

Department of Environment and Natural Resources
Office of the Secretary (DENR-OSEC)
Visayas Avenue, Quezon City
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
SIGNIFICANT OBSERVATIONS AND RECOMMENDATIONS ON COMPLIANCE TO OTHER LEGAL REGULATORY REQUIREMENTS
CONSOLIDATED ANNUAL AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2021
As of July 31, 2022

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-Implementation of action, if applicable	Action Taken/Action to be Taken
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1	<p><i>Utilization of funds and disbursements</i></p> <p>Of the agency's appropriation/allotment for CY 2021 of P20,819.193 million, the amount of P20,065.734 million or 96.38 percent was utilized/obligated and P17,994.138 million or 89.68 percent was disbursed until December 31, 2021. The total agency's appropriation/allotment for: (i) National Greening Program (NGP) amounting to P3,313.243 million which represents 15.91 percent of the total appropriation/allotment with utilization rate of 94.66 percent; (ii) Manila Bay Coastal Management Strategy (MBCMS) amounting to P2,418.871 or 11.62 percent of the total appropriation/allotment with utilization rate of 92.71 percent; and (iii) Pasig River Rehabilitation Program (PRRP) amounting to P109.869 million or 0.53 percent of the total appropriation/allotment with utilization rate of 90.40 percent. Moreover, of the total cash allocation of P21,404.493 million, 98.00 percent or P20,975.999 million was disbursed, leaving a balance of P428.494 million, of which P358.898 million was reverted</p>	<p>We recommended and Management agreed to prepared a detailed remedial action plan to reflect the specific measures to be undertaken to resolve the identified issues to ensure attainment of physical and financial targets.</p>		Central Office FMS-Budget Division			Implemented	<p>Overall, the DENR-CO were able to accomplish the respective programs and projects based on the Work and Financial Plan. However, some areas contributed to non-utilization of the allocated budget. We assure the Commission on Audit (COA) that the Management will implement our programs and projects to improve our performance and utilization rate.</p> <p>Out of the total CY 2021 Consolidated Continuing Appropriation of P615.858 million, the amount of P329.667 million or 53.53 percent was utilized as of July 31, 2022. The Continuing Allotment for (i) National Greening Program of P73,513 million has an indicative utilization rate of 24.30%, (ii) Manila Bay Rehabilitation Program of P174,915 million has an indicative utilization rate of 76.19%, and (iii) Pasig River Rehabilitation Program of P10,543 million with an indicative utilization rate of 86.70% as of July 31, 2022.</p>	

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2	<i>Reversion, closure and transfer of dormant cash, unauthorized accounts and unnecessary funds</i> The CO, FMB, RO I and four PENROs did not remit/revert to the General Fund its dormant cash and unauthorized accounts amounting to P25.899 million as of year-end, thus, the government was deprived of the available funds that could be used in its priority programs and projects. Likewise, BMB did not return to the projects partner unspent fund amounting to P0.764 million for a completed project, thereby, exposing the fund to the risk of being misused.	We recommended and Management agreed to direct the Heads of the CO, FMB, BMB, RO I and PENROs Samar, Capiz, Northern Samar, and Davao del Sur to require the Accounts to close the unauthorized bank accounts and remit/revert its balances together with the dormant cash and unnecessary funds to the General Fund/the project partner.		Central Office FMS-Accounting Division AS-Cashier Section	June 01, 2022	December 31, 2022	Not Implemented		A memorandum dated March 31, 2022 was sent to the Office of the Director for Administrative Service through the Cashier Section requesting their comments on the recommendation to remit/deposit all collections for the Trust Fund to the Bureau of Treasury and expedite the enrollment of Electronic- Modified Disbursement System (eMDS) to stop utilizing the Trust Fund account. Comments on the breakdown of the amount are as follows: 1. CNA 2011 refund (disallowance) - for recon P 4,995,725.23 - for reconciliation and will immediately remit to the Bureau of Treasury (BTr) once the details are accounted for. Miscellaneous and Extra Ordinary Allowance CY 2017 = P 134,824.45. The Accounting Division has already prepared a Disbursement Voucher for the remittance to BTr. Presidential Social Fund (PSF) = P 48,000.00 The amount was already transferred to Region 8 and 6 as part of the Financial Assistance for Typhoon Yolanda. 2. Regular = P2,214,229.90 (Remittance and Philhealth prior yrs.) the lump amount is still under reconciliation & will immediately remit to Bureau of Treasury (BTr) once the details were accounted for.

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			For the Accounting Section to reconciled the details of the said bank account and cause the closure of the said bank account.	Region 1 Regional Office	April 01, 2022	December 31, 2022	Not implemented	on-going implementation a. the Accounting Section has already reconciled the details of the said bank account however, the closure of the said bank account is not yet implemented.	3. The management has noted the compliance of the agency in the General Provisions of General Appropriations Act and the DOF-DBM-COA Permanent Committee Joint Circular No. 4-2012, dated September 11, 2012, implementing Executive Order No. 431, dated May 30, 2005 as regards the reversion of unauthorized accounts. Breakdown of the said amount: 1. Collective Negotiation Agreement (CNA) 2011 refund (disallowance) - for recon P 4,995,725.23 2.Remittances to Philhealth & prior years- for recon 2,214,229.90 3. EME with prepared DV 134,824.45 4.President Special Fund (PSF) P48,000.00 transferred to Regions 8 and 6 Total P 7,392,779.58 The management has noted for the compliance of the agency in the General Provisions of the GAA and DOF-DBM-COA per Circular no. 4-2012 a. Originally, Land Bank of the Philippines (LBP) bank account no. 0202-0036-64 was opened not only to Regional Executive Director Victor J. Ancheta, but also to receive other trust receipts from the Central Office and Other Agencies during the past years.

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			To immediately comply with COA's recommendation	Region 6 PENRO Capiz	January 31, 2022	December 31, 2022	Partially Implemented	Through, LBP-Roxas City Branch have approved the Modified Disbursement System (MDS)-Trust of the Office on July 12, 2022. Letter was sent to COA asking for the delay of closure of the LCCA due to the pending Order of Released of Conveyance of Mr. Caragos. His payment of P250,000.00 was deposited to LCCA.	<p>The Bureau of the Treasury, in coordination with the DENR Central Office has conducted an inventory of bank accounts and has caused the closure of all our dormant bank accounts except this bank account. This was retained and intended for collections of rent income, registration fees, performance bond and inter-agency trust receipts. May we request that this Trust Account be maintained for the afore-mentioned purposes.</p> <p>b. The composition/ breakdown of the year-end balances of the Trust Account was already determined by the Accounting Section.</p> <p>Letter was sent and set a meeting to COA to discuss the closure of the Local Currency Current Account (LCCA), pending the order of release of conveyance of Mr. Caragos, where, the cash/bail bond was deposited to LCCA. The Office will adhere to the result of the meeting and recommendation of the COA.</p>
			Remit the dormant balance and close the dormant trust account.	Region 8 PENRO Samar Accountant Collecting Officer	April 22, 2022	December 31, 2022	Partially Implemented		Completed the necessary documents for closing of dormant accounts. Deposits slip awaiting transmittal to landbank.

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			To close the Development Bank of the Philippines (DBP) Trust Fund	PENRO Northern Samar	As soon as possible		Partially Implemented		On-going Department of Public Works and Highways (DPWH) Tree Replacement project using said Trust Fund
				Region 11 PENRO Davao del Sur			Fully Implemented		The Land Bank of the Philippines (LBP) account was already closed. This office will submit the letter given by LBP indicating therein that account was closed.
			Coordinate with the Centre for Agriculture and Bioscience International (CABI) the remittance of the account amounting to 764,110.29 for completed / terminated project. And documents for the closing of the account.	BMB Accounting & Cashier Units	April 01, 2022	June 01, 2022	Fully Implemented		The cash balance was refunded to CABI on June 6, 2022.
			To close the unauthorized bank accounts and remit its balances to the General Fund	FMB	N/A	N/A	Fully Implemented	N/A	Closed the unauthorized bank accounts and remitted the balance of \$9,045.53 or 459,277.74 of the unauthorized bank account under the Trust Fund to the account of the Bureau of the Treasury (BTr) through a letter received by the LBP on May 26, 2022 Recorded the remittance of the cash in bank balance to the BTr under Journal Entry Voucher (JEV) No. 2022-05-000062

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3	<i>Receipt and deposit/remittance of collections and income</i> Collections from sale of bid documents, performance bonds and inspection and verification fees amounting to P1.539 million in RO XII and six PENROs were not remitted to the BTr.	We recommended and Management agreed to direct the Accountants of RO XII and PENROs Benguet, Apayao, Bataan, Cagayan, Nueva Vizcaya and Zambales to remit to the National Treasury any unutilized funds.	The management to remit the excess proceeds from sale of Bid Documents	Region 2 PENRO Nueva Vizcaya	January 1, 2022	April 01, 2022	Fully Implemented		Remitted on April 22, 2022. JEV No. 2022-04-001188.
				PENRO Cagayan	January 1, 2022	June 01, 2022	Fully Implemented		This office already deposited the amount to the Bureau of Treasury
				Region 3 PENRO Bataan			Fully Implemented		The Accountant already made the necessary adjusting entry to reclass the Other Payable account to Trust Liabilities. This is supported by JEV No.2022-01-540 dated January 26, 2022. Meanwhile, there is no excess of the proceeds from sale of bidding documents.
				PENRO Zambales					Interest income earned by Integrated Protected Area Fund (IPAF) LBP Trust Account for the 4th quarter of CY 2021 was already remitted to the National Treasury per JEV-2022-01-000001 dated January 26, 2022. Also, payables with no Valid Claims amounting to P791,605.30 were already reverted to the Bureau of Treasury per JEV No. 2021-06-001265 dated June 1, 2021. Thereafter, the Subsidiary Ledger was already adjusted showing the corrected schedule of trust liabilities.
				Region 12 Regional Office Regional Accountant			Fully implemented		Remitted to BTR per attached Land Bank check deposit dated July 04, 2022.

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4	Unrealized revenue on the use of foreshore lands Revenues on foreshore areas in RO XIII and nine PENROs were not realized due to lack of collection enforcement and lapses in monitoring the collection efforts by the responsible officials, delayed appraisal of foreshore lease areas, absence of approved Foreshore Lease Agreement (FLA), and lack/absence of complete or approved database for Foreshore lands, thus, deprived the government of the opportunity to collect income amounting to P66.803 million, which can be projects.	We recommended and Management agreed to direct the Regional Executive Directors and PENR Officers concerned of: a. PENRO Bataan, Negros Occidental and Davao de Oro to send demand letters to lessees/occupants with delinquencies and specify in the letter that failure to pay their arrearages is a ground for cancellation of their Lease Contracts;	Fees, charges, assessments, and other receipts or revenues collected, trust receipts and performance bonds (P732,000)	CAR PENRO Benguet	February 1, 2022	June 30, 2022	Implemented	Budget constraint Pandemic protocols Lack of personnel	Unused fees was remitted to BTr amounting to 726,917.92; 5,430.00 performance bond requested by bidders for refund. JEV-2022-02-000010 (2/28/2022) JEV-2022-03-000023 (03/07/2022) JEV-2022-04-000043 (04/27/2022)
			Collection of performance security bond amounting to P75,000.00	PENRO Apayao	June 14, 2021	June 14, 2022	Implemented		The performance bond was already refunded to the supplier because the contract was successfully delivered. All performance bond collected were already deposited to the BTR.
			The management adheres with the audit recommendation.	Region 3 PENRO Bataan CENR Officers Regulation and Permitting Section (RPS), Land Management Inspector (LMI), Land Management Offices (LMO) Survey Team	August 01, 2022	December 31, 2022	Not Implemented		CENR Offices will send Demand Letters and will continue to monitor all foreshore areas with identified occupants (without Contract of Lease) and notify them to pay Occupational/ User's Fees.
				Region 6 PENRO Negros Occidental			Implemented		CENRO Bago had submitted report on the uncollected rental fees of DAALCO, NENACO and PBC. CENRO Cadiz City also submitted report that despite notices and demand letters sent to the leasees, some are still unable to settle their accounts.

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			This office will fast track the updating of Inventory of the foreshore area and marsh land in order to determine the existing/use, availability of open areas, extent of the area and the number of settler. We will also conduct and intensify the information drive campaign to the adjoining property.	Region 11 PENRO Davao de Oro Land Section	January 1, 2022	December 1, 2022			The CENRO Maco have endorsed the updated list of Inventory of Foreshore Lease to COA Office on June 3, 2022
		b. PENRO Capiz to send Notice of Violation to unauthorized occupants who are not paying their Occupational/User's fees and require them to file their applications; and comply strictly with the time frame in the processing of FLA;	Require the foreshore occupants to submit sketch plan and pertinent documents. Database/matrix of foreshore occupants with monitoring timetable monthly / quarterly monitoring schedule.	Region 6 PENRO Capiz	January 1, 2022	December 1, 2022	Partially Implemented		The foreshore occupants has yet to submit the sketch plan and pertinent documents for the CENRO to process application for Foreshore Lease / Provisional Permit/Revocable Permit.
		c. All PENROs concerned to intensify strategies to optimize collection of revenues by invoking pertinent Sections of DAO 2004-24;		Region 6 PENRO Negros Occidental			Partially Implemented		CENRO Bago had submitted report on the uncollected rental fees of DAALCO, NENACO and PBC. CENRO Cadiz City also submitted report that despite notices and demand letters sent to the leasees, some are still unable to settle their accounts. While CENRO Kabankalan had a meeting with the resort owners of Sipalay . City on the uncollected fees and agreed to comply the needed requirements

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			Expedite and update the existing list/database and collect occupation fees of foreshore occupants.	PENRO Capiz	January 1, 2022	December 1, 2022	Partially Implemented		The foreshore occupants has yet to submit the sketch plan and pertinent documents for the CENRO to recognize the occupation fees of the occupants.
			Shall do schedule appraisal, conduct regular inventory, intensify collection strategies, and enforce cancellation when needed	Region 10 PENRO Misamis Occidental CENRO Oroquieta CENRO Ozamiz	January 1, 2022	December 1, 2022	Not Implemented	Appraisal on all items still to be undertaken	The CENR Offices already conducted the following activities: 1. Conducted Inventory with database in the 1st Quarter; 2. Send notices to occupants of foreshore lease for collection; and 3. Reconstituted the Appraisal Committee
			This office will fast track the updating of Inventory of the foreshore are and marsh land in order to determine the existing/use, availability of open areas, extent of the area and the number of settler. We will also conduct and intensify the information drive campaign to the adjoining property.	Region 11 PENRO Davao de Oro Land Section	January 1, 2022	December 1, 2022			The CENRO Maco have endorsed the updated list of Inventory of Foreshore Lease to COA Office on June 3, 2022

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		d. PENRO Davao de Oro to conduct periodic re-appraisal of foreshore areas and their improvements; and	This office will fast track the updating of Inventory of the foreshore are and marsh land in order to determine the existing/use, availability of open areas, extent of the area and the number of settler. We will also conduct and intensify the information drive campaign to the adjoining property.	Region 11 PENRO Davao de Oro Land Section	January 1, 2022	December 1, 2022			The CENRO Maco have endorsed the updated list of Inventory of Foreshore Lease to COA Office on June 3, 2022
		e. RO XIII and PENROs Agusan del Norte, Surigao del Norte, Dinagat Island and Surigao del Sur to advise the Regional Foreshore Area Management Unit (FAIMU) Focal Personnel to institute mechanism to ensure reconciliation of database of records which can be done through vouching/tracing the existence/completeness of the records as reported in the listings to the foreshore lease files in custody.		Region 13 Regional Office			Fully Implemented		Transmitted to COA
				PENRO Agusan del Norte		November 22, 2022	Partially Implemented	Lacking is CENRO Tubay	Submission of foreshore survey for the Municipality of Nasipit - June 10, 2022 to the Regional Office.
				PENRO Surigao del Norte			Fully Implemented		Transmitted to COA
				PENRO Surigao del Sur		November 22, 2022	Partially Implemented	Issued instruction to the CENR Offices to prepare, reconstruct and/or update the database of records and files of foreshore lands.	
				PENRO Dinagat Island			Fully Implemented		Transmitted to COA

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5	<i>Unliquidated cash advances</i> Cash advances amounting to P53.065 million or 30.96 percent of the total cash advances granted of P171.418 million were not liquidated in the CO, LMB, FMP, 2 ROs and 13 PENROs at the year-end due to the non-enforcement of settlement/liquidation of outstanding cash advances within the prescribed period, thus, exposes government funds to possible misuse.	We recommended and Management agreed to direct the Accountants of: a. CO, LMB, FMB and ROs IV-B and XII, and PENROs Aklan and Zamboanga del Norte to validate the propriety of the long outstanding balances and those recorded in the books in the lumps sum amount and request for write off of those balances for over ten years:		Central Office FMS-Accounting Division AS-Cashier Section <					

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		b. LMB, FMP, RO IV-B and PENROs Cagayan, Quirino, Albay, Bukidnon, Camiguin, Iloilo, South Cotabato, Laguna, Palawan, Negros Oriental, and Surigao del Norte to enforce strictly the liquidation of cash advances within the prescribed period by requiring the AOs to liquidate immediately their cash advances as soon as the purpose for which it was granted has already been served and the immediate refund/return of any excess amount thereof;	To enforce strictly the liquidation of cash advances within the prescribed period by requiring the Accountable Officers (AOs) to liquidate immediately their cash advances as soon as the purpose for which it was granted has already been served and the immediate refund/return of any excess amount thereof	FMB	N/A	N/A	Fully Implemented	Payroll adjustment, and failure of several Contract of Service (COS) personnel to claim their respective salaries in January due to the surge in COVID-19 cases and other causes	Fully liquidated all cash advances for CY 2021 under JEV Nos.: 2022-01-000038 2022-01-000055 2022-01-000061
			To liquidate the unliquidated cash advance.	Region 2 PENRO Quirino Accounting Section	January 1, 2022	January 31, 2022	Fully Implemented		The cash advance amounting to P758,967.00 was liquidated on January 21, 2022 with JEV No. 2022-61
				Region 4A PENRO Laguna			Fully Implemented		Liquidation of Cash Advance was already submitted by PENRO Laguna to Resident Auditor's Office last January 2022
			To submit immediately the liquidation reports and comply strictly to the audit findings	Region 4B PENRO Palawan Accounting Unit	January 1, 2022	December 1, 2022	Fully Implemented		Already submitted the Liquidation Reports to the Office of the Resident Auditor

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			Strict adherence of the recommendation by the auditor shall be observed henceforth.	Region 5 PENRO Albay Accountant	January 1, 2022	December 1, 2022	Implemented		The Advances to Special Disbursing Officer (SDO) amounting to P1,444,410.10 has been liquidated within the prescribed period by the accountable officer.
				Region 6 PENRO Iloilo			Implemented		Management adhered to COA's recommendation.
				Region 7 PENRO Negros Oriental			Fully Implemented		Accountable Officers (AOs) are being instructed to liquidate immediately whatever cash advances granted to them as soon as the purpose is being met and to refund/return immediately any excess amount thereof. Moreover, they are further instructed that no cash advances be granted unless previous cash advance will be fully liquidated.
			Enforce the immediate liquidation of CAs of designated SDOs/ AO which remained unsettled after the prescribed period and to submit Liquidation Reports and/ or to return the unexpended balances, if any.	Region 10 PENRO Bukidnon The Chief, Management Services/ Accountant			Fully Implemented		The Management has already issued a memorandum to Special Disbursing Officers (SDOs)/Accountable Officers (AOs) for the immediate liquidation of their outstanding cash advances specially those which were outstanding for a considerable length of time. Out of the total amount 7,167,045.45, the incharge personnel of PENRO Bukidnon was able to liquidate 6,782,165.45. The remaining balance of 384,880 shall be liquidated within the month.
				Region 13 PENRO Surigao del Norte			Fully Implemented		JEV-2022-01-000021, et, Al.

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6	Non-liquidation of fund transfers to Implementing Agencies (IAs) Fund transfers to Implementing Agencies (IAs) during the year and for prior years for the implementation of projects of the CO, FAPs-INREMP, 3 Staff Bureaus, 5 ROs and 17 PENROs amounting to P2,306.099 million or 57.42 percent of the total funds transferred of P4,016.094 million were not liquidated as of year-end due to : (a) non-provision of project duration in the MOA to enforce liquidation; (b) rescinded MOA. Likewise, in CO, additional fund transfers were granted to the IAs even if their previous fund transfers were not liquidated.	c. LMB and PENROs Zamboanga del Norte, Iloilo and South Cotabato to refrain from processing additional cash advance of AOs with outstanding cash advances/s;		Region 6 PENRO Iloilo			Implemented		Management adhered to COA's recommendation.
		d. RO XII to communicate and verify from the nearest of kin of the identified AOs/SDOs with unliquidated cash advances of more than 10 years to ascertain their whereabouts and whether or not there is truth in the claims of their death, as this may support the request for write-off; and e. PENRO Iloilo to direct the SDO to refrain from paying the wages of the contractual personnel whose documentary requirements are not complete to avoid delay in the liquidation.		Region 6 PENRO Iloilo			Implemented		Management adhered to COA's recommendation.
		We recommended and Management agreed to direct the: a. Accountant of CO to stop processing additional fund transfers to IAs with previous unliquidated fund transfers; and concerned officials of CO to issue and amendment/supplement to the MOAs with the IAs to include the provision on the project duration or timeframe on the implementation of the projects; MOAs with the IAs to include the provision on the project duration or timeframe on the implementation of the projects;		Central Office FMS-Accounting Division			Implemented		a. The DENR-CO has already stopped the processing of additional fund transfers to Implementing Agency with previous unliquidated fund transfers and continues sending demand letters to :implementing Agencies (IAs) The DENR CO has required the MOAs should include project duration or time frame on the implementation of the projects.

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		b. Concerned official of BMB to enforce the termination of the MOA with the UP Diliman and demand the immediate return of the fund transfer;		BMB Ninoy Aquino Parks and Wildlife Center (NAPWC) and Management	March 1, 2022	December 31, 2022	Partially Implemented	The prior year's unliquidated transfers of 24.971 million mostly pertains to the released of funds to UP Diliman amounting to 22.212 million for the Repair / Retrofitting / Renovation of the Old BMB Administration Building 1 for the Establishment of the Protected Area Gallery /Museum. On 06 April 2022, a meeting transpired between the representatives of the BMB and UP Diliman (Dr. Ian Kendrick Fontanilla and Ms. Liza Duya) to follow-up UPD's response to the BMB's letter dated 11 October 2021 rescinding the Agreement, and requesting the UPD to refund the unliquidated balances.	Following the recommendation of COA, BMB representatives met with University of the Philippines Diliman (UPD) representatives on 06 April 2022 to follow-up UP Diliman's response to the BMB letter dated 11 October 2021, rescinding the Agreement and requesting the University to refund the unliquidated balances. Various meetings were held and inquiry to DENR Central Office (CO) to terminate the MOA. Demand letters were issued regularly to the implementing agencies to liquidated the remaining balances of the prior year's fund transfers. In 2022, demand letters were issued in February and March 2022.

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		c. FAPs-INREMP - NPCO to closely coordinate with the DTI to fully liquidate the fund transfers and refund the balance, if any, within the Asian Development Bank's winding-up period; and	To closely coordinate with the DTI to fully liquidate the fund transfers and refund the balance, if any, within the Asian Development Bank's winding-up period; and	FMB Foreign Assisted Projects - Integrated Natural Resource Management Fund - National Project Coordinating Office (FAPs-INREMP - NPCO)			Fully Implemented	Difficulties encountered by the DTI in securing the supporting documents from the field/ implementing offices due to pandemic restrictions	The NPCO with the assistance of Foreign Assisted and Special Projects Service - Department of Trade and Industry (FASPS-DTI) National Implementing Units, conducted a series of meetings with the DTI starting January 2022, specifically to prompt the DTI to fast-track the liquidation of the funds received. The NPCO and DENR-FASPS are closing coordinating with DTI regarding project implementation and the subsequent liquidation of funds.
		d. Accountants of CO, LMB, BMB, ERDB and ROs III, IV-A, IX, XI, NCR, and 17 PENROs to continue sending regularly demand letters and make a representation with the heads of the concerned IAs, for the submission of the liquidation documents of fund transfers and the return of the unexpended balances of all completed projects, if any. regularly demand letters and make a representation with the heads of the concerned IAs, for the submission of the liquidation documents of fund transfers and the return of the unexpended balances of all completed projects, if any.		Central Office FMS-Accounting Division			Implemented		The Accounting Division is compliant of sending demand letters to various Implementing Agencies for their timely submission of liquidations and other needed pertinent documents
				ERDB Administrative, Finance and Management Division (AFMD) Chief Accountant	May 1, 2019	December 31, 2019	Fully Implemented		Management continuously sends communications to concerned Implementing Agencies (IAs) demanding them to settle the unliquidated funds transferred to them.

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			DENR-NCR Fully Implemented. Already taken up in the books of accounts the full settlement of cash transferred to National Housing Authority (NHA) per JEV Nos. 2022-04-001245 dated 25 April 2022, Php 1,602,767.99 and 2022-03-000829 dated 30 March 2022, Php 519,795.01, respectively.	NCR National Capital Region (NCR)	March 1, 2022	April 30, 2022	Fully Implemented	NA	Fully Implemented. Already taken up in the books of accounts the full settlement of cash transferred to NHA per JEV Nos. 2022-04-001245 dated 25 April 2022, Php 1,602,767.99 and 2022-03-000829 dated 30 March 2022, Php 519,795.01, respectively.
			To settle the following: A. Due from NGAs PENRO La Union- P035 Million PENRO Pangasinan- P4.742 Million B. Due from LGU Pangasinan- .284M	Region 1 PENRO La Union and PENRO Pangasinan	April 1, 2022	December 31, 2022	not implemented- Item (d) only Partially Implemented	on going implementation	fully implemented under JEV no.2022-04-0013 amounting to P035 Million Due from NGAS- 4.64M out of 4.74 M or 98% were already liquidated.

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			to continue sending regularly demand letters	Region 2 PENRO Cagayan	January 1, 2022	December 31, 2022	Partially Implemented		This Office required Cagayan State University (CSU) to submit Physical and Financial Report. CSU already submitted a copy of liquidation report as of December 31, 2021, The amount liquidated was already taken up in the books of account under JEV .No. 22-02-00017-19 dated February 8, 2022. The remaining balance of the fund transferred to CSU amounts to P28,744.69. Demand letter was issued to implementing Agency for the liquidation of remaining balance.
				Region 3 Regional Office	January 8, 2022	December 31, 2022	Not Implemented		With regard to the Due from NGAs account, please be informed that: 1) funds transferred to National Economic Development Authority (NEDA) for the implementation of the Integrated Water Resources Management (IWRM) Strategy in the Pampanga River Basin (PRB) amounting to P530,000.00 was already fully liquidated as per Journal Entry Voucher (JEV) No. 2021-12-002031 dated December 31, 2021; 2) The balance due from the Department of Budget Management – Procurement Service (DBM-PS) which was intended for the procurement of supplies cannot be refunded as per coordination of the Procurement Section. The DBM-PS only allows issuance of their available supplies on hand for the balances incurred due to price change of the supplies ordered per purchase request, however, their available supplies are only school supplies such as chalks and board eraser which cannot be used by our agency. The Procurement Section will continue to coordinate with the DBM-PS to fully liquidate the said balance; 3) The funds

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				PENRO Bataan					<p>transferred to Mines and Geosciences Bureau (MGB) Regional Office No. III amounting to P2,000,000.00 and P2,500,000.00 transferred in the years 2021 and 2020, respectively, for the implementation of Manila Bay Rehabilitation Project has a balance of P1,922,098.79 as of December 31, 2021. The project is still on-going, thus, full liquidation cannot be demanded yet. For the Due to LGUs account, the balance due from the Municipality of San Jose, Tarlac amounting to P91,816.37 was already refunded and remitted to the Bureau of Treasury. Lastly, the Due from GOCCs account with a balance of P353,096.89 was due from the Bukidnon Forest, Incorporated (BFI). According to their response dated December 23, 2020, they cannot send liquidation report because their contractor has not yet fully completed the construction of Nursery Facilities. The Management had sent another demand letter on November 10, 2021 but there is still no response as of date. The Management will continue to coordinate with the PENRO Bukidnon and will send another demand letter for the settlement of the said unliquidated balance.</p> <p>The management already made strong representation to the Implementing Agencies by having meetings with them to discuss the submission of pertinent documents relative to the liquidation of the funds transferred to them.</p>

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				Region 6 PENRO Iloilo	July 28, 2022	December 31, 2022	Implemented		Management adhered to COA's recommendation.
				PENRO Antique			Implemented		Management adhered to COA's recommendation.
				Region 7 PENRO Negros Oriental			Fully Implemented		A letter dated May 25, 2022 was sent to the Chief Accountant, PS-DBM requesting DBM to directly deposit/refund the amount representing Government Fare Agreement (GFA) to the National Treasury and to provide the office a copy of the Official Receipt thereof.
				Region 9 Regional Office			Not Implemented		Out of P 2,931,749.40, 99% was already liquidated leaving a balance of P2,249.40 representing fund transfer to Department of Public Works and Highways (DPWH). Attached are JEV No. 2022-07-003056 dated July 22, 2022 and JEV No. 22-02-0010 dated Feb. 28, 2022 amounting to P127, 500.00 and P2,802.00, respectively. The DPWH issued a certification that the fund transfer from
				Region 11 Regional Office			Implemented		The regional office sent demand letters to NGAs requiring them to submit liquidation reports and refund the unutilized fund transfers for completed projects. Replies from the agencies and reports submitted were then reconciled and recorded with the accounting records. Journal Entry Voucher (JEV) were drawn to take up the liquidation reports already submitted. The Regional Office already sent demand letter to the Southern Philippines Agri-Business and Marine and Aquatic School of Technology

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7	Non-liquidation of advances to PS-DBM and PITC Advance to Procurement Service-DBM (PS-DBM) and Philippine International Trade Center (PITC) amounting to P704.900 million and P8,780 million, respectively, for its common-use office supplies and equipment requirement of CO, NCR, 3 Staff Bureaus and FMP-CPMO were still unliquidated as of year-end due to non-reconciliation of records between the PS-DBM/PITC and that of the concerned DENR offices for undelivered items.	We recommended and Management agreed to direct the Accountants and Property Officers of CO, FMP-CPMO, LMB, FMB, ERDB and NCR to make a representation with the PS- DBM/PITC to expedite the reconciliation of their records and to facilitate the delivery of the remaining supplies, equipment and services covered by the advances made; otherwise, demand the return of the funds equivalent to the cost of all undelivered prior year' supplies and equipment.		Central Office FMS-Accounting Division AS-Property and Supply Management Division	June 01, 2022	December 31, 2022	Implemented	on-going	(SPAMAST) requiring them to submit liquidation reports and refund unutilized fund transfer. If no reply will be received on February 28, the office will proceed to personally require them with their compliance and reconcile our respective records. As of to date, Due from NGA-SPAMAST was already closed/liquidated. JEV No. 22-03-238 was prepared to take up the liquidation and JEV No. 22-04-322 was prepared to take up the refund to the Bureau of the Treasury of the excess/unutilized portion of the transfer of funds to SPAMAST.
			As recommended, the Management will direct the concerned official to coordinate with the DBM to work on the reconciliation of records.	ERDB Administrative, Finance and Management Division (AFMD) Accounting Section Property Section	November 1, 2021	June 30, 222	Fully Implemented		i.)as of to date, no fund transfers have been made to PITC since 2021 ii.) PS-DBM: - The DENR-CO requested through email dated February 10,2022 the copy of updated Agency Summary of Payments and Deliveries (ASPD) as of December 31, 2021 to reconcile with the General Ledger (GL). However, there was no response from the PS-DBM Reconciliation has already been effected in the books of accounts.

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			Prepared Memorandum addressed to the Regional Accountant to comply with the audit recommendation.	NCR	March 1, 2022	March 31, 2022	Fully Implemented	NA	Prepared Memorandum addressed to the Regional Accountant to comply with the audit recommendation.
				Region 2 Regional Office	December 1, 2021	February 28, 2022	Fully Implemented		(P48,196.75) The check amounting to P40,000.00 was cancelled on January 30, 2021 due to unavailability of supplies requested from PS-DBM and the amount of P 8,196.75 was liquidated and supplies were delivered on February 02, 2021 under Delivery Receipt No. ROII21-00046.
			Strict adherence to COA Circular No. 94-013 (Rules and Regulations in the Grant, Utilization and Liquidation of Funds Transferred to Implementing Agencies) shall be observed henceforth. The Management shall exert more efforts to follow up the deliveries of the supplies covered by the advances.	Region 5 Procurement Section	January 1, 2022	December 31, 2022	Not Implemented	Non-availability of supplies and stocks from DBM PS.	DENR Region V have sent letters to the Regional Director of DBM Region V dated June 24, 2020 and October 31, 2021, respectively requesting for the status of the undelivered items and their prompt delivery. There were frequent visits to the PS DBM Office to follow up and check availability of supplies. As of June 2022, the remaining balance of the receivable from PS-DBM is P 642,448.52.

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8	<i>Non-liquidation of fund transfers to NGOs/CSOs</i> Fund transfer to NGOs/CSOs for the implementation of projects of CO, RO VIII, eight PENROs and FAPs-INREMP amounting to P151.769 million were not liquidated as of year-end due to failure to monitor the status of fund transfer at the time it was due for liquidation.	<p>We recommended and Management agreed to direct the Accountants of CO, RO VIII and PENRO Abra, Ifugao, Mountain Province, Cavite, Samar, Zamboanga del Norte, Camiguin, Davao Oriental and INREMP-Lanao del Norte to:</p> <p>a. Enforce the liquidation of fund transfers right after the completion of the projects and refund unused fund transfer, if any; and</p>		Central Office FMS-Accounting Division	June 01, 2022	December 31, 2022	Not Implemented		There was partial liquidation of United Nations Development Programme (UNDP) from January to June 30,2022 as follows: JEV 2022-04-005788 P1,520,588.56; JEV 2022-04-006111 P5,262,861.82; JEV 2022-04-005788 P6,017,071.89; TOTAL P 12,800,522.27
			Close monitoring of physical and financial accomplishments as per WFP. Closely monitor the liquidation of cash advances granted to partner Peoples' Organizations	CAR PENRO Mountain Province	March 1, 2021	October 31, 2021	Implemented		The total amount of unliquidated fund transfers were already liquidated as of October 31, 2021. The copies of Liquidation Report were already submitted to COA at various dates.
			Unliquidated Fund transfer: 20,000.00 PY	PENRO Abra	January 1, 2021	March 31, 2021	Implemented		The PO has liquidated the fund transfer and JEV was already submitted to COA and was acknowledge.
				PENRO Ifugao	January 1, 2021	July 31, 2021	Implemented		The amount was fully liquidated and recognized in the books with the following JEV#: JEV-2021-02-000182, JEV-2021-06-001289, JEV-2021-06-001290 and JEV-2021-02-000183.
				Region 4-A PENRO Cavite			Fully Implemented		Penro Cavite sent demand letter and liquidation was received and was submitted to Resident Auditor's Office and is subject for evaluation as of June 2022

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				Region 8 Regional Office Accounting	June 1, 2022	December 31, 2022	Partially Implemented		Fund transfers to Non-Government Organizations/People's Organization (NGOs/POs) and LGU which were dormant for more than 10 years were written-off per JEV Nos. 2020-12-0187 dated 12/30/20 and 2021-12-005355 dated 12/31/21 amounting to P158,133.60 and P206,574.50 respectively. Balance as of 12/31/2021 -P2406207
				Region 9 PENRO Zamboanga del Norte			Fully Implemented		We have sent a demand letter to LGU Roxas for the unliquidated fund transfer worth 200,000.00. However, we could not send demand letter to other LGUs since we could not locate the records and documents for the said accounts.
			Comply with the COA Recommendations	Region 10 PENRO Camiguin	January 1, 2022	December 31, 2022	Partially Implemented		The management will adhere with the COA recommendation to issue demand letters to the concerned NGOs/POs for the liquidations of their outstanding balances. Moreover, the concerned Section Chief handling Biodiversity Friendly and Social Enterprise Development (BDFE) Project is instructed to take immediate action to fast track the liquidation process of the remaining unliquidated balances.

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		<p>b. closely monitor the status of fund transfers and send demand letters to NGOs/CSOs with unliquidated fund transfers.</p>	<p>Follow-up the NGAs, LGU and NGO/PO the submission of liquidation reports and the refund of the unutilized fund transfers for completed projects.</p>	<p>Region 11 PENRO Davao Oriental Protected Area Superintendent Mount Hamiguitan Range Wildlife Sanctuary (PASU MHRWS) Management Services Division (MSD), Accountant</p> <p>Central Office FMS-Accounting Division</p> <p>CAR PENRO Mountain Province</p>	<p>February 28, 2022</p>	<p>December 31, 2022</p>	<p>Partially Implemented</p> <p>Implemented</p>	<p>Follow-up letters dated February 18,2022 were sent to Provincial Governor's Office (PGO), Central Mindanao University (CMU), University of Science and Technology of Southern Philippines (USTP) and Davao Oriental State University (DORSU) for the submission of liquidation reports and the refund of the unutilized fund transfers for completed projects. Send letter request to PGO dated April 19,2022 for the submission of Certification that the fund was used for the intended purpose in lieu of the Liquidation report.</p> <p>DORSU had submitted a copy of the deposit slip in the amount PhP 20,884.42 for the unutilized fund transfer on June 24,2022</p> <p>The DENR CO sent a demand letter on February 8, 2022 to Youth National Commission (YNC) for the fund transferred to the Sanggunian Kabataan National Federation (SKNF) amounting to P 10 Million. However, on March 4, 2022,thh YNC replied, that the SKNF was not associated with NYC, thus, they cannot provide the requested documents for liquidation. Demand letters to SKNF and other Non-Government Organizations/Civil Society Organizations (NGOs/CSOs) shall be sent as soon as details are complete.</p> <p>There is a continuous reminders to our partner POs to liquidate.</p>	

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9	<i>Dormant accounts for write-off</i> Dormant receivables, unliquidated cash advances and fund transfers amounting to P127.952 million were not requested for write-off by the CO, 2 Staff Bureaus, 2 ROs and 7 PENROs.	<p>We recommended and Management agreed to direct the Accountants of CO, LMB, ERDB, CAR, RO III and PENROs Davao de Oro, Bataan, Iloilo, Pampanga, Oriental Mindoro, Samar and Misamis Oriental to:</p> <p>a. Exert more effort in gathering the necessary documents to support the request for authority to write-off; and</p>	<p>Management will require the immediate liquidation of the fund transferred to the PO</p> <p>Closely monitor and enforce the liquidation of fund transfers</p> <p>Closely monitor the status on the liquidation of funds transferred to its implementing agencies</p>	<p>PENRO Abra / CENRO Lagangilang / Accounting Unit</p> <p>PENRO Ifugao</p> <p>Region 10 PENRO Lanao del Norte Integrated Natural Resource Management Fund - National Project (INREMP) INREMP Focal Person</p> <p>Region 11 PENRO Davao Oriental Accountant</p> <p>Central Office FMS-Accounting Division</p>	<p>July 1, 2021</p> <p>January 1, 2022</p> <p>February 1, 2022</p> <p>June 01, 2022</p>	<p>June 30, 2022</p> <p>June 30, 2022</p> <p>December 31, 2022</p> <p>December 31, 2022</p>	<p>Implemented</p> <p>Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p> <p>Not Implemented</p>	<p>Demand letter was prepared and issued to concerned People's Organization (PO)</p> <p>As of June 2022, the amount of 5,295,962.78 has already been fully liquidated and accounted for in the books of account.</p> <p>Closely coordinated with PASU MHRWS and APL the utilization and liquidation of funds transferred to its implementing agencies.</p> <p>On going on collating of other supporting documents as evidence for the request of write-off</p>	<p>The concerned People's Organization already settled the unliquidated amount with OR No. 3279143 dated March 31, 2022</p> <p>The amount was fully liquidated and recognized in the book</p>

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			The Management will review and prepare the additional documents required for request for write-off of dormant receivables accounts for submission to Commission on Audit (COA)	ERDB Administrative, Finance, and Management Division - Chief Accountant	November 1, 2021	June 30, 2022	Fully Implemented		Request for write-off for dormant receivables accounts were already submitted to COA including the additional information being required.
			To adhere to COA recommendation	CAR	January 1, 2022	December 31, 2022	Reiterated		The management sent demand letters to the payee concerned.
				Region 3 Regional Office	August 1, 2022	December 31, 2022	Not Implemented		With regards to the receivable from Mr. Romulo Agag, a demand letter was already prepared, however, the Management is still trying to locate his whereabouts.
			The management will require the Accountant to continue exerting effort to comply with the documentary requirements for request for authority to write-off dormant unliquidated fund transfers.	Region 4-B PENRO Oriental Mindoro Accounting Unit	January 4, 2022	December 15, 2022	Not Implemented		Complying with the documentary requirements is still on going and to be requested for written-off
				Region 6 PENRO Iloilo			Implemented		Management adhered to Commission on Audit's (COA's) recommendation.

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		b. subsequently file a request for authority to write-off dormant receivables, unliquidated cash advances and fund transfer duly supported with applicable documents required under COA Circular No. 2016-005.	Exert more effort in gathering necessary documents and file a request for authority to write-off dormant receivables	Region 10 PENRO Misamis Oriental The Chief, Management Services Division/ Accountant	January 1, 2022	December 31, 2022	Not yet Implemented	Still collating documentary evidences to be attached to the possible re-filing of request for write-off of the subject dormant account	The Accounting Division (AD) will send a letter of inquiry to the Commission on Audit (COA)-Government Accountancy Sector (GAS) for the remedial actions that the department can undertake relative to those dormant receivable accounts where collections thereof is nil and the documents ca no longer be found. The AD is also exerting its best efforts to comply with the documentary requirements, mentioned in the COA Circular No. 2016-005 dated December 19, 2016. The request for write-off will be prepared as soon as the required documents are complete.
			The management will make representation with the Regional Trial Court 11th Judicial Region Branch 3 of Nabunturan, Davao de Oro and will take action accordingly.	Region 11 PENRO Davao de Oro	January 1, 2022	December 31, 2022	Partially Implemented	This office had sent representation letter to the Regional Trial Court 11th Nabunturan Davao de Oro and they replied that the case of Campus had been passed to Regional Trial Court Branch 56, Compostela Davao de Oro last April 11, 2019. Then, this office sends immediately representation letter to the above-mentioned Regional Trail Court Branch, and no response received yet.	
					Central Office FMS-Accounting Division				

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10	Non-insurance of physical assets with the GSIS Some physical assets of CO, FAPs-FMP and INREMP, 2 Staff Bureaus, RO VIII, and 15 PENROs in the total amount of P436.388 million were not insured against fire or theft with the General Insurance Fund (GIF) of the GSIS, thus, said Offices are at risk of not being indemnified in case of damage or loss of the assets.	We recommend and Management agreed to direct the Property and Supply Officers of: a. CO, PRCMO, FMB, RO VIII and PENRO Southern Leyte to update the GIF once the RPCPPE for the period covered is available and ensure that all insurable properties are insured with the GSIS;	To adhere to COA recommendation	CAR	January 31, 2022	December 31, 2022	Reiterated		The management submitted another request for write-off for the amount of 150,278.06 specifically Benguet Electric Cooperative (BENECO) to the Commission on Audit (COA). The Agency collected 12,627.63 on June 20, 2022. For the other payees, this office will be submitting request for write-off as soon as supporting documents will be completed.
				Region 3 Regional Office			Not Implemented		Should the whereabouts of Mr. Romulo Agag cannot be located, this office will request for the write-off of his receivable.
				PENRO Pampanga			Not Implemented		Request for Write-Off was sent to the COA on February 08, 2021.
				Region 6 PENRO Iloilo			Implemented		Management adhered to COA's recommendation.
			To strictly follow the guidelines on dropping of doubtful accounts.	Region 8 PENRO Samar Accountant	January 22, 2022	September 22, 2022	Partially Implemented		Issue request to write off of accounts to Commission on Audit (COA). Submit copies of demand letters.
				Central Office FMS-Accounting Division			Fully Implemented		The Property, Plant and Equipment) (PPE) include on the Property Inventory Form (PIF) are those found during the conduct of physical inventory as of November 15, 2020 which covers the Government Service Insurance System (GSIS) premium period covered January 1, 2021 to December 31, 2021.
				AS-Property and Supply Management Division					

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			To ensure that all insurable properties are insured with the Government Service Insurance System (GSIS)	FMB			Fully Implemented		The cut-off date of the PIF and Report on the Physical Count of Property, Plant and Equipment (RPCPPE) is different such as November 15, 2020 and December 31, 2020, respectively, thus affect the variance of the amount of PPE that is included in the PIF as well as RPCPPE. The physical inventory conducted for the preparation of PIF does not include those PPE that were not found or not anymore existing. The missing or not found PPE might lost/damaged, therefore, it is not favorable to the government to pay for their insurance.
			To follow Commission on Audit (COA) Auditors'	Region 8 PENRO Southern Leyte Property Custodian, Chief Admin and Finance and Management Services Division	January 22, 2022	December 22, 2022	Fully Implemented		Properties of the Bureau were already insured for the period January to December 2022. Payment of insurance premiums were made under Checks No.: 857151 857167 857184 857194 858502 858514 857198 858523 858524 858561 858562 Subject properties were already insured and COA auditors are already furnished with the insurance policy and other documents.

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		b. PENR Benguet to follow-up from the GSIS the status of its application for the insurance of all its insurable assets;		Regional Office			Fully Implemented		The Three (3) Storey Motorpool and Garage Building amounting to 18,271,604.61 was inadvertently excluded in the application for insurance coverage of the previous year and renewal thereof for the current year. As of May 2021, insurance has already been applied and paid.
		c. LMB, FMP and PENROs Abra, Cagayan, Aurora, Palawan, Occidental Mindoro, Camarines Sur, Guimaras, Negros Occidental, Zamboanga del Norte and Del Sur and Cotabato to fast-track the conduct of inventory and documentation to facilitate the insurance of all insurable properties with the GIF of the GSIS; and	To ensure that all insurable properties are insured with the Government Service Insurance System (GSIS)	CAR PENRO Benguet	January 2, 2022	December 31, 2022	Implemented		A second letter was sent to Government Service Insurance System (GSIS) thru email on April 13, 2022. Awaiting for their reply.
				FMB Forest Management Project			Fully Implemented		Properties of the Bureau were already insured for the period January to December 2022. Payment of insurance premiums were made under Checks No.: 857151 857167 857184 857194 858502 858514 857198 858523 858524 858561 858562
				CAR PENRO Abra	January 2, 2022	December 31, 2022	Partially Implemented	Exerting all effort to locate the supporting document from the supplier.	A letter was sent to the supplier for the request of certified true copy of all document for the motor cycle.

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				Region 2 PENRO Cagayan- PENRO/CENROs/ Management Services Division/General Services Section	January 1, 2022	December 31 2022	Fully Implemented		This Office already applied all Property, Plant and Equipment (PPE) for insurance. There are PPE that were not accepted by the Government Service Insurance System (GSIS) however, this will be subject for insurance to private insurance company, should there be any. This office already requested Private Company to insure the remaining PPE that were not accepted by GSIS for Insurance. Awaiting for their reply.
				Region 3 PENRO Aurora			Fully Implemented		Applied for insurance coverage with Government Service Insurance System (GSIS) with policy issued on June 22, 2022.
			To submit the Property Insurance Form (PIF) to Government Service Insurance System (GSIS) before the expiration and renewal of the insurance premium of the buildings and other structure.	Region 4-B PENRO Palawan Property Unit	January 1, 2022	December 31 2022	Not Implemented		The Property Insurance Form (PIF) was not yet submitted to GSIS because the Property Custodian decided to process all at once the insurance of the buildings and other structure together with its content upon the expiration and renewal of the premium comes September 2022.
				Region 6 PENRO Guimaras			Partially Implemented		Some Property, Plant and Equipment (PPE) are for appraisal which is included in our next steps in the One-Time Cleansing of PPE. It will all be insured after appraisal
				PENRO Negros Occidental					

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		d. PENROs Kalinga, Aurora, Nueva Ecija, Guimaras and INREMP to provide the necessary budget for the insurance premium sufficient to cover all insurable assets and cause the application for insurance thereof in faithful compliance with Section 5 of RA No. 656.	To complete by the end of December 2022	Region 7 PENRO Negros Oriental Property Officer Inventory Committee	July 01, 2022	January 12, 2022	Fully Implemented	The management have sent a letter request to Government Service Insurance System (GSIS) for ocular inspection of the agency premises for estimation of Property, Plant and Equipment (PPE) insurance.	Reviewed of the herein named assets showed that these had been declared unserviceable per Inventory Report and no longer insurable with Government Service Insurance System (GSIS) due to lack of economic value.
				Region 9 PENRO Zamboanga del Norte			Fully Implemented		The agency already insured all the Properties under the Property Insurance Fund of the GSIS.
				PENRO Zamboanga del Sur			Not Implemented		
				Region 12 PENRO Cotabato Accountant & Property Officer			Fully Implemented		
				CAR PENRO Kalinga			January 1, 2022		December 31, 2022

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-Implementation of action, if applicable	Action Taken/Action to be Taken
			Action Plan	Person/ Dept. Responsible	Target Implementation Date				
					From	To			
11	<i>Non-disposal of unserviceable properties</i> Unserviceable properties amounting to P102.324 million stationed in CO, 3 Staff Bureaus, 5 ROs, 28 PENROs and 2 FAPs remained not disposed of, thus, exposing them to further deterioration and decreasing their realizable value.	We recommend and Management agreed to direct the: a. Heads of the CO, LMB, BMB, Ros II, V, VIII, X, CAR, concerned PENROs; FAPs-INREMP to take immediate action to facilitate/cause the appraisal and disposal of unserviceable properties to avoid further deterioration and optimize realizable value therefrom; and		Region 3 PENRO Aurora PENRO Nueva Ecija Region 6 PENRO Guimaras Central Office AS-Property and Supply Management Division (PSMD) FMS-Accounting Division BMB Inventory and Disposal Committee CAR	April 1, 2022 <				

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			<p>To dispose the unserviceable Property, Plant and Equipment (PPEs). PENRO La Union-.775 M recorded at book value, PENRO Pangasinan-1.717M</p>	<p>Region 1 PENRO La Union and PENRO Pangasinan</p>	<p>April 1, 2022</p>	<p>December 31, 2022</p>	<p>Not Implemented</p>	<p>On going implementation</p>	<p>PENRO La Union- the appraisal of PPEs to be disposed was forwarded to the Commission on Audit (COA).</p> <p>PENRO Pangasinan-On-going preparation of Inventory and Inspection Report of Unserviceable Property (IIRUP). Upon completion of the IIRUP, to request Appraisal and Disposal Committee for conduct of inspection and therefrom recommend to Commission on Audit (COA) for their appraisal and evaluation report which shall be the basis for immediate disposal thru any mode of disposal.</p>
			<p>To instruct the Property Custodian to prepare Inventory and Inspection Report of Unserviceable Property (IIRUP) and immediately take action on the proper disposal of unserviceable properties.</p>	<p>Region 2 Regional Office Property Custodian</p>	<p>January 1, 2022</p>	<p>July 01, 2022</p>	<p>Fully Implemented</p>		<p>The Property Officer already prepared and submitted the IIRUP for various equipment found unserviceable, obsolete and no longer needed identified during the actual count and reported in the Report on the Physical Count of Property, Plant and Equipment.</p>
			<p>To conduct assessment by the PENRO Inventory & Disposal committee of unserviceable properties as reported in the IIRUP and posting of these items for disposal</p>	<p>PENRO Nueva Vizcaya MSD/ ACCOUNTANT/ property officer/ Inventory and Disposal Committee</p>	<p>January 01, 2022</p>	<p>July 01, 2022</p>	<p>Partially Implemented</p>	<p>Posting was scheduled May 23-27, 2022</p>	<p>Assessment report was submitted to Commission on Audit (COA) last March 2022.</p>

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			To conduct appraisal and disposal of the unserviceable properties.	PENRO Quirino Property/ Inventory and Appraisal Committee Appraisal Committee	April 1, 2022	September 30, 2022	Partially Implemented		The Inventory and Appraisal Committee will convene this August for the appraisal of the unserviceable properties and the disposal is targeted to complete by the end of September 2022
				PENRO Cagayan PENRO/ CENROs/ Management Services Division/ General Services Section	January 1, 2022	December 31, 2022	Partially Implemented		This Office had included in its implementation plan, the disposal of all unserviceable PPE which is August 2022 in accordance with Commission on Audit (COA) Circular 89-296
			Strict adherence of the recommendation by the auditor shall be observed henceforth.	Region 5 Property Officer			Implemented		The unserviceable properties were disposed on February 22, 2022.
				Region 6 PENRO Guimaras			Partially Implemented		Inventory Committee has already conducted physical count of Property, Plant and Equipment (PPE) for the One-Time Cleansing of PPE. The next step is to gather and complete affidavit and report for unserviceable properties and submit them to Commission on Audit (COA).

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		b. Property Officers of CO, FMB and PENROs Pangasinan, Isabela, Occidental Mindoro, Siquijor, Palawan, Romblon, Guimaras, Zamboanga Del Norte to accomplish the IIRUP of all obsolete and unserviceable PPEs surrendered in their custody as basis for dropping from the books of accounts after the disposal is completed.	Property/Supply Officer will submit the lacking documents required by the Commission on Audit (COA) Technical Services on their request for inspection of two unserviceable motor vehicles subject for disposal	Region 8 Regional Office Adm. Division/ Property/Supply Officer	June 22, 2022	December 31, 2022	Partially Implemented		Property Supply Officer submitted documents to COA last June 20, 2019 As a result of discussion during Exit Conference, agency will prepare a request to pull-out the submitted original documents to effect necessary corrections	
			To facilitate/cause the immediate appraisal and disposal of unserviceable properties	Region 10 Chief, General Services Section, and Property Custodian	January 1, 2022	October 31, 2022	Not yet Implemented	On-going disposal activities	The Management has already instructed Chief, General Services Section to fast track the disposal of unserviceable properties, and the same are expected to be disposed by September 2022.	
					Central Office AS-Property and Supply Management Division			Implemented		
				To accomplish the Inventory and Inspection Report of Unserviceable Property (IIRUP) of all obsolete and unserviceable PPEs surrendered in their custody as basis for dropping from the books of accounts after the disposal is completed.	FMB			Fully Implemented	Two failed biddings as of June 30, 2022	Accomplished and submitted the Inventory and Inspection Report of Unserviceable Property (IIRUP) on April 25, 2022, with revisions dated June 8, 2022 and July 15, 2022. Inspected the unserviceable Property, Plant and Equipment (PPE) and conducted biddings to dispose of the unserviceable properties.

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				CAR PENRO Apayao	January 1, 2022	December 31, 2022	Partially Implemented		The management have already started disposing the unserviceable properties. The remaining balances will be included in the disposal this June 2022.
				PENRO Benguet	January 2, 2022	September 30, 2022	Not Implemented	Schedule of Disposal is on the Third (3rd) quarter of the year.	
				PENRO Kalinga	January 1, 2022	December 31, 2022	Implemented		The accountant complied with the recommendation and submitted JEV No. 2022-03-000268 dated March 16, 2022 for the adjustment of motor vehicle and other relevant account as per your recommendation.
				PENRO Mountain Province	April 01, 2022	June 30, 2022	Implemented		Unserviceable property were already disposed (JEV-2022-06-000758, JEV-2022-06-000196 & JEV-2022-06-000198).
			To facilitate the disposal of all unserviceable properties to avoid further deterioration and loss of value	Region 2 PENRO Isabela Supply Officer/ Designated Property Custodian Disposal Committee	March 1, 2022	December 31, 2022	Partially Implementation	Review and finalization of the revised IIRUP is still on-going. posting of the invitation to bid for the disposal, actual disposal, preparation of journal entry vouchers.	Reconstituted the Disposal Committee, Conducted the actual Inventory and Inspection of the unserviceable property based on the initial Inventory and Inspection Report of Unserviceable Property (IIRUP) submitted by the designated property custodians, and required the concerned personnel to revised the IIRUP based on the actual findings during the inventory activities.

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			For the Supply Officer to accomplish the Inventory and Inspection Report of Unserviceable Property (IIRUP) of obsolete and unserviceable Property, Plant and Equipments (PPEs) For the Disposal committee to facilitate the disposal of unserviceable PPEs	Region 4-B PENRO Romblon Supply Officer Accountant	June 01, 2022	September 1, 2022	Not Implemented		
			To comply with the audit recommendation on the disposal of unserviceable Property, Plant and Equipment (PPE).	PENRO Palawan Property Unit Inventory Committee	January 1, 2022	December 31, 2022	Not Implemented		PENRO Palawan has already submitted its letter request to the Resident Auditor. The request for inspection and validation of the unserviceable properties for disposal for FY-2020 was forwarded to the Commission on Audit (COA) Technical Audit Specialist thru the Regional Director
				Region 6 PENRO Guimaras			Partially Implemented		Inventory and Inspection Report of Unserviceable Property (IIRUP) was prepared but is awaiting for the affidavit and report as supporting documents
				Region 7 PENRO Siquijor			Fully Implemented		Conduct of inventory of unserviceable properties for disposition and will designate a new Pollution Control Officer (PCO) in lieu of the designated who transferred to PENRO Negros Oriental. Rest assured that after the conduct of inventory, the required clearance from the Commission on Audit (COA) be secured and all unserviceable properties will be properly disposed in accordance with the existing laws and regulations.

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12	Non-compliance with rules and regulations of the Procurement Law Three ROs, nine PENROs and FAPs-FMP did not observe the applicable laws, rules and regulations in their procurement amounting to P126.031 million	We recommended and Management agreed to instruct the BAC of Ros II, IX and XIII, PENROs Romblon, Albay, Sorsogon, Ilocos Norte, Ilocos Sur, Nueva Vizcaya, Eastern Samar, Lanao Del Norte, Surigao Del Norte and FAPs-FMP to ensure that procurement of goods and services and infrastructure projects are in accordance with RA No. 9184 and its Revised Implementing Rules and Regulations (RIRR) and to submit the lacking supporting documents for audit.		Region 9 PENRO Zamboanga del Norte	March 1, 2022	December 31, 2022	Not Implemented	On-going implementation. PENRO Ilocos Norte- 6 out of 9 or 66.67% are already complied	Explanation/justification letter was submitted to Commission on Audit (COA) on March 29, 2022.

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			Strict adherence of the recommendation by the auditor shall be observed henceforth.	Region 5 Regional Office BAC			Fully Implemented		The Management shall strictly observe the provisions set forth in RA No. 9184 in its procurement transactions.
			Management will adhere to the provision of the 2016 Revised IRR of RA 9184 and will conduct a re-orientation and training on procurement	Region 8 PENRO Eastern Samar Accountant			Partially Implemented		The management conducted re-orientation training on procurement and supply management including disposal on April 6-7, 2021.
			Management will instruct the concerned personnel to submit the supporting documents to the claims	Procurement Section			Partially Implemented		The management have instructed the concerned personnel to submit the supporting documents to the claims. Will follow-up on what documents needs to be submitted.
			Management will instruct the accountant to impose liquidated damages on the claims of supplier				Partially Implemented		Management have instructed the accountant to impose liquidated damages on the claims of suppliers.
				Region 9 Regional Office			July 28, 2022		December 31, 2022

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			To comply with the recommendations of Resident COA Auditor and with the rules and regulations of Procurement Law	Region 10 PENRO Lanao del Norte Chief, Management Services Division, Supply Officer and Accountant	January 1, 2022	December 31, 2022	Fully Implemented		<p>The end users were already informed that we have to comply with the recommendations of the Resident Auditors starting from the adoption of public bidding as the mode of procurement in all procurements. The personnel in-charge for procurement has been instructed to strictly follow the provisions of RA 9184.</p> <p>The Procurement in-charge of the CENR Offices were likewise informed that procurement of their supplies and materials should be on a quarterly basis and should be thru bidding. On the other hand, the Supply Officer of the PENR Office had been relieved of her other functions to focus on her duties in the procurement process.</p> <p>The offices immediately required the Agency Procurement Request (APR) and Certificate of Non-Availability of Stocks (CNAS) before the Accountants certified the availability of funds as part of the internal control to ensure the compliance in procurement law</p>

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13	<i>Delayed/Non-submission of government contracts and POs</i> Purchase Orders (POs) amounting to P544.908 million and P113.420 million, respectively, were not submitted by the CO, FMB, FAPs-FMP, FAPs-INREMP, 5 ROs and 28 PENROs within the prescribed period, with delays ranging from 1 to 356 days. Likewise, 658 contracts and 572 POs amounting to P53.547 million and P18.632 million, respectively, were not submitted to the concerned Audit Teams for review. This delayed/non-submission of contracts and POs precludes its timely review and evaluation and the detection of any deficiency that could be rectified immediately.	We recommended and Management agreed to direct the Heads of the CO, FMB, FAPs-FMP, FAPS-INREMP, CAR and ROs II, III, VI, XIII and 28 PENROs to: a. maintain and updated monitoring system on the submission of contracts/PO, and check periodically the status of such submission;		Central Office	June 1, 2022	December 31, 2022	Not Implemented		In compliance with the Audit recommendations, Management have already issued Memorandum no. 2022-149 dated March 14, 2020 directing all End-User/Implementing Units through Property and Supply Management (PSMD) -Procurement Management Section (BAC Secretariat) to consistently comply with Commission on Audit (COA) Circular No. 2009-001. Furthermore, the Accounting Division thru the Disbursement Section has already forwarded all the original Job Order contracts together with original copies of Obligations Request and Status (ORS) to the Personnel Division in compliance with the COA audit recommendations.
			To maintain and updated monitoring system on the submission of contracts/Purchase Order (PO), and check periodically the status of such submission	FMB	N/A	N/A	Not Implemented	N/A	To maintain and updated monitoring system on the submission of contracts/Purchase Order (PO), and check periodically the status of such submission
				CAR	April 01, 2022	June 01, 2022	Implemented		The management is monitoring all the contract must be submitted to Commission on Audit (COA).

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			To strengthen the monitoring system for the submission of Purchase Orders (POs) and contracts.	Region 1 PENRO Ilocos Norte, PENRO Ilocos Sur, PENRO La Union and PENRO Pangasinan Region 3 Regional Office 					

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				Region 6 Regional Office			Fully Implemented		Maintained an updated monitoring system on the submission of contracts/ POs and checked periodically the status of such submission.
				PENRO Iloilo			Fully Implemented		Management issued a Memorandum to the respective Liaison Officers of the CENR Offices and the personnel in charge under Forestland Management Project (FMP) dated January 18, 2022 stating that the copies of POs and/or letter of agreements including the attachments must be submitted to the office of the Auditor not later than five (5) working days from issuance/execution in compliance with COA Circular No. 2009-001.
			Ensure and monitor the submission of contracts, Purchase Orders (POs) and their supporting documents to the Office of the Auditor within five (5) working days from issuances thereof to the supplier/ service provider.	Region 10 PENRO Bukidnon Chief Management Services Division/ Procurement Unit	January 1, 2022	December 31, 2022	Fully Implemented		The management of PENRO Bukidnon has already instructed the concerned Officials and personnel to comply with the prescribed period (within five (5) working) of the submission of contracts Purchase Orders (POs) and their supporting documents to the Office of the Auditor.
				Region 12 Regional Office Chief, Procurement Section			Fully Implemented		Already adhered to the rules and regulations of RA 9184 and had implemented the recommendations based on the audit findings.
				Region 13 Regional Office and PENROs			Fully Implemented		All offices are strictly observed the Commission on Audit (COA) Circular No. 2009-001 which is submission of contracts to COA shall be done within 5 working days after its perfection.

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		b. properly endorse the task of submission of contracts to the alternate staff in case of unavailability of the person-in-charge; and		Central Office FMS-Accounting Division AS-Property and Supply Management Division	June 1, 2022	December 31, 2022	Implemented		In compliance with the Audit recommendations, Management have already issued Memorandum no. 2022-149 dated March 14, 2020 directing all End-User/Implementing Units through Property and Supply Management (PSMD) -Procurement Management Section (BAC Secretariat) to consistently comply with COA Circular No. 2009-001. Furthermore, the Accounting Division thru the Disbursement Section has already forwarded all the original Job Order contracts together with original copies of Obligations Request and Status (ORS) to the Personnel Division in compliance with the COA audit recommendations.
			To properly endorse the task of submission of contracts to the alternate staff in case of unavailability of the person-in-charge;	FMB	N/A	N/A	Fully Implemented	N/A	Endorsed the task of submission of contracts to the alternate staff in case of unavailability of the person-in-charge;
				CAR Regional Office	April 01, 2022	June 01, 2022	Implemented		All Purchase Orders (POs) will submitted by the end-user and for the contract of service, the Finance Division is in charge, and submissions will be monitored by the Administrative Division.
			To ensure that there is proper turn over of works in case of unavailability of the in-charge.	Region 1 PENRO Ilocos Norte, PENRO Ilocos Sur, PENRO La Union and PENRO Pangasinan	April 1, 2022	December 31, 2022	Fully Implemented		Leave of absence of staff are strictly monitored and proper turn over of work is ensured.

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				Region 3 Regional Office			Fully Implemented		Under Conservation and Development Division (CDD), five activities were undertaken during CY 2021 within reglementary period, such as the MOA between NEDA R3 for the Operationalization of Pampanga River Basin Committee, and of the four People's Organizations from the Province of Zambales and Nueva Ecija under Community-Based Forest Management (CBFM)_ CARP. Copies of the five MOAs entered by DENR, of which said activities were satisfactorily accomplished, were already submitted. A Memorandum was issued by PENR Officer to concerned Personnel to address the compliance to Audit Observation Memorandum (AOM) No. 2022-005 (2021) dated February 21, 2022. All offices have a monitoring system of the contracts and purchase order as per template provided by Commission on Audit (COA). Scanned copies of the documents are send via email with within the prescribed period. Accountant and property officer is still in the process of reconciliation. Report of Supplies and Materials Issued (RSMI) and Research, Statistic and Innovation (RSI) will be submitted accordingly. As of this date, all CY 2020 financial reports have been submitted
				PENRO Bulacan					
				PENRO Nueva Ecija					
				PENRO Pampanga					
				Region 6 Regional Office/ PENRO Iloilo			Fully Implemented		Properly endorsed the task of submission of contracts to alternate staff in case of unavailability of the person-in-charge

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		c. submit copies of perfected contracts/purchase orders within the prescribed timeline.	Ensure and monitor the submission of contracts, POs and their supporting documents to the Office of the Auditor within five (5) working days from issuances thereof to the supplier/ service provider.	Region 10 PENRO Bukidnon Chief Management Services Division / Procurement Unit	January 1, 2022	December 31, 2022	Fully Implemented		The management of PENRO Bukidnon has already instructed the concerned Officials and personnel to comply with the prescribed period (within five (5) working) of the submission of contracts Purchase Orders (POs) and their supporting documents to the Office of the Auditor.
			Region 13 Regional Office & PENROs			Fully Implemented	All offices are strictly observed the Commission on Audit (COA) Circular No. 2009-001 which is submission of contracts to COA shall be done within 5 working days after its perfection.		
			Central Office FMS-Accounting Division AS-Property and Supply Management Division	June 1, 2022	December 31, 2022	Implemented	In compliance with the Audit recommendations, Management have already issued Memorandum no. 2022-149 dated March1 4, 2020 directing all End-User/Implementing Units through Property and Supply Management (PSMD) -Procurement Management Section (BAC Secretariat) to consistently comply with COA Circular No. 2009-001. Furthermore, the Accounting Division thru the Disbursement Section has already forwarded all the original Job Order contracts together with original copies of Obligations Request and Status (ORS) to the Personnel Division in compliance with the COA audit recommendations.		

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			To submit copies of perfected contracts/purchase orders within the prescribed timeline.	FMB	N/A	N/A	Fully Implemented	N/A	Contracts and Purchase Orders (POs) for CY 2021 have been submitted
				CAR Regional Office	April 01, 2022	June 01, 2022	Implemented		All Purchase Orders (POs) and contracts mentioned in the Audit Observation Memorandum (AOM) were already submitted to COA on various dates.
			To ensure the timely submission of Purchase Orders (POs)/contracts.	Region 1			Not Implemented	On-going implementation.	
				Region 3 Regional Office			Fully Implemented		Under Conservation and Development Division (CDD), five activities were undertaken during CY 2021 within reglementary period, such as the MOA between NEDA Region 3 for the Operationalization of Pampanga River Basin Committee, and of the four People's Organizations from the Province of Zambales and Nueva Ecija under Community-Based Forest Management (CBFM)_ CARP.
				PENRO Bulacan					Copies of the five MOAs entered by DENR, of which said activities were satisfactorily accomplished, were already submitted.

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				PENRO Nueva Ecija	January 1, 2022	December 31, 2022	Fully Implemented		A Memorandum was issued by PENR Officer to concerned Personnel to address the compliance to Audit Observation Memorandum (AOM) No. 2022-005(2021) dated February 21, 2022. All offices have a monitoring system of the contracts and purchase order as per template provided by Commission on Audit (COA). Scanned copies of the documents are send via email with within the prescribed period.
			PENRO Pampanga						
			Region 6 Regional Office/ PENRO Iloilo						
			Region 10 PENRO Bukidnon Chief Management Services Division / Procurement Unit						
			Ensure and monitor the submission of contracts, POs and their supporting documents to the Office of the Auditor within five (5) working days from issuances thereof to the supplier/ service provider.	Region 13 Regional Office & PENROs			Fully Implemented		All offices are strictly observed the Commission on Audit (COA) Circular No. 2009-001 which is submission of contracts to COA shall be done within 5 working days after its perfection.

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14	<p><i>Receipt and utilization and implementation of FAPs and ODA Funded Projects</i></p> <p>The Foreign Assisted Projects (FAPs) namely: Forestland Management Project (FMP) and Integrated Natural Resources and Environmental Management Project (INREMP) showed an overall obligation rate of 92.74 percent for FMP and 91.79 percent for INREMP and the overall disbursement rate of 48.82 percent and 84.04 percent respectively, for CY 2021. Moreover, delays in the release of funds and project implementation have caused the government commitment fees totaling 71.054 million from CYs 2012 to 2021 of which 2.744 million pertains to CY 2021.</p>	<p>We recommended and Management agreed to direct the:</p> <p>a. FMP - CPMO and INREMP - NPCO to consider all possible future adjustments in conducting project activities during the planning process so that the agency can program additional activities to maximize the utilization of funds and reduce the unutilized balance of the loan agreement as of year-end;</p> <p>b. DENR-FASPS to:</p> <p>follow-up with the lending agency the application and release of revolving funds for timely implementation of FMP activities and payment/disbursements for the project expenses; and</p> <p>write the National Economic and Development Authority (NEDA) to revisit the provisions/terms of future loan agreements, particularly on commitment fees.</p>							
15	<p><i>Idle/unused government property and equipment under the responsibility of the DENR Field Offices</i></p> <p>Five Small Water Impounding Systems (SWIS) under the area of responsibility of CENRO - Guinobatan amounting to 1.369 million were found to be inoperative due to laxity in the adherence to the requirements set forth under the Philippine National Standards (PNS), hence, resolution of water scarcity in the area was not fully achieved. While in PENRO Aklan, feasibility and preliminary engineering studies were not sufficiently carried out, resulting in the inefficient implementation of the DENR Regional Training Center Construction Project with a total contract cost of 4.615 million initiated in CY 2017, thus, the project remained unfinished to date, to the disadvantage of the government.</p>	<p>We recommended and Management agreed to direct the concerned Regional Executive Directors and PENR Officers of:</p> <p>a. PENRO Albay to:</p> <p>i. direct the concerned personnel to do the necessary efforts to facilitate the repair of SWIS at Brgy. Balogo, Oas, Albay;</p> <p>ii. Exhaust all available remedies to ensure immediate operation of the SWIS in four locations in the Municipality of Guinobatan, Albay.</p>	<p>Management has set forth solutions for the immediate operation/ utilization of the subject Small Water Impounding System (SWIS) projects located in Oas and Guinobatan, Albay.</p>	<p>Region 5</p> <p>CENR Officer/SVEMS/</p> <p>CENR Officer/ Supervising Ecosystems Management Specialist/ Forester (in-charge)</p>	<p>January 1, 2022</p> <p>January 1, 2022</p>	<p>December 31, 2022</p> <p>December 31, 2022</p>	<p>Not Implemented</p> <p>Not Implemented</p>	<p>Subject for development of proposal for the conduct of repair of the SWIS thereby ensuring its operation.</p>	<p>The Management shall develop a plan and/ or submit a proposal that will manage a doable repair on the damaged SWIS project in Brgy. Balogo, Oas, Albay; Coordinate with the concerned officials of Brgy. Bololo, Guinobatan, Albay to gather issues and concern affecting the immediate operation of the SWIS project in their area that will eventually lead to the determination of the appropriate technical assistance needed to be rendered; provide technical assistance, and determine the status of locating nearby water source to replace the original one of the SWIS</p>

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			Action Plan	Person/ Dept. Responsible	Target Implementation Date				
					From	To			
16	<p><i>Improper handling, custody and delayed disposition of confiscated forest products and conveyances</i></p> <p>The absence of a clear-cut policy in the management of the Confiscated/Abandoned/Seized Goods Inventory (CASGI), lack of adequate storage facility and non-conduct of inventory of disposable confiscated forest products, conveyances, tools and equipment resulted in the improper handling, custody and delayed disposition of confiscated products costing 59.229 million in RO II and eight PENROs, thus, exposes the assets to the risk of loss or further deterioration.</p>	<p>b. PENRO Aklan to:</p> <p>i. require the Accountant to compute the liquidated damages to be imposed against the contractor;</p> <p>ii. Follow-up constantly the approval of the request for the additional funding from the CO for the completion of the building address immediately any concern identified by the CO in granting the request; and</p> <p>iii. Henceforth; conduct a thorough feasibility or preliminary engineering study to ensure the success in the project implementation.</p> <p>We recommended and Management agreed to direct the concerned personnel of RO II and concerned PENR Officers of PENROs Cagayan, Bataan, Nueva Ecija, Misamis Occidental, Tarlac, Negros Occidental, Siquijor, and Negros Oriental to:</p> <p>a. issue an order directing the personnel in-charge to ensure that proper care and storage are provided for the confiscated property to preserve their economic values for the government to obtain optimum benefits therefrom;</p>		<p>Region 6 PENRO Aklan</p> <p>PENRO Aklan</p> <p>PENRO Aklan</p> <p>Region 6 PENRO Negros Occidental</p> <p>Region 7 PENRO Negros Oriental</p>	<p>January 01, 2022</p> <p>January 01, 2022</p> <p>January 01, 2022</p> <p></p> <p></p>	<p>December 31, 2022</p> <p>June 01, 2022</p> <p>June 01, 2022</p> <p></p> <p></p>	<p>Not Implemented</p> <p>Implemented</p> <p>Implemented</p> <p>Implemented</p> <p>Fully Implemented</p>	<p>project located in Brgy. Mercedes, Guinobatan, Albay; and make recommendations, for possible funding in order for the immediate rehabilitation to materialize.</p> <p>Accountant shall compute the liquidated damages and require the contractor to pay.</p> <p>Accountant to follow up the request already sent to the Central Office through the Region for additional funding and to handle whatever concerns of the Central Office to facilitate immediate release of fund. Letter was sent to Central Office dated March 16, 2022.</p> <p>Project Engineer will be assigned in the future infrastructure implementation with coordination in DPWH to ensure close monitoring and supervision of the progress of activities.</p> <p>Repair of storage facilities for CENRO Cadiz and Kabankalan was undertaken last CY 2021.</p> <p>Have already provided storage facilities for confiscated forest products in CENRO Dumaguete City and CENRO Ayungon.</p>	

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-Implementation of action, if applicable	Action Taken/Action to be Taken
			Action Plan	Person/ Dept. Responsible	Target Implementation Date				
					From	To			
			Find ways and means for the proper care and storage of the confiscated property and closely coordinate with DENR Regional Office for the appraisal of confiscated properties.	Region 10 PENRO Misamis Occidental CENRO Oroquieta and CENRO Ozamiz	January 01, 2022	December 31, 2022	Fully Implemented		The CENR Offices already conducted the following activities: 1. Solicited available area as temporary depository for the forest products; 2. Conducted inventory of the confiscated products; and 3. Closely coordinate with the DENR Regional Office for the appraisal and immediate disposal of the confiscated assets
		b. include the cost of the construction/repair of storage facilities in the budget proposal to accommodate all the confiscated/seized forest products, conveyances, tools and equipment under the DENR custody to prevent the loss and to preserve their economic value; and		Region 6 PENRO Negros Occidental			Implemented		Funds were already released last year.
				Region 7 PENRO Siquijor			Partially Implemented		Have submitted a budget proposal to regional office for the construction of a depository area for the proper handling of custody of apprehended forest products and conveyance. Have constructed a storage shed located at barangay Candigum, Larena, Siquijor for the mean time while waiting for the approval of the budget.
		c. conduct periodic physical count of seized property and request for authority from the concerned courts to dispose the confiscated property/asset to prevent from further deterioration.		Region 2 PENRO Cagayan- PENRO/Technical Services Division/ CENROs	January 01, 2022	December 31, 2022	Partially implemented		This Office required the CENR Offices and Sub-Office thru a memorandum dated March 28, 2022 for them to update and submit to the Enforcement Section their report of confiscated assets for consolidation. Once complied, the Commission on Audit (COA) will be furnished a copy of the final consolidated report for confiscated assets.
				Region 3 PENRO Bataan	August 01, 2022	December 31, 2022	Not Implemented		** Inventory of the all confiscated forest products including conveyances, tools and equipment by the Inventory Team is on-going. The accountant already recognized in the books those Confiscated Assets with Order of Finality.

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-Implementation of action, if applicable	Action Taken/Action to be Taken
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					From	To			
		<p>We further recommended and Management agreed to consider crafting a clear-cut policy in the management of CASGI and issuing supplemental guidelines and procedures over confiscation/seizure of illegally cut forest products in such a way that it clearly defines the responsible person, its responsibility in the custody of the seized products/property and accountability over confiscated assets, and identify measures that would facilitate the speedy disposal of seized</p>		<p>PENRO Nueva Ecija</p> <p>PENRO Tarlac</p> <p>Region 6 PENRO Negros Occidental</p>			Implemented	<p>This is supported by JEV No. 2022-06-1279.</p> <p>** The agency coordinated and followed-up with the Regional Office for the Issuance of Finality for terminated confiscation proceedings and with Confiscation Order.</p> <p>** The CENROs are already instructed to submit a complete report of confiscated properties.</p> <p>** The management is in the planning process on how to provide a storage facility for the safekeeping of all seized and confiscated items.</p> <p>In the process of updating the list of inventory of Confiscated Properties with order of finality.</p> <p>Inventory count of Confiscated assets were done on April 7 & 8, 2022. Awaiting for the inventory report to support the adjustment in the books of accounts.</p> <p>A Special Order was issued creating the Inventory Committee for confiscated forest products and conveyances with orders of finality.</p>	