountant informed the AT, upon query, that the awarding of the livelihood assistance/kits to the beneficiaries was just a “ride on activity” during a training or activity and the awarding took only a few minutes. However, the data in the Table above show that there were separate payments to the hotels for the awarding (items 1 & 2) which was simultaneously held with the training activities conducted in the same hotel and on the same date (items 3 & 4).														
	If the awarding would take only a few minutes or even an hour, the Cashier or the employee on-charge of the awarding who are non-participants to the activity need not stay for the duration of the														

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					From	To			
	<p>training and need not be provided with the meals that would entail additional cost. Besides, the awarding of the livelihood assistance could be made at the OWWA RWO V and/or at the OWWA Naga Satellite Offices. Moreover, the claims were not supported with the Attendance Sheets and documentation/pictures that would facilitate the determination propriety, regularity and validity of the claims.</p> <p><i>c. Unauthorized release of OWWA Rebates Program (ORP) funds – P530,488.50</i></p> <p>Memorandum of Instruction (MOI) No. 008 s. 2019 outlines the procedures with which the RWOs process and validate applications for the ORP, while MOI No. 013, s. 2019 provides the additional responsibilities given to RWOs for appeals under the same program.</p> <p>The above regulations were promulgated in compliance with the provisions of RA No. 10801, which provides for the development and implementation of a program for the grant of rebates to OFWs who have been members for at least ten years, and have not availed of any service or benefit from OWWA.</p>								

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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	<p>On November 5, 2021, the Officer-in-Charge and the Supervising Administrative Officer (SAO)/Current Accountant of OWWA RWO VI informed about a breach of control processes outlines in MOI No. 008, s. 2019 in the processing and release of ORP, involving one of the RWO's Job Order (JO) personnel assigned as ORP Support Staff (SS).</p> <p>The nature of the breach was purported to be that the validations and approval of applications were delegated to the JO personnel, but such approvals were made under the names of the assigned processor – the then Rebate Focal Person (RFP) and alternate RFP. The alternate RFP is also the Accountant of RWO VI.</p> <p>The above facts are supported by the submitted List of Releases to the bank account of the person who is not rightful beneficiary. The alternate RFP maintains that she had no knowledge of the delegation of the approval function and subsequent release of the necessary passcode, but surmises that this was done by the then RFP to alleviate his already irreconcilable responsibilities as designated RFP, Budget Officer, and Special Disbursing Officer for Cash Advances under the ERF during the</p>								

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	<p>COVID-19 Pandemic, a sentiment shared by most of the officials in RWO VI, and also discussed in the CY 202 ML of the Agency.</p> <p>Moreover, it was communicate that such breach occurred from March 2020 to September 2021, and was only discovered on October 22, 2021 when one of the ten JO personnel, also assigned as ORP (SS), found that one of their colleagues was processing transactions without the necessary supporting documents, this Job Order personnel who discovered the act, together with his fellow Support Staffs conducted further examination of transactions and put forward the information to the officers of RWO VI.</p> <p>It was further informed that a report dated October 22, 2021 on the matter had already been submitted to the OWWA Administrator and a letter-request dated November 3, 2021 was also sent to the National Bureau of Investigation for assistance in the conduct of investigation of the concerned Job Order personnel. Machine copies of the said report and letter-request were also furnished to this Office on November 18, 2021 together with the following:</p>								

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	<p>1. List of Releases to the unauthorized account</p> <p>2. Resume, Identification Files, Attendance Records, Contracts, and Application Letter of the concerned Job Order personnel who did the act of processing ad approval of unauthorized transactions</p> <p>3. Relevant MOI and its attachments.</p> <p>Interview, initial evaluation and review of furnished documents disclosed that the breach of control processing the implementation of ORP resulted in the unauthorized release of ORP Funds totaling P530,488.50 to the bank account of a person who is not an OWWA employee, as established by OWWA RWO VI employees and other ORP SS.</p> <p>In view of the above incident, the concerned Audit Tea, conducted further interview, walkthrough of the process flow and the actual practice in the RWO of the implementation of the ORP, as well as review of the MOI and submitted documents.</p> <p><i>d. Processes Circumvented in the Processing and Release of ORP Funds</i></p> <p>Through the unauthorized access to</p>								

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	<p>passcodes necessary to process claims for payment, the JO ORP SS processed the applications of OFW beneficiaries and processed the payment of the correct amount, while re-processing the same applications by increasing the amounts of claims in the ORP Portal.</p> <p>In RWO VI, audit disclosed that all processed and approved claims for ORP were deposited in favor of the account of the person allegedly in connivance with the unauthorized approving personnel. Consequently, the Management of the said RWO conducted its own investigation and is now in close coordination with the appropriate government agencies in order to bring actions, whether civil or criminal, against persons who may be found liable for the alleged unauthorized transaction.</p> <p>As previously stated, MOI No. 013, s. 2019 was issued with the aim to speed up the processing and release of ORP benefits. Management Information Services Division (MISD) at the Central Office granted the RWOs access to the OR Portal and other related OWWA system and applications in connection with the implementation of the ORP, particularly on the updating of membership records. Because of this, the MISD required the RWOs to execute a</p>								

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	<p>Non-Disclosure Agreement (NDA). Notwithstanding the NDA, the RWOs acknowledge the importance of their legal obligation to protect the information that they have access to in the ORP Portal and other OWWA systems and applications. The NDA further designates the RFPs and alternate RFPs to hole and secure the access code to the ORP Portal to update the membership records which shall affect the availment of the benefits in ORP.</p> <p>Moreover, the NDA spell out the following non-disclosure policies, to which the RFP and alternate RFPs are duty-bound to abide by, to wit:</p> <p>a. Shall not give or provide access to any information received or generated in the course of utilizing the ORP Portal and ither OWWA systems and applications to any unauthorized individuals.</p> <p>b. Shall access the ORP Portal and other OWWA systems and applications only in specifically designated computers within OWWA RWO premises.</p> <p>c. Shall use the portal access only for online verification of ORP appeal cases.</p> <p>d. Shall keep in utmost confidentiality the</p>								

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	<p>access protocols to the ORP Portal and any other form of security token/device issued or provided by OWWA-MISD.</p> <p>e. Shall follow guidelines and systems to ensure confidentiality and non-disclosure.</p> <p>f. Shall acknowledge liability for any breach of this NDA.</p> <p>However, our interview with the Team Leader of the ORP SS disclosed that the pass code was given to them by the then RFP, which is not in conformance with the guidelines contained in MOI No. 103, hence, resulted in the loss of government funds.</p> <p><i>e. Current Status of Rebates Program Implementation in RWO VI</i></p> <p>RWO VI, continue to verify Membership Processing System (MPS), Members Relations Department (MRD), and supporting documentation submitted by OFWs for updating of contribution records.</p> <p>Lastly, the concerned JO ORP SS is no longer connected with OWWA RWO VI, while the then RFP was deployed to the Post in Riyadh, Saudi Arabia effective Agust 2021.</p>								

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	<p>The above non-adherence to the established control procedures and non-validation of documentary requirements as required by MOI Nos. 008 & 013, s. 2019, and RA No. 10801 resulted in the release of P530,488.50 of ORP funds to a single wrongful recipient, thereby depriving the rightful beneficiaries of much needed funds, as well as resulting in the misapplication of government funds, liability for which is outlined in Section 105 of PD No. 1445.</p> <p><i>f. Retainer fees for legal services not supported with deputation from the Office of the Solicitor General (OSG) – P45,900.00</i></p> <p>Pertinent provisions of COA Circular No. 95-011 December 4, 1995 provides that “In the event that such legal services cannot be avoided or is justified under extraordinary or exceptional circumstances, the written conformity and acquiescence of the Solicitor General...and the written concurrence of the Commission on Audit shall first be secured before the hiring or employment of a private lawyer or law firm.”</p> <p>Verification of transaction for CY 2021</p>								

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	<p>disclosed that the RWO VII has paid a total of P45,900.00 for the retainer fees of a private counsel, details as follows:</p> <table><caption>Table 63: Summary of Retainer Fee</caption><thead><tr><th>Date of Check</th><th>Reference / Check No.</th><th>Period of Legal Services Rendered</th><th>Net Amount (in Php)</th></tr></thead><tbody><tr><td>02/16/21</td><td>677616</td><td>July 2020 December 2020</td><td>16,200.00</td></tr><tr><td>05/19/21</td><td>678182</td><td>January 2021 – April 2021</td><td>10,800.00</td></tr><tr><td>06/07/21</td><td>678376</td><td>May 2021</td><td>2,700.00</td></tr><tr><td>07/02/21</td><td>688406</td><td>H=June 2021</td><td>2,700.00</td></tr><tr><td>08/04/21</td><td>688705</td><td>July 2021</td><td>2,700.00</td></tr><tr><td>09/08/21</td><td>3838549</td><td>August 2021</td><td>2,700.00</td></tr><tr><td>10/05/21</td><td>3838519</td><td>September 2021</td><td>2,700.00</td></tr><tr><td>11/03/21</td><td>3839094</td><td>October 2021</td><td>2,700.00</td></tr><tr><td>12/13/21</td><td>3839554</td><td>November 2021</td><td>2,700.00</td></tr><tr><td>Total</td><td></td><td></td><td>45,900.00</td></tr></tbody></table> <p>The table shows that a total of P45,900.00 has already been disbursed for retainer fees without the written conformity of the Solicitor General on the deputation of a private lawyer and the concurrence of the Commission on Audit, as provided in the above-cited COA Circular.</p> <p>Further, the OSG issued a Memorandum dated January 13, 2014 that provides the guidelines on securing the required deputation:</p> <p><i>“Meanwhile government agencies and instrumentalities may engage the services of private lawyers or law firm only in exceptional cases. Accordingly, the</i></p>	Date of Check	Reference / Check No.	Period of Legal Services Rendered	Net Amount (in Php)	02/16/21	677616	July 2020 December 2020	16,200.00	05/19/21	678182	January 2021 – April 2021	10,800.00	06/07/21	678376	May 2021	2,700.00	07/02/21	688406	H=June 2021	2,700.00	08/04/21	688705	July 2021	2,700.00	09/08/21	3838549	August 2021	2,700.00	10/05/21	3838519	September 2021	2,700.00	11/03/21	3839094	October 2021	2,700.00	12/13/21	3839554	November 2021	2,700.00	Total			45,900.00						
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	<p><i>following guidelines on deputation of private lawyers and special attorneys are hereby established:</i></p> <p><i>1. Request for original deputation of private counsel or special attorney must be accompanied with the following documents:</i></p> <p><i>a. Curriculum Vitae;</i></p> <p><i>b. Mandatory Continuing Legal Education (MCLE) Certificate for the current compliance period;</i></p> <p><i>c. Integrated Bar of the Philippines (IBP) Certificate of Good Standing for the current year;</i></p> <p><i>d. Copy of the Proposed Contract of Service (for private lawyers and law firms only); and</i></p> <p><i>e. The letter-request for deputation of private counsel must also 9stat ethe reason for the need to engage their services.</i></p> <p><i>2. Request for renewal of deputation shall be accompanied by the following documents:</i></p> <p><i>a. Updated MCLE Certificate, if applicable;</i></p> <p><i>b. IBP Certificate of Good Standing for the current year;</i></p>								

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	<p><i>c. Status report of Cases previously handled, if any; and</i></p> <p><i>d. Copy of proposed Contract of Services”</i></p> <p>Verification of DVs on the payments for legal services revealed that the same were not supported with documents cited in the above OSG Memorandum. Interview with the Accountant revealed that during the processing of payments, the required documents were not attached.</p> <p>Recently, Paragraph 4.0 of COA Circular No. 2021-003 dated July 16, 2021 grants a conditional exemption on the requirement for a written concurrence from COA provided they comply with the following, to wit:</p> <p>(1) The engagement is covered by a contract between the government agency and the lawyer, as a legal consultant, specifying the activity/project/program, the nature of the engagement (full time or part time), and for a term not to exceed one year, renewable at the option of the head of the government agency...if the activity/program has not yet been completed, but in no case to exceed the term of the head;</p>								

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	<p>(2) The engagement shall have written approval of the Office of the Solicitor General (OSG);</p> <p>(3) The lawyer possesses the relevant experience in the matter to which he has been engaged, and such expertise cannot be found among the lawyers employed in the government agency...or if comparable expertise exist, is unavailable;</p> <p>(4) The procurement process for the engagement of the lawyer as legal consultant has been complied with;</p> <p>(5) The lawyer is not employed or engaged as a contract of service or job order contract by any other government agency, although the lawyer may be engaged as a part-time consultant in up to two government agencies; and</p> <p>(6) The consultancy fee of the lawyer, including other remunerations and allowances, does not exceed P50,000.00 per month.</p> <p>Non-compliance of the requirement on the deputation by the OSG per Memorandum</p>								

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	<p>dated January 13, 2014 and a written concurrence of COA per COA Circular No. 95-011 dated December 4, 1995 falls under Paragraph 2, Annex A of COA Circular No. 2012-003 dated October 29, 2012, no prior authorization from OSG and written concurrence from COA is considered “Irregular expenditure” which may be subjected to audit suspension and/or audit disallowance, if found not valid due to lacking supporting documents.</p> <p>Further verification of the DVs revealed that the Agency did not attach any of the abovementioned documents, thus did not avail of the exemption granted by COA-Circular No. 2021-003 dated July 16, 2021.</p> <p>Interview with the BAC Secretariat revealed that the lawyer has been on a retainer basis since January 2001. He also added that the OWWA CO has approved all their contracts but they were not required to submit any procurement documents.</p> <p><i>g. Overpayment of Balik Pinas Balik Hanapbuhay (BPBH) – P20,000.00</i></p> <p>OWWA MOI No. 007, s. 2013 prescribes the guidelines on the provision of livelihood support/assistance to returning member</p>								

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	<p>OFWs, active or non-active, who were displaced from their jobs due to wars/political conflicts in host countries, or policy reforms controls and changes by the host government; or were victims of illegal recruitment and/or human trafficking or other distressful situations.</p> <p>OWWA MOI No. 005, s. 2017 amended the previous MOI to increase the livelihood assistance from P10,000.00 to P20,000.00 as maximum cash assistance to start up or additional capital for the livelihood project of the recipients. Section 2 of the MOI provides that the benefit under the program could only be availed once by eligible beneficiaries within three years after return to the Philippines.</p> <p>In RWO X, post-audit of disbursements of the livelihood assistance to OFWs revealed that a recipient was able to avail of the benefit twice with checks written and released to the beneficiary in December 2020 and January 2021 amounting toP20,000.00 each. Inquiry with management personnel revealed that the application for the livelihood assistance under the BPBH Program was done manually with screenings performed by OWWA to assess the completeness of documents attached to the application as</p>								

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	<p>well as determining whether the applicant had previously availed of the same assistance by OWWA. It was noted however, that despite the evaluation, an applicant was still able to avail of the benefit twice.</p> <p>Management’s payment of livelihood assistance twice to the applicants contradicts the exclusion criteria for eligibility of applicants under Section 2 of MOI No. 005, s. 2017 and resulted in the overpayment of financial assistance to the recipient.</p> <p><i>h. Transportation Expense deemed excessive – P61,800.00</i></p> <p>Pursuant to the objectives of the DOLE to strengthen social protection particularly for vulnerable workers and OFWs by providing greater access, ensuring benefits and other welfare services, the OWWA is tasked to provide accommodation assistance to distressed OFWs during the period of the Enhance Community Quarantine. Hence, OWWA Project Care is implemented. Under this project, all affected OFW Repatriates shall be provided with transportation assistance and temporary shelter.</p>								

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	<p>The RWO XIII provided transportation assistance to Repatriates in CYs 2020-2021. The Agency contracted a Transportation Provider for the transportation services totaling P61,800.00, as summed up as follows:</p> <table><tr><th colspan="5">Table 64: Excessive Transportation Expenses in RWO XIII</th></tr><tr><th>DV No.</th><th>DV Date</th><th>Check No.</th><th>Period of Repatriation</th><th>Gross Amount (in Php)</th></tr><tr><td>GAA 2021-01-0043</td><td>1/7/21</td><td>2747934</td><td>Dec. 17,20-21, 2020</td><td>8,400.00</td></tr><tr><td>GAA 2021-02-0109</td><td>2/26/21</td><td>2748041</td><td>Jan. 17, 18, 21, 23 – 31, 2021 and Feb. 1-3, 5, 7-11, 13-15, 2021</td><td>23,400.00</td></tr><tr><td>GAA 2021-03-0147</td><td>3/29/21</td><td>2778603</td><td>Feb. 13-19, 22, 24-27, 2021</td><td>20,000.00</td></tr><tr><td>GAA 2021-09-0486</td><td>9/15/21</td><td>2778965</td><td>Aug. 29-31, 2021</td><td>10,000.00</td></tr><tr><td>Total</td><td></td><td></td><td></td><td>61,800.00</td></tr></table> <p>Review of the transaction showed that Transport Provider charged P1,000.00 and P600.00 per trip. The route of the trip was from Bancasi Airport to the hotels/dormitel where ROFs were temporarily sheltered. Based on the Google map, the distances from the airport to Guest House, Hotel and Pension House are 8.1 kms., 6.8 kms., and 8.3 kms., respectively.</p>	Table 64: Excessive Transportation Expenses in RWO XIII					DV No.	DV Date	Check No.	Period of Repatriation	Gross Amount (in Php)	GAA 2021-01-0043	1/7/21	2747934	Dec. 17,20-21, 2020	8,400.00	GAA 2021-02-0109	2/26/21	2748041	Jan. 17, 18, 21, 23 – 31, 2021 and Feb. 1-3, 5, 7-11, 13-15, 2021	23,400.00	GAA 2021-03-0147	3/29/21	2778603	Feb. 13-19, 22, 24-27, 2021	20,000.00	GAA 2021-09-0486	9/15/21	2778965	Aug. 29-31, 2021	10,000.00	Total				61,800.00						
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	<p>However, it was noted that the fare rates based on Public Advisory released by the Land Transportation Franchising and Regulatory Board 9LTFRB) on October 26, 2020, which was the latest issuance during that time, for modern PUJs like E-Jeep is P11.00 for the first four km; and P1.80 for succeeding km. An E-Jeepney has a capacity of 12 passengers. Accordingly, the more reasonable fares for every trip are discussed below:</p> <table><caption>Table 65: Fare matrix</caption><tr><th>Route</th><th>Fares per Passenger</th><th>E-Jeep Capacity</th><th>Fares Per Trip</th><th>Fares Per Trip with due consideration of the urgency of need and waiting time (doubled)</th></tr><tr><td>Airport to Guest House and Dormite l</td><td>P22.18</td><td>12</td><td>P266.16</td><td>P532.32</td></tr><tr><td>Airport to Hotel</td><td>22.36</td><td>12</td><td>268.32</td><td>536.64</td></tr><tr><td>Airport to Hotel</td><td>16.04</td><td>12</td><td>192.48</td><td>384.96</td></tr><tr><td>Airport to Pension House</td><td>22.54</td><td>12</td><td>270.48</td><td>540.96</td></tr></table> <p>The foregoing computation indicated that the fare of P600.00 and P1,000.00 per trip are deemed exorbitant. Hence, the payments made to transport provider</p>	Route	Fares per Passenger	E-Jeep Capacity	Fares Per Trip	Fares Per Trip with due consideration of the urgency of need and waiting time (doubled)	Airport to Guest House and Dormite l	P22.18	12	P266.16	P532.32	Airport to Hotel	22.36	12	268.32	536.64	Airport to Hotel	16.04	12	192.48	384.96	Airport to Pension House	22.54	12	270.48	540.96						
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	totaling P61,800.00 for the transport of repatriated ROFs are deemed excessive and unreasonable.								
48	<p>Program Evaluation</p> <p><i>NRCO Balik Pinay! Balik Hanapbuhay and Livelihood Development Assistance Program (LDAP)</i></p> <p>In RWO CAR, a total of 72 livelihood projects amounting to P720,000.00 were released under the <i>Balik Pinay! Balik Hanapbuhay</i> and Livelihood Development Assistance Program (LDAP). It was observed that nine projects were not monitored, contrary to the guidelines set under Administrative Order (AO) Nos. 180, 120 and 268, s. 2015, 2016 and 2019, respectively, thus the objective of the program was not fully achieved.</p> <p>Number 10 of Administrative Order No. 180, s. 2015 prescribes the Guidelines of LDAP of the National reintegration Center for OFWs (NRCO) for OFWs and it states that <i>“Monitoring and evaluation of the approved projects shall be the primary responsibility of DOLE ROs through the NRCO Reintegration Officers. They shall ensure that the provision of technical assistance, counselling and mentoring to</i></p>	It was recommended and Management agreed to vigorously monitor and evaluate the livelihood projects under LDAP and <i>Pinay! Baliik Hanapbuhay</i> Programs by performing other monitoring procedures like site-visitation/inspection.		NRCO					

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	<p><i>all beneficiaries are vigorously pursued.”</i></p> <p>Administrative Order No. 120, s. 2016, the Guidelines on the Implementation of NRCO <i>Balik Pinay! Balik Hanapbuhay</i> Program under No. 5, Program Monitoring and Evaluation it provides that:</p> <p>Monitoring and evaluation of beneficiaries' undertaking shall be the primary responsibility of the DOLE ROs through the NRCO Reintegration Officers. They shall ensure that all projects are implemented accordingly, monitored regularly and that the provision of technical assistance, counselling, and mentoring to all beneficiaries are vigorously pursued.</p> <p>The NRCO, as program manager, shall conduct regular field visits to assess program implementation and provide technical advisory assistance to program implementers.</p> <p>Section 4 (Progress Monitoring) of Administrative Order No. 268, s. 2019 prescribes the Amendments to the Guidelines on NRCO's LDA and the <i>Pinay! Balik Hanapbuhay</i> Program, which states that “<i>Monitoring of the beneficiaries will be undertaken by NRCO Regional Reintegration Officers, under the direct</i></p>								

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	<p><i>supervision of OWWA Regional Welfare Directors, one month after availment of the release of the cash assistance grant. All progress reports shall be submitted to the NRCO nit later than the fifth (5th) day following the reference month.”</i></p> <p>Both programs (LDAP and <i>Pinay! Balik Hanapbuhay</i>) are livelihood interventions intended to bring about improved socio-economic well-being for returning undocumented OFWs. It is a strategy to reduce their socio-economic vulnerability by start-up individual micro business, expanding their business, or collective enterprise undertakings.</p> <p>Based on the submitted Monitoring Reports for LDAP and Pinay! Balik Hanapbuhay for CY 2021, NRCO paid 72 projects amounting to P720,000.00. Monitoring was made through mobile calls and social media communications only. It was noted that 62 projects existed, one projects failed and nine projects did not respond to the monitoring medium. Considering that those who did not respond were mostly located in Baguio City and Benguet Province, the NRCO Officers failed to undertake other procedures to monitor the projects. Monitoring of the projects is of utmost</p>								

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	importance because it will ensure the success or failure of the projects. Thus, the objective of the program was not fully achieved.															
49	<p><u>Audit of Foreign Posts</u></p> <p>In CYs 2020 and 2021, audit of foreign based government agencies (FBGAs) which include OWWA Posts was deferred due to the COVID-19 Pandemic.</p> <p>As of May 13, 2022, the Audit Team received the Management Letters (MLs) containing the results of the audits for the period 2017 to 2019 conducted in three OWWA Posts audited in Abu Dhabi, United Arab Emirates (UAE), Bahrain and Taipei, Taiwan, which were not included in the CY 2020 Consolidated Annual Audit Report.</p> <p>The MLs contain, among others, the results of the review of the adequacy of controls of the cash and property accountabilities of the accountable officers (AOs) assigned thereat, evaluation of budgetary controls and monitoring of performance and accomplishments. The results of the audit of the three OWWA Posts are provided as follows: <i>Cash Management and Accountability</i></p>	<p>It was recommended and the concerned WelOf/OWWA personnel of the Post agreed to:</p> <table><tr><th>Post</th><th>Recommendation</th></tr><tr><td>Abu Dhabi, UAE</td><td><ul style="list-style-type: none">Maintain CDReg to closely monitor Cash balance and determine actual accountability as of any given period;</td></tr><tr><td>Taipei, Taiwan</td><td></td></tr><tr><td>Bahrain</td><td><ul style="list-style-type: none">Negotiate with any Abu Dhabi Bank for the opening of OWWA official account;Adhere strictly to the recommendations to prepare and maintain the Registry; andAllow through an official policy, the continuous deposit of the CAs in the bank account of the WelOf provided that use thereof shall exclusively be for the official transactions of the Post. This may relieve the audited AO from securing another bank account which was relayed as costly and difficult in the place, at the same time, prevent the mingling of private as well as public funds.</td></tr></table>	Post	Recommendation	Abu Dhabi, UAE	<ul style="list-style-type: none">Maintain CDReg to closely monitor Cash balance and determine actual accountability as of any given period;	Taipei, Taiwan		Bahrain	<ul style="list-style-type: none">Negotiate with any Abu Dhabi Bank for the opening of OWWA official account;Adhere strictly to the recommendations to prepare and maintain the Registry; andAllow through an official policy, the continuous deposit of the CAs in the bank account of the WelOf provided that use thereof shall exclusively be for the official transactions of the Post. This may relieve the audited AO from securing another bank account which was relayed as costly and difficult in the place, at the same time, prevent the mingling of private as well as public funds.		Abu Dhabi, UAE			Fully Implemented	<p><u>Abu Dhabi</u></p> <ul style="list-style-type: none">Per COAs recommendation, the post has re-activated their OWWA Corporate account with First Abu Dhabi Bank on May 2020, all CAs were remitted by Central Office to the said account and monthly CDReg is prepared on monthly basis.On COAs recommendation to stop manual updating of cash book, the monthly CRR for membership fee collections were prepared monthly and regular reconciliation are conducted to ensure the completeness, and
Post	Recommendation															
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	<p>Various deficiencies were noted in the handling of cash and accounts of accountable officers of the three Overseas Posts, contrary to the pertinent provisions of PD No. 1445, GAM for NGAs Volume I, and Revised Cash Examination Manual (RCEM), thus placing the Agency’s resources at risk of loss or misuse.</p> <p>Sections 2 and 4, PD No. 1445, provides that is the declared policy of the State that all resources of the government shall be managed, expended or utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with a view to ensuring efficiency, economy and effectiveness in the operations of government and that responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government agency concerned and all claims against government funds shall be supported with complete documentation.</p> <p>Sections 63 and 69 provide the accounting for all money and property officially received by public officials as government funds and government property and the remittance collected money arising from taxes, revenues, or receipts in the treasury</p>	<div><div>Abu Dhabi, UAE</div><div>Taipei, Taiwan</div></div> <ul style="list-style-type: none">Stop the manual updating of cash book to save time since the proper preparation of the CRR will suffice to meet the requirement; and conduct proper review and validation of financial reports; andInstruct the deputized AO/CO to prepare and maintain the CRReg.	<div>Abu Dhabi, UAE</div> <ul style="list-style-type: none">Make representations with the proper authority to issue appropriate guidelines pursuant to Section 34, AO No. 168, s. 2013; andConsider the opening of depository account in Abu Dhabi.	<div>Bahrain</div> <div>Taipei, Taiwan</div> <ul style="list-style-type: none">Deposit intact the collection not later than the next banking day to avoid possible loss or misuse.Strictly comply with the prescribed RAAF in the reporting of AFs accurately and completely;Accurately monitor the amount of collections and remittances to ensure proper handling of funds including avoidance in their retention. In addition, maintained records must be reflective of accurate amounts of collected funds being the basis in the undertaking of remittance; andProperly, completely and accurately maintain the required records concerning collection as well as remittances.	<div>Bahrain</div>			Fully Implemented	<p>accuracy of the processed data. The manual recording of cash book was discontinued as per recommendation of COA.</p> <ul style="list-style-type: none">On COA’s recommendation to make representation with the proper authority to issue appropriate guidelines pursuant to Sec 34, AO No. 168 series of 2013, OWWA membership: Issuance and Guidelines. The OWWA through the issuance of MOI No. 003 series of 2018 the policy guidelines on the collection of OWWA membership contributions were amended and prescribed to afford protection and security of OFWs and enhance access to OWWA programs and services. <p><u>Bahrain</u></p> <ul style="list-style-type: none">Post acknowledge the recommendation of COA on the use of the prescribed CDReg for proper reporting	

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	<p>by public officers.</p> <p>Sec. 9, Chapter IV of RA No. 10801 otherwise known as the OWWA Act of 2016, provides that:</p> <p>Amount of Contribution and Effectivity of Membership – Membership in OWWA, either through the compulsory or voluntary coverage, shall be effective upon payment of membership contribution in the amount of twenty-five US dollars (USD25.00) or its equivalent in the prevailing foreign exchange rates. Such membership shall be considered active until the expiration of the OFW's existing employment contract or after two years from contract effectivity, whichever comes first.</p> <p>The GAM for NGAs, Volume II provides under Section 14, the disbursements by cash out of cash advance; Section 20 refers to cash advances for operating expenses of government units without complete set of books of accounts; Section 22, the accounting books, records, forms and reports to be prepared and maintained such as the Cash Disbursements Register (CDReg) (Appendix 43); and Section 39 (d), that operating units without a complete set of books shall record their collection of income chronologically in the Cash</p>	<table><tr><td></td><td>documents and ensure the correctness of data/information in the corroborating reports to facilitate tracing, verification and reconciliation with accounting records.</td></tr><tr><td>Bahrain</td><td><ul style="list-style-type: none">Use the CAs solely for the purpose they were granted and pay remittance charges out of CA for Other MOOE being part of the regular operations of the Post.</td></tr><tr><td>Bahrain</td><td><ul style="list-style-type: none">Allow through an official policy, the continuous deposit of the CAs in the bank account of the WelOf provided that the use thereof shall exclusively be for the official transactions of the Post. This may relieve the audited AO from securing another bank account which was relayed as costly and difficult in the place, at the same time, prevent the mingling of private as well as public funds.</td></tr></table>		documents and ensure the correctness of data/information in the corroborating reports to facilitate tracing, verification and reconciliation with accounting records.	Bahrain	<ul style="list-style-type: none">Use the CAs solely for the purpose they were granted and pay remittance charges out of CA for Other MOOE being part of the regular operations of the Post.	Bahrain	<ul style="list-style-type: none">Allow through an official policy, the continuous deposit of the CAs in the bank account of the WelOf provided that the use thereof shall exclusively be for the official transactions of the Post. This may relieve the audited AO from securing another bank account which was relayed as costly and difficult in the place, at the same time, prevent the mingling of private as well as public funds.							<p>and monitoring of CAs and CRReg for collections and remittances as per its comments to COA dated 13 November 2018.</p> <ul style="list-style-type: none">The use of CDReg were effected on the 3rd quarter of September 2018, upon the assumption of WelOf Redina Manlapas; while the use of CRReg as prescribed by COA was implemented starting September 2019.The Post adhere to the recommendation of COA to charge from MOOE the cost of remittance charges starting on July 1. 2018.On policy regarding opening of bank account, pursuant to DOLE AO No. 168 series 2013 – Manual of Operations, Policies and Guidelines for POLO, Sec. 61 . Official bank Accounts to be Maintained, paragraph A. “The following bank accounts shall be
	documents and ensure the correctness of data/information in the corroborating reports to facilitate tracing, verification and reconciliation with accounting records.														
Bahrain	<ul style="list-style-type: none">Use the CAs solely for the purpose they were granted and pay remittance charges out of CA for Other MOOE being part of the regular operations of the Post.														
Bahrain	<ul style="list-style-type: none">Allow through an official policy, the continuous deposit of the CAs in the bank account of the WelOf provided that the use thereof shall exclusively be for the official transactions of the Post. This may relieve the audited AO from securing another bank account which was relayed as costly and difficult in the place, at the same time, prevent the mingling of private as well as public funds.														

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	<p>Receipts Register (CRReg) (Appendix 27).</p> <p>In addition, Section 21 of COA Circular No. 2012-001 dated June 14, 2012, as amended by COA Circular No. 2013-001 dated January 10, 2013, provides for the documentary requirements for the granting and liquidation of Cash Advances for Operating expenses of Government Units without Complete Set of Books of Accounts.</p> <p>Section 64(a) of the GAM for NGAs, Volume I provides:</p> <p>Based on the proposed budget of FSP/Foreign Attache, a Working Fund shall be established to cover payments of Personnel Services and MOOE> The Finance Office shall be required to maintain CBReg and CDReg to monitor and control the Working Fund.</p> <p>Appendix 67, Item A of GAM for NGAs, Volume II, states that the RAAF is used by each accountable officer to report the result of the physical count of all accountable forms, with or without face value such as checks, stamps, official receipts, List of Due and Demandable Accounts Payable-Authority to Debit Accounts (LDDAP-ADA), etc., in his/her</p>							<p>opened/maintained at the post, as may be allowed by the host country’s banking statement: item 3. states that Local Currency saving for collection of OWWA membership contribution in the name of Welfare Officer</p> <ul style="list-style-type: none">Based on the stated guidelines and policies, opening of bank account in the name of Welfare Officer for purpose of depositing the OWWA membership collections is within its official function. However, the opened bank account is exclusive for OWWA membership collections and remittance transactions only. All other incoming funds such as personal services, CAs for MOOE, and Program Fund is credited to a separate US Dollar account under the name of the Welfare Officer and transferred to a local currency bank account opened for MOOE and Program Funds in the name	

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	<p>custody. It shall be prepared monthly and by fund cluster.</p> <p>Item 32, Chapter 2 of COA Memorandum No. 2013-004 or the Revised Cash Examination Manual states that:</p> <p><i>“All COs shall deposit intact all their collection, as well as collections turned over to them by sub-collectors/tellers, with authorized government depository bank (AGDB) daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the Cos shall deposit their collections at least once a week, or as soon as the collections reach P10,000.00. They shall record all deposits made in the CRR.”</i></p> <p>Audit of the cash and accounts of the AOs of the three Overseas Posts disclosed lapses in handling and custody of cash advances and collections, as shown in the table below:</p> <p>Table 65: Summary of Lapses in Handling and Custody of Cash Advances and Collections in Posts</p> <table><tr><th>Post</th><th>Deficiencies</th></tr><tr><td>Abu Dhabi, UAE</td><td>The actual cash accountability of the WelOf as of the cash examination date was not established due to non-maintenance of Cash Disbursements Register (CDReg0 and the cash operating requirements of the Post from the Central Office (CO) were deposited in the WelOf's personal bank account.</td></tr></table>	Post	Deficiencies	Abu Dhabi, UAE	The actual cash accountability of the WelOf as of the cash examination date was not established due to non-maintenance of Cash Disbursements Register (CDReg0 and the cash operating requirements of the Post from the Central Office (CO) were deposited in the WelOf's personal bank account.			Taipei, Taiwan			Fully Implemented		<p>of the Welfare Officer .</p> <p><u>Taipei, Taiwan</u></p> <ul style="list-style-type: none">• The deputized AO/CO of post have complied on the recommendation of COA on the required preparation of CRReg and RAAF effective in November 2019 after audit of Post; Post have monitored and maintained the required record of collections and remittances.• The Post acknowledges the recommendation of COA to deposit the daily collection on the next banking day starting September 2019.• The prescribed RAAF was prepared and attached to the report starting August 2019.• The use of RCA was discontinued and CRReg was prepared in compliance to the COA rules and regulations.
Post	Deficiencies												
Abu Dhabi, UAE	The actual cash accountability of the WelOf as of the cash examination date was not established due to non-maintenance of Cash Disbursements Register (CDReg0 and the cash operating requirements of the Post from the Central Office (CO) were deposited in the WelOf's personal bank account.												

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	Taipei, Taiwan	Cash in Bank Register (CBReg) and Cash Disbursements register (CDReg) were not maintained by the AO, contrary to the provisions of Section 64, Chapter 6 of the GAM for NGAs, Volume II.							
	Bahrain	CA funds for the Other MOOE, Program Fund, Local Hire and Capital Outlay totaling BD13,372.298 were directly deposited to the personal account of the WelOf, thus open to personal use and may not be fully accurately accounted for as government funds.							
	Abu Dhabi, UAE	Cash examination conducted on the cash accountability of the Collecting Officer showed a cash shortage of AED24,760.08, but it was immediately restored when demand was made.							
	Abu Dhabi, UAE	Proper observance of the government to deposit all collections daily or not later than the next banking day also entails loss of income amounting to AED7,901.00 representing charges for remittance fee.							
	Bahrain	Deposits for collections were delayed ranging from 1 to 11 days, in the process, exposing government resources to risks of loss or misuse while retained at the Post.							
	Bahrain	Remittances in excess of collections ranging from BD16.500 to BD1,356.000 were disclosed, thus showing absence of monitoring on actual funds under the possession of the AO.							
	Bahrain	Collections were reported thru monthly Report of Collections and Accountability (RCA) instead of using the prescribed CRReg, contrary to Section 39 (d), Chapter 5 as well as Appendix 27 of GAM for NGAs, Volumes I and II, respectively.							
	Taipei, Taiwan	The deputized CO/AO failed to prepare and maintain the CRReg as required in Appendix 67, GAM, Volume II, thus, the accuracy of CO's cash accountability cannot be readily determined/verified.							
	Bahrain; and Taipei, Taiwan	Deficiencies were noted in the preparation and submission of reports involving Accountable Forms (AF), contrary to Appendix 67 of the GAM for NGAs, Volume II, which is the Report of Accountability for Accountable Forms (RAAF), thus may affect the accurate recording and reporting of collections.							
	Bahrain	Entries on the report on Afs were erroneous, thus, the information contained therein could not be relied upon in determining the accuracy of computed collections as intended							

[illegible]

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	<p>properties, which state as follows: AUTHORITY OR RESPONSIBILITY FOR PROPERTY DISPOSAL/DIVESTMENT. Pursuant to existing laws on the matter, the full and sole authority and responsibility for the divestment or disposal of property and other assets owned by national government agencies or instrumentalities, local government units, and government shall be lodged in the heads of the departments, bureaus, and offices of the national government, the local government units, and the governing bodies or managing heads of government-owned or controlled corporations and their subsidiaries conformably to their respective corporate or articles of incorporation, who shall constitute the appropriate committee or body to undertake the same.</p> <p><i>A. Non-maintenance of Property Cards (PC) and RPCPPE</i></p> <p>Semi-expendable items are still recognized as PPE and included in the RPCPPE of Taipei, Taiwan Post while in Bahrain Post, the PC and RPCPPE were not maintained, contrary to Section 3 and 20 of Chapter 10 of GAM for NGAs, Volume I. Furthermore, records maintained for PPE in Bahrain could</p>	<p>property in the RPCPPE and prepare the IIRUP;</p> <p><u>Bahrain</u></p> <p>d. Maintain one OC for each item/property; and</p> <p>e. Indicate the unit value of the properties to determine property classification, whether as PPE or semi-expendable.</p>		Bahrain			<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>		<p>c. The IIRUP was prepared in December 2021, the unserviceable property in the RPCPPE was excluded in compliance to COA recommendation.</p> <p>d. The Post acknowledges the recommendation of COA on the maintenance of PC for each item/property. Effective 01 December 2018 property card for each property of Post is maintained.</p> <p>e. The RCPPE includes property transferred by previous officer and duly received by the New Welfare Office in June 2018. The property includes unserviceable items with no indicated value and was reported and included in the disposed properties for 2018.</p>

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	<p>not be reconciled with the Accounting records.</p> <p><i>Taipei, Taiwan</i></p> <p>During the validation/physical inspection of the Team in MECO, Taipei Main Office, Ugnayan Training Center, and the Storage in Shilin District, it was observed that Semi-Expendable Property-IT Equipment and Semi-Expendable Property-Office Equipment were included in the RPCPPE and classified as Furniture and Fixtures.</p> <p>It was noted that four units of the semi-expendable with assigned monetary values while one-unit Heavy Duty Stapler have no assigned value.</p> <p><i>Bahrain</i></p> <p>The Post did not maintain a PC for each class of PPE to keep track of the acquisition, transfer, disposal, and information about the property. Moreover, unserviceable property remained without cost despite an audit observation during the previous audit. As of October 31, 2018, the Post reported the following items through its RPCPPE.</p>								
Table 66: Non-maintenance of OC in Bahrain Post									

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	<table><tr><th>Report</th><th>Quantity</th><th>Cost (\$D)</th></tr><tr><td>RPCPPE-Serviceable</td><td>7</td><td>2,010,000</td></tr><tr><td></td><td>9</td><td>253,000</td></tr><tr><td>RPCPPE-Unserviceable</td><td>11</td><td>No cost</td></tr></table> <p>Moreover, reconciliation between the records of the Accounting and Property cannot be done because of inadequate information and lack of PC. Likewise, the RPCPPE was not properly accomplished. Some items reported therein have no corresponding values, thus the report may not serve as a reliable source of information.</p>	Report	Quantity	Cost (\$D)	RPCPPE-Serviceable	7	2,010,000		9	253,000	RPCPPE-Unserviceable	11	No cost							
Report	Quantity	Cost (\$D)																		
RPCPPE-Serviceable	7	2,010,000																		
	9	253,000																		
RPCPPE-Unserviceable	11	No cost																		
51	<p><i>B. Dropped PPE were not supported with IIRUP and unserviceable properties remained not disposed</i></p> <p>Abu Dhabi, UAE</p> <p>Information Technology (IT) equipment totaling AED8,167.00 included in the CY 2017 RPCPPE were already dropped from the 2018 and 2019 inventory reports of the Post but not reported in the IIRUP contrary to Section 40 (d) of GAM for NGAS, Volume I.</p> <p>Reconciliation of RPCPPE for CYs 2017, 2018 and 2019 for IT Equipment disclosed several items which were included in the 2017 inventory report but were already dropped from the 2018 and 2019 reports. This practice is not in accordance with the</p>	<p>It was recommended that the concerned personnel of the Post:</p> <p>a. Render a proper accounting of the items already dropped from the RPCPPE; and</p> <p>b. Support the dropping from inventory report with an approved IIRUP.</p>		Abu Dhabi, UAE			On-going	<p>The Post acknowledges the recommendation of COA regarding the dropped PPE.</p> <p>The Welfare Officer/ Administrative Staff stated that they will conduct proper documentation of items dropped in 2018 and 2019 using the prescribed forms and procedures. However, it was disclosed that IT equipment and several items included in 2017 inventory report cannot be</p>												

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	<p>provisions of Section 40 (d) of GAM for NGAS, Volume I.</p> <p>The dropping from the inventory should have been based on the approved IIRUP and supported by the Report of Waste Materials as the case maybe as basis for the dropping from the inventory report of the Post and from the books of accounts pf the Head Office. This requirements was not properly observed by the Post as no report was presented to the Audit Team with regard to the above items.</p>								<p>located/missing. The properties were acquired prior to 2014.</p> <p>Prospectively, to comply on the audit recommendation.</p>
52	<p><i>C. Unserviceable properties listed in the Inventory and IIRUP remained no disposed</i></p> <p>Unserviceable properties listed in the Inventory Report and IRUP of Bahrain Post remained not disposed, thus resulting in the unnecessary congestion of the Post’s stockroom including forfeiture of any possible income had their sale been carried out as proposed while still with scrap value, contrary to Item IV and V of COA Circular No. 89-296 dated January 27, 1989.</p> <p>Continuously keeping the unserviceable properties might result in the loss and deterioration of the condition of the items</p>	<p>It was recommended that the Post immediately dispose the unserviceable items initially through public auction, in the process, decongest its stockroom, at the same time, earn any gain should this mode of disposal be considered feasible under the existing circumstances.</p>		Bahrain			On-going		<p>The Post acknowledges the recommendation of COA to dispose unserviceable items. The IIRUP was prepared and submitted, with the request for authority to dispose the unserviceable properties of OWWA Bahrain dated November 6, 2018 addressed to Administrator Hans Leo J. Cacdac. Duly acknowledged and received by the Central Office.</p> <p>The request for disposal shall be in accordance with Memorandum</p>

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	including any possible gain that may be acquired if the disposal is undertaken. Furthermore, the non-disposal resulted in the continuous unnecessary clogging of items in the Post’s stockroom.								of Instructions on the disposal of PPE (MOI No. 016 dated 21 November 2016). Upon approval, the Post shall immediately dispose of all its unserviceable properties pursuant to the procedure for the disposal of unserviceable property through condemnation /destruction as provided for in the COA Manual on Disposal
53	<p><i>D. Absence of proper turn-over between the outgoing and incoming WelOfs and non-issuance of PAR/ARE</i></p> <p>There was absence of proper turn-over between the outgoing and incoming WelOfs of the Abu Dhabi Post, UAE, while the Bahrain Post did not issue a PAR/ARE to document the turn-over of its one-unit motor vehicle to the new WelOf, neither does this item appear in the RPCPPPE, thus accountability was not properly documented, contrary to Section 21, Chapter 10 of GAM for NGAS, Volume I.</p> <p>Upon the assumption to office of the WelOfs of Abu Dhabi Post, there was no turnover of property accountability from the outgoing to the incoming officers thus the audit conducted was based on the physical</p>	<p>It was recommended that the concerned personnel of the Posts:</p> <p><u>Abu Dhabi</u></p> <p>a. Strictly observe the proper turnover of property accountability by the outgoing officer to the incoming officer to properly impose liability in case of damage or loss due to willful or negligent act;</p>		Abu Dhabi			Fully Implemented		<p><u>Abu Dhabi, UAE</u></p> <p>The Post acknowledged the recommendation of COA to strictly observe the proper turnover of property accountability of outgoing and incoming officers and impose liability in case of damage or loss due to willful negligent act effective on the end-of-tour of duty of current Officers/staff at</p>

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					From	To			
	<p>inventory reports available at the Post.</p> <p>In Bahrain Post, the turn-over of a motor vehicle, one Unit Mitsubishi ASX, to the incoming WelOf was not documented due to the non-issuance of PAR/Acknowledgement Receipt of Equipment (ARE).</p>	<p><u>Bahrain Post</u></p> <p>b. Immediately cancel the ARE and prepare the corresponding PAR to support the issuance to and receipt of one-unit Mitsubishi ASX by the new WelOf; and</p> <p>c. Include the said transportation equipment in the RPCPPE prepared by the Post. Furthermore, this property shall be included in the Post's RPCPPE to officially document its existence.</p>		Bahrain			Fully Implemented		<p>Post by year 2022 and onwards.</p> <p><u>Bahrain</u></p> <p>The Post acknowledge the recommendation of COA on the issuance of PAR to record the issuance of 1 motor vehicle owned by Post to the new Welfare officer to establish its accountability. On Jan 31, 2019, PAR was issued and acknowledge by Welfare Officer Redina Manlapaz.</p>
54	<p><i>E. Deficiencies in the preparation of Inventory Report</i></p> <p>In Abu Dhabi, UAE there was no separate inventory report for semi-expendable items with cost below the P15,000.00 capitalization threshold, and the inventory cost per item is in local currency, which can cause difficulty in the reconciliation of accountability with the OWWA CO. Moreover, the components of the computer unit were separately reported as one computer set to be recognized as part of the primary PPE.</p>	<p>It was recommended that the concerned personnel of the Abu Dhabi Post:</p> <p>a. Remove/separate the semi-expendable items from the RPCPPE and report in the RPCI;</p> <p>b. Include in the RPCPPE the corresponding peso equipment of the PPE items based in the acquisition date; and;</p>		Abu Dhabi, UAE			Fully Implemented		<p>The Post acknowledged the COA recommendations to remove/separate semi-expendables from the RPCPPE and report in the RPCI; include the corresponding acquisition cost of the PPE items; and record the CPU, monitor and keyboard as computer set. The above stated recommendations on the revision of RPCPPE and RPCI were effected/reflected as of December 31, 2020</p>

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	<p>It was noted that the costs/values of PPEs in the RPCPPE were in local currency or in Dirhams which can also cause difficulty in the reconciliation procedure since the corresponding PPE accounts in the OWWA CO are recorded in Philippine currency.</p> <p>Moreover, computer set composed of the CPU, monitor and keyboard were individually reported in the inventory report, where the aggregate cost should be considered to determine the materiality threshold because these items work together as a group, as the performance of one depends on the other. Hence, if the total value exceeds the threshold it should be recognized as PPE.</p>	<p>c. Record as PPE item the computer set composed of CPU, monitor and keyboard based on their aggregate cost and PPE threshold.</p>							
55	<p><i>Program Evaluation – Abu Dhabi Post</i></p> <p>The Post does not have enough space to accommodate the increasing number of wards admitted at the MWORFC, with an average monthly accommodation of 360 wards in CY 2018 and 455 wards for the months of January to September 2019 that resulted in overcrowding, extra work load for OWWA staff and conversion of some office space to temporary shelter.</p> <p>Per report, an average of 96 percent of the</p>	<p>It was recommended that the Post:</p> <p>a. Make representation with the OWWA CO for additional staff for the Center’s operations, and for possible office relocation; and</p> <p>b. Conduct or recommend assessment of ward cases to determine the actual cause of increasing number of</p>		<p>Abu Dhabi, UAE</p>			<p>Fully Implemented</p>		<p>On matters regarding the operation of the MWOFRC, as per DOLE AO no. 168, Sec 43. The Labor Attaché, shall determine the staff complement of the Center with the approval of Secretary of Labor and Employment.</p> <p>Sec 45. Administration of the Center. states that “The MWOFRC shall be under the</p>

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	<p>admissions represents the undocumented OFWs and the most common problems encountered by the OFWs are maltreatment, contract violation, and personal/family health problems.</p> <p>Interviews with selected wards to gather information as to accommodation problems encountered at the Center revealed complaints that the place is crowded, problems concerning relationship/conflicts with co-wards, slow processing of repatriation, and lack of updates/information as to the status of their cases.</p> <p>The AT understands that some OFW cases are complicated and take time to be resolved but it is also advisable for the Post to look into possible deficiencies in the process or procedures to assess whether the increasing number of wards was not attributed to slow processing and laxity in the monitoring of cases.</p>	<p>admissions to be assured that such problem was not attributed to laxity in the processing and monitoring of cases.</p>						<p>direct supervision of the Head of POLO.”</p> <p>As such, additional staff for the Center will be endorsed to the Head of POLO.</p> <p>On the matters relating to process or procedures in resolving cases of OFWs, The Post acknowledges COA’s understanding on matters relating to diversity of OFW cases at Post, as such, the handling of cases are conducted in expeditious manner and utmost care.</p> <p>Moreover, starting on year 2020, there was a significant decrease in the number of OFW wards accommodated at the center. On the average, only 35 OFWs monthly is accommodated and cases handled at the MWOFRC, a significant decrease in OFW cases as compared to 360 cases in 2018 and 455 cases in 2019.</p>	
56	Donations received for the wards coming from various sources/benefactors were not properly accounted for as no Inventory Reports was prepared to account for all	<p>The AT recommended that the Post should institute proper control and accounting of all donations received.</p>		Abu Dhabi, UAE			Fully Implemented		<p>The Post acknowledges the COAs recommendation on instituting proper control and accounting of all donations for the distressed OFWs</p>

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	<p>donations received and issuances made.</p> <p>From time to time, donations in kind from various sources are received by the Post and these donations actually help the Center to sustain the needs of the wards. However, it was admitted that due to lack of personnel they have difficulty to do the monitoring and proper accounting of all the items donated.</p> <p>However, it was informed and validated by the AT that all donations in kind were placed in a storage cabinet with limited access and the maintenance of a log book to record issuances made which were acknowledged by the recipient-wards.</p>								accommodated at the MWOFCR. As such, Administrative Staff/Welfare officers have started maintaining a monthly record of inventory on donated and purchased supplies for the MWOFCR for use of OFWs sheltered at the center.
57	<p><i>Operational efficiency</i></p> <p>Certain accomplishments of Bahrain Post were found with deficiencies, thus may affect the attainment by the Post of the objectives of its mission while at a foreign country.</p> <p>Government resources are entrusted to entities for each to pursue targeted programs/projects/activities. In the utilization of said resources the state adopts this policy under Section 2, PD No. 1445, which, among other, mandates</p>	<p>It was recommended that the concerned personnel of the Post:</p> <p>a. Submit a catch-up plan/s to achieve targets for Hospital and Jail/Detention Visitation for 2018;</p> <p>b. Define and set targets for (i) Work/Campsite Visitation. (ii) Request for Assistance (including distressed OFWs in</p>		Bahrain			Fully Implemented		The Post acknowledges the recommendation to submit a catch-up plan/s to achieve target for Hospital and jail/detention Visitation for 2018. For the record, the Post accomplishment for 2018 was meet 100% and exceeded in some programs and services as follows:

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	<p>operational efficiency and effectiveness in addition to economical use thereof:</p> <p>The accomplishment of the Post in the following may affect the continuous attainment of the objectives of its mission:</p> <p>a. The accomplishments of the Post on labor force welfare services, repatriation, reintegration preparedness, and institutional and socio-cultural activities did not surpass its targets, thus indicating failure in giving focus thereon despite their significance.</p> <p>b. The Hospital and Jail/Detention Visitation under the Workers' Assistance Program of the Post which had been 100 percent accomplished as of 2016 was no longer the attained level as of 2017 and 2018.</p> <p>c. The Post did not set targets for some programs and services; thus, performance evaluation and assessment could not be made thereon.</p> <p>In addition, analysis of evaluation of the work and financial plan of the Post showed that it was able to improve its performance</p>	<p>MWOFRCS) and (iii) reintegration Preparedness; and</p> <p>c. Continue to pursue its mandate to initially resolve the identified hindrances to ensure that labor force welfare programs and services are continuously provided to our OFWs, in the process, maintain 100 percent accomplishment rate membership registration.</p>						<p>Hospital and jail Visit is 100% with target of 12 and 12 accomplishment;</p> <p>Repatriation is 126% with the target of 162 while 205 actual; Membership is 109% with target of 8,000 while 8740 actual accomplishments; and the target for</p> <p>Reintegration preparedness for 2019 based on 2018 accomplishment cannot be set because of the limitations set by the Ministry of Labor and Social Development. The work campsite visitation to various companies was rejected/turned down by companies/employers.</p>	

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	rating for 2016; thus, enhancing the accessibility by the OFWs to these services: a) Worker's assistance program; and b) reintegration preparedness. Nevertheless, the cited deficiencies remained to be given focus for the Post's continued attainment of its mission.								
58	OTHER COMPLIANCE ISSUES <i>Gender and Development (GAD)</i> The OWWA has allotted ₱2,437,934,809.60 or 23.94 percent of its total budget of ₱10,183,293,480.00 for the implementation of GAD activities which is more than prescribed amount of at least five percent of the agency budget under Section 32 of RA No. 11518. However, the GD Accomplishment Report (GAD AR), which shows that out of the ₱2,437,934,809.60 allotted budget, a total of ₱4,568,532,132.27 or 187.39 percent has been utilized for the actual accomplishment, is yet to be finalized and approved. Moreover, the attribution of accomplishments in the GAD AR in RWOs CAR and VI was not in accordance with the provision of Section 6.4 of PCW-NEDA-DBM Joint	<p>The Management was commended for complying with the submission of GPB and GAD AR and meeting the prescribed GAD allotment of at least five percent for CY 2021.</p> <p>It was recommended and Management agreed to submit the PCW endorsed and Agency-head-approved GAD AR for CY 2021.</p> <p>Moreover, it was recommended and Management agreed to strictly follow the attribution of major program/project costs to Gad in terms of gender responsiveness using the HGDG tool pursuant to section 6.4 of PCW-NEDA-DBM Joint Circular No. 2012-01.</p> <p>The Management of the respective</p>		RWO CAR <					

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	<p>Circular No. 2012-01 on the use of the Harmonized Gender and Development Guidelines (HGDG) tool, thus accurate representation, monitoring, and evaluation of the OWWA’s gender responsiveness was not ensured.</p> <p>Section 32 of the General Provision of RA No. 11518 also known as the FY 2021 GAA, states that “<i>All agencies of the government shall formulate a GAD Plan designed to address gender issues within their concerned sectors or mandate and implement the applicable provisions under RA No. 9710 or the Magna Carta of Women, xxx</i>” <i>The GAD Plan shall be integrated in the regular activities of agencies, which shall be at least five percent of their budgets. For this purpose, activities currently being undertaken by agencies which relate to GAD or those that contribute to poverty alleviation, economic empowerment especially of marginalized women, protection, promotion, and fulfilment of woman’ human rights, and gender-responsive governance are considered sufficient compliance with said requirement. Utilization of GAD budget shall be evaluated based on the GAD performance indicators identified by said agencies.</i>”</p>	<p>RWOs commented as follows:</p> <table><tr><th>Office / RWOs</th><th>Management’s Comments</th></tr><tr><td>CAR</td><td>Management noted the recommendations and they shall implement the same in future programs to increase gender responsiveness.</td></tr><tr><td>II</td><td>In a letter-response dated March 14, 2022, Management admitted that indeed they were not able to formulate the Annual GAD Plan and Budget. Nevertheless, OWWA RWO II justified that they implemented GAD related activities such as OWWA training on various dates and other OWWA programs and services which were GAD related.</td></tr><tr><td>IV-A</td><td>Management submitted the GAD AR for CY 2021 to the AT. The GAD focal person is yet to submit the GAD Plan and Budget for CY 2021.</td></tr><tr><td>IV-B</td><td>Management commented as follows: (a) The gender issues, result statements, objectives and GAD activities being implemented by the RWOs are very well within the context of OWWA mandate because they are components of the Agency’s centralized GAD Plan; (b) The Management will comply and integrate programs in the GAA/MOOE funded activities; and (c) The Management will comply and reflect the amount corresponding to five percent of the MOOE Budget vis-à-vis the actual expenditure for 2022 GAD Accomplishment Report.</td></tr><tr><td>IX</td><td>The Management of OWWA RWO IX explained that it is their Central Office that prepares the Annual GPB since the office is under transition to fully operationalize as an NGA. Despite their present status, GAD-related activities undertaken were client-focused and attributed in the Regional Office’s plans and programs.</td></tr></table> <p>The Auditor’s Rejoinder for the respective RWOs are as follows:</p> <table><tr><th>Office/ RWOs</th><th>Auditor’s Rejoinder</th></tr><tr><td>II</td><td>The GPB is a document which reflects various plans, programs, activities and projects (PAPs) on gender mainstreaming prepared annually by government agencies and submitted to the PCW, in compliance with the requirements of RA No. 9710. GAD activities of the agency should be based on the GAD Plan and Budget prepared by the GAD Focal Point Person. The</td></tr></table>	Office / RWOs	Management’s Comments	CAR	Management noted the recommendations and they shall implement the same in future programs to increase gender responsiveness.	II	In a letter-response dated March 14, 2022, Management admitted that indeed they were not able to formulate the Annual GAD Plan and Budget. 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The		<p>RWO IV-B</p>			<p>Fully Implemented</p>		<p><u>RWO IV-B</u></p> <p>Per our Reply to COA AOM dated 31 March 2022, Management explained that gender issues, result statements, objectives and GAD activities being implemented by RWO IV-B are well within the context of OWWA mandate as they are components of the Agency’s centralized GAD Plan. RWO IV-B complied to reflect the 5% of the MOOE Budget vis-à-vis the actual expenditures for the 2022 GAD AR.</p> <p><u>RWO IX</u></p> <p>The Management complied the GAD activities in accordance with COA AOM, and the RWO IX reflects the actual cost of GAD activities on the 5% of MOOE Budget.</p>
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	<p>Section 6.4 of PCW-NEDA-DBM Joint Circular No. 2012-01 states, “<i>Attribution to the GAD budget of a portion of the whole of the budget of an agency’s major programs is a means toward gradually increasing the gender responsiveness of government programs and budgets.</i>”</p> <p>Further, Section 6.4.1 of the same guidelines states, “<i>If an agency intends to attribute a portion of the whole budget of major programs during the GAD planning and budgeting phase, it may budget the program to gender analysis using the HDGD tool. xxx</i>”.</p> <p>Section 6.4.2 of the guideline states, “<i>The use of the HDGD will yield a maximum score of 20 points for each program or project.</i>” Depending on the score on the HDGD, a percentage of the budget of the agency’s existing and proposed major program may be attributed to the GAD budget as follows:</p> <table><tr><th>HGDG Score</th><th>Description</th><th>Corresponding budget for the year of the program that may be attributed to the GAD budget</th></tr><tr><td>Below 4.0</td><td>GAD is invisible</td><td>Zero percent or no amount of the program budget for the year may be</td></tr></table>	HGDG Score	Description	Corresponding budget for the year of the program that may be attributed to the GAD budget	Below 4.0	GAD is invisible	Zero percent or no amount of the program budget for the year may be	<table><tr><td></td><td>GAD AR for the year should accompany the GAD Plan and Budget for the coming year. The GAD Plan and Budget will not be processed unless it is accompanied by the previous year’s GAD Accomplishment Report.</td></tr><tr><td>IV-A</td><td>The Audit Team will review the GAD AR to determine whether the PPAs addressed the gender issues and will monitor full compliance with the recommendation.</td></tr></table>		GAD AR for the year should accompany the GAD Plan and Budget for the coming year. The GAD Plan and Budget will not be processed unless it is accompanied by the previous year’s GAD Accomplishment Report.	IV-A	The Audit Team will review the GAD AR to determine whether the PPAs addressed the gender issues and will monitor full compliance with the recommendation.							
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			attributed to the GAD budget								
	4.0-7.9	Promising GAD prospects (conditional pass)	25 percent of the budget for the year of the program may be attributed to the GAD budget								
	8.0-14.9	Gender-sensitive	50 percent of the budget for the year of the program may be attributed to the GAD budget								
	15.0-19.9	Gender-responsive	75 percent of the budget for the year of the program may be attributed to the GAD budget								
	20.0	Fully gender-responsive	100 percent of the budget for the year of the program may be attributed to the GAD budget								
	Moreover, the deadlines on the submission of the GAD Plan and Budget (GPB) and GAD-AR were provided in the following Memorandum Circular (MC) of PCW as show as follows:										
	MC No.	Particulars	Deadline of Submission for Executive Departments and their Attached Agencies								
	2020-05 dated September 11, 2020	Submission of FY 2021 GPB	November 3, 2020								
	2021-06 dated December 10, 2021	Submission of FY 2021 GAD AR	March 11, 2022								

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	<p>For CY 2021, the OWWA was able to prepare and submit their GPB and the same was endorsed by the PCW and approved by the OWWA Administrator with an allotment of ₱2,437,934,809.60 or 23.4 percent of its total budget of ₱10,183,293,480.00.</p> <p>In addition, OWWA submitted the GAD AR with utilization of ₱4,568,532,132.27 on March 10, 2022, within the set deadline by the PCW, however, as of date, the PCW-endorsed, and agency-approved GAD-AR is not yet submitted to the AT, hence precluding the verification and/or conduct of audit of the Agency's compliance with aforementioned regulations.</p> <p>Nevertheless, some RWOs reported GAD related accomplishments are presented below:</p> <table><tr><th colspan="3">Table 67: Summary of 2021 GAD Accomplishments</th></tr><tr><th>Offic e/RW Os</th><th>Utilization (in PhP)</th><th>Accomplishments</th></tr><tr><td>NCR</td><td>181,170.00</td><td>Client-focused activities<ul style="list-style-type: none">Scholars' Youth Camp – 132,595.00Conduct of activities for Woman's Month (Film Showing, GAD-Related For a, etc.) – 12,175.00Marilag Awards for OFWs and/or OFW Dependents</td></tr></table>	Table 67: Summary of 2021 GAD Accomplishments			Offic e/RW Os	Utilization (in PhP)	Accomplishments	NCR	181,170.00	Client-focused activities <ul style="list-style-type: none">Scholars' Youth Camp – 132,595.00Conduct of activities for Woman's Month (Film Showing, GAD-Related For a, etc.) – 12,175.00Marilag Awards for OFWs and/or OFW Dependents						
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			<p>– 36,400.00</p> <p>Organization-focused activities</p> <ul style="list-style-type: none">• Conduct of activities for Women's Month (Film Showing, GAD-Related For a, Awareness on the reproductive/gynecological health issues and concerns, maternity leave etc.) - 0							
	CAR	57,133.35	<p>Client-focused activities</p> <ul style="list-style-type: none">• 1 webinar on Adolescent Reproductive Health was conducted for 41 OWWA scholars – 1,478.70• 5 seminars (3 online and 2 face to face) on Mental Health and Coping mechanisms for 230 scholars – 25,559.50• Conduct of Marilag Awards – 28,387.15• Advocacy to end Violence Against Women (VAW) by displaying tarpaulins on the 18 Day Campaign to End VAW wherein 432 clients were served during the observance of Women's Month – 1,708.00							
	I	28,391,924.75	<p>Client-focused activities</p> <ul style="list-style-type: none">• Marilag Awards for OFWs and/or OFW Dependents – 28,677.51• Conduct of Organizational Development Training – 351,054.80• Conduct of Family Development Support/Capability Building with Partners – 223,456.93• Scholars' Virtual Hangout,							

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			<div>thru Zoom – 19,155.00</div> <ul style="list-style-type: none">Way of Healing, thru Live Webinar – 30,000.00Provision of livelihood assistance to surviving female spouse of deceased or incarcerated migrant worker – 885,000.00 <div>Organization-focused activities</div> <ul style="list-style-type: none">Provision of mental health awareness and debriefing to OWWA Staff – 14,453.00Collective Assistance and Restoration for Emergence (C.A.R.E. Program) – 26,840,127.51								
	IV-B	213,760.00	<div>Client-focused activities</div> <ul style="list-style-type: none">Scholars' Youth Camp – 12,000.00Conduct of activities for Women's Month (Film Showing, GAD-Related Fora, etc.) – 171,760.00Marilag Awards for OFW and/or OFW Dependents – 30,000.00 <div>Organization-focused activities</div> <ul style="list-style-type: none">Conduct of activities for Women's Month (Film Showing, GAD-Related Fora, Awareness on the reproductive/gynecological health issues and concerns, maternity leave, etc.) – 0Conduct of activities for the 18-day campaign to end VAW (Film Showing, Photo Exhibit, etc.) – 0								
	V	3,490,634.02	Client-focused activities								

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			<ul style="list-style-type: none"> Marilag Awards for OFWs and/or OFW Dependents – 15,000.00 <p>Organization-focused activities</p> <ul style="list-style-type: none"> Marilag Awards for OFWs and/or OFW Dependents – 15,000.00 Conduct of film showing related to 18-Day Campaign to End VAW – 60,634.02 CARE, ELAP and Agapay Project – 3,400,000.00 							
	VI	40,232,793.75	<p>Client-focused activities</p> <ul style="list-style-type: none"> 2 trainings in Reported cases of unwanted pregnancy and depression among the OFW's children – 53,329.75 Marilag Awards for OFWs and/or OFW Dependents, partner NGAs/NGOs – 131,056.00 380 Women Affected by Disasters, Calamities, and Other Crisis Situations – 1,360,000.00 1,152 women recipients on Right to Livelihood, Credit, Capital and Technology (MCW Sec 23) – 20,915,000.00 22,874 Women Affected by Disasters, Calamities, and Other Crisis Situations (MCW Sec 10) – 16,126,408.00 104 legal dependents of deceased Female OFWs were granted with financial assistance – 1,560,000.00 6 Female OFW Scholars completed Training – 87,000.00 							

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	VII	20,000.00	Client-focused activities <ul style="list-style-type: none"> Webinar on Mental Well-Being in the New Normal – 10,000.00 Organization-focused activities <ul style="list-style-type: none"> Webinar on Mental Well-Being in the New Normal – 10,000.00 							
	VIII	12,262,249.50	Client-focused activities <ul style="list-style-type: none"> Marilag Awards for OFWs and/or OFW Dependents Pre-Departure Orientation Seminar Skills Employment Training Provided airport assistance to distressed women migrant workers Entrepreneurial Development Training (EDT) and Business Counseling Provided livelihood assistance to surviving spouse of deceased or incarcerated migrant worker Provided migrant workers with accommodation upon arrival Provided transportation assistance for migrant workers going home to provinces Provided financial assistance to displaced migrant workers Provided educational assistance to dependents of migrant workers who lost their job due to pandemic Collective Assistance and Restoration for 							

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							From	To		
			Emergence (CARE) Program Organization-focused activities <ul style="list-style-type: none">Conducted activities for Women's MonthConducted campaign to end Violence Against WomenProvided personal protective equipment and safety kits to employeesProvided safe and healthy workplace through regular decontamination and ventilation							
	XI	40,546,602.47	Client-focused activities <ul style="list-style-type: none">Conduct of orientation on Adolescent Sexual and Reproductive Health for OWWA scholars – 146,140.00Conduct of orientation on RA 9262 – 69,490.00Marilag Awards for OFW and/or OFW Dependents – 30,000.00Collective Assistance and Restoration for Emergence (CARE) Program – 40,289,787.47 Organization-focused activities <ul style="list-style-type: none">Conduct of activities for Women's Month (Film Showing, GAD-Related Fora, Awareness on the reproductive/gynecological health issues and concerns, maternity leave, etc.) – 24,500.0Conduct of orientation on RA 9262 – 56,175Gender Sensitivity Orientation for Newly							

Ref	Audit Observations			Audit Recommendation	Agency Action Plan			Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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							From	To		
			Hired Facility Coordinator – 0							
	XII	27,688,004.07	Client-focused activities <ul style="list-style-type: none"> • Marilag Awards for OFW and/or OFW Dependents – 41,874.07 • Provided scholarship grant to dependents of OFWs – 15,170,000.00 • Provided Technical Vocational Course Scholarship Grant to OFWs and their dependents – 123,300.00 • Engaged women to livelihood support grant and empower them once again, gain their lost confidence, be self-reliant and productive – 18,555,000.00 • Invited notable speaker from PSA for the conduct of Sexual Orientation on Gender Identity & Expression (SOGIE) Training for OWWA XII Personnel – 97,830.00 							
	However, RWO CAR noted understatement in the computation of the GAD AR where the cost of the services of agency personnel involved in GAD activity or program was not included. Further, in RWOs CAR and VI, the HGDG tool was not used in the attribution of the whole or partial major program/project costs to GAD AR as prescribed above.									
	Lastly, late and/or non-submission of GPB									

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	as well as GAD AR in RWOs II, IV-A, IV-B and XI, precluded the AT to conduct timely review of GPB and GAD AR to determine whether the GAD program/activity/project addressed the identified gender issues.								
59	<p><i>Senior Citizens and Differently Abled Persons (DAP)</i></p> <p>Unlike other RWOs with the expended funds for 15,851 senior citizens and 9,987 DAPs totaling ₱263,204,403.15, RWO IX failed to formulate and integrate in their regular activities for CY 2021 plans/programs/projects that address the concerns of senior citizens and DAPs nor allocate funds for the same, contrary to the General Provisions of RA No. 11518 and DBM-DSWD Joint Circular No. 2003-01, thus depriving the latter of the benefits they are entitled to.</p> <p>Section 33 of the General Provisions of RA No. 11518 or the GAA of 2021 states that:</p> <p><i>“Programs and Projects Related to Senior Citizens and Persons with Disability. Pursuant to existing laws, all agencies of the government shall formulate plans, programs and projects intended to address the concerns of</i></p>	<p>It was recommended that the Management henceforth:</p> <p>a. Formulate plans and programs to be integrated into the Agency’s regular activities to address the concerns of senior citizens and DAPs; and</p> <p>b. Allocate funds for their implementation pursuant to the annual General Provisions of the GAA and DBM-DSWD JC No. 2003-01.</p>		<p>BARMM</p> <p>RWO NCR</p> <p>RWO I</p>	<p>Jan 2022</p> <p>Dec 2022</p>	<p>On-going</p> <p>On-going</p> <p>On-going</p>	<p><u>BARMM</u></p> <p>The Management will be more conscious to evaluate its beneficiaries and produce a data for its Senior Citizen and Differently Abled Person beneficiaries.</p> <p><u>RWO NCR</u></p> <p>The Management aside from identifying the senior citizen on our regular programs, will formulate and allocate budget to conduct activities for the said sectors.</p> <p><u>RWO I</u></p> <p>The Management commits to continuously maintain records of information for served senior citizens and DAPs beneficiaries.</p>		

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	<p><i>senior citizens and persons with disability, insofar as it relates to their mandated functions, and integrate the same in their regular activities.”</i></p> <p>Moreover, all government infrastructures and facilities, shall provide architectural and structural features, designs or facilities that will reasonably enhance the mobility, safety and welfare of persons with disability pursuant to BP Blg. 344 and RA No. 7277, as amended.</p> <p>Further, Section 4.2 of the Department of Budget and Management (DBM) and Department of Social Welfare and Development (DSWD) Joint Circular No. 2003-001 dated April 28, 2003 provides:</p> <p><i>“All government agencies, departments, bureaus, offices, commissions and state universities and colleges shall allocate at least one percent of their respective budget for the implementation of plans, programs, projects, activities and services for older persons and persons with disabilities.”</i></p> <p>Verification of compliance of the RWO IX with the above provisions related to senior citizens and DAPs revealed that the Management of RWO IX failed to</p>			RWO III			On-going	<p><u>RWO III</u></p> <p>The Management, aside from identifying the senior citizen and DAP on our regular programs, will formulate and allocate budget to conduct activities for the said sectors.</p> <p><u>RWO IV-A</u></p> <p>The Management will establish data collection regarding beneficiaries of the Agency’s programs and services which addresses the concerns of Senior Citizens and Persons with Disability.</p> <p><u>RWO V</u></p> <p>The Management will formulate plans and programs for senior citizens and DAPs to be integrated into the Agency’s regular activities, and will</p>	
				RWO IV-A			On-going		
				RWO V			On-going		

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	<p>formulate and integrate in their regular activities for CY 2021 plans/programs/projects that address the concerns of senior citizens and DAPs, nor allocate funds for the same, contrary to the General Provisions of RA No. 11518 and DBM-DSWD JC No. 2003-01, thus depriving the latter of the benefits they are entitled to.</p> <p>On the other hand, RWOs which identified the programs and projects and expended funds that were allocated to directly address the concerns of these sectors are shown in the next page:</p> <p>Table 68: Summary of 2021 Programs/Projects for SC/DAPs</p> <table><tr><th>Office/ RWOs</th><th>Programs</th><th>No. of Assisted SCs</th><th>No. of Assisted DAPs</th><th>Amount of Cash Assistance (in PhP)</th></tr><tr><td>CAR</td><td>DOLE AKAP, WAP, Medical Assistance, Bereavement Assistance and Disability Assistance</td><td>530</td><td>-</td><td>6,660,000.00</td></tr><tr><td>NCR</td><td>Welfare Case, 8888, Rebate, SESP, BPBH, WAP, Death and Disability, JO Staffs</td><td>1,246</td><td>228</td><td>14,447,417.00</td></tr><tr><td>I</td><td>Hatid Sundo Program, Medical Repatriation, BPBH, EDLP, Tulong-PUSO, SLP,</td><td>2,256</td><td>195</td><td>12,694,236.50</td></tr></table>	Office/ RWOs	Programs	No. of Assisted SCs	No. of Assisted DAPs	Amount of Cash Assistance (in PhP)	CAR	DOLE AKAP, WAP, Medical Assistance, Bereavement Assistance and Disability Assistance	530	-	6,660,000.00	NCR	Welfare Case, 8888, Rebate, SESP, BPBH, WAP, Death and Disability, JO Staffs	1,246	228	14,447,417.00	I	Hatid Sundo Program, Medical Repatriation, BPBH, EDLP, Tulong-PUSO, SLP,	2,256	195	12,694,236.50			RWO VII			Fully Implemented	<p>allocate funds for the formulated plans and programs.</p> <p><u>RWO VII</u></p> <p>The Management still continues to facilitate and give priority to Senior Citizens and DAP availing the programs and services.</p> <p><u>RWO VIII</u></p> <p>The Management always involved the senior citizen and DAP in all of the programs as the case may be.</p> <p><u>RWO IX</u></p> <p>The Management will develop and provide funding to carry out activities for the Senior Citizen and DAP's.</p> <p><u>RWO X</u></p> <p>Existing Programs and Services of OWWA cater to OFWs and their dependents, indiscriminate of age, sexual orientation and physical capabilities. As an implementing unit, RWO X can</p>
Office/ RWOs	Programs	No. of Assisted SCs	No. of Assisted DAPs	Amount of Cash Assistance (in PhP)																								
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NCR	Welfare Case, 8888, Rebate, SESP, BPBH, WAP, Death and Disability, JO Staffs	1,246	228	14,447,417.00																								
I	Hatid Sundo Program, Medical Repatriation, BPBH, EDLP, Tulong-PUSO, SLP,	2,256	195	12,694,236.50																								
				RWO VIII			Fully Implemented																					
				RWO IX			On-going																					
				RWO X			On-going																					

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									From	To			
		Rebate, DOLE AKAP, Death and Burial benefit, MedPlus, WAP, Disability / Dismemberment											however provide statistical data on Senior Citizens (SCs) and Differently Abled Persons (DAPs) among the programs' beneficiaries to support our policy makers in the development of new programs that would specifically address the needs of client SCs and DAPs.
	II	Death and Burial Benefit	11	-	1,420,000.00								
	III	Various Projects	466	-	12,003,000.00								
	IV-A	DOLE AKAP	307	-	3,070,000.00								
	IV-B	DOEL AKAP, Medical, Disability, Bereavement	70	-	880,000.00								
	V	DOLE AKAP, WAP, BPBH, ELAP, ICF, Scholarships, Tulong-PUSO	203	12	3,230,500.00								
	VI	BPBH, ELAP, Disability, Insurance, Illness, Bereavement, Rebate, DOLE AKAP, Jo Staff	790	33	9,924,000.00								
	VII	EASE, Tabang OFW, Uwian Na, Welfare Cases, BPBH, WAP, Disability	9,218	9,452	188,672,500.00								
	VIII	DOLE AKAP, Medical, Disability, Death benefits, BPBH	65	9	1,635,000.00								
	X	Bereavement Assistance, Disability, Medical, Agapay Project, Death Benefit	65	-	2,005,000.00								

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									From	To																			
	<table><tr><td>XI</td><td>WAP, Disability, Death and Burial Benefit, BPBH, Welfare, DOLE AKAP</td><td>178</td><td>58</td><td>3,655,000.00</td></tr><tr><td>XII</td><td>Various Programs</td><td>437</td><td>-</td><td>2,727,749.65</td></tr><tr><td>XIII</td><td>Bereavement Programs</td><td>9</td><td>-</td><td>180,000.00</td></tr><tr><td>Total</td><td></td><td>15,851</td><td>9,987</td><td>263,204,403.15</td></tr></table>	XI	WAP, Disability, Death and Burial Benefit, BPBH, Welfare, DOLE AKAP	178	58	3,655,000.00	XII	Various Programs	437	-	2,727,749.65	XIII	Bereavement Programs	9	-	180,000.00	Total		15,851	9,987	263,204,403.15								
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	Although these sectors may be among the beneficiaries of the implemented livelihood and medical assistance, Management still needs to identify from among its programs and projects, those directly and fully addressed the concerned of senior citizens and DAPs and allocated at least one percent of their budget for their implementation.																												
60	<p><i>Compliance with Property Insurance Law</i></p> <p>Seven RWOs have complied with the provisions RA No. 656, also known as Property Insurance Law, while Motor Vehicles in OWWA CO and RWO IV-A with a carrying amount of P1,150,335.47 were not protected against unforeseen events such as loss thru fire, earthquake, typhoon and/or flood as these are not insured with the General Insurance Fund (GIF) of the Government Service Insurance System</p>					<p>The seven RWOs who have complied with the Property Insurance Law was commended and recommended to continue with their practice pf securing insurance for their insurable assets with GIF of the GSIS.</p> <p>It was recommended that the Management of CO and RWO IV-A insure with the GIF of the GSIS the</p>		<p>Central Office</p> <p>RWO IV-A</p>			<p>Fully Implemented</p> <p>Fully</p>		<p><u>Central Office</u></p> <p>Insurance for 2017 Isuzu MU-X 4x2 has been renewed with GSIS Policy ID No. MV-PC-GSISHO-0171121 from March 14 2021 to March 14, 2022 and Policy ID No. MV-PC-GSISHO-0183337 from March 31, 2022 to March 31, 2023.</p> <p>RWO IV-A</p>																

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	<p>(GSIS, thus exposing OWWA to the risk of not being indemnified with the equivalent amount thereof, contrary to RA No. 656 as amended by PD No. 245 dated July 13, 1973 and other pertinent rules and regulations.</p> <p>RA No. 656, otherwise known as the Property Insurance Law dated June 16, 1951, as amended by PD No. 245 dated July 13, 1973, states as follows:</p> <p><i>“Every government except a municipal government below first class, is hereby required to insure its properties, with the Fund against any insurable risk herein provided and pay the premiums thereon.”</i></p> <p>COA Circular No. 2018-002 dated May 31, 2018 – prescribed the submission of Property Inventory Form as basis for the assessment of general insurance coverage over all insurable assets, properties and interests of the government with the GIF of the GSIS.</p> <p>The following RWOs have complied with the above provisions, viz:</p> <p>Table 69: Observations/Deficiencies on Compliance with Property Insurance Law</p> <table><tr><th>Office / RWOs</th><th>Observations</th></tr><tr><td>NCR</td><td>Management has paid the total amount of P22,821.12 as insurance premiums to fully insure properties against loss with the GIF of the GSIS.</td></tr><tr><td>CAR</td><td>Management insured with GSIS two units of motor vehicles</td></tr></table>	Office / RWOs	Observations	NCR	Management has paid the total amount of P22,821.12 as insurance premiums to fully insure properties against loss with the GIF of the GSIS.	CAR	Management insured with GSIS two units of motor vehicles	<p>Motor Vehicles not covered with insurance and ensure that the insurance of all insurable properties listed in the PIF are verified and paid.</p> <p>The Management comments are as follows:</p> <table><tr><th>Office / RWOs</th><th>Management's Comments</th></tr><tr><td>CO</td><td>Management commented that the 2017 Isuzu MU-X 4x2 has valid insurance issued in March 11, 2020 until Mar. 14 2021. Renewal for CY 2022 is still in process.</td></tr><tr><td>IV-A</td><td>Management acknowledged the recommendation and has instructed the assigned personnel to insure with the GIF of the GSIS the said Motor Vehicles.</td></tr></table> <p>Auditor’s Rejoinder:</p> <p>The AT in CO reminded the Management to expedite the renewal of the 2017 Isuzu MU-X 4x2 insurance for CY 2022 to provide protection against any damage or loss to the property.</p>	Office / RWOs	Management's Comments	CO	Management commented that the 2017 Isuzu MU-X 4x2 has valid insurance issued in March 11, 2020 until Mar. 14 2021. Renewal for CY 2022 is still in process.	IV-A	Management acknowledged the recommendation and has instructed the assigned personnel to insure with the GIF of the GSIS the said Motor Vehicles.					Implemented		Motor vehicles and properties and equipment were insured.
Office / RWOs	Observations																				
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	<table><tr><td></td><td>and properties other than motor vehicle and paid the amount of P30,320.27 as premiums for FY 2021.</td></tr><tr><td>I</td><td>Management had insured their motor vehicles and PPE and paid premium amounting to P19,979.05. Motor Vehicles – P12,451.82 ICT Equipment – P7,527.23</td></tr><tr><td>VI</td><td>Management paid the annual insurance premium of three motor vehicles amounting to P16,670.12.</td></tr><tr><td>IX</td><td>Various properties and equipment were adequately insured amounting to P33,745.26.</td></tr><tr><td>X</td><td>Vehicles are covered comprehensive vehicle insurance by the GSIS until February 2023 amounting to P2,528.00. Moreover, the leased office building is covered by comprehensive insurance until November 2022.</td></tr><tr><td>XI</td><td>The Agency's Property, Plant and Equipment were insured amounting to P24,311.48. Contents of the Building – P8,448.00 Motor Vehicles – P15,863.48</td></tr></table> <p>However, in CO and RWO IV-A there are uninsured Motor Vehicles with carrying value totaling P1,150,335.47, details as follows:</p> <table><tr><th colspan="5">Table 70: Breakdown of Properties Not Provided with Insurance</th></tr><tr><th rowspan="2">Office / RWOs</th><th rowspan="2">Items</th><th colspan="3">Amount (in Php)</th></tr><tr><th>Acquisition Cost</th><th>Accumulated Depreciation</th><th>Carrying Value 12/31/2021</th></tr><tr><td>CO</td><td>Motor Vehicles</td><td>1,490,000.00</td><td>925,928.82</td><td>564,071.18</td></tr><tr><td>IV-A</td><td>Motor Vehicles</td><td>2,538,000.00</td><td>1,9951,735.71</td><td>586,264.29</td></tr><tr><td>Total</td><td></td><td>4,028,000.00</td><td>2,877,664.53</td><td>1,150,335.47</td></tr></table> <p>The non-insurance of the above Motor Vehicles exposes OWWA to the risk of not being indemnified with the equivalent amount thereof.</p>		and properties other than motor vehicle and paid the amount of P30,320.27 as premiums for FY 2021.	I	Management had insured their motor vehicles and PPE and paid premium amounting to P19,979.05. Motor Vehicles – P12,451.82 ICT Equipment – P7,527.23	VI	Management paid the annual insurance premium of three motor vehicles amounting to P16,670.12.	IX	Various properties and equipment were adequately insured amounting to P33,745.26.	X	Vehicles are covered comprehensive vehicle insurance by the GSIS until February 2023 amounting to P2,528.00. Moreover, the leased office building is covered by comprehensive insurance until November 2022.	XI	The Agency's Property, Plant and Equipment were insured amounting to P24,311.48. Contents of the Building – P8,448.00 Motor Vehicles – P15,863.48	Table 70: Breakdown of Properties Not Provided with Insurance					Office / RWOs	Items	Amount (in Php)			Acquisition Cost	Accumulated Depreciation	Carrying Value 12/31/2021	CO	Motor Vehicles	1,490,000.00	925,928.82	564,071.18	IV-A	Motor Vehicles	2,538,000.00	1,9951,735.71	586,264.29	Total		4,028,000.00	2,877,664.53	1,150,335.47						
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61	Hiring Job Orders																																														

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	<p>The cashiering function of RWO XIII was performed by a job order personnel, in violation of Section 7.2 of CSC-COA-DBM Joint Circular No. 1, s. 2017. While, most RWOs hired more job orders than regular employees to perform regular agency functions.</p> <p>Section 7.2 of CSC-COA-DBM Joint Circular No. 1, s. 2017 dated June 15, 2017 provides that <i>“Contract of service and job orders workers should not, in any case, be made to perform functions which are part of the job description of the agency’s existing regular employees.”</i></p> <p>The AT of RWO XIII reiterated the prior year’s audit observation which disclosed that in an interview conducted in 2020, it was noted that the Agency’s Cashier was deployed at the Philippine Overseas labor Office (POLO) in Dubai as Administrative Staff for three years, hence the Program and Services Division (PSD) Chief was designated as Collecting and Disbursing Officer under Special Order No. 110, s. 2018. However, the PSD Chief failed to perform the cashiering function due to heavy workload, thus RWO XIII designated a job order personnel to collect and prepare all the necessary reports while the PSD Chief supervises the operation and</p>	<p>It was recommended that Management:</p> <p>RWO XIII</p> <p>a. Discontinue the practice of allowing job order workers to perform functions which are part of the job description of the Agency’s existing regular employees such as cashiering functions; and</p> <p>All RWOs</p> <p>b. Make representation to CO with regard to the exiting personnel complement of the region to sort out the manpower problem in the RWOs.</p>		<p>RWO XIII</p> <p>RWO NCR</p> <p>RWO I</p>			<p>Fully Implemented</p> <p>Fully Implemented</p>	<p><u>RWO NCR</u></p> <p>Management complied with the audit recommendations.</p> <p><u>RWO I</u></p> <p>The Management commits to carry out the operations of the office involving the regular employees at the frontline especially those who handle significant accountability. Currently, Job Order Personnel of RWO I function as support staff of the regular employees and perform special programs such as the implementation of the Uwian Na Program.</p>	

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	<p>signs all the reports.</p> <p>In response to the prior year’s audit observation, Management of RWO XIII hired a regular personnel who will be temporarily designated to function as cashier. However, in CY 2021, the job order personnel continued to perform the cashiering functions.</p> <p>It is emphasized that the cashiering function plays a vital role in the operation of the agency. Therefore, it is imperative that it shall be performed by a regular employee where accountability can be established.</p> <p>Also, it is noteworthy to mention that most RWOs hired more job orders than regular employees to perform regular agency functions. Details of the personnel complement for each RWOs are shown below:</p> <table><caption>Table 714: Details of the Personnel Complement for RWOs</caption><thead><tr><th>Office / RWOs</th><th>No. of JOs</th><th>Total No. of Employees</th><th>Percentage of Jos</th></tr></thead><tbody><tr><td>CAR</td><td>32</td><td>40</td><td>80.00 percent</td></tr><tr><td>NCR</td><td>162</td><td>190</td><td>85.26 percent</td></tr><tr><td>I</td><td>48</td><td>64</td><td>75.00 percent</td></tr><tr><td>II</td><td>51</td><td>59</td><td>86.44 percent</td></tr><tr><td>III</td><td>171</td><td>183</td><td>93.44 percent</td></tr><tr><td>IV-B</td><td>26</td><td>37</td><td>70.27 percent</td></tr><tr><td>V</td><td>45</td><td>55</td><td>81.82 percent</td></tr><tr><td>VI</td><td>43</td><td>53</td><td>81.13 percent</td></tr><tr><td>VII</td><td>111</td><td>132</td><td>84.09 percent</td></tr><tr><td>VIII</td><td>28</td><td>38</td><td>73.68 percent</td></tr></tbody></table>	Office / RWOs	No. of JOs	Total No. of Employees	Percentage of Jos	CAR	32	40	80.00 percent	NCR	162	190	85.26 percent	I	48	64	75.00 percent	II	51	59	86.44 percent	III	171	183	93.44 percent	IV-B	26	37	70.27 percent	V	45	55	81.82 percent	VI	43	53	81.13 percent	VII	111	132	84.09 percent	VIII	28	38	73.68 percent			RWO II			Fully Implemented	<u>RWO II</u> Management complied with the audit recommendations.
Office / RWOs	No. of JOs	Total No. of Employees	Percentage of Jos																																																	
CAR	32	40	80.00 percent																																																	
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				RWO III			Fully Implemented	<u>RWO III</u> Management complied with the audit recommendations.																																												
				RWO IV-A			Fully Implemented	<u>RWO IV-A</u> As of December 31, 2021, RWO IV-A have 9 Permanent Employees, 48 Job Orders, and 18 Emergency-hire Personnel, Job Orders and Emergency-hired comprise 88% of total number of employees.																																												
				RWO IV-B			Fully Implemented	<u>RWO IV-B</u> Made representation thru ROCS.																																												
				RWO V			Fully Implemented	<u>RWO V</u> Region V always furnishes the OWWA Central Office on the existing number of personnel in																																												

Ref	Audit Observations				Audit Recommendation		Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken										
							Action Plan	Person / Dept. Responsible	Target Implementation Date														
									From	To													
	<table><tr><td>IX</td><td>32</td><td>-</td><td>-</td></tr><tr><td>XI</td><td>59</td><td>-</td><td>-</td></tr><tr><td>XIII</td><td>22</td><td>28</td><td>78.57 percent</td></tr></table>	IX	32	-	-	XI	59	-	-	XIII	22	28	78.57 percent										
IX	32	-	-																				
XI	59	-	-																				
XIII	22	28	78.57 percent																				
	<p>While RWOs IV-A, X, XII and BARRM did not provide any information regarding the personnel complement of the Agency.</p> <p>Notwithstanding that COA-DBM Joint Circular No. 2, s. 2020 allowed agencies to renew existing individual contract until December 31, 2022 so as not to impair the delivery of public services, it is pursuant to adhere to the provisions of the Joint Circular on the updated Rules and regulations governing Contract of Service (COS) and Job Order (JO) workers in the government.</p>											<p>the region and may serve as their reference in the conduct of staffing arrangement to address the issue.</p> <p><u>RWO VII</u></p> <p>The Management complied to the recommendation and made representation thru ROCS.</p> <p><u>RWO VIII</u></p> <p>Made representation thru ROCS.</p> <p><u>RWO IX</u></p> <p>Management complied with the audit recommendations.</p> <p><u>RWO X</u></p> <p>As of August 16, 2022, RWO X has 3 unified regular positions:</p> <p>1 Accountant III 2 OWWO II</p> <p>Expediting the hiring of the said positions will greatly help with the existing manpower problem in</p>											

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
				RWO XII			Fully Implemented		the Regional Office. In addition, RWO X submitted the Personnel Complement last June 16, 2022. <u>RWO XII</u> The office submitted various reports both to COA-Regional Office and to Central Office regarding personnel complement. As to representation to Central Office, the office has verbally communicated to Manila to expedite, if possible, the hiring our plantilla positions. <u>RWO BARMM</u> The issue of the existing personnel complement in OWWA RWO-BARMM has always been discussed with the officials of OWWA especially when they come to visit such as Administrator Hans Leo J. Cacdac, Dir. Benny Reyes and Dir. Gerard “Dindi” Tan. This has been more emphasized

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
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					From	To			
									<p>since the creation of the Bangsamoro Government by virtue of RA 11504 or the Bangsamoro Organic Law and the creation of Department of Migrant Workers by virtue of RA 11641 or the Department of Migrant Workers Act.</p> <p>As of June 30, 2022 OWWA RWO-BARMM has ten (10) approved permanent positions. They are: (1) Director II (1) Administrative Aide IV (1) Supervising Administrative Officer (1) Accountant III (1) Overseas Workers Welfare Officer V (1) Overseas Workers Welfare Officer IV (2) Overseas Workers Welfare Officer III (2) Overseas Workers Welfare Officer II</p> <p>Among the 10 approved permanent positions, only 7 are currently filled.</p> <p>Additionally, there are 26 directly hired Job Order and Contract of</p>

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			Action Plan	Person / Dept. Responsible	Target Implementation Date				
					From	To			
									Service Personnel. Five (5) of them are under the Administrative and Finance Unit while Twenty (20) are under the Programs and Services Division. In total, there seven (7) permanent employees and twenty-six (26) directly hired Job Order and Contract of Service Personnel of OWWA RWO-BARMM with a total of thirty-three (33) personnel who are currently being employed by OWWA RWO-BARMM.
62	<i>Compliance with Tax Laws</i> A total of P1,043,305,069.57 in taxes was withheld by the OWWA for CY 2021 and remitted P934,964,964.11 to the Bureau of Internal Revenue (BIR), leaving an ending balance of P182,647,700.57. Of the unremitted balance, P130,904,256.51 was remitted in January 2022 and P51,774,556.11 is for further reconciliation, in compliance with Revenue Regulations No. 2-98 dated April 17, 1998. The latter amount includes tax payments made in January 2022 thru Tax Remittance Advice (TRA) totaling P31,112.05, which were erroneously recorded as remittance in	It was recommended that management: a. Direct the Accountants of CO, NCR, RWOs II, III and IV-B to analyze and reconcile the composition of the unremitted taxes for appropriate adjustment and/or immediate remittance to BIR and to strictly enforce remittance of taxes within the prescribed period as provided for in various BIR regulations, thereby avoiding the		Central Office 					

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
			Action Plan	Person / Dept. Responsible	Target Implementation Date				
					From	To			
	<p>December 2021, thus Due to BIR account is understated while Subsidy from Central Office is overstated.</p> <p>BIR Revenue Regulations No. 1-2013 dated January 23, 2013 provides that:</p> <p><i>“All tax returns must be electronically filed (e-filed) following due dates prescribed in the table under this Section. Payment of the tax due must also be made on the same day the return is e-filed by accompanying online the Tax Remittance Advice (TRA)”</i></p> <p>The same BIR Revenue regulations and DOF-DBM-COA Joint Circular No. 1-2000, as amended by Joint Circular No. 1-2000A dated July 31, 2001, provides that:</p> <p><i>“The filing of return and payment of tax due should be on or before the 10th day following the month in which withholding was made, except for taxes withheld in December of each year, which shall be filed on or before January 15, of the succeeding year.”</i></p> <p>OWWA has adopted the centralized payroll system, thus withholding and remittances of taxes from the salaries and emoluments of employees are done by the</p>	<p>imposition of penalties; and</p> <p>b. Direct the Accountant of RWO XIII to prepare the necessary adjusting entry for the understatement of the account amounting to P31,112.05.</p>		<p>RWO II</p> <p>RWO III</p> <p>RWO IV-B</p> <p>RWO XIII</p>	<p>3rd Qtr. of CY 2022</p> <p>4th Qtr. of CY 2022</p>	<p>On-going</p> <p>Fully Implemented</p> <p>Fully Implemented</p>	<p>process of reconciliation.</p> <p><u>RWO II</u></p> <p>The Accounting Division will do reconciliation of said inter-agency accounts and will effect settlement of valid outstanding obligations.</p> <p><u>RWO III</u></p> <p>The outstanding balance of P12.11 as of January 10, 2022 was reconciled, adjusted and closed at RWO III books as of June 30, 2022.</p> <p><u>RWO IV-B</u></p> <p>Designated Accountant was already directed and she already complied.</p>		

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																													
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					From	To																																
	<p>OWWA-CO.</p> <p>The taxes withheld from suppliers by OWWA CO and RWOs for purchases of goods and services should be remitted to the BIR on or before the 10th day of the succeeding month through Tax Remittance Advice (TRA) pursuant to Revenue Regulation No. 2-98 dated April 17, 1998. However, the balances as at year end of some RWOs showed that these withheld taxes were not remitted on due date due to various reasons.</p> <p>The total taxes withheld and remitted by the OWWA for CY 2021 are summarized below:</p> <table><tr><th colspan="6">Table 72: Summary of Remitted/Withheld Taxes</th></tr><tr><th>Office / RWOs</th><th>Beginning Balance</th><th>Withheld</th><th>Remittance</th><th>Ending Balance</th><th>Remarks</th></tr><tr><td colspan="6">(in Php)</td></tr><tr><td>CO</td><td>70,355,368.18</td><td>876,584,288.42</td><td>807,993,808.01</td><td>138,945,848.59</td><td>Of the unremitted balance, P87,512,363.23 was remitted on January 10 and February 11, 2022, thereby leaving an outstanding balance of P51,433,485.36.</td></tr><tr><td>NCR</td><td>771,185.71</td><td>3,7816,931.33</td><td>3,755,247.94</td><td>832,869.10</td><td>Out of the unremitted balance, P525,027.44 was remitted on January 10 and 11, 2022, thereby leaving an outstanding</td></tr></table>	Table 72: Summary of Remitted/Withheld Taxes						Office / RWOs	Beginning Balance	Withheld	Remittance	Ending Balance	Remarks	(in Php)						CO	70,355,368.18	876,584,288.42	807,993,808.01	138,945,848.59	Of the unremitted balance, P87,512,363.23 was remitted on January 10 and February 11, 2022, thereby leaving an outstanding balance of P51,433,485.36.	NCR	771,185.71	3,7816,931.33	3,755,247.94	832,869.10	Out of the unremitted balance, P525,027.44 was remitted on January 10 and 11, 2022, thereby leaving an outstanding							
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								Action Plan	Person / Dept. Responsible	Target Implementation Date				
										From	To			
						balance of P307,841.66.								
CAR*		424,971.27	352,007.08	72,964.19	Remitted on January 11, 2022									
I	71,730.97	946,890.07	917,015.32	101,606.52	Remitted on January 11, 2022									
II	104,454.43	442,156.79	419,526.37	127,084.88	Of the unremitted amount, P105,997.45 was remitted on January 10, 2022, leaving an outstanding balance of P21,087.43.									
III	1,710,679.25	76,430,063.60	64,964,813.69	13,175,929.16	Of the unremitted amount, P13,175,806.05 was remitted on January 10, 2022, leaving an outstanding balance of P123.11.									
IV-A	95,064.06	808,797.82	768,034.84	135,827.04	Remitted on January 22, 2022									
IV-B	92,849.06	379,116.37	408,931.88	63,033.55	Only P51,015.00 was remitted on January 10 and 11, 2022, thereby leaving an outstanding balance pf P12,018.55.									
V	163,336.95	334,785.48	425,320.37	72,802.06	Remitted on January 2022									
VI	716,960.19	3,453,226.65	4,008,023.38	162,16.46	Remitted on January 2022									
VII*	-	72,003,573.25	43,881,203.46	28,122.369.46	Remitted on January 9 and 22, 2022									
VIII*	-	1,465,942.46	1,465,942.46	-3										
X	4,868.86	1,999,267.02	1,994,459.16	9,676.72	Remitted on January 2022									
XI*	-	3,428,546.58	2,723,146.88	705,399.70	Remitted on January 10, 2022									
XII	157,568.46	509,663.26	551,085.38	116,146.34	Remitted on January 3, 2022									
RWO	63,528.99	276,848.40	336,397.92	3,979.47	P35,091.52									

Ref	Audit Observations						Audit Recommendation		Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken	
									Action Plan	Person / Dept. Responsible	Target Implementation Date					
											From	To				
	XIII					was remitted in January 2022 and (P31,112.05) is an understatement of the said account.										
	Total	74,307,595.11	1,043,305,069.57	934,964,964.11	182,647,700.57											
	*Schedule per ML shows only the amount withheld and remitted for CY 2021.															
	It was noted that under RWO XIII, the tax remittances withheld from January 2022 under GAA fund were erroneously recorded in December 2021. Remittances were covered by TRA Nos. 0171032022587963 and 0171032022588481 dated January 14 and 27, 2022 amounting to P17,231.85 and P13,880.20, respectively. Thus, understanding the account by P31,112.05.															
	Adjustment:															
	Account		Debit		Credit											
	Subsidy from Central Office		31,112.05													
	Due to BIR				31,112.05											
63	RA No. 8291 on Proper Deductions and Remittances of GSIS Premiums															
	Deduction for the premiums and loan amortizations, government’s share of premiums and remittances in the OWWA CO and five RWOs amounting to P1,160,305.47 were not yet remitted to GSIS, contrary to GSIS Policy and Procedural Guidelines No. 279-15 and Sections 6 and 7 of R No. 8291 dated 30															
	It was recommended that Management of:															
	OWWA CO															
	a. Require the AD and HRMDD to reconcile the Due to GSIS accounts reflected in the books															

[illegible]

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																																																																																																																											
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	<p>No. 8291 on proper Deductions and remittances of GSIS Premiums, are done by the CO.</p> <p>In the CO, the monthly deductions for the premiums and loan amortizations, government’s share of premiums and remittances summarized below:</p> <p>Table 73: Summary of GSIS Premiums, Loan Amortizations and Remittances</p> <table><tr><th rowspan="3">Month</th><th colspan="2">Retirement Premium</th><th rowspan="3">Employees Compensation</th><th rowspan="3">Loan Repayments</th><th rowspan="3">Total</th></tr><tr><th>Personal Share</th><th>Gov't Share</th></tr><tr><th colspan="5">(in Php)</th></tr><tr><td>Bal. Beg. 1-1-2021</td><td>643,692.55</td><td>-</td><td>-</td><td>224,895.10</td><td>868,587.65</td></tr><tr><td>Jan</td><td>1,703,960.57</td><td>2,245,401.60</td><td>37,700.00</td><td>1,527,648.24</td><td>5,514,710.41</td></tr><tr><td>Feb</td><td>2,006,011.42</td><td>2,470,051.32</td><td>43,700.00</td><td>1,532,872.14</td><td>6,052,634.88</td></tr><tr><td>Mar</td><td>1,938,453.98</td><td>2,495,824.20</td><td>41,400.00</td><td>1,346,958.86</td><td>5,822,637.04</td></tr><tr><td>Apr</td><td>1,891,646.28</td><td>2,479,550.76</td><td>41,200.00</td><td>1,349,952.62</td><td>5,762,349.66</td></tr><tr><td>May</td><td>1,879,259.63</td><td>2,490,564.12</td><td>41,300.00</td><td>1,752,833.87</td><td>6,163,957.62</td></tr><tr><td>Jun</td><td>1,921,448.27</td><td>2,504,111.16</td><td>41,500.00</td><td>1,464,228.37</td><td>5,931,287.80</td></tr><tr><td>Jul</td><td>1,922,400.60</td><td>2,525,454.36</td><td>41,800.00</td><td>1,627,344.22</td><td>6,116,999.18</td></tr><tr><td>Aug</td><td>1,895,889.33</td><td>2,528,925.08</td><td>42,000.00</td><td>1,610,252.52</td><td>6,077,066.93</td></tr><tr><td>Sep</td><td>1,858,585.80</td><td>2,476,743.43</td><td>41,600.00</td><td>1,520,390.24</td><td>5,897,319.47</td></tr><tr><td>Oct</td><td>1,859,074.49</td><td>2,455,898.76</td><td>41,400.00</td><td>1,507,469.15</td><td>5,863,842.40</td></tr><tr><td>Nov</td><td>1,885,331.60</td><td>2,479,816.32</td><td>41,500.00</td><td>1,535,268.34</td><td>5,941,916.26</td></tr><tr><td>Dec</td><td>1,905,116.95</td><td>-</td><td>-</td><td>1,561,798.89</td><td>5,339,175.76</td></tr><tr><td>Total</td><td>23,310,871.47</td><td>29,024,601.03</td><td>455,100.00</td><td>18,561,912.56</td><td>69,480,225.14</td></tr><tr><td>Balance, 12/31/21</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>For Adjustments:</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Accrual of Government Share – December 2021</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Accrual of Employees Compensation – December 2021</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Total</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Should be/Balance per Audit, 12/31/21</td><td></td><td></td><td></td><td></td><td></td></tr></table> <p>Analysis of the amount withheld and remittance showed that the entry made for the accrual of Life and retirement Premiums – Government Share per JEV No. 2021-12-0133 GAA was erroneous. Details are shown below:</p> <p><i>Entry Made</i></p> <table><tr><th>Account</th><th>Debit</th><th>Credit</th></tr><tr><td>Life & Ret. Prem. Expense</td><td>1,872,259.92</td><td></td></tr><tr><td>Accounts Payable</td><td></td><td>1,872,259.92</td></tr></table>	Month	Retirement Premium		Employees Compensation	Loan Repayments	Total	Personal Share	Gov't Share	(in Php)					Bal. Beg. 1-1-2021	643,692.55	-	-	224,895.10	868,587.65	Jan	1,703,960.57	2,245,401.60	37,700.00	1,527,648.24	5,514,710.41	Feb	2,006,011.42	2,470,051.32	43,700.00	1,532,872.14	6,052,634.88	Mar	1,938,453.98	2,495,824.20	41,400.00	1,346,958.86	5,822,637.04	Apr	1,891,646.28	2,479,550.76	41,200.00	1,349,952.62	5,762,349.66	May	1,879,259.63	2,490,564.12	41,300.00	1,752,833.87	6,163,957.62	Jun	1,921,448.27	2,504,111.16	41,500.00	1,464,228.37	5,931,287.80	Jul	1,922,400.60	2,525,454.36	41,800.00	1,627,344.22	6,116,999.18	Aug	1,895,889.33	2,528,925.08	42,000.00	1,610,252.52	6,077,066.93	Sep	1,858,585.80	2,476,743.43	41,600.00	1,520,390.24	5,897,319.47	Oct	1,859,074.49	2,455,898.76	41,400.00	1,507,469.15	5,863,842.40	Nov	1,885,331.60	2,479,816.32	41,500.00	1,535,268.34	5,941,916.26	Dec	1,905,116.95	-	-	1,561,798.89	5,339,175.76	Total	23,310,871.47	29,024,601.03	455,100.00	18,561,912.56	69,480,225.14	Balance, 12/31/21						For Adjustments:						Accrual of Government Share – December 2021						Accrual of Employees Compensation – December 2021						Total						Should be/Balance per Audit, 12/31/21						Account	Debit	Credit	Life & Ret. Prem. Expense	1,872,259.92		Accounts Payable		1,872,259.92	<p>RWO XIII</p> <p>Analyze the negative balance of Due to GSIS account and effect the necessary adjusting entry.</p>	<p>RWO II</p> <p>RWO XIII</p>	<p>3rd Qtr. of CY 2022</p> <p>4th Qtr. of CY 2022</p>	<p>On-going</p>	<p>certifies that there were no outstanding balance from the agencies, hence, adjusted.</p> <p><u>RWO II</u></p> <p>The Accounting Division will do reconciliation of said inter-agency account and will effect the necessary adjusting entry and settlement of valid outstanding obligations.</p>
Month	Retirement Premium		Employees Compensation	Loan Repayments				Total																																																																																																																																												
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Jan	1,703,960.57	2,245,401.60	37,700.00	1,527,648.24	5,514,710.41																																																																																																																																															
Feb	2,006,011.42	2,470,051.32	43,700.00	1,532,872.14	6,052,634.88																																																																																																																																															
Mar	1,938,453.98	2,495,824.20	41,400.00	1,346,958.86	5,822,637.04																																																																																																																																															
Apr	1,891,646.28	2,479,550.76	41,200.00	1,349,952.62	5,762,349.66																																																																																																																																															
May	1,879,259.63	2,490,564.12	41,300.00	1,752,833.87	6,163,957.62																																																																																																																																															
Jun	1,921,448.27	2,504,111.16	41,500.00	1,464,228.37	5,931,287.80																																																																																																																																															
Jul	1,922,400.60	2,525,454.36	41,800.00	1,627,344.22	6,116,999.18																																																																																																																																															
Aug	1,895,889.33	2,528,925.08	42,000.00	1,610,252.52	6,077,066.93																																																																																																																																															
Sep	1,858,585.80	2,476,743.43	41,600.00	1,520,390.24	5,897,319.47																																																																																																																																															
Oct	1,859,074.49	2,455,898.76	41,400.00	1,507,469.15	5,863,842.40																																																																																																																																															
Nov	1,885,331.60	2,479,816.32	41,500.00	1,535,268.34	5,941,916.26																																																																																																																																															
Dec	1,905,116.95	-	-	1,561,798.89	5,339,175.76																																																																																																																																															
Total	23,310,871.47	29,024,601.03	455,100.00	18,561,912.56	69,480,225.14																																																																																																																																															
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					From	To																																																																									
	<p><i>Should be:</i></p> <table><tr><th>Account</th><th>Debit</th><th>Credit</th></tr><tr><td>Life & Ret. Prem. Expense</td><td>2,496,346.60</td><td></td></tr><tr><td>Employees Compensation Insurance Premiums</td><td>41,700.00</td><td></td></tr><tr><td>Due to GSIS</td><td></td><td>2,496,346.60</td></tr><tr><td>Due to GSIS</td><td></td><td>0</td></tr><tr><td></td><td>41,700.00</td><td></td></tr></table> <p><i>Adjustment:</i></p> <table><tr><th>Account</th><th>Debit</th><th>Credit</th></tr><tr><td>Accounts Payable</td><td>1,872,259.92</td><td></td></tr><tr><td>Life & Ret. Prem. Expense</td><td>624,086.88</td><td></td></tr><tr><td>Employees Compensation Insurance Premiums</td><td>41,700.00</td><td></td></tr><tr><td>Due to GSIS</td><td></td><td>2,496,346.60</td></tr></table> <p>Moreover, a total of P5,961,356.56 was remitted on January 11, 2022 per Check No. 46584, hence, leaving an unremitted balance of P1,146,963.47. Details are as follows:</p> <p>Table 74: Summary of GSIS Unremitted Balance in OWWA CO</p> <table><tr><th rowspan="2">Particulars</th><th colspan="2">Retirement Premium</th><th rowspan="2">Employees Compensation</th><th rowspan="2">Loan Repayments</th><th rowspan="2">Balance</th></tr><tr><th>Personal Share</th><th>Government Share</th></tr><tr><td colspan="6">(in Php)</td></tr><tr><td colspan="3">Should be Balance per Audit, 12/31/21</td><td></td><td></td><td>7,108,3220.03</td></tr><tr><td>Check No. 6584</td><td>1,872,259.95</td><td>2,496,346.60</td><td>41,700.00</td><td>1,551,050.01</td><td>5,961,356.56</td></tr><tr><td colspan="5">Unremitted Balance</td><td>1,146,963.47</td></tr></table> <p>For CY 2021, the unremitted balance of Due to GSIS showed a balance of P1,160,305.47. Breakdown is shown below:</p> <p>Table 75: CY 2021 Unremitted GSIS Balance of OWWA</p> <table><tr><th rowspan="2">Office / RWOs</th><th colspan="2">Unremitted</th><th rowspan="2">Total</th></tr><tr><th>Prior Years</th><th>Current Year</th></tr></table>	Account	Debit	Credit	Life & Ret. Prem. Expense	2,496,346.60		Employees Compensation Insurance Premiums	41,700.00		Due to GSIS		2,496,346.60	Due to GSIS		0		41,700.00		Account	Debit	Credit	Accounts Payable	1,872,259.92		Life & Ret. Prem. Expense	624,086.88		Employees Compensation Insurance Premiums	41,700.00		Due to GSIS		2,496,346.60	Particulars	Retirement Premium		Employees Compensation	Loan Repayments	Balance	Personal Share	Government Share	(in Php)						Should be Balance per Audit, 12/31/21					7,108,3220.03	Check No. 6584	1,872,259.95	2,496,346.60	41,700.00	1,551,050.01	5,961,356.56	Unremitted Balance					1,146,963.47	Office / RWOs	Unremitted		Total	Prior Years	Current Year							
Account	Debit	Credit																																																																													
Life & Ret. Prem. Expense	2,496,346.60																																																																														
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Office / RWOs	Unremitted		Total																																																																												
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					From	To																																		
	<table><tr><td colspan="4">(in Php)</td></tr><tr><td>CO</td><td>743,653.36</td><td>403,310.11</td><td>1,146,963.47</td></tr><tr><td>NCR</td><td>975.20</td><td>-</td><td>975.20</td></tr><tr><td>CRA</td><td>10,612.87</td><td>-</td><td>10,612.87</td></tr><tr><td>II</td><td>3,123.71</td><td>-</td><td>3,123.71</td></tr><tr><td>VIII</td><td>191.80</td><td>-</td><td>191.80</td></tr><tr><td>XIII</td><td>(1,561.58)</td><td>-</td><td>(1,561.58)</td></tr><tr><td>Total</td><td>756,995.36</td><td>403,310.11</td><td>1,160,305.47</td></tr></table> <p>In RWO VIII, the balance of P191.80 represents an over deduction for CONSOL Loan of two OWWA employees, amounting to P79.80 and P112.00, respectively.</p> <p>Since the GSIS premiums are being withheld and remitted by the OWWA CO, there should be no PY balances reflected in the books of RWOs, and the OWWA CO should be the only one to have Due to GSIS balance reflected in the books.</p>	(in Php)				CO	743,653.36	403,310.11	1,146,963.47	NCR	975.20	-	975.20	CRA	10,612.87	-	10,612.87	II	3,123.71	-	3,123.71	VIII	191.80	-	191.80	XIII	(1,561.58)	-	(1,561.58)	Total	756,995.36	403,310.11	1,160,305.47							
	(in Php)																																							
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	VIII	191.80	-	191.80																																				
	XIII	(1,561.58)	-	(1,561.58)																																				
	Total	756,995.36	403,310.11	1,160,305.47																																				
	64	<p>Compliance with RA No. 9679 on Further Strengthening the Home Development Manual Fund (HDMF) and for Other Purposes</p> <p>Pag-IBIG fund contributions and loan payments withheld from employees' salaries during the year were substantially remitted to the HDMF, however, a total of P532,079.64 balance in CY 2021 was not a subsequently</p>	<p>It was recommended that Management:</p> <p>a. Instruct the Accountant of RWOs II and RWO XIII to review and analyze the previous</p>		RWO II	3 rd Qtr.	4 th Qtr.	On-going	<p><u>RWO II</u></p> <p>The Accounting Division will</p>																															

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					From	To			
	<p>remitted, contrary to RA No. 9679 or The HDMF Law of 2009 and its IRR under HDMF Circular No. 275. Of the said amount, P13,337.20 is dormant representing deductions form RWO II and RWO XIII personnel, while P518,742.44 pertains to unremitted balance by the OWWA CO.</p> <p>RA No. 9679, or The HDMF Law of 2009 and its IRR under HDMF Circular No. 275, provides:</p> <p>“Section 23(c). Remittance of Contributions – <i>It shall be mandatory and compulsory for all government instrumentalities, agencies, including government-owned and –controlled corporations, to provide the payment of contributions in their annual appropriations. Penal sanctions shall be imposed upon these employers who fail to include the payment of contributions on time or delay the remittance of the required contributions to the Fund. The heads of offices and agencies shall be administratively liable for non-remittance of the required contributions to the Fund.</i></p> <p>Section E (4). Remittance of Contributions and Employees’ Loan Amortizations – <i>Employers shall remit the</i></p>	<p>records to determine the true nature of transactions recorded under these Inter-Agency Payables; and</p> <p>b. Require the AD and HRMDD of the OWWA CO to reconcile their records regularly and ensure that contributions and loans withheld for individual claims are remitted within the timelines set to avoid penalties or surcharges for the late remittance.</p>		<p>RWO XIII</p> <p>Accounting Division / HRMDD</p>	<p>of CY 2022</p>	<p>of CY 2022</p> <p>Sep 2022</p>	<p>On-going</p>	<p>review the previous records of said inter-agency account and will effect the necessary adjusting entry and settlement of valid outstanding obligations.</p> <p><u>Accounting Division and HRMDD</u></p> <p>The AD and HRMDD are still doing the reconciliations and will make the necessary adjustments once done.</p>	

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					From	To												
	<p><i>required monthly employer and employee contributions to the nearest Pag-IBIG branch or its authorized collecting banks, together with the duly accomplished Membership Contribution remittance Form (MCRF), in accordance with the following remittance schedule.</i></p> <table><tr><th><i>First Letter of Employer's Name</i></th><th><i>Due Date</i></th></tr><tr><td><i>A to D</i></td><td><i>10th to the 14th day of the month following the period covered.</i></td></tr><tr><td><i>E to L</i></td><td><i>15th to the 19th day of the month following the period covered.</i></td></tr><tr><td><i>M to Q</i></td><td><i>20th to the 24th day of the month following the period covered.</i></td></tr><tr><td><i>R to Z, Numerical</i></td><td><i>25th to the end of the month following the period covered</i></td></tr></table> <p><i>Failure or refusal of the employer to pay or to remit the contributions herein prescribed shall not prejudice the right of the covered member to the benefits under the Fund. Such employer shall be charged a penalty equivalent to 1/10 of one percent per day of delay of the amount due starting of one percent per day of delay of the amount due to starting on the first day immediately following the due date until the date of full settlement.”</i></p> <p>Based on the above remittance schedule, the OWWA has to remit monthly the employer and employee premium contributions and loan payments on the</p>	<i>First Letter of Employer's Name</i>	<i>Due Date</i>	<i>A to D</i>	<i>10th to the 14th day of the month following the period covered.</i>	<i>E to L</i>	<i>15th to the 19th day of the month following the period covered.</i>	<i>M to Q</i>	<i>20th to the 24th day of the month following the period covered.</i>	<i>R to Z, Numerical</i>	<i>25th to the end of the month following the period covered</i>							
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	<p>20th and 24th day of the month following the period covered.</p> <p>Audit disclosed that due to the centralized payment of salaries implemented by the OWWA, the withholding and remittance of the premium contributions of employees of all RWOs in compliance with RA No. 9679 on Further Strengthening the HDMF are done by OWWA CO.</p> <p>Summary of the monthly deductions for the premiums and loan amortizations, Agency's share of the premiums, and remittance by the OWWA are shown below:</p> <p>Table 76: Summary of Pag-IBIG Premiums, Loan Amortizations, and Remittances</p> <table><tr><th>Month</th><th>Employee Share</th><th>Government Share</th><th>Employee Loans / Repayments Amortization</th><th>Total</th><th>Amount Remitted</th></tr><tr><td colspan="6">(in Php)</td></tr><tr><td>Balance 1/1/21</td><td>21,028.59</td><td>38,100.00</td><td>541,420.42</td><td>600,549.01</td><td>428,021.39</td></tr><tr><td>Jan</td><td>164,532.64</td><td>37,600.00</td><td>269,195.43</td><td>471,328.07</td><td>410,592.81</td></tr><tr><td>Feb</td><td>200,282.64</td><td>40,700.00</td><td>386,501.74</td><td>627,484.38</td><td>543,746.44</td></tr><tr><td>Mar</td><td>185,582.64</td><td>41,200.00</td><td>258,910.54</td><td>485,693.18</td><td>435,539.12</td></tr><tr><td>Apr</td><td>187,282.64</td><td>41,000.00</td><td>256,447.18</td><td>484,729.82</td><td>438,539.12</td></tr><tr><td>May</td><td>186,982.64</td><td>41,000.00</td><td>252,388.94</td><td>480,371.58</td><td>441,917.51</td></tr><tr><td>Jun</td><td>187,332.64</td><td>41,100.00</td><td>261,242.97</td><td>489,675.61</td><td>441,758.01</td></tr><tr><td>Jul</td><td>209,310.50</td><td>41,500.00</td><td>261,038.08</td><td>511,848.58</td><td>575,308.66</td></tr><tr><td>Aug</td><td>190,278.50</td><td>41,700.00</td><td>277,740.03</td><td>509,718.53</td><td>471,213.53</td></tr><tr><td>Sep</td><td>190,734.16</td><td>44,500.00</td><td>257,925.13</td><td>493,159.29</td><td>501,157.69</td></tr><tr><td>Oct</td><td>188,578.50</td><td>41,100.00</td><td>254,825.13</td><td>484,503.63</td><td>450,773.74</td></tr><tr><td>Nov</td><td>190,278.50</td><td>41,200.00</td><td>246,627.74</td><td>478,106.24</td><td>448,581.85</td></tr><tr><td>Dec</td><td>190,487.50</td><td>217,791.22</td><td>245,464.71</td><td>653,734.43</td><td>217,791.22</td></tr><tr><td>Total</td><td>2,292.68</td><td>708.491</td><td>3,769.72</td><td>6,770.90</td><td>5,804.94</td></tr></table>	Month	Employee Share	Government Share	Employee Loans / Repayments Amortization	Total	Amount Remitted	(in Php)						Balance 1/1/21	21,028.59	38,100.00	541,420.42	600,549.01	428,021.39	Jan	164,532.64	37,600.00	269,195.43	471,328.07	410,592.81	Feb	200,282.64	40,700.00	386,501.74	627,484.38	543,746.44	Mar	185,582.64	41,200.00	258,910.54	485,693.18	435,539.12	Apr	187,282.64	41,000.00	256,447.18	484,729.82	438,539.12	May	186,982.64	41,000.00	252,388.94	480,371.58	441,917.51	Jun	187,332.64	41,100.00	261,242.97	489,675.61	441,758.01	Jul	209,310.50	41,500.00	261,038.08	511,848.58	575,308.66	Aug	190,278.50	41,700.00	277,740.03	509,718.53	471,213.53	Sep	190,734.16	44,500.00	257,925.13	493,159.29	501,157.69	Oct	188,578.50	41,100.00	254,825.13	484,503.63	450,773.74	Nov	190,278.50	41,200.00	246,627.74	478,106.24	448,581.85	Dec	190,487.50	217,791.22	245,464.71	653,734.43	217,791.22	Total	2,292.68	708.491	3,769.72	6,770.90	5,804.94							
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	<table><tr><td></td><td>3.09</td><td>22</td><td>8.04</td><td>2.35</td><td>1.09</td></tr><tr><td>Balance 12/31/21</td><td></td><td></td><td></td><td></td><td>965,961.26</td></tr></table> <p>Furthermore, breakdown of the P532,079.64 unremitted balance is shown below:</p> <p>Table 77: Breakdown of Pag-IBIG unremitted Balance</p> <table><tr><th rowspan="2">Office / RWOs</th><th colspan="2">Unremitted</th><th rowspan="2">End. Bal. 12/31/21 (in Php)</th><th rowspan="2">Remittance</th><th rowspan="2">Unremitted as of Jan 2022</th></tr><tr><th>Prior Years</th><th>Current Year</th></tr><tr><td>CO</td><td>172,527.62</td><td>793,433.64</td><td>965,961.26</td><td>447,218.82</td><td>518,742.44</td></tr><tr><td>II</td><td>100.00</td><td>-</td><td>100.00</td><td>-</td><td>100.00</td></tr><tr><td>XIII</td><td>13,237.20</td><td>-</td><td>13,237.20</td><td>-</td><td>13,237.20</td></tr><tr><td></td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td></td><td>185,864.82</td><td>793,433.64</td><td>979,298.26</td><td>447,218.82</td><td>532,079.64</td></tr></table> <p>Out of P979,298.26, a total of P447,218.82 was remitted on January 11 and 12, 2022, leaving a balance of P532,079.64. Details as follows:</p> <p>Table 78: CY 2021 Unremitted Pag-IBIG balance</p> <table><tr><th>Date</th><th>Check / ADA No.</th><th>Employee Share</th><th>Government Share</th><th>Employee Loan</th><th>Total</th></tr><tr><td colspan="6">(in Php)</td></tr><tr><td>End. Bal 12/31/21</td><td>-</td><td>-</td><td>-</td><td>-</td><td>979,298.26</td></tr><tr><td>Less: Remittances</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Jan 11, 2022</td><td>46653</td><td>102,736.82</td><td>41,400.00</td><td>-</td><td>144,136.82</td></tr><tr><td>Jan 11, 2022</td><td>46654</td><td>-</td><td>-</td><td>115,054.40</td><td>115,054.40</td></tr><tr><td>Jan 12, 2022</td><td>99-22-010001</td><td>87,100.00</td><td>-</td><td>-</td><td>87,100.00</td></tr><tr><td>Jan 12, 2022</td><td>99-22-010002</td><td>-</td><td>-</td><td>100,927.60</td><td>100,927.60</td></tr><tr><td>Total</td><td></td><td>189,836.82</td><td>41,400.00</td><td>215,982.00</td><td>447,218.82</td></tr><tr><td>Unremitted Balance</td><td></td><td></td><td></td><td></td><td>532,079.64</td></tr></table> <p>Moreover, RWO II and RWO XIII have an unremitted balance of P100.00 and P13,237.20, respectively. It was observed that these balances have been dormant for two to four years.</p>		3.09	22	8.04	2.35	1.09	Balance 12/31/21					965,961.26	Office / RWOs	Unremitted		End. Bal. 12/31/21 (in Php)	Remittance	Unremitted as of Jan 2022	Prior Years	Current Year	CO	172,527.62	793,433.64	965,961.26	447,218.82	518,742.44	II	100.00	-	100.00	-	100.00	XIII	13,237.20	-	13,237.20	-	13,237.20		0	0	0	0	0		185,864.82	793,433.64	979,298.26	447,218.82	532,079.64	Date	Check / ADA No.	Employee Share	Government Share	Employee Loan	Total	(in Php)						End. Bal 12/31/21	-	-	-	-	979,298.26	Less: Remittances						Jan 11, 2022	46653	102,736.82	41,400.00	-	144,136.82	Jan 11, 2022	46654	-	-	115,054.40	115,054.40	Jan 12, 2022	99-22-010001	87,100.00	-	-	87,100.00	Jan 12, 2022	99-22-010002	-	-	100,927.60	100,927.60	Total		189,836.82	41,400.00	215,982.00	447,218.82	Unremitted Balance					532,079.64						
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			Action Plan	Person / Dept. Responsible	Target Implementation Date				
					From	To			
65	<p><i>Compliance with RA No. 7875, as amended, otherwise known as National Health Insurance Act</i></p> <p>Deductions from employees’ salaries and Government Share for Due to PhilHealth amounting to ₱199,259.97 were not yet remitted, contrary to RA No. 7875 or the National Health Insurance Act of 1995. Of the said amount, ₱2,233.10 is dormant representing withholdings from RWOs II and RWO XIII personnel, while ₱188,026.87 pertains to unremitted balance in the OWWA CO.</p> <p>Section 18 of RA No. 7875 or The Revised IRR of the National Health Insurance Act of 2013 states that:</p> <p>a. The member's monthly contribution shall be deducted and withheld automatically by the employer from the former's salary, wage or earnings. The premium contributed shall be divided equally between the employer and the employed. The employer's counterpart shall not, in any manner, be charged to the employee.</p> <p>b. The monthly premium contribution of employed members shall be remitted</p>	<p>It was recommended that Management:</p> <p>a. Instruct the Accountants of RWOs II and RWO XIII to review and analyze the previous records to determine the true nature of transactions recorded under the Inter-Agency Payables; and</p> <p>b. Require the AD and Human Resource Management and Development Division (HRMDD) of OWWA CO to reconcile the Due to PhilHealth account and strictly remit all deductions and contributions due to PhilHealth to avoid incurrence of penalties and surcharges.</p>		<p>RWO II</p> <p>Accounting Division / HRMDD</p>	<p>3rd Qtr. of CY 2022</p> <p>4th Qtr. of CY 2022</p> <p>Sep 2022</p>	<p>On-going</p> <p>On-going</p>	<p><u>RWO II</u></p> <p>The Accounting Division will review the previous records of said inter-agency account and will effect the necessary adjusting entry and settlement of valid outstanding obligations.</p> <p><u>Accounting Division/HRMDD</u></p> <p>The AD and HRMDD are still doing the reconciliations and will make the necessary adjustments once done.</p>		

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
			Action Plan	Person / Dept. Responsible	Target Implementation Date				
					From	To			
	<p>by employer on or before the date prescribed by the Corporation.</p> <p>c. The remittance of premium contribution by the employer shall be supported by a Remittance List to be submitted regularly to the Corporation.</p> <p>d. The failure of the employer to remit the required contribution and to submit the required remittance list shall make the employer liable for reimbursement of payment of a properly filed claim in case the concerned employee or dependent/s avails of Program benefits, without prejudice to the imposition of other penalties as provided for in this Rules.</p> <p>e. For government agencies, it shall be mandatory and compulsory for the employers to include the payment of contributions in their annual appropriations. The use of said funds withheld by government agencies other than for the purpose of remitting Program contributions will hold the erring government employers liable under the pertinent provisions of the Revised Penal Code.</p> <p>Audit disclosed that due to the centralized</p>								

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																																							
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					From	To																																																										
	<p>payment of salaries implemented by the OWWA, the withholding and remittance of the premium contributions of employees of all OWWA employees in compliance with RA No. 7875, also known as the National Health Insurance Act of 1995 are done by Management of CO.</p> <p>For CY 2021, the balance of Due to PhilHealth showed are unremitted balance of ₱199,259.97. Details are discussed below:</p> <p>Table 79: Breakdown of PhilHealth Unremitted Balance</p> <table><tr><th rowspan="4">Offic e/RW Os</th><th colspan="3">Unremitted</th><th rowspan="4">Total</th></tr><tr><th rowspan="3">Prior Years</th><th colspan="2">Current Year</th></tr><tr><th>Regular Payroll</th><th>Irregular Payroll</th></tr><tr><th colspan="2">(in PhP)</th></tr><tr><td>CO</td><td>126,021.14</td><td>15,325.88</td><td>46,679.85</td><td>188,026.87</td></tr><tr><td>II</td><td>350.60</td><td>-</td><td>-</td><td>350.60</td></tr><tr><td>XIII</td><td>1,882.50</td><td>-</td><td>-</td><td>1,882.50</td></tr><tr><td>Total</td><td>128,254.24</td><td>15,325.88</td><td>46,679.85</td><td>199,259.97</td></tr></table> <p>PhilHealth contributions withheld from employees’ salaries during the year were substantially remitted by the Management of CO, as provided in the table in the next page:</p> <p>Table 80: Summary of Remitted Balance of PhilHealth</p> <table><tr><th colspan="4">PhilHealth Contribution</th><th rowspan="2">Amount Remitted</th></tr><tr><th>Month</th><th>Personal Share</th><th>Government Share</th><th>Total</th></tr><tr><td colspan="5">(in PhP)</td></tr><tr><td>Bal. Beg. 1/1/20</td><td>126,021.14</td><td>-</td><td>126,021.14</td><td>-</td></tr><tr><td>Janua</td><td>237,168.39</td><td>234,346.89</td><td>471,515.28</td><td>468,692.61</td></tr></table>	Offic e/RW Os	Unremitted			Total	Prior Years	Current Year		Regular Payroll	Irregular Payroll	(in PhP)		CO	126,021.14	15,325.88	46,679.85	188,026.87	II	350.60	-	-	350.60	XIII	1,882.50	-	-	1,882.50	Total	128,254.24	15,325.88	46,679.85	199,259.97	PhilHealth Contribution				Amount Remitted	Month	Personal Share	Government Share	Total	(in PhP)					Bal. Beg. 1/1/20	126,021.14	-	126,021.14	-	Janua	237,168.39	234,346.89	471,515.28	468,692.61							
Offic e/RW Os	Unremitted			Total																																																												
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							Action Plan	Person / Dept. Responsible	Target Implementation Date				
									From	To			
	ry												
	Febru ary	276,991.66	258,136.96	535,128.62	516,272.40								
	March	271,427.01	260,175.77	531,602.78	520,349.97								
	April	261,215.29	258,173.17	519,388.46	516,344.76								
	May	260,339.20	259,433.23	519,772.43	518,864.88								
	June	265,284.07	260,428.66	525,712.73	520,855.74								
	July	266,319.08	261,795.65	528,114.73	523,589.79								
	Augus t	262,623.95	261,975.98	524,599.93	523,950.45								
	Septe mber	260,661.93	259,768.41	520,430.34	519,535.29								
	Octob er	260,765.35	258,353.37	519,118.72	516,705.21								
	Nove mber	265,987.55	259,614.86	525,602.41	519,228.21								
	Dece mber	265,291.93	259,884.92	525,176.85	519,768.24								
	Total	3,280,096.55	3,092,087.87	6,372,184.42	6,184,157.55								
	End. Balance 12/31/2021				188,026.87								
	Moreover, RWOs II and RWO XIII have a balance of ₱350.60 and ₱1,882.50, respectively. It was observed that these balances have been dormant for two to four years.												
	To prevent incurrence of penalty and possible non-availment of benefits, it is necessary to remit the mandatory contributions to PhilHealth within the period prescribed in PhilHealth Circular No. 0001 s. 2014.												
66	Enforcement of COA Audit Suspensions, Disallowances and Charges and Settlement of Accounts												
	A total of ₱173,602.94, ₱28,251,528.40 and ₱4,709.71 in audit suspensions, disallowances and charges, respectively, remained unsettled as of					It was recommended that Management strictly enforce the settlement of the audit suspensions and disallowances in compliance		Central Office			On-going		Central Office Salary deductions are on-going for the disallowances.

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																																		
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	<p>December 31, 2021, contrary to COA Circular No. 2009-006 dated September 15, 2009.</p> <p>A. Notice of Suspensions</p> <table><tr><th>Office RWOs</th><th>Beginning Balance</th><th>Issuances</th><th>Settlements</th><th>Ending Balance</th></tr><tr><td>II</td><td>23,602.94</td><td>-</td><td>-</td><td>23,602.94</td></tr><tr><td>V</td><td>6,739,777.34</td><td>927,125.34</td><td>7,516,902.68</td><td>150,000.00</td></tr><tr><td>Total</td><td>6,763,380.28</td><td>927,125.34</td><td>7,516,902.68</td><td>173,602.94</td></tr></table> <p>In RWO IV-A, AT issued NS No. 21-001-101-(21) dated December 27, 2001 on the non-submission of CY 2021 DVs and its supporting documents with a total amount of ₱83,378,915.47 received by Management on January 4, 2022 due to non-compliance with the issued AOM and demand letter. The NS will be included in the 1st Quarter CY 2022 Statement of Audit Suspensions, Disallowances and Charges (SASDC).</p> <p>B. Notice of Disallowances</p> <table><tr><th>Office / RWOs</th><th>Beginning Balance</th><th>Adjustments</th><th>Issuances</th><th>Settlements</th><th>Ending Balance</th></tr><tr><td>CO</td><td>24,493,341.78</td><td>1,341,581.00</td><td>1,272,457.00</td><td>1,713,764.66</td><td>25,393,615.12</td></tr><tr><td>II</td><td>302,745.40</td><td>-</td><td>-</td><td>-</td><td>302,745.40</td></tr><tr><td>III</td><td>46,911.51</td><td>-</td><td>-</td><td>-</td><td>46,911.51</td></tr><tr><td>IV-A</td><td>364,000.00</td><td>-</td><td>-</td><td>-</td><td>364,000.00</td></tr></table>	Office RWOs	Beginning Balance	Issuances	Settlements	Ending Balance	II	23,602.94	-	-	23,602.94	V	6,739,777.34	927,125.34	7,516,902.68	150,000.00	Total	6,763,380.28	927,125.34	7,516,902.68	173,602.94	Office / RWOs	Beginning Balance	Adjustments	Issuances	Settlements	Ending Balance	CO	24,493,341.78	1,341,581.00	1,272,457.00	1,713,764.66	25,393,615.12	II	302,745.40	-	-	-	302,745.40	III	46,911.51	-	-	-	46,911.51	IV-A	364,000.00	-	-	-	364,000.00	with the provisions of the Rules and Regulations on Settlement of Accounts as prescribed under COA Circular No. 2009-006 dated September 15, 2009.		RWO II			On-going	<u>RWO II</u> Mr. Mercado not already assigned in OWWA Region II.	
Office RWOs	Beginning Balance	Issuances	Settlements	Ending Balance																																																							
II	23,602.94	-	-	23,602.94																																																							
V	6,739,777.34	927,125.34	7,516,902.68	150,000.00																																																							
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II	302,745.40	-	-	-	302,745.40																																																						
III	46,911.51	-	-	-	46,911.51																																																						
IV-A	364,000.00	-	-	-	364,000.00																																																						
				RWO III			On-going	<u>RWO III</u> The RWO III is still consolidating the financial records for reconciliation of the P46,911.51 disallowance to the resident auditors, and to effect the required settlement, if any.																																																			
				RWO IV-A		2 nd Qtr. of 2022	Fully Implemented	<u>RWO IV-A</u> Management complied with the recommendations.																																																			
				RWO V			On-going	<u>RWO V</u> <i>A. Notice of Suspension</i> COA issued notice of settlement as of June 2022. <i>B. Notice of Disallowances</i> A portion of the beginning balance of P298,728.75 was deducted by the OWWA Central																																																			

Ref	Audit Observations						Audit Recommendation		Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken																																																												
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											From	To																																																															
	<table><tr><td>V</td><td>298,728.75</td><td>-</td><td>16,800.00</td><td>3,288.75</td><td>312,240.00</td></tr><tr><td>VI</td><td>430,806.00</td><td>-</td><td>-</td><td>-</td><td>430,806.00</td></tr><tr><td>VII</td><td>532,000.00</td><td>-</td><td>-</td><td>-</td><td>532,000.00</td></tr><tr><td>IX</td><td>408,764.78</td><td>-</td><td>-</td><td>-</td><td>408,764.78</td></tr><tr><td>XI</td><td>142,370.00</td><td>-</td><td>-</td><td>103,170.00</td><td>39,200.00</td></tr><tr><td>XII</td><td>375,200.00</td><td>-</td><td>-</td><td>-</td><td>375,200.00</td></tr><tr><td>XIII</td><td>46,045.59</td><td>-</td><td>-</td><td>-</td><td>46,045.59</td></tr><tr><td>Total</td><td>27,440,913.81</td><td>1,341,581.00</td><td>1,289,257.00</td><td>1,820,223.41</td><td>28,251,528.40</td></tr></table> <p>In RWO XIII, review of the SASDC disclosed that the two NDs, ND No. 2015-001 and ND No. 2015-002, totaling ₱22,048.21, which are already final and executory, remained unsettled as of December 31, 2021.</p> <p>C. Notice of Charges</p> <table><tr><th>Office/ RWOs</th><th>Beginning Balance</th><th>Adjustments</th><th>Issuances</th><th>Settlements</th><th>Ending Balance</th></tr><tr><td>CO</td><td>-</td><td>4,709.71</td><td>-</td><td>-</td><td>4,709.71</td></tr><tr><td>Total</td><td>-</td><td>4,709.71</td><td>-</td><td>-</td><td>4,709.71</td></tr></table> <p>In RWOs NCR, CAR, I, IV-B, VIII and X, no Audit Suspensions, Disallowances and Charges were issued as of December 31, 2021.</p>	V	298,728.75	-	16,800.00	3,288.75	312,240.00	VI	430,806.00	-	-	-	430,806.00	VII	532,000.00	-	-	-	532,000.00	IX	408,764.78	-	-	-	408,764.78	XI	142,370.00	-	-	103,170.00	39,200.00	XII	375,200.00	-	-	-	375,200.00	XIII	46,045.59	-	-	-	46,045.59	Total	27,440,913.81	1,341,581.00	1,289,257.00	1,820,223.41	28,251,528.40	Office/ RWOs	Beginning Balance	Adjustments	Issuances	Settlements	Ending Balance	CO	-	4,709.71	-	-	4,709.71	Total	-	4,709.71	-	-	4,709.71			RWO VII			On-going	deduction of OWWA Central Office.	before giving clearance for retirement (RD Madrid and SAO Miraflor), the remaining was not yet settled. Issuances amounting to P16,800.00 is subject for appeal. Amount of P3,288.75 was already settled last 2021.
V	298,728.75	-	16,800.00	3,288.75	312,240.00																																																																						
VI	430,806.00	-	-	-	430,806.00																																																																						
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CO	-	4,709.71	-	-	4,709.71																																																																						
Total	-	4,709.71	-	-	4,709.71																																																																						
				RWO IX	Jan 2022	Dec 2022	On-going																																																																				

Ref	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if applicable	Action Taken / Action to be taken
			Action Plan	Person / Dept. Responsible	Target Implementation Date				
					From	To			
				RWO XI	Jul 2022	Dec 2022	On-going		<u>RWO XI</u> The Management has already communicated to the personnel that has transferred to DOLE the unsettled 2013 disallowance.
				RWO XII			On-going		<u>RWO XII</u> The office is still waiting for the reply from COA XII regarding appeal for the rice disallowance.

Agency sign-off:


EMMA V. SINCLAIR
 Officer-in-Charge 

Date