

NATIONAL WAGES AND PRODUCTIVITY COMMISSION
2ND Floor, DY International Building, San Marcelino cor. Malvar St., Malate, Manila

received
by 10/20/20

Agency Action Plan and Status of Implementation
Audit Observations and Recommendations
For the Calendar Year 2019 (Prior Years)
As of November, 2020

| Reference No. | Category | Audit Subject | Audit Observations | Audit Recommendations | 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 | | | |
| CAAR 2019 pages no. 56-58 | | | •Variance between Agency books and the submitted Report of Physical Count of Property, Plant and Equipment (RPCPPE) of NWPC-CO amounted to P1,542,616.12. Moreover, failure of Regional Tripartite Wages and Productivity Board (RTWPB) VIII to conduct physical count of PPE resulted in non-preparation and non-submission of RPCPPE contrary to Section 38, Chapter 10, of the GAM for (NGAs), Volume I | We recommended the Management of: a. RTWPB VIII To constitute an Inventory Committee to undertake physical count on all PPE and embody the results thereof under a duly prepared RPCPPE, and to submit the necessary documents to COA office for compliance. | | a. All Accountable Officer | | | Fully Implemented | | a. RTWPB VIII Audit recommendations have been complied with already |
| CAAR 2019 pages no. 58-59 | | | •PPE accounting and control deficiencies noted in RTWPB I, II and VIII amounting to P308,688.84 includes: a) misclassification of PPE items to Other Assets account; b) identified unserviceable PPE items not reported in Inventory and Inspection Report of Unserviceable Property (IIRUP); and c) unrecorded transfer of PPE. | We recommended the Management of: a. RTWPB VIII To constitute an Inventory Committee to undertake physical count on all PPE and embody the results thereof under a duly prepared RPCPPE, and to submit the necessary documents to COA office for compliance. | | a. Property Officer and Accountant | | | Fully Implemented | | a. RTWPB VIII Audit recommendations have been complied with already |

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| CAAR 2019 pages no. 60-61 | | | <p>•Properties with total net amount of P22,136.89 in the custody of the AOs of RTWPB IV-B at the time of lost was taken up as Due from Officers and Employees but the AOs failed to settle the amount as required under Section 73 of PD No. 1445 and Section 41, Chapter 10 of GAM for NGAs, Volume I</p> | <p>We recommended the Management of:</p> <p>a. RTWPB IV-B To exercise the diligence as a good father of a family in supervising the AOs in safeguarding the government properties entrusted to them to avoid loss and misuse. Also, to submit a copy of the Official Receipt upon settlement of the issued Notice of Disallowance.</p> | | a. RTWPB IV-B | All Accountable Officers | | | Partially Implemented | | <p>a. RTWPB IV-B to seek approval from the COA, to pay the disallowance on installment basis starting December 2020 until December 2021. For settlement</p> |
| CAAR 2019 pages no. 65-66 | | | <p>•RTWPB VIII Unliquidated cash advance amounted to P291,462.35</p> | <p>We recommended that Management:</p> <p>a. RTWPB VIII To coordinate with the officials and employees to liquidate their cash advances and prepare a request for write-off of long outstanding cash advances duly supported with available records required under COA Circular No. 97-002 dated February 10, 1997. (Validation and certification of concerned agencies is necessary for the lost documents.</p> | | a. RTWPB VIII | All Accountable Officers | | | Not Implemented | <p>This has been repeatedly reported to be impossible and actions to be taken are beyond the control of the office. All records were destroyed by typhoon Yolanda.</p> | <p>a. RTWPB VIII The recommendations can no longer be implemented as the concerned officials are already dead</p> |

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| CAAR 2019 pages no. 68-69 | | | <p>•Only P747,957.40, consisting of disallowance of P368,700.00 and suspensions totaling P379,257.40 or 47% of the current and prior years audit suspensions and disallowances of P1,596,509.43 was settled in CY 2018 due to the laxity of the Management to enforce the provisions of COA Circular No. 2009-006 dated September 15, 2009, prescribing the use of RRSA.</p> | <p>We recommended the Management of:</p> <p>a.RTWPB I To strictly enforce settlement of the suspensions and disallowances following the pertinent provisions of RRSA.</p> | | a.All Accountable Officers | | | Partially Implemented | | <p>a. RTWPB I Concerned employees have paid their disallowances except for the disallowance of Ms. Teresa Sarmiento who already passed away. The office sent a letter to her husband, being her legal heir to settle the same. Still awaiting reply from respondent.</p> |
| CAAR 2019 pages no. 75-76 | | | <p>• Non-compliance with the provisions of pertinent rules and regulations affecting the Agency's operations and financial information, as well as transparency, accountability and public monitoring.</p> | <p>We recommended the Management of:</p> <p>a.RTWPB IV-B To require all concern to inform immediately the Auditor in writing of such loss of property within the prescribed period for future occurrence of the situation.</p> <p>b.RTWPB VIII To separate Accounting functions to ensure that order in check and balance is attained, internal control system is strengthened and personnel performance is made effective and efficient.</p> | | <p>a.RTWPB IV-B All Accountable Officers</p> <p>b.RTWPB VIII All Accountable Officers</p> | | | <p>Fully Implemented</p> <p>Fully Implemented</p> | | <p>a.RTWPB IV-B Audit recommendations have been complied with already</p> <p>b.RTWPB VIII Audit recommendations have been complied with already</p> |

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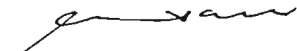

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| | | | | <p>c.RTWPB XIII To ensure full implementation of the Expanded Modified Direct Payment Scheme (ExMDPS) in the payment of Accounts Payable</p> | | c.RTWPB XIII All Accountable Officers | | | Fully Implemented | <p>c.RTWPB XIII RTWPB XIII Management replied that most of the transactions that are still under Advice of Checks Issued and Cancelled (ACIC) are from government partners, namely: GSIS, PHILHEALTH BCWD and BOT. Moreover, some external creditors preferred the use of checks as mode of payment and others declined to open an LBP account which the office has no control with. But still the management will ensure compliance of the DBM Circular Letter 2013-16 by notifying the above-mentioned creditors regarding this audit observation.</p> |
| CAAR 2019 pages no. 78-79 | | | <p>•Except for the prior year's NWPC Main balance of P608,474.31, which is still being reconciled/verified and the unremitted taxes withheld by RTWPBs II and VI amounting to P106,008.46 and P3,383.59, respectively, the Agency had substantially complied with the revenue regulations on withholding taxes in salaries, benefits, and procurement of goods and services and the subsequent remittance thereof in compliance with Executive Order (EO) No. 651 and related rules and regulations.</p> | <p>We recommended the Management of:</p> <p>a.RTWPB II and VI To direct the Accountant-Designate to exert more effort to review and reconcile the negative balances of the Due to BIR account and effect the necessary adjustments.</p> | | a.RTWPB II and VI All Accountable Officers | January 2020 | | Fully Implemented | <p>a.1 RTWPB II The unremitted taxes remitted thru TRA on January 2020 and reflected in our Trial Balance January 2020.</p> <p>a.2 RTWPB VI The Accountant Designate had already reviewed and reconciled the negative balances and made the necessary adjustments</p> |

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| | | | | | | | From | | | | To |
| CAAR 2019 pages no. 79-80 | | | <p>•Except for P28,586.32 prior year's account balance of NWPC Main in which Accountant was unable to identify its nature, the Pag-IBIG premium contribution and loan amortization of NWPC Main and its RTWPBs personnel had been deducted from them and were remitted promptly together with the corresponding government share in accordance with the provisions of Republic Act (RA) No. 9679.</p> | <p>We recommended that the Management to continue to comply strictly with RA No. 9679 and that the Accountant of NWPC Main exert extra effort in reviewing and reconciling the beginning balance of the Due to Pag-IBIG Account and effect the necessary adjustments</p> | | All Accountable Officers | | | Fully Implemented | | <p>The beginning balance was set-up in the books on March 2006 as "for reconciliation." Nonetheless, the Accountant will exert more effort to review and reconcile the balance of the Due to Pag-IBIG account and effect the necessary adjustments. For the years 2015-2016, review of subsidiary ledgers is being done continuously with the target of reconciling until the year end.</p> |

Prepared by:


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Certified Correct by:


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