



**DEPARTMENT OF LABOR AND EMPLOYMENT**

*Cordillera Administrative Region*

Cabinet Hill, 2600 Baguio City

**Management's Action as of June 30, 2015**

1	2015-001	<p>Out of the total 125 livelihood projects implemented by DOLE-CAR in CY 2014, 13 projects were not efficiently implemented due to: lack of financial capability of the beneficiaries; delayed delivery of materials and equipment; poor quality of materials and equipment delivered; and change of equipment without prior notification to the DOLE and the Accredited Co-Partner (ACP). Also nine projects were not yet operational due to, among others, non-availability of project location, which can be attributed to the laxity in the evaluation of project proposals and the ACPs capability to implement the project, as well as lack of interaction with the ACP and the beneficiaries; thus, the objective of providing opportunities for generating income to reduce the poverty in the concerned communities was not fully attained</p>	<p>(a) Ensure that the project proposals submitted by Accredited Co-Partners are meticulously evaluated and verified to avoid hindrances in the immediate implementation of livelihood projects in the community;</p> <p>(b) See to it that the LGUs which are accredited as co-partners have their own Bids and Awards Committee and that its members are knowledgeable on the implementing rules and regulations of R.A 9184;</p> <p>(c) Required a DOLE representative to be present during the delivery of materials and equipment to the beneficiaries so that any problem that may arise in the said deliveries will be addressed immediately; and</p> <p>(d) Interact with the accredited co-partners and beneficiaries regularly to ensure that the livelihood projects are properly implemented without any undue impediments.</p>	<p>Noted. A reiteration memo to this issue is prepared for FOs.</p> <p>Though the BAC compositions of ACP applicants are beyond DOLE's responsibility, RO thru its FOs will take note and consider the identified recommendation.</p> <p>Noted. Per procurement process either thru ACPs or Direct Administration, FOs are instructed to conduct inspection of goods upon delivery.</p> <p>Noted. Per DILEEP guideline, FOs is required to conduct monitoring of projects on a regular basis. However, due to manpower constraints, FOs were instructed to conduct a monthly table monitoring of projects and are required to submit monitoring report on a quarterly basis. A reiteration memo to this issue is prepared for FOs.</p>
2	2015-000	<p>The reported receivables as of December 1, 2014 totaling P52,334,305.74 was overstated by P14,437,318.84 due to long outstanding fund transfers which had already been spent for various projects but were not yet liquidated or refunded</p>	<p>Follow-up from the concerned NGAs, LGUs, GOCCs and NGOs the immediate submission of the liquidation reports of funds transferred pertaining to projects that were already completed duly verified by the resident auditor concerned, for proper accounting thereof and</p>	<p>Some LGUs submitted their liquidated reports amounting to P1,790,523.65 out of the P14,437,318.84 which is 36% liquidation rate as of June 30, 2015.</p>



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		<p>contrary to Section 2 of P.D. 1445, COA Circular No. 2007-001 dated October 25, 2007, COA Circular No. 94-013 dated December 13, 1994 and the Memoranda of Agreement (MOA), thereby affecting the fair presentation of the agency's financial statements.</p>	<p>to avoid the accumulation of huge uncollected/unsettled amount at the end of the year.</p> <p>Consider sending demand letters to the NGAs, LGUs, NGOs with receivables aged two to 18 years to immediately liquidate/settle their accounts with agency and state the laws violated including the penal provisions under Section 128 of PD 1445. Ensure that no additional funds are transferred until they have settled their past due accounts. Also, require the Provincial Government of Ifugao to immediately refund the unused funds to avoid misuse of the same;</p> <p>Require the Accredited Co-Partners to refund unused fund/balances, if any for deposit to the Bureau of Treasury;</p> <p>Monitor and inspect regularly the implementation of livelihood projects to keep informed of the status of fund transfers;</p> <p>Apply the legal remedy stipulated in the Memorandum of Agreement in case of failure by the Implementing Agencies (IAs) to liquidate despite demands from DOLE – CAR; and</p> <p>Strictly enforce the terms and conditions set in the Memorandum of Agreement and observe strictly the existing rules and regulations on the granting and liquidation of fund transfers.</p>	<p>Management sent follow-up letters to the concerned NGAs, LGUs and NGOs to liquidate immediately their accounts.</p> <p>Management monitors and inspects the implementation of livelihood projects.</p>
3	2015-002	<p>Propriety and regularity of the payments of salaries of TUPAD workers in the total amount of P2,402,868.20 were not immediately established</p>	<p>a) Immediately submit the lacking documents to support the disbursement vouchers/payrolls covering payments of salaries of TUPAD workers to readily</p>	<p>The focal person of DOLE-CAR submitted the requirements and the documents needed by the auditor.</p>



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		<p>due to lacking supporting documents contrary to Section 4(6) of P.D. 1445, Section 168 of GAAM Volume I, and Section of Department Order NO.137-14, series of 2014.</p>	<p>establish the propriety and regularity of the disbursements made and to avoid suspensions/disallowances in audit;</p> <p>b.) Require the field offices to inspect the projects before and after the undertaking is administered to ensure the projects' existence and conformity with the program of work or plans and specifications; and</p> <p>c.) Consider implementing the program through accredited co-partners since the agency has insufficient manpower to carry out all the works/undertakings that implementation thru direct administration entails.</p>	<p>Noted. A memorandum was prepared for FOs compliance.</p> <p>Noted. A Memorandum was prepared for FOs compliance.</p>
4	2015-003	<p>Release of funds to Accredited Co-Partners (ACPs) for livelihood projects in 2014 totaling P18,518,531.92 were irregular due to deviations from standard procedures in the disbursement of government funds, such as: a.) checks or Authority to Debit Advice (ADA) were prepared before the preparation or signing of Memorandum of Agreements (MOA) by the concerned parties; b.) MOA has no date of signing of the c.) Checks/ADA was released to ACPs prior to the preparation or signing of the MOA. Likewise, the authenticity and authority of the releases of funds cannot be established due to non-submission of the pertinent MOAs contrary to</p>	<p>a. adhere strictly to the pertinent laws, rules and regulations in the release of funds to Accredited Co-Partners for the implementation of livelihood projects by seeing to it that funds are released only after MOAs are signed and duly dated to avoid suspensions in audit; and</p> <p>b. ensure that copies of said MOAs are attached to the covering vouchers to readily establish the authenticity and legality thereof.</p>	<p>Management adheres strictly to the pertinent laws, rules and regulations in the release of funds to Accredited Co-Partners for the implementation of livelihood projects by seeing to it that funds are released only after MOAs are signed and duly dated.</p> <p>Management ensures that copies of said MOAs are attached to the covering vouchers to readily establish the authenticity and legality thereof.</p>

