

**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
REGIONAL OFFICE NO. XIII
Butuan City**

**AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
Audit Observations and Recommendations for CY 2019
As of November 30, 2020**

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan			Status of Implementation	Reason for Partial/Delay/Non-Implementation, if applicable	Action Taken/Action to be Taken
			Action Plan	Person/Office Responsible	Target Implementation Date			
					From			
ML 2019 Par. 5	A parcel of land containing an area of more or less 1,000 square meters was not taken up in the books of accounts at its fair value as at the date when it was donated by the City Government of Butuan in favor of DILG-RO XIII contrary to the provisions of	We recommend that Management require the Accountant to take up in the books of accounts the 1,000 square meter lot donated by the City Government of Butuan in adherence to the provisions of Sections 11 and 13 of GAM Volume I.				Fully Implemented		The estimated land value were already booked per Journal Entry Voucher No. 2020-03-78 dated March 31, 2020 amounting to P535,714.00 based on the total amount of market value P3,750,000.00 in adherence to the provisions of Sections 11 and 13 of GAM Volume I.

	Sections 11 and 13 of the Government Accounting Manual (GAM) Volume I thus, misstating the affected accounts in the financial statement.							
ML 2019 par. 6	Accounts Payable recorded in the books of accounts amounting to P1,159,081.20 representing unpaid transactions of various DILG Provincial offices were not supported with sufficient documents to establish the validity of the recognized liability which is not compliant with the	Require the concerned Provincial Offices to submit copies of the supporting documents to ascertain the validity of the recognized Accounts Payable in the books of accounts totaling P1,159,081.20					Fully Implemented	The recognized Accounts Payable totaling P1,159,081.20 were already paid and the disbursement vouchers with the corresponding supporting documents were already submitted to the Auditor as of March 31, 2020. In CY 2020 and onwards, the office will require the Provincial Offices to submit not only the list of their payables but as well as the supporting documents before the Accountant will recognize such

	requirement of Section 2, Volume I of the Government Accounting Manual (GAM) for National Government Agencies.							payables in the books of accounts to establish the validity of the claims.
ML 2019 par. 7	Funds totaling P7,151,580.25 transferred by DILG to the Local Government Units (LGUs) for the implementation of PAMANA, BUB and Salintubig projects remained unliquidated as of December 31, 2019 despite full completion of the projects which is not in accordance with the	We recommend that Management direct the Accounting Division to coordinate/follow-up from the concerned LGUs the submission of the Liquidation Reports on PAMANA, BUB and Salintubig fund utilization especially those pertaining to fully-completed projects.				Ongoing		*As of November 30, 2020 the unliquidated balance is amounting to P1,922,062.93 – PAMANA project of Provincial Government of Agusan del Norte. Please be informed that the COA TASC conducted their inspection on October 2020. We had already followed up the concerned LGU for the liquidation of the said amount but the LGU could not make it yet due to the lockdowns of offices caused by the pandemic covid-19 positive confirmed

	provisions of PAMANA, BUB and Salintubig guidelines.								cases of some employees.
ML 2019 par. 8	Fund transfers from the Local Government Academy (LGA) totaling P758,074.39 for training on Enhancing Local Government Unit Capacity on Planning and Regulatory Simplification of Local Development Projects for CY 2017-2018 remained unliquidated as of December 31, 2019 despite the lapse of the intended period of implementation contrary to Section 4.6 of COA Circular	We recommend that Management direct the focal person to facilitate the conduct of trainings/activities in capacitating the LGUs to attain the desired purpose and prepare/submit the liquidation documents to the LGA to report the utilization of the fund transfer.					Ongoing		<p>*The Training for Regulatory Simplification of Development Projects was already conducted and funds were fully utilized/ liquidated as of November 30, 2019.</p> <p>*Fund for Enhancing Local Government Unit Capacity on Planning has a remaining unliquidated funds amounting to P454,201.26 as of November 30, 2020. Conduct of trainings/activities which is scheduled to be conducted month of December 2020. The Accounting Section will immediately prepare the liquidation reports pertaining to the funds and will submit to the Local</p>

	No. 94-013.								Government Academy (LGA) to settle the region's accountabilities.
ML 2019 par. 9	Procurement of goods and catering services aggregating P1,973,080.79 through Small Value Procurement (SVP) of DILG Provincial Offices were not fully compliant with the requirements enunciated in the Revised IRR of R.A 9184 and COA Circular 2012-001.	We recommend that the Provincial Office of Dinagat shall submit the documents supporting its procurement for Catering Services and direct the Surigao del Norte Provincial Office to adhere strictly to the provision of R.A 9184 with respect to its procurement of goods and services thru small value procurement as required in the Procurement Law.					Fully Implemented		*DILG - Province of Dinagat Islands - Disbursement Vouchers and its supporting documents were already submitted to COA on March 11, 2020 **DILG - Surigao del Norte - The Bids and Awards Committee (BAC) will review and strengthen internal processes so as to ensure that such lapses will not happen again. Moreover, they had already posted the NOAs of the three (3) transactions in the Philgeps and that the insufficiencies are now rectified.

- Agency sign-off;


LILIBETH A. FAMACION, CESO III
Regional Director

Name and Position of Agency Officer

December 15, 2020

Date