

# DOH ACTION PLAN AND STATUS OF IMPLEMENTATION

## Audit Observation and Audit Recommendations

For the Calendar Year 2017

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	<b><u>A. Financial Audit</u></b>									
DOH CAAR 2017 par.1	<b>Accounting Errors and Omissions</b>  Various accounts of the DOH under the Asset, Liabilities and Equity (including Income and expenses) category have misstatements overstating the reported total Assets and Equity amounting to P2,451,462,124.98 and P3,331,963,088.10, respectively, and understating the reported total Liabilities amounting to P880,500,963.12 which represents 1.68 percent, 4.14 percent and 2.68 percent of its total Asset, Equity and Liabilities, respectively. The accounts also showed various accounting deficiencies amounting to P43,305,298,621.13. Due to the significant impact of such misstatements on the reported balances of the affected accounts, the accuracy, completeness and existence of the said accounts could not be relied upon.									
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> a) Net understatement of Cash accounts -P113,289,347.74 <b>- Unrecorded Liquidation, refunds or replenishments</b>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:	East Avenue Medical Center	For Compliance	Various Accountable Officers and Employees / Accounting Section	3/1/18	6/30/18	Fully Implemented		As of to date, all outstanding Cash Advances as of December 31, 2018 were liquidated and properly recorded in the books

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;	RO 4A	Make the necessary adjustments and corrections on the noted errors, omissions, and deficiencies thru the adjustment/ correction of Accumulated Surplus account and record the subject transactions accordingly.	Chief Accountant	Jan. 2018	Jun. 2018	Fully Implemented		Corresponding adjustments and corrections have been made and were submitted on June 28, 2018.
		b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;	RO 5	Retrieval of documents pertaining to unrecorded transactions From Accounting files.	Resty D. Daep	Jan 2018	Dec 2018	Partially implemented	No documents retrieved to support adjustments pertaining to prior year transactions	Request to COA the retrieval of documents to support the needed adjusting entries.
		c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;								
		d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and								
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> a) <b>Net understatement of Cash accounts -P113,289,347.74</b>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that	TRC Isabela	Disbursement vouchers should be immediately accounted and recorded to the books and reconciliation	Accounting Section	Apr. 2018	Jun. 2018	Fully Implemented	n/a	Disbursement vouchers are immediately accounted and recorded to the books and

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	- <i>Unrecorded Expenses, disbursements, remittances application of payment, liabilities, receipts, receivables, collections or deposits</i>	<p>their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>		of book and bank accounts at a regular basis						reconciliation of book and bank accounts at a regular basis
Valenzuela Medical Center				Engineer IV/Special Disbursing Officer			Fully Implemented		Accountable Officer is already reconciling the Cash Disbursement Record with the Subsidiary Ledger of the Accounting Section - VMC recorded an Appropriate Cash Account of '(P22,545.00)	
RO NCR			- To prepare necessary journal entry to record the reconciling items to correct the account balances.	Accounting Section	March 2018	Dec 2018	Partially Implemented	On-going reconciliation and review of Cash Accounts	- Journal entries of reconciling items has been recorded to correct the account balances per reference JEV Nos. 2018-01-553; 2018-05-2017; 2018-05-2021 and 2018-02-2019.	
Cagayan Valley Medical Center			*The Cashier and Accounting Section had already observed reconciliation of their records on a monthly basis and make necessary adjustments in their respective records after verification of such. Both offices had already effected the adjustments reflected in the Reconciliation Statement of Accountability during the cash exam. Likewise, both offices assigned person-in-charge to do monthly reconciliation. **The Accounting and Materials Management Section agreed to comply in the conduct of regular reconciliation of their respective records on inventories. The Accounting Section observed maintenance of records on inventories per Fund Cluster and records receipts and issuances of inventories based on	Cashier Section, Accounting Section, Materials Management Section and Billing and Claims Unit	August 2017 and onwards		Fully Implemented			

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				<p>relevant source documents submitted by the Materials Management Section such as Inspection and Acceptance Report and Requisition Issue Slip. Thus, the Accounting Section has already submitted monthly Report of Supplies and Materials Issued (RSMI) to COA with the accomplished portion on the unit cost and total cost of all issuances for the period and has already prepared journal entries to effect necessary adjustments as per verification of the ledgers maintained in the area and submitted the said entries to COA. Likewise, the Materials Management Section has already implemented the use of Stock Cards and properly accomplished such form. The section also observed monitoring for all items purchased, received and distributed separately according to their source as presented in the stock cards.</p> <p>***The Accounting Section agreed to comply with the review and analysis of reported balance of the receivables from PHIC and has already conducted regular reconciliation with the Billing and Claims Unit on a monthly basis. The Accounting Section has already prepared the</p>						
--	--	--	--	--	--	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				journal entries for those claims with negative balances and denied claims. The Billing and Claims Unit also agreed to review carefully and thoroughly all claim forms for completeness and correctness of data prior to submission to the PHIC. Thus, Billing and Claims Unit regularly keeps on being immediately acquainted with PhilHealth Advisories and Circulars and continue to make strategies and possibilities to address issues and adhere to the guidelines prescribed by PhilHealth.						
			East Avenue Medical Center	For Compliance	Accounting Section	1/1/18	1/31/18	Fully Implemented		Adjustments in the books were already made per JEV # 07-2018-0001
			RO 4A	Make the necessary adjustments and corrections on the noted errors, omissions, and deficiencies thru the adjustment/ correction of Accumulated Surplus account and record the subject transactions accordingly.	Chief Accountant	Jan. 2018	Jun. 2018	Fully Implemented		Corresponding adjustments and corrections have been made and were submitted on June 28, 2018.
			RO 5	Retrieval of documents pertaining to unrecorded transactions From Accounting files.	Resty D. Daep	Jan 2018	Dec 2018	Partially implemented	No documents retrieved to support adjustments pertaining to prior year transactions	Request to COA the retrieval of documents to support the needed adjusting entries.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>a) Net understatement of Cash accounts -P113,289,347.74</b> <i>- Erroneous use of accounts</i>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard</p>	San Lazaro Hospital	1. Compliance to COA recommendation to be fully implemented	Accounting Department	July 2018	Onwards	Partial Implementation		Necessary adjustment will be made by the Accounting Department.
			TRC Bicutan	We will comply with the audit recommendations in order to address the audit observations.	Accountant/Accounting Section			Fully Implemented		Prepared and booked necessary adjustment to correct error in recording of transaction.
			East Avenue Medical Center	For Compliance	Accounting Section	1/1/18	1/31/18	Fully Implemented		Adjustments in the books were already made per JEV # 07-2018-0001
			Valenzuela Medical Center		Accountant			Fully Implemented		Accountant complied with the recommendations of the Auditor in compliance with the provisions of GAM. Necessary adjustments were already made. –VMC recorded a Cash-Treasury /Agency Deposit, Regular of P125,431.14

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>a) Net understatement of Cash accounts -P113,289,347.74</b> <i>- Improper/ Erroneous (over, under and/or double) recording of Transactions</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest	Valenzuela Medical Center		Engineer IV/Special Disbursing Officer			fully implemented		Accountable Officer is already reconciling the Cash Disbursement Record with the Subsidiary Ledger of the Accounting Section ---VMC recorded an Appropriate Cash Account of P24,556.50
			RO 5	Retrieval of documents pertaining to unrecorded transactions From Accounting files.	Resty D. Daep	Jan 2018	Dec 2018	Partially implemented	No documents retrieved to support adjustments pertaining to prior year transactions	Request to COA the retrieval of documents to support the needed adjusting entries.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>a) Net understatement of Cash accounts -P113,289,347.74</b> <i>- Non-adjustment of stale and unreleased checks</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments	RO 1	The Accountant is constantly performing account reconciliation in this regard.  The Agency will adhere to the recommendations.	a), b), c) & e) - Accountant  d) CAO and/or SAO, Cluster Heads, Section chiefs	Oct 2018	Dec 2018	Necessary adjustments have been made and there is an on-going account reconciliation.  Meeting with the concerned offices on the timely submission of reports will be conducted.		Necessary adjustments have been made and there is an on-going account reconciliation.  Meeting with the concerned offices on the timely submission of reports will be conducted.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>a) Net understatement of Cash accounts -P113,289,347.74</b> <i>- Non-adjustment of stale and unreleased checks</i>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated</p>	RO 2	The management reminded the Accountant and the Cashier to review the deficiencies noted and observed / implement immediately the recommendations made.	Accounting Unit	May 2017	Jun 2017	Fully Implemented		<p>The unreleased checks were already recorded in the books as cancelled within the month or one month after they became stale.</p> <p>The Accounting unit has exerted extra effort in securing the relevant documents pertaining to prior years' book reconciling items to support the adjustment made.</p>
			Amai Pakpak Medical Center	Timely submission of Bank Reconciliation Statements after review of the Accountant as to its correctness.	Anna Najieva Bantuas-Lucman-Accountant IV	Feb. 2018	June 2018	Fully Implemented		Accountant already reviewed the Bank Reconciliation statements prior to its submission to the COA Resident Auditor.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	Bicol Medical Center	<p>1. Review reconciling items and retrieve necessary supporting documents for reference.</p> <p>2. Coordinate with Cash Operations re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.</p> <p>3. Conduct reconciliation and prepare necessary adjusting entries.</p> <p>4. Ensure timely submission of Bank Reconciliation Statements. Coordinate with Cash Operations to facilitate receipt of Bank Statements or print-out of Bank Statements.</p>	<p>Armida L. Naz, Accountant IV</p> <p>Joel Bernard Enrile, Accountant III</p> <p>Ma Thresa Abay, SAO/Head-Cash Operations</p>	April 10, 2018		Partially implemented	<p>There were no source documents on some transactions.</p>	<p>Reviewed transactions and retrieved necessary documents for adjustments.</p> <p>Coordinated with Cash Operation re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.</p>
			Bicol Sanitarium	<p>1. Assign a staff to assist in the reconciliation of account and retrieval of supporting documents</p> <p>2. Retrieve related supporting documents (bank statements, journals, book of accounts, etc) and analyze recording of transactions</p> <p>3. Book the necessary journal entries"</p>	Maria Cecilia J. Manzo / Accountant II	Jun 2018	Dec 2018	Ongoing	<p>Retrieval of supporting documents as well as limited number of staff is a challenge</p>	<p>Specific personnel were assigned to help in the reconciliation. Out of 25.4 million difference in 2017, remaining items for reconciliation is only 420 thousand. Reconciliation and retrieval of supporting documents will be continued.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Food and Drug Administration	Prepare Bank Reconciliation Statements and submit on time and make the necessary adjustments.	Accounting / FROO	Jan 2018	Sep 2018	Partial Implementation		Reconciling items were taken up as per JEV # 18-01-101; JEV # 18-01-102; JEV # 18-01-103; JEV # 18-01-104. The other reconciling items are still being verified/validated for the details. Delay in the submission of Bank Reconciliation Statement is partly due to delayed receipt of bank statements from the banks. The Accounting Division has submitted BRS for LBP Payroll Account No. 0392-1031-80 as of January 2017. Special Fund – RA DBP No. 0430-13669-030 as of March 2018. For LBP Account No. 0391-1052-12, last BRS was March 2016, there was no transaction for this account since then. Updating of BRS is ongoing. To be able to comply with timeliness, we will be requesting LBP for WeAccess for all our bank accounts.
			RO 2	The management reminded the Accountant and the Cashier to review the deficiencies noted and observed / implement immediately the recommendations made.	Accounting Unit	May 2017	Jun 2017	Fully Implemented		The unreleased checks were already recorded in the books as cancelled within the month or one month after they became stale.  The Accounting unit has exerted extra effort in securing the relevant documents pertaining to prior years' book reconciling items to support the adjustment made.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>a) Net understatement of Cash accounts -P113,289,347.74</b> <i>- Non-adjustment of book reconciling items</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among	Bicol Medical Center	1. Review reconciling items and retrieve necessary supporting documents for reference.  2. Coordinate with Cash Operations re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.	Armida L. Naz, Accountant IV  Joel Bernard Enrile, Accountant III	April 10, 2018		Partially implemented	There were no source documents on some transactions.	Reviewed transactions and retrieved necessary documents for adjustments.  Coordinated with Cash Operation re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard</p>		<p>3. Conduct reconciliation and prepare necessary adjusting entries.</p> <p>4. Ensure timely submission of Bank Reconciliation Statements. Coordinate with Cash Operations to facilitate receipt of Bank Statements or print-out of Bank Statements.</p>	Ma Thresa Abay, SAO/Head-Cash Operations					
			Bicol Sanitarium	<p>1. Assign a staff to assist in the reconciliation of account and retrieval of supporting documents</p> <p>2. Retrieve related supporting documents (bank statements, journals, book of accounts, etc) and analyze recording of transactions</p> <p>3. Book the necessary journal entries"</p>	Maria Cecilia J. Manzo / Accountant II	Jun 2018	Dec 2018	Ongoing	Retrieval of supporting documents as well as limited number of staff is a challenge	Specific personnel were assigned to help in the reconciliation. Out of 25.4 million difference in 2017, remaining items for reconciliation is only 420 thousand. Reconciliation and retrieval of supporting documents will be continued.
			Eastern Visayas Regional Medical Center	Find the supporting documents of reconciling items	Accounting	3/14/18	12/31/18	Partially implemented	Supporting documents were already submitted to COA and others were already destroyed by Super Typhoon Yolanda	Find other alternative supporting documents which are available

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		against inaccurate or misleading information.	Food and Drug Administration	Prepare Bank Reconciliation Statements and submit on time and make the necessary adjustments.	Accounting / FROO	Jan 2018	Sep 2018	Partial Implementation		<p>Reconciling items were taken up as per JEV # 18-01-101; JEV # 18-01-102; JEV # 18-01-103;</p> <p>JEV # 18-01-104. The other reconciling items are still being verified/validated for the details.</p> <p>Delay in the submission of Bank Reconciliation Statement is partly due to delayed receipt of bank statements from the banks. The Accounting Division has submitted BRS for LBP Payroll Account No. 0392-1031-80 as of January 2017. Special Fund – RA DBP No. 0430-13669-030 as of March 2018. For LBP Account No. 0391-1052-12, last BRS was March 2016, there was no transaction for this account since then. Updating of BRS is on-going.</p> <p>To be able to comply with timeliness, we will be requesting LBP for WeAccess for all our bank accounts.</p>
			RO NCR	- To prepare necessary journal entry to record the reconciling items to correct the account balances.	Accounting Section	March 2018	Dec 2018	Partially Implemented	On-going reconciliation and review of Cash Accounts	- Journal entries of reconciling items has been recorded to correct the account balances per reference JEV Nos. 2018-01-553; 2018-05-2017; 2018-05-2021 and 2018-02-2019.
			RO 5	Retrieval of documents pertaining to unrecorded transactions From Accounting files.	Resty D. Daep	Jan 2018	Dec 2018	Partially implemented	No documents retrieved to support adjustments pertaining to prior year transactions	Request to COA the retrieval of documents to support the needed adjusting entries.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Western Visayas Medical Center	Adjust all book reconciling items in the bank reconciliation statements.	Accounting Office	Jan. 18	Dec-18	Fully Implemented		Adjusting entries to correct reconciling items were done as early as January 2018.
			Southern Philippines Medical Center	(1) We will record the adjustment as suggested in the recommendation; (2) We will do regular reconciliation with the cashier since there are five (5) staff who are in charge of recording collections to facilitate immediate recording.	(1) Accountant-Cyndi Fe Moratilla; (2) Accountants-Cyndi Fe Moratilla, Charmaine Café, Vicente Cubero Jr. and AO-Freddie Tadlan and ADAS-Juvette Laruda	(1) Feb. 23, 2018; (2) Feb 2018	(1) Feb. 23, 2018; (2) Dec 2018	Fully implemented		(1) A journal entry was drawn to effect the adjustment per JEV No. 2018-01-001018 dated January 3, 2018; (2) Five staffs are now in charge to record collection, that way the errors and early recording will be made.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>a) Net understatement of Cash accounts - ₱113,289,347.74 - Unrecorded deposits</b>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs; b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;c) observe the proper recording , adjustments	Food and Drug Administration	Prepare Bank Reconciliation Statements and submit on time and make the necessary adjustments.	Accounting / FROO	Jan 2018	Sep 2018	Partial Implementation		Reconciling items were taken up as per JEV # 18-01-101; JEV # 18-01-102; JEV # 18-01-103; JEV # 18-01-104. The other reconciling items are still being verified/validated for the details. Delay in the submission of Bank Reconciliation Statement is partly due to delayed receipt of bank statements from the banks. The Accounting Division has submitted BRS for LBP Payroll Account No. 0392-1031-80 as of January 2017. Special Fund – RA DBP No. 0430-13669-030 as of March 2018. For LBP Account No. 0391-1052-12, last BRS was March 2016, there was no transaction for this account since then. Updating of BRS is on-going. To be able to comply with timeliness, we will be requesting LBP for WeAccess for all our bank accounts.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; ande) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	RO 5	Retrieval of documents pertaining to unrecorded transactions From Accounting files.	Resty D. Daep	Jan 2018	Dec 2018	Partially implemented	No documents retrieved to support adjustments pertaining to prior year transactions	Request to COA the retrieval of documents to support the needed adjusting entries.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>b) Net overstatement of Receivable Accounts- P2,617,804.71</b> - <i>Unrecorded Hospital Billings</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated	Batangas Medical Center		Accounting	May 2018	May 2018	Fully Implemented	Not Applicable	Accounts are already booked-up Ref: various JEVs (JEV 2018-04-000286 up to 2018-05-000371) - (Annex C for FY2017 and Annex D for Jan - May 2018)

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information."</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u></p> <p><b>b) Net overstatement of Receivable Accounts- P2,617,804.71</b></p> <p>- <i>Unrecorded and late recorded assets, receipt of delivered inventories/ PPE and transferred infrastructures</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and</p>	RO 5		Accounting/B RBC	Jun 2017	Sept 2017	Fully Implemented		Necessary adjusting entries were made. Ref: JEV No. 17-04-096, 17-04-097, 17-04-098



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u></p> <p><b>b) Net overstatement of Receivable Accounts- P2,617,804.71</b></p> <p><i>- Unrecorded Liquidations, refunds or replenishments</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary</p>	RO 9	<p>a. Send demand letters to respective LGUs for immediate submission of fund utilization reports</p> <p>b. conduct financial monitoring to reconcile balances with LGUs with corresponding outstanding unliquidated balances</p> <p>c. Effect the necessary adjustments and liquidations per FUR secured during the monitoring and subsequently received</p>	Iris Sanson Accountant III	May 1, 2018	June 30, 2018	Fully Implemented		<p>a. sent out demand letters</p> <p>b. conducted a 5-day financial monitoring among LGUs</p> <p>c. effected the necessary journal entries to properly record the liquidations submitted by the LGUs</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>b) Net overstatement of Receivable Accounts- P2,617,804.71 - Unrecorded expenses, disbursements, remittances, application of payment, liabilities, receipts, receivable, collections or deposits</b>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs; b) effect the necessary restatement	Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.2. Direct the Claims Section to double check the transmittal list of its claims from PHIC to avoid double entries or unrecorded claims and instruct the assigned person in the accounting department to trace double entries in the transmittal through MS Excel formula.3. Instruct the	Accounting Department, Claims Section	3/7/18	3/31/18	Fully Implemented		1. Removed the double entries, added the unrecorded claims in the SL and made necessary adjusting entry.2. Established monitoring tool to detect double entries and unrecorded claims.3. Recognized and recorded Allowances for Impairment - AR 4. Reconciled GL and SL balances of the Accounts Receivable

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		entries to correct the final and beginning balances of the 2017 consolidated financial statements;c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; ande) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.		Accounting Department to periodically reconcile its GL with its SL balances.						
			San Lazaro Hospital	1. Statement of Account to EHCI to be provided to Accounting Department  2. Reconciliation of the list of patients provided by EHCI to previously list issued to Accounting Department  3. Compute for accurate unpaid balance pertaining to Hospital share	EFMD	June, 2018	Onwards	Partially implemented		Ongoing reconciliation of Accounting and EHCI records
					Accounting Department	June, 2018	Onwards			
					Accounting Department	July, 2018	Onwards			
			San Lorenzo Ruiz Women's Hospital	The Accountant shall resubmit the settlement amounting to 23,731.79 that was first received by the COA office on March 2017; review the records, reconcile the GL balances and prepare the necessary adjusting entries as needed.	Accounting Unit	2018	2018	Fully Implemented		SL for Receivables- Disallowances/Charges are already maintained and updated.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>b) Net overstatement of Receivable Accounts- P2,617,804.71</b> <i>- Erroneous use of accounts</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary	Jose R. Reyes Memorial Medical Center					Fully implemented		Adjusted as per JEV No. 2018-01-000761 for Affiliation
			TRC Dulag, Leyte	Correction of erroneous recording. Observe the proper recording, adjustments and	Jomarie Sangon,Accounting Section	Feb.23,2018	March 2018	Fully Implemented		Prepared the journal entry per JEV No. GJ-18-02-004 dated Feb.23,2018 base on the Summary of Billing Report No.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;		reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations. And coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes						2018-03-002 that corrected the understatement amounting to P35,806.44, and submitted the JEV copy with the summary of billing to the COA Auditor last March 19,2018. Strict compliance to GAM and other existing rules and regulations has been enforced.
		b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;	RO 12					Fully Implemented		The accounting section has already prepared letters to LGU's with unliquidated cash advances for settlement of their account.  Adjusting entry with Jev # 2018-01-001228 was already taken up for no. 2 recommendation of this finding.  The PPE with dormant accumulated depreciation is already fully depreciated hence there is no movement in the said account.
		c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;								
		d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and	Valenzuela Medical Center		Accountant			Fully Implemented		Accountant complied with the recommendations of the Auditor in compliance with the provisions of GAM. Necessary adjustments were already made. --VMC recorded Due from Government-Owned or Controlled Corporations = '(P61,789.41)
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.								

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 8	•Analysis and verification of accounts will be made to correct the errors and improper recording of transactions, as well as the misclassification of accounts. •Checklist for required documents in payment of procured goods/services/infrastructures will be used as a tool in the processing of transactions. Incomplete documents will be immediately return to the responsible person.	Rene V. Yanson Celeste Jane B. Tan Ma. Imelda Venezuela	Jan 2018	Jun 2018	Fully Implemented		JEVs were already drawn to record/reclassify errors, improper recording of transactions, as well as misclassification of accounts per General Journal October - December 2017.
			RO 10	- To Make necessary adjustments to correct reported balances in the affected accounts.  - Succeeding fund transfers to LGU's requiring Fund Utilization Report shall be taken up as a receivable account instead of expense.	Accountant Section / Accountant III	January	Jun. 2018	Fully Implemented		- A Journal Entry was already made to take up all fund transfers from DOH RO X to LGU's in the implementation of Water Sanitation Projects under BuB amounting to P 2,467,750.00. JEV No. 2017-12010469 dated December 31, 2017.  - Succeeding transfers to LGU's requiring Fund Utilization Reports (FUR's) were now taken up as receivable account from LGU
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>b) Net overstatement of Receivable Accounts- P2,617,804.71</b> <i>- Improper/ Erroneous (over, under and/ or double recording of transactions</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of	Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.  2. Direct the Claims Section to double check the transmittal list of its claims from PHIC to avoid double entries or unrecorded claims and instruct the assigned person in the accounting department to	Accounting Department, Claims Section	3/7/18	3/31/18	Fully Implemented		1. Removed the double entries, added the unrecorded claims in the SL and made necessary adjusting entry.  2. Established monitoring tool to detect double entries and unrecorded claims.  3. Recognized and recorded Allowances for Impairment - AR  4. Reconciled GL and SL balances of the Accounts Receivable

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.		trace double entries in the trasmittal through MS Excel formula.  3. Instruct the Accounting Department to periodically reconcile its GL with its SL balances.						
			San Lorenzo Ruiz Women's Hospital	The accounting unit shall draw the necessary adjusting entries to correct the errors. And, through coordination with the Philhealth unit, revise the template/process needed as basis for recording monthly Accounts Receivables.	Accounting Unit	2018	2018	On-going		Accounting Unit is to formulate more intense pre-audit on amounts reported in relation to patient charges, billing and collections  JEV was already drawn to adjust the Sales Revenue for 2017.
			Jose R. Reyes Memorial Medical Center					Fully Implemented		Adjusted as per JEV No. 2018-01-000761 for Affiliation
			Dr. Jose N. Rodriguez Memorial Hospital	The management will comply as recommended by our resident auditor.	Unit Head - Billing and Claims / Accountant IV	Jan-2018	Dec-2018	Partially Implemented	Ongoing reconciliation of receivable accounts.	
			RO 13	a) necessary adjustments on the errors and omissions shall be effected in the books of accounts  b) proper recording, adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations shall be strictly observed	a) Accountant III/Accountant II  b) Accountant III/Accountant II  c) Accountant	Jan. 2018	Continuous Implementation	a) Fully Implemented  b) On-going Implementation  c)On-going Implementation		a) necessary adjustments are already effected in the books of accounts  b) Constant referral to GAM for proper classification accounts  c) Constant meeting/coordination with other concerned offices to submit financial reports on time

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				c) coordination and/or meeting with other concerned offices shall be continuously done in order to submit financial reports on time	III/Accountant II/Cashier					
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>b) Net overstatement of Receivable Accounts- P2,617,804.71</b> <i>- Unrecorded Impairment Loss</i>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for</p>	Cotabato Regional and Medical Center	<p>1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.</p> <p>2. Direct the Claims Section to double check the transmittal list of its claims from PHIC to avoid double entries or unrecorded claims and instruct the assigned person in the accounting department to trace double entries in the transmittal through MS Excel formula.</p> <p>3. Instruct the Accounting Department to periodically reconcile its GL with its SL balances.</p>	Accounting Department, Claims Section	3/7/18	3/31/18	Fully Implemented		<p>1. Removed the double entries, added the unrecorded claims in the SL and made necessary adjusting entry.</p> <p>2. Established monitoring tool to detect double entries and unrecorded claims.</p> <p>3. Recognized and recorded Allowances for Impairment - AR</p> <p>4. Reconciled GL and SL balances of the Accounts Receivable</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u></p> <p><b>c) Net overstatement of Inventory Accounts- P1,913,086,617.53</b></p> <p>- <i>Unrecorded and late recorded assets, receipt of delivered inventories/ PPE and transferred Infrastructure</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p>	RO 5	Perform reconciliation of balances with the supply section and demand submission of pertinent documents/ reports which are the basis of the Accounting Section for recording transactions in the books.	Fe Q. Atento and Resty D. Daep	Apr 2018	Nov. 2018	Partially implemented	Some bill of lading included in the AOM are not yet forwarded to the Accounting Section for recording.	Bills of lading received by the Accounting Office on April 18,2018 were taken up in the books under the ff. JEV: --18-5-129 (P 57,609,881.80) --18-5-125 (P 26,990,449.45)--18-5-124 (P 261,371,177.70)
			Amai Pakpak Medical Center	Record drugs and medicines donated by the Office of the Vice President.	Anna Najieva Bantuas-Lucman-Accountant IV	Feb. 2018	Feb. 2018	Fully Implemented		Accountant already recorded the donated Drugs and Medicines.
			Valenzuela Medical Center		Accountant			Fully Implemented		Adjusting entries were made to classify the remaining inventories at hand to Drugs and Medicines Inventory account. ---VMC had unrecorded donated Drugs and Medicines of P413,160.13
			Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the inventory/PPE report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The differences were reconciled and effect corrections /adjusting entries.
			OSEC Accounting					Fully Implemented		· Necessary adjusting entries were taken up immediately after the receipt of delivery/issuance report (DR) by the Accounting Office.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information."</p>	RO 4B	Record all Inventories distributed/issued based on the Property Transfer Receipts/ Requisition Issuance Slips and those received from the DOH Central Office and conduct regular Reconciliation of Accounting and Property Units.	Accounting Section and Logistics Management Section	Jan 2018	Dec 2018	Partially Implemented	System failure caused by ransomware	Ongoing re-entry of 2016 and 2017 transactions to ENGAS. Reconciliation will resume once re-entry is done. Necessary adjustments will be effected in our Books of Accounts.
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u></p> <p><b>c) Net overstatement of Inventory Accounts- P1,913,086,617.53</b></p> <p>- <i>Unrecorded distribution/ disposal/ derecognition/ consumption/ sale/ transfer</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and</p>	Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the inventory report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The differences were reconciled and effect corrections /adjusting entries.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1 DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>c) Net overstatement of Inventory Accounts- P1,913,086,617.53</b>  - Unrecorded distribution/ disposal/ derecognition/ consumption/ sale/ transfer  Accounting Errors and Omissions  c) Net overstatement of Inventory Accounts- P1,913,086,617.53  - Erroneous use of Accounts</p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions</p>	OSEC Accounting		Accounting and LMD			Fully Implemented		A dialogue/ meeting will be conducted with LMD to reconcile the records of both offices and agree on measures to ensure timely recording of inventory matrix. for unrecorded deliveries, Accounting Division already requested for Delivery Reports together with the supporting documents to facilitate recording.
			RO 5	Perform reconciliation of balances with the supply section and demand submission of pertinent documents/ reports which are the basis of the Accounting Section for recording transactions in the books.	Fe Q. Atento and Resty D. Daep	Apr 2018	Nov. 2018	Partially implemented	Some bill of lading included in the AOM are not yet forwarded to the Accounting Section for recording.	Bills of lading received by the Accounting Office on April 18,2018 were taken up in the books under the ff. JEV: =-18-5-129 (P 57,609,881.80) =-18-5-125 (P 26,990,449.45)=-18-5-124 (P 261,371,177.70)
			Valenzuela Medical Center		Accountant  Accountant  Accountant			Fully Implemented  Fully Implemented  Fully Implemented		The Accountant followed the recommendations of the Auditor in recognizing an expense account and presenting accounts in the financial statements in accordance with GAM. ---VMC recorded =(P218,732.00)  The Accountant followed the recommendations of the Auditor in

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information. We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper</p>								<p>recognizing an expense account and presenting accounts in the financial statements in accordance with GAM. -- VMC recorded Drugs and Medicines Inventory of P1,401.60</p> <p>Accountant adhered to the recommendations of the Auditor and adjusting entries were already made. --- VMC recorded Merchandise Inventory of (P435,000.00)</p>
			RO 11	1) Conduct analysis of accounts used for the 1st Quarter 2018 2) Prepare Journal Entry Vouchers to effect adjustment	Rosalinda R. Dela Cruz	4/16/18	4/18/18	Fully Implemented	N/A	Analysis of accounts were done and were completed on April 18, 2018 - Journal Entry vouchers were prepared to correct erroneous accounts used per JEV Nos. 2018-04-1503;1510;1523; 1634;1612
			Southern Philippines Medical Center	An inventory task force was established last year, and the reconciliation of inventory of supplies is in progress.	Inventory Task Force-Leader: Emman Driz; Chief Accountant-Cecil Japson: MMS Head- Ms. Bersabal, MMS staff and Accounting Staff	Feb 2018	Jun 2018	On-going implementation	On-going reconciliation is undertaken. Actual Physical count is done twice a year.	Items with discrepancies are already identified and adjusted in the accounting books. Currently, the amount of discrepancies were reduced to 6,894,124.22 and reconciliation are in progress.
			RO 9	<p>a. require the Supply Section to submit the complete RSMIs supported with the corresponding RIS and ICS</p> <p>b. effect the necessary adjusting entries to record the issuances of supplies and materials</p>	<p>Iris Sanson Accountant III</p> <p>Jose Noel F. Torres AOV (Supply)</p>	Jan. 1, 2018	Mar 31, 2018	Partially Implemented	<p>Reconciliation still on-going, particularly for stocks procured in the prior years</p> <p>No RSMI submitted for "Other Supplies and Materials Inventory" account</p>	Effected the necessary adjusting entries for RSMIs on drugs and medicines, submitted during the 1st quarter of CY 2018

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	RO CAR	Prepare the corresponding RSMIs and forward to Accounting Section for recording	MMT and Accounting Section	Immediately		Ongoing/Partially Implemented		<p>Issued RSMI for the following:</p> <p>PPE for distribution: P2,458,893.65            Excluton pills: 2,348,738.28            S Bio Allethrine: 1,649,880.00            T o t a l : P7,276,511.93</p> <p>Reconciliation with the Accounting section is on ongoing</p> <p>RSMIs were forwarded to the Accounting Section</p>
			RO 4B	Record all Inventories distributed/issued based on the Property Transfer Receipts/ Requisition Issuance Slips and those received from the DOH Central Office and conduct regular Reconciliation of Accounting and Property Units.	Accounting Section and Logistics Management Section	Jun 2018	Dec 2018	Partially Implemented	System failure caused by ransomware	On going re-entry of 2016 and 2017 transactions to ENGAS. Reconciliation will resume once re-entry is done. Necessary adjustments will be effected in our Books of Accounts.
			OSEC HPSP II					Partially Implemented		A Department Order was already issued in compliance to the audit observation.
			Eastern Visayas Regional Medical Center	1.)To request additional man power to focus on the preparation of RSMI in order to submit immediately the reports to Accounting Section 2.Conduct physical inventory for the whole hospital and match with the property ledger cards.	Accounting & MMD	3/14/18	12/31/18	Partially implemented	Lack Manpower;	To request additional manpower
DOH CAAR 2017 par.1	Accounting Errors and Omissions c) Net overstatement of Inventory Accounts- P1,913,086,617.53 - Erroneous use of Accounts	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:	RO 3	a) To require the Supply Officer to submit the Report of Issuances to the Accounting Unit on time to properly classify the correct balance of inventory	Supply Officer and Accountant	03/01/2018	12/01/2018	Partially Complied	Report of Issuances submitted to Accounting Unit by the Supply Officer is for the	Require the Supply Officer to exert more effort in submitting the Report of Issuances so that reconciliation for year 2018 will be made

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;		b) To require the Accountant and Supply Officer to conduct reconciliation in their respective records					month of January 2018. Reconciliation between the two units for years 2016 and 2017 will be made during the 4th quarter.	
		b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;	RO 8	The Accountant will effect the necessary adjustments on the errors and omissions to correct the reported balances of inventory accounts in the FS.	Rene V. Yanson Celeste Jane B. Tan	01/18/2018	12/18/2018	Fully Implemented		JEV was made to correct the erroneous entry per General Journal February 2018
		c) observe the proper recording, adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	Rizal Medical Center	The Management instructed the designated point persons to set time frame for the reconciliation of inventories acquired in CY 2014 and below to achieve an effective progress monitoring, and prepare the JEV for warranted adjustments; The Management instructed the Inventory Committee to conduct inventory in accordance with Section 17 (i) of the GAM	Ms. Jane Villanueva and Mr. Jake Chua/ Inventory Committee	2018	2018	On-going		53% of the inventories were reconciled Letters for write-off were already prepared for submission to COA; Conducted semi-annual inventory for June 30, 2018. Schedule of annual physical count- for approval and dissemination
		d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and	Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the inventory report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The differences were reconciled and effect corrections /adjusting entries.
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	RO 5	Not applicable						
			OSEC Accounting					Partially Implemented		· Necessary adjusting entries for the double issuance of inventory items were effected in the books.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>c) Net overstatement of Inventory Accounts- P1,913,086,617.53</b> <i>- Improper/ Erroneous (over, under and/or double) Recording of Transactions</i>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p>	OSEC Accounting					Partially Implemented		· Necessary adjusting entries for the double issuance of inventory items were effected in the books.
			RO NCR	<p>a. Accounting to check and reconcile the subsidiary ledger balances of the said accounts.</p> <p>b. Supply Officer and Accountant to analyze and reconcile the discrepancy Physical Inventory and book balance and effect the necessary adjustments for the differences noted.</p>	Accounting and Supply Section	March 2018	Dec 2018	On-going		As agreed per meeting with COA, Inventory Account to be adjusted on the books of account per Report of Physical Inventory Count of Supply Section as of June 2018.
			Valenzuela Medical Center		Accountant			Fully Implemented		The Accountant followed the recommendations of the Auditor in recognizing an expense account and presenting accounts in the financial statements in accordance with GAM. --- VMC recorded Drugs and Medicines Inventory of '(P67,818.00)
			Research Institute for Tropical Medicine					<p>a &amp; c) FULLY IMPLEMENTED</p> <p>b) FULLY IMPLEMENTED</p> <p>c &amp; e) ONGOING</p> <p>d) ONGOING</p>	<p>a &amp; c) JEV was submitted to COA resident auditor last March 26, 2018</p> <p>b) Submitted restated CY 2017 financial statements on July 18, 2018</p> <p>c &amp; e) reconciliation of SL balances still to be done after implementation of e-NGAS</p> <p>d) installation of e-NGAS to be prioritized to minimize delays in submission of reports</p>	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Rizal Medical Center	The Management instructed the designated point persons to set time frame for the reconciliation of inventories acquired in CY 2014 and below to achieve an effective progress monitoring. and prepare the JEV for warranted adjustments; The Management instructed the Inventory Committee to conduct inventory in accordance with Section 17 (i) of the GAM	Ms. Jane Villanueva and Mr. Jake Chua/ Inventory Committee	2018	2018	On-going		53% of the inventories were reconciled Letters for write-off were already prepared for submission to COA; Conducted semi-annual inventory for June 30, 2018. Schedule of annual physical count- for approval and dissemination
			Region 1 Medical Center	Reconciled inventories and property, plant and equipment (PPE) and made necessary adjustments	Material and Management; Accounting staff and end-users	1/1/2018	1/31/2018	Fully Implemented	n/a	Regular reconciliation of inventories and property, plant and equipment (PPE)
			Western Visayas Medical Center	Consumption of inventories for the last quarter of 2017 shall be recorded as expense. And, reconcile with the stock cards of Supply Section the supplies ledger cards in the accounting section.	Accounting Office and Supply Section	Jan. 18	Dec-18	Partial Implementation	The unreconciled beginning balance of the inventory accounts are difficult to verify because of the unavailability of the records for prior years especially in years prior to 2007.	Search for the records for journals and supporting documents for the years prior to 2007. Ask for copy of RIS from supply for the inventories issued in prior years but were not received by accounting office thereby no issuance was recorded affecting the inventory balance.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the inventory report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The inventory accounts were reconciled and effect corrections /adjusting entries on discrepancies and errors or other reconciling items.
			RO 9	a. Identify the transactions recorded twice in the accounting books  b. Effect the necessary adjusting journal entries to correct the inventory balances	Iris A. Sanson Accountant III	Jan. 1, 2018	Mar 31, 2018	Fully Implemented		Effectuated the necessary journal entries to reverse double recording of transactions
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>c) Net overstatement of Inventory Accounts- P1,913,086,617.53</b> - Non-reclassification to appropriate accounts	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;	Region 1 Medical Center	Reconciled inventories and property, plant and equipment (PPE) and made necessary adjustments	Material and Management; Accounting staff and end-users	1/1/2018	1/31/2018	Fully Implemented	n/a	Regular reconciliation of inventories and property, plant and equipment (PPE)
			RO NCR	a. Accounting to check and reconcile the subsidiary ledger balances of the said accounts.  b. Supply Officer and Accountant to analyze and reconcile the discrepancy Physical Inventory and book balance and effect the necessary adjustments for the differences noted.	Accounting and Supply Section	Mar 2018	Dec 2018	On-going		As agreed per meeting with COA, Inventory Account to be adjusted on the books of account per Report of Physical Inventory Count of Supply Section as of June 2018.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	Eastern Visayas Regional Medical Center	Prepared adjusting journal entries to reclassify wrong accounts used.	Accounting	3/14/18	12/31/18	Implemented		Reclassified to appropriate Inventory accounts.
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u></p> <p><b>d) Net Overstatement of PPE accounts P382,590,558.40</b></p> <p>- <i>Unrecorded and late recorded Assets, Receipts of delivered inventories/ PPE and transferred Infrastructures</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of</p>	OSEC Accounting					<p>Fully Implemented</p> <p>Partially Implemented</p>		<p>· Necessary adjusting entries were already taken up in the books immediately after the receipt of delivery/issuance report (DR) by the Accounting Office:• Necessary adjusting entries were already taken up in the books immediately after the receipt of delivery/issuance report (DR) by the Accounting Office: Re-statement of balances of affected accounts will be reflected in the CY2018 year-end Financial Statement (FS) since CY2017 FS was already finalized and likewise,</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information."</p>								<p>submitted.</p> <p>The Management, thru the Financial and Management Service, will conduct a workshop relative to property management to address this concern.</p>
			Eastern Visayas Regional Medical Center	<p>1.To generate a list of equipment for disposal and prepare reports related thereto. Conduct physical inventory for the whole hospital and match with the property ledger cards.</p> <p>2.Letter sent to DOH Central Office requesting for the Deeds of Donation of OPD and MCH on March 20, 2018.</p> <p>JICA provided the following documents which was submitted to COA:</p> <p>1. Grant Agreement</p> <p>2. Contract</p> <p>3. Certificate of Completion of Service</p> <p>3.Request from MMD other documents missing(e.g. RIS, deed of donation)for various PPEs donated by Central office</p>	Accounting & MMD	3/14/18	12/31/18	Partially implemented	<p>1.There are items that were not identified by the Disposal Committee. Equipment placed by end-users at the maintenance section were not properly labeled and reported, hence cannot be easily identified by the committee. 3. The accounting staff cannot record those donated PPEs without the supporting documents from MMD.</p>	<p>Generated Waste Material Report and submitted to the Medical Center Chief Office. 2. Already recorded/adjusted in the books, per jev no. 17-12-354 3.Record unrecorded donated PPEs upon receipt of required documentary requirements.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Far North Luzon General Hospital	To conduct physical count of PPE by the Inventory Committee for proper recognition of items to be recorded in the books. -To follow-up on the Inventory and Inspection Report of Unserviceable Property(IIRUP) by the Property Unit To de-recognized equipment in the books	Accountant/Property Officer	Jan. 2018	Mar. 2018	fully implemented		a. Accounting and property unit have already reconciled their records regarding PPE. B.Property unit had already identified unserviceable items.
			TRC Dagupan	Reconciliation of Books with the records and inventory count of Supply Section	Accounting and Supply Section	Jan.2018	Jun. 2018	Fully Implemented	Difficulty of reconciliation due to the need for detailed reconciliation of subsidiary ledgers of Accounting vs. records and inventory count of Supply section	Books were adjusted as of March 2018
			Governor Celestino Gallares Memorial Hospital	To book up the parcel of land transferred by the Provincial Government of Bohol through Deed of Donation ( By Usufruct)	Serelyn Lamigo, Leah Aurora Bongalos/Accounting section	March 1, 2018	March 31, 2018	Fully Implemented		Land transferred by Provincial Government of Bohol through Deed of Donation (By Usufruct) was already taken up in the books of account as per jev no. 2018-03-000944 dated 03/31/2018.
			Conner District Hospital	The management had required the accounting and Property, Procurement and Supply to reconcile their books. The property custodian was also required to submit delivery receipt to the accounting unit for recording.	Accounting and Property, Procurement and Supply	October 2018	Dec 2018	Partially Implemented	Lack of manpower. The Property custodian is also the Supply and Procurement Officer.	Conduct inventory of all PPEs. The Accounting will prepare its own schedule. And adhere with the audit recommendation

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Labuan Public Hospital	<p>Coordinate with DOH IX officials to ask for the transfer of property.</p> <p>Recognize in the LPH books the cost of the LPH expansion including any depreciation and/or impairment loss.</p>	OIC-Chief of Hospital, Administrative Officer V, and Accountant	Jan 2018	June 2018	Partially Implemented	Unavailability of records as basis for depreciation.	<p>Action Taken:</p> <p>The Accountant had coordinated with DOH IX officials for the requisition of documents to support transfer of property.</p> <p>Follow-up letter had also been made by the Accountant</p> <p>Action to be taken:</p> <p>To follow-up again to DOH IX officials</p>
			Rizal Medical Center	<p>The Management instructed the designated personnel to:</p> <p>a. Set time frame for the reconciliation of PPE accounts acquired in CY2014 and below to achieve an effective progress monitoring.</p> <p>b. Update properly the PC and PPELC</p> <p>c. Retrieve the documents of the unbooked motor vehicles amounting to P2,238,000.00, reclassify the semi expendable inventories amounting to P3,164,073.64, and the replacement of the ARE to ICS for the semi-expendable items.</p> <p>Analysis of the account is no longer possible due to the absence of records and documents. We will determine the proper disposition of dormant accounts; and follow the guidelines enumerated</p>	<p>Ms. Jane Villanueva and Mr. Jake Chua</p> <p>Materials and Management Department</p>	2018	2019	<p>Ongoing Implementation</p> <p>Partially Implemented</p> <p>On-going Implementation</p>	<p>For retrieval of documents from the engineering the facilities Management Dept. (EFMD)</p> <p>On-going reclassification of semi-expendable inventories pending replacement of ARE to ICS</p>	<p>32.34% of the PPE inventories were already reconciled</p> <p>90% of ICS and PAR are reclassified but will be reissued within the year.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				under COA Circular No. 97-001 under "B" "Dormant Accounts"						
			Schistosomiasis Control and Research Hospital	To coordinate with the supply section to have periodic reconciliation of GL balance and Physical count of PPEs; Secure necessary documents as a ground to facilitate Journal entry to recognize the unrecorded donated Medical Equipment to attain correct amount stated.	Accounting Section	Jan 2018	Jun 2018	Fully Implemented		Inquire the person responsible to secure the necessary documents to affect the adjustment. Please see JEV No. 18-06-62 General Journal, June 2018 under Fund Cluster: 01-RAF. (Note: Applies to all a to e audit recommendations.)
			Trc Argao, Cebu	Resend a letter request to VSMMC management for the transfer of the covered court to DOH TRC Argao and secure insurance with the GSIS.	Administrative Division (Accounting, Property & Supply)	April 2018	May 2018	Fully Implemented (transfer) Ongoing (Insurance)		The Agency received the signed Property Transfer Report from VSMMC on March 22, 2018 while the Journal Entry Voucher (JEV) made by the VSMMC for the transfer was received on May 11, 2018. Corresponding JEV for the receipt of transfer booked up by TRC Argao on May 31, 2018 JEV # 18-05-399. On the other hand, the GSIS already sent a quotation for the insurance of our buildings including the said transferred property and for payment processing early next year, 2019.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Bataan General Hospital		Accounting Section			Fully Implemented		The Accountant already computed the accurate accumulated depreciation and carrying amount of the Hospital and Health Centers transferred by PGOB based on the correct remaining life and made the necessary adjusting entries, with JEV No. 01-2018-02-87 dated February 20, 2017
			OSEC HPSP II					Partially Implemented		A Department Order was already issued in compliance to the audit observation.
			National Center for Mental Health	TIME FRAME ESTABLISHED TO COMPLETE AND SUBMIT RECONCILIATION	Dulce B. Valerio Chief, Accounting Section	Mar. 2018	Dec. 2018	RECONCILIATION IS ONGOING	IT TAKES TIME TO FINISH RECONCILIATION DUE TO VOLUME OF FIXED ASSETS AND COMPLEXITY AND TIMELINESS OF REPORTING CONDEMNED FIXED ASSETS VIS-A VIS IIRUP	1. RECONCILIATION OF PHYSICAL COUNT VERSUS RECORDS OF ACCOUNTING AND MATERIAL MANAGEMENT SECTION (MMS) 2. ACCOUNTING FOR THE DIFFERENCE AND EXPLANATION THEREOF 3. ADJUSTMENT IN THE BOOKS OF ACCOUNTING AND LEDGER CARDS OF MMS 4. SUBMISSION TO COA OF THE RECONCILIATION AND ADJUSTING ENTRIES
			Quirino Memorial Medical Center		Manilyn Umandap/Accounting Section			Fully Implemented		Necessary adjustments were taken up in the books. Deadlines for the submission of reports of concerned units have been coordinated.
			TRC Bataan	The management will be instructing the Accountant to coordinate with other concerned sections regarding the misstatements and misclassifications identified during the audit. Also, strict	Accounting Section	Jan. 2018	Nov. 2018	Ongoing		Some adjustments had already been made. However, accounting records are still being reconciled with records of the Materials Management Section for the subsequent restatements of the balances of other accounts.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken	
						From	To				
				adherence to the GAM and other related rules and policies will be reiterated.							
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>d) Net Overstatement of PPE accounts P382,590,558.40</b> - <i>Unrecorded distribution/ disposal/ derecognition/ consumption/ sale/ transfer</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the	RO 9	a. require the Supply Section to submit the RCPPE as well as all IRPs or Property Transfer Reports on time to Accounting Section  b. effect the necessary adjusting entries to record the issuances of supplies and materials	Iris Sanson Accountant III  Jose Noel F. Torres AOV (Supply)	Jan. 1, 2018	Mar 31, 2018	Fully Implemented		Recorded all distributions per IRPs and property transfer report submitted to accounting section	
			OSEC HPSP II						Partially Implemented		A Department Order was already issued in compliance to the audit observation.
			Dr. Paulino J. Garcia Memorial Research and Medical Center	1.Direct the Material Management Section and Accounting Section te regularly reconcile their balances. 2.Direct the Material Management to provide the Accounting Section copies of donations and transfers immediately after the consummation of the transaction.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY		COMPLIED.	N/A	Donated equipment to Mariveles Mental Hospital was dropped from the books through JRV No 2018-04-1347. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.	
			RO 5	Effect Adjustment in the books	Resty D. Daep	Apr 2018	May 2018	Fully implemented		Adjusted in the books under JEV 18-04-090	
			RO 8	The Accountant will effect the necessary adjustments on the errors and omissions to correct the reported balances of PPE accounts in the FS.	Rene V. Yanson Celeste Jane B. Tan	January 2018	Dec 2018	Fully Implemented		JEV was made to correct the erroneous entry per General Journal February 2018	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Conner District Hospital	The management had required the accounting and Property, Procurement and Supply to reconcile their books. The property custodian was also required to submit delivery receipt to the accounting unit for recording.	Accounting and Property, Procurement and Supply	October 2018	Dec 2018	Partially Implemented	Lack of manpower. The Property custodian is also the Supply and Procurement Officer.	Conduct inventory of all PPEs. The Accounting will prepare its own schedule. And adhere with the audit recommendation
DOH CAAR 2017 par.1	<b>Accounting Errors and Omissions</b> <b>d) Net Overstatement of PPE accounts P382,590,558.40</b> <i>- Unrecorded transfer of Infrastructure</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	RO NCR	Not applicable						
			RO 11	1) Conduct analysis of accounts "Due to Central Office" and "Construction-in-Progress" under the EU and AECID Funds 2) Prepare Journal Entry Vouchers to take up the adjustment of accounts from "Due to Central Office" to "Construction in Progress"	Riziel Magaway	4/23/18	4/26/18	Fully Implemented	N/A	-Analysis of accounts was completed on 04/25/18 -Journal Entry Vouchers were prepared to correct erroneous accounts used (JEV 2018-04-140 and 2018-04-144)
			Vicente Sotto Sr. Memorial Medical Center	Recommendations to be adopted.  Transfer the property to Argao Treatment and Rehab center.	Chief Administrative Office  Finance Management Office	Jan. 2, 2018	Feb 30, 2018	Fully Implemented	N/A	TRC-Argao the Property Transfer Report has been prepared and transmitted.
			OSEC HPSP II					Fully implemented		Adjustments were effected in the books for the completed infrastructure projects transferred to the beneficiaries.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>d) Net Overstatement of PPE accounts P382,590,558.40</b>  <i>- Erroneous use of accounts</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of</p>	OSEC Accounting					Fully Implemented		Reconciliation of balances between LBP and DOH record as of Dec. 31, 2017 was facilitated, and necessary adjustments were already recorded.
			RO 5	Effect Adjustment in the books	Resty D. Daep	Apr 2018	May 2018	Fully implemented		Adjusted in the books under JEV 18-04-090
			RO 11	<p>1) Conduct analysis of accounts "Due to Central Office" and "Construction-in-Progress" under the EU and AECID Funds</p> <p>2) Prepare Journal Entry Vouchers to take up the adjustment of accounts from "Due to Central Office" to "Construction in Progress"</p>	Riziel Magaway	4/23/18	4/26/18	Fully Implemented	N/A	-Analysis of accounts was completed on 04/25/18 -Journal Entry Vouchers were prepared to correct erroneous accounts used (JEV 2018-04-140 and 2018-04-144)
			RO 8	The Accountant will effect the necessary adjustments on the misclassification of accounts to correct the reported balances of PPE accounts in the FS.	Rene V. Yanson Celeste Jane B. Tan	January 2018	Dec 2018	Fully Implemented		JEVs were already drawn to record/reclassify errors, improper recording of transactions, as well as misclassification of accounts per General Journal February 2018

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Vicente Sotto Sr. Memorial Medical Center	Recommendations to be adopted.  Conduct Physical Inventory of property, plant, and equipment of the hospital.  Appraisal to be conducted.  Building inventory shall also be conducted after receipt of evaluation/appraisal of the cost of donated buildings.  Remove from books those unserviceable.	Property and Supply Department  Accounting Office	April 1, 2018	Nov. 30, 2018	On-going		
			Western Visayas Sanitarium	The management will create a committee incharge of conducting physical count of PPE and the preparation of RPCPPE copy furnish the Auditor; Routine reconciliation of ledgers and property cards will be made by the Accountant and Sopy Officer to make sure accuracy in the presentation of account balances under Property, Plants and Equipment.	Accounting and Material Management Unit	1/1/18	12/31/18	Partially Implemented	non-submission of accounting records and documents for the last quarter of CY 2017 and no proper endorsement was made by the previous OIC Accountant	Verify the amounts with the available accounting records and make necessary adjusting/correcting entries should erroneous entries were made by the previous OIC Accountant

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Dr. Paulino J. Garcia Memorial Research and Medical Center	Direct the Material Management and Accounting Section to regularly validate recorded equipment in the books. Effect necessary adjustments on or before April 2018.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY	COMPLIED.	N/A	N/A	Serviceable equipment that were recorded in the books as Other Assets were reclassified as per JEV Nos. 2018-03-1064 and 1072 through submission of necessary documents from Material Management Section. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.
			RO 3	a) To require the Inventory Committee to conduct semi-annual inventory of all Property, Plant and Equipment (PPE)  b) To require the Disposal Committee to dispose properties which are unserviceable and for the Accounting Unit to properly classify the amount of Property, Plant and Equipment (PPE)	Inventory and Disposal Committee	03/01/2018	12/01/2018	Partially Complied	Conducted inventory for the first semester (January to June 2018)	Inventory Committee shall forward a copy of inventory to the Disposal Committee for the disposal of unserviceable assets
			Western Visayas Medical Center	Reconciliation of the PPE records of accounting with the records of Property Office. Reconcile the beginning balances.	Accounting Office and Supply Section	Jan-18	Feb-18	Partial Implementation	The reconciliation is ongoing and was not finished yet.	Continue the reconciliation of the PPE accounts. The needed adjusting entries were already prepared and recorded.
			Rizal Medical Center	The Management instructed the designated personnel to: a. Set time frame for the reconciliation of PPE accounts acquired in CY2014 and below to	Ms. Jane Villanueva and Mr. Jake Chua	2018	2019	Ongoing Implementation  Partially Implemented	For retrieval of documents from the engineering	32.34% of the PPE inventories were already reconciled

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>achieve an effective progress monitoring.</p> <p>b. Update properly the PC and PPELC</p> <p>c. Retrieve the documents of the unbooked motor vehicles amounting to P2,238,000.00, reclassify the semi expendable inventories amounting to P3,164,073.64, and the replacement of the ARE to ICS for the semi-expendable items.</p> <p>Analysis of the account is no longer possible due to the absence of records and documents. We will determine the proper disposition of dormant accounts; and follow the guidelines enumerated under COA Circular No. 97-001 under "B" "Dormant Accounts"</p>	Materials and Management Department			On-going Implementation	<p>the facilities Management Dept. (EFMD)</p> <p>On-going reclassification of semi-expendable inventories pending replacement of ARE to ICS</p>	90% of ICS and PAR are reclassified but will be reissued within the year.
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u></p> <p><b>d) Net Overstatement of PPE accounts P382,590,558.40</b></p> <p>- <i>Improper Erroneous (over, under and/ or double) Recording Transactions</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p>	<p>Bicol Regional Training and Teaching Hospital</p> <p>Talavera Extension Hospital</p>	<p>1. To conduct a meeting between the Accounting and MSM to schedule the reconciliation of the records. 2. To prepare and maintain the RCPPE and the PPELC for the PPE accounts. 3. To prepare the JEV to book up the procured IT per COA findings.</p> <p>Effect the necessary adjustment on the inaccurate recording of derecognized PPE disposed through sale of unserviceable properties covered by IIRUP.</p>	<p>Gilma Zerrudo, Anthony Valladolid, Jezza Mae S. Luna, Ma. Victoria N. Lorilla</p> <p>Accountant II</p>	<p>Jun. 30, 2018</p> <p>Mar 2018</p>	<p>Dec-31</p> <p>Mar 2018</p>	<p>On-going</p> <p>Fully Implemented</p>	<p>Bulk and coverage of the reconciliation is too big that it cannot be done in a short period of time.</p> <p>Adjusting entry was journalized dated March 31, 2018 JEV#18-03-061 and 18-03-108</p>	<p>To continue the reconciliation and assign/hire additional personnel that will help in the reconciliation.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	<p>Las Piñas General Hospital and Satellite Trauma Center</p>	<p>The management, through its Inventory Committee, has to submit to the Commission On Audit the required RPCPPE as of December 31, 2017. Adjustments to the books of accounts must also be made.</p>	Accounting Section	January 2018	June 2018	Fully implemented		<p>The management, through its Inventory Committee, had submitted already to the Commission On Audit the required RPCPPE as of December 31, 2017. Adjustments to the books of accounts were already made</p>
			<p>Cotabato Regional and Medical Center</p>	<p>1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct amount of Depreciation Expense, Accumulated Depreciation and Accumulated Surplus.</p> <p>2. Direct the Accounting Department to periodically review the lapsing schedule of PPE and reconcile the same with the General Ledger</p> <p>3. Direct the Accounting Department to establish effective coordination and reconciliation of records between the Accounting Section and Engineering Facilities Management Department</p>	Accounting Department	3/7/18	3/31/18	Fully Implemented		<p>1. Prepare necessary adjusting entries to properly record PPEs purchased on cash basis, to recognized unrecorded depreciation, and to recognize completed CIPs as PPE and its applicable depreciation.</p> <p>2. Instruct the Accountant to periodically review the lapsing schedule of PPE and reconcile the same with the General Ledger, and to closely coordinate with the Engineering Department.</p> <p>3. Reconcile GL and SL balances of the Property, Plant and Equipment</p>
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>d) Net Overstatement of PPE accounts P382,590,558.40</b>  <i>- Non-reclassification to appropriate accounts</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors</p>	<p>OSEC Accounting/ HPSP II</p>					Fully implemented		<p>Adjustments were effected in the books as per recommendation</p>
			<p>RO 11</p>	<p>;-Prepare Journal Entry Vouchers to take up the derecognition of PPE's less than P15,000</p>	Rosalinda R. Dela Cruz	4/2/18	4/2/18	Fully Implemented	N/A	<p>Journal Entry Voucher was prepared to derecognized PPEs with acquisition cost of below P15,000. (JEV#2018-04-1234)</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;	Amai Pakpak Medical Center	Reclassification of completed infrastructure Projects to proper PPE Account. Engineering Office to update and report to the Accounting Office those completed Projects for purposes of recording CIP to their respective PPE Account.	Anna Najieva Bantuas-Lucman-Accountant IV	Mar 2018	Mar 2018	Fully Implemented		JEVs were already drawn to record/reclassify all completed infrastructure projects to proper PPE Accounts based on the document gathered.
		b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;	Labuan Public Hospital	Organize a Disposal Committee who takes charge of disposal of unserviceable properties of hospital.	OIC-Chief of Hospital, Administrative Officer V, Supply Officer, Inventory and Inspection Committee, and Accountant	Jan 2018	December 2018	Partially Implemented	Waiting for physical counting to complete	Action Taken:  Organized a Disposal Committee and directed disposal of unserviceable properties of hospital.  Action to be taken:  Analysis of data and reconciliation of account balance between Accounting and Supply record
		c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	Bicol Regional Training and Teaching Hospital	1. To reconcile the records from the time that the COA implemented the new set of classification of accounts and work back from there to properly identify misclassified PPE's.	Anthony Valladolid, Ma, Victoria N. Lorilla	Jun. 30, 2018	Dec-31	On-going	Lack of manpower as well as the other reconciliation complicates the work load of the persons responsible.	To assign additional manpower or hire new job order personnel to help in the reconciliation.
		d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	RO CAR	To send follow up demand letters to concerned LGUs and/or to personally follow up the liquidation and turn-over documents of completed projects	Program Coordinators and Accounting Section	Immediately		Partially Implemented		Sent demand letters dated March 19, 2018 to concerned LGUs

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				To record adjusting journal entries upon receipt of complete liquidation reports and turn-over documents from LGUs and/ or program coordinators	Accounting Section	Immediately		Partially Implemented	Recording of turn-over cannot be done due to non-submission of liquidation reports by recipient LGUs despite demand letters	Turned-over Salintubig in Kabugao, Apayao amounting to P9,971,357.51 was recorded under JEV Nos. 2018-02-1576 and 2018-02-1652
			Eastern Visayas Regional Medical Center	Prepare adjusting journal entries to reclassify wrong accounts used.	Accounting & MMD	3/14/18	12/31/18	Implemented		Reclassified to appropriate PPE accounts.
			San Lorenzo Ruiz Women's Hospital	The management would strictly require the Accountant and the Inventory Committee to arrange for an earlier conduction of the physical count of inventory of all PPEs towards the end of the year, to give the committee an ample time to prepare the RPCPPE, and have it reconciled with the Accounting Records before submission on or before January 31 of the following year	Accounting Unit	2018	2018	Fully Implemented		Monthly reconciliation is being implemented by the accounting unit and SPMU.
			Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct amount of Depreciation Expense, Accumulated Depreciation and Accumulated Surplus.  2. Direct the Accounting Department to periodically review the lapsing schedule of PPE and reconcile the same with the General	Accounting Department	3/7/18	3/31/18	Fully Implemented		1. Prepare necessary adjusting entries to properly record PPEs purchased on cash basis, to recognized unrecorded depreciation, and to recognize completed CIPs as PPE and its applicable depreciation.  2. Instruct the Accountant to periodically review the lapsing schedule of PPE and reconcile the same with the General Ledger, and to closely coordinate with the

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				Ledger  3. Direct the Accounting Department to establish effective coordination and reconciliation of records between the Accounting Section and Engineering Facilities Management Department						Engineering Department.  3. Reconcile GL and SL balances of the Property, Plant and Equipment
			RO NCR	a. Accounting to check and reconcile the subsidiary ledger balances of the said accounts. b. Supply Officer and Accountant to analyze and reconcile the discrepancy Physical Inventory and book balance and effect the necessary adjustments for the differences noted.	Accounting and Supply Section	Mar 2018	Dec 2018	On-going		As agreed per meeting with COA, Inventory Account to be adjusted on the books of account per Report of Physical Inventory Count of Supply Section as of June 2018.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>d) Net Overstatement of PPE accounts P382,590,558.40</b> - Accumulated Depreciation - Unrecorded distribution/ disposal/ derecognition/ consumption/ sale/ transfer	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and	Dr. Paulino J. Garcia Memorial Research and Medical Center	1.Direct the Material Management Section and Accounting Section to regularly reconcile their balances. 2.Direct the Material Management to provide the Accounting Section copies of donations and transfers immediately after the consummation of the transaction.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY		COMPLIED.	N/A	Donated equipment to Mariveles Mental Hospital was dropped from the books through JEV No 2018-04-1347. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.
			RO 9	effect the adjustments to the corresponding accumulated depreciation accounts once the RPCPPE and all other necessary documents required for derecognition is submitted to Accounting Section	Iris A. Sanson Accountant III	Jan. 1, 2018	Mar 31, 2018	Fully Implemented		Effected all necessary journal entries



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	RO 8	The Accountant will effect the necessary adjustments on the misclassification of accounts to correct the reported balances of PPE accounts in the FS.	Rene V. Yanson Celeste Jane B. Tan	January 2018	Dec 2018	Fully Implemented		JEV was made to correct the erroneous entry .
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u></p> <p><b>d) Net Overstatement of PPE accounts P382,590,558.40</b></p> <p>- Accumulated Depreciation - Unrecorded depreciation (including net under- recorded depreciation)</p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p>	Baguio General Hospital and Medical Center	RECOGNIZE CORRECT ACCUMULATED DEPRECIATION	ACCOUNTING OFFICE	2017	2018	ONGOING	<p>Research on some depreciation issues to properly recognize depreciation expense</p> <p>Request assistance from engas technical person to fix errors on the automatic computation of depreciation in the engas</p>	The accounting personnel already conducted an initial analysis of the depreciation and accumulated depreciation of the PPEs of the hospital and adjusting entries will be prepared to reflect the correct figures for the said accounts once all depreciation issues will be settled.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;	Region 1 Medical Center	Concerned Offices has reconciled all PPE accounts and made the necessary adjustments has been effected	Material and Management (Property); Accounting Staff and end-users	Jan. 1, 2018	Jan. 31, 2018	Fully Implemented	n/a	Periodic Monitoring and reconciliation of Property, Plant and Equipment (PPE)
		c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;								
		d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and	OSEC Accounting		Accounting			Fully Implemented		Balances of PPE account and its contra asset accounts were already adjusted. Coordination with LMD will be strengthen to ensure the timely receipt of delivery reports and recording in the books
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Conner District Hospital	The management had required the accounting and Property, Procurement and Supply to reconcile their books. The property custodian was also required to submit delivery receipt to the accounting unit for recording.	Accounting and Property, Procurement and Supply	October 2018	Dec 2018	Partially Implemented	Lack of manpower. The Property custodian is also the Supply and Procurement Officer.	Conduct inventory of all PPEs. The Accounting will prepare its own schedule.  And adhere with the audit recommendation
			Trc Argao, Cebu	Resend a letter request to VSMMC management for the transfer of the covered court to DOH TRC Argao and secure insurance with the GSIS.	Administrative Division (Accounting, Property & Supply)	April 2018	May 2018	Fully Implemented (transfer) Ongoing (Insurance)		The Agency received the signed Property Transfer Report from VSMMC on March 22, 2018 while the Journal Entry Voucher (JEV) made by the VSMMC for the transfer was received on May 11, 2018. Corresponding JEV for the receipt of transfer booked up by TRC Argao on May 31, 2018 JEV # 18-05-399. On the other hand, the GSIS already sent a quotation for the insurance of our buildings including the said transferred

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										property and for payment processing early next year,2019.
			Cotabato Regional and Medical Center	<p>1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct amount of Depreciation Expense, Accumulated Depreciation and Accumulated Surplus.</p> <p>2. Direct the Accounting Department to periodically review the lapsing schedule of PPE and reconcile the same with the General Ledger</p> <p>3. Direct the Accounting Department to establish effective coordination and reconciliation of records between the Accounting Section and Engineering Facilities Management Department</p>	Accounting Department	3/7/18	3/31/18	Fully Implemented		<p>1. Prepare necessary adjusting entries to properly record PPEs purchased on cash basis, to recognized unrecorded depreciation, and to recognize completed CIPs as PPE and its applicable depreciation.</p> <p>2. Instruct the Accountant to periodically review the lapsing schedule of PPE and reconcile the same with the General Ledger, and to closely coordinate with the Engineering Department.</p> <p>3. Reconcile GL and SL balances of the Property, Plant and Equipment</p>
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> ) <b>Net Overstatement of PPE accounts P382,590,558.40- Accumulated Depreciation - Erroneous use of accounts</b>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs; b) effect the necessary restatement entries to correct the final	Dr. Paulino J. Garcia Memorial Research and Medical Center	Direct the Material Management and Accounting Section to regularly validate recorded equipment in the books. Effect necessary adjustments on or before April 2018.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY		COMPLIED.	N/A	Serviceable equipment that were recorded in the books as Other Assets were reclassified as per JEV Nos. 2018-03-1064 and 1072 through submission of necessary documents from Material Management Section. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		and beginning balances of the 2017 consolidated financial statements;c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; ande) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>d) Net Overstatement of PPE accounts P382,590,558.40</b> - <i>Accumulated Depreciation - Improper/ Erroneous (over, under and/ or double) Recording Transactions</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to	Talavera Extension Hospital  Corazon Locsin Montelibano Memorial Regional Hospital	Effect the necessary adjustment on the inaccurate recording of derecognized PPE disposed through sale of unserviceable properties covered by IIRUP.  a) Revisit and analyze the nature of accounting errors. b) Make necessary adjusting journal entries.	Accountant II  Accountant	Mar 2018  01/01/2018	Mar 2018  12/31/2019	Fully Implemented  On-going	(a) Unavailability of the prior years' schedules and subsidiary ledgers particularly accounting errors affecting real accounts.	Adjusting entry was journalized dated March 31, 2018 JEV#18-03-061 and 18-03-108  (1) Adjusting entries to correct the accounting errors were made accordingly. (2) Assigned personnel to take charge of the vouching of the transactions which resulted to the unreconciled amounts.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>d) Net Overstatement of PPE accounts P382,590,558.40</b>  <i>- Accumulated Depreciation - Non-reclassification to appropriate accounts</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous</p>	<p>OSEC Accounting</p>					Fully Implemented		Balances of PPE account and its contra asset accounts were already adjusted. Coordination with LMD will be strengthen to ensure the timely receipt of delivery reports and recording in the books.
			RO 11	-Prepare Journal Entry Vouchers to take up the derecognition of PPE's less than P15,000	Rosalinda R. Dela Cruz	4/2/18	4/2/18	Fully Implemented	N/A	Journal Entry Voucher was prepared to derecognized PPEs with acquisition cost of below P15,000. (JEV#2018-04-1234)

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		<p>recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
--	--	--	--	--	--	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>e) Net overstatement of Other Asset Accounts P266,456,492.08</b> - <i>Unrecorded distribution/ disposal/ derecognition/ consumption/ sale/ transfer</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard	Talavera Extension Hospital	The Accountant requested all available Inventory and Inspection Report of Unserviceable Property (IIRUP) and other related documents to the disposal of assets to Supply Section to properly reconcile balance of Other Assets and effect necessary adjustments.	Accountant II & Supply Officer	Feb 2018	Jun 2018	Not Implemented	Laxity of turned-over documents	Retrieve/Review documents through Supply Section and effect necessary adjustment.
			Labuan Public Hospital	The LPH management will direct the Inventory and Inspection Committee, Disposal Committee, and Committee on Awards to dispose the deteriorated properties of the hospital.	OIC-Chief of Hospital, Inventory and Inspection Committee, Disposal Committee, and Committee on Awards	Jan 2018	December 2018	Partially Implemented	The unserviceable vehicles were not included on the list of properties that were disposed of and scheduled for a different date. .	Action Taken:  Inventory Committee, Disposal Committee/Committee on Award had been created.  Action to be taken:  The Committee will submit a request to COA-RO for the disposal of the said unserviceable vehicles

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissionse) Net overstatement of Other Asset Accounts P266,456,492.08- Unrecorded liquidation, refunds or replenishments</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs; b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; ande)	Baguio General Hospital and Medical Center	LIQUIDATED FUND TRANSFER	ACCOUNTING OFFICE	2017	2018	PARTIALLY IMPLEMENTED		CONSULT PROJECT MANAGE FOR THOSE UNLIQUIDATED FUND TRANSFERS
			East Avenue Medical Center	For Compliance	Various Accountable Officers and Employees / Accounting Section	3/1/18	6/30/18	Fully Implemented		As of to date, all outstanding Cash Advances as of December 31, 2018 were liquidated and properly recorded in the books



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>e) Net overstatement of Other Asset Accounts P266,456,492.08</b> <i>- Unrecorded expenses, disbursements, remittances, application of payment, liabilities, receipts, receivables, collection or deposits</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and	RO NCR	Not applicable						
			OSEC Accounting					Fully Implemented		Reconciliation of balances between LBP and DOH record as of Dec. 31, 2017 was facilitated, and necessary adjustments were already recorded.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>e) Net overstatement of Other Asset Accounts P266,456,492.08</b> <i>- Erroneous use of accounts</i>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and</p>	OSEC Accounting		Accounting			Fully Implemented		Reconciliation of balances between LBP and DOH record as of Dec. 31, 2017 was facilitated, and necessary adjustments were already recorded.
			Western Visayas Medical Center	Adjusting entries to correct error in Advances to Contractors shall be prepared.	Accounting Office	Jan-18	Dec-18	Fully Implemented		Adjusting Entries were already recorded this September 2018.
			RO 10	<p>- To Make necessary adjustments to correct reported balances in the affected accounts.</p> <p>- To observe proper usage of various Accounting Forms, Records and Registries in accordance with the GAM and other existing accounting rules and regulations</p>	All Disbursing Officers	January	Jun. 2018	Fully Implemented		<p>- The office already implemented this one upon receipt of the AOM last November 2017. Thus, Cash Disbursement register and Report of Cash Disbursements still did not appear in the submitted September 2017 Liquidation Reports.</p> <p>- Rest assured that in the month of November 2017 up to the present, these forms were already</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.								attached as supporting documents in the liquidation of Advances for Operating Expenses and Advances for Special Disbursing Officers.  - Management was not able to reclassify the advances anymore amounting to P 332,453.52 since said cash advances were already liquidated before the receipt of the AOM. Rest assured that the Accounting Section will use the accounts Advances for Special Disbursing Officer and Advances to Officers and Employees appropriately.
			TRC Pototan, Iloilo	The amount of P8,033.13 already remitted to BIR last January 31, 2018; adjusting entry in the amount of P22,608.99 to record the remittance/adjustment of taxes withheld done -Adjusting entries for the Month of January 2018 done (f the Accounts Payable and Advances to officers and Employees accounts by P587,478.44 and P10,000.00, respectively,)	Hesper Justin V. Caporal-Marañon/ Accountant II	1/31/18	3/31/18			Adjusting Entries were made.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			San Lazaro Hospital	1. Compliance to the COA recommendation for implementation	Accountable Officers/ Accounting Department	July 2018	Onwards	Ongoing		Accountable Officers will be re-oriented on the use of petty cash.
			Dr. Paulino J. Garcia Memorial Research and Medical Center	Direct the Material Management and Accounting Section to regularly validate recorded equipment in the books. Effect necessary adjustments on or before April 2018.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY	COMPLIED.	N/A	Serviceable equipment that were recorded in the books as Other Assets were reclassified as per JEV Nos. 2018-03-1064 and 1072 through submission of necessary documents from Material Management Section. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.	
			RO 3	To require the Accountant to properly classify the unserviceable vehicles to Other Assets account.	Accountant	Mar-18		Sept-18	Ongoing implementation	List of items to be transferred to Other Assets account is not yet finalized

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Vicente Sotto Sr. Memorial Medical Center	Recommendations to be adopted. Conduct Physical Inventory of property, plant, and equipment of the hospital. Appraisal to be conducted. Building inventory shall also be conducted after receipt of evaluation/appraisal of the cost of donated buildings. Remove from books those unserviceable.	Property and Supply Department Accounting Office	April 1, 2018	Nov. 30, 2018	On-going		
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>e) Net overstatement of Other Asset Accounts P266,456,492.08</b> - <i>Improper/ Erroneous (over, under and/ or double) Recording of Transactions.</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	Western Visayas Medical Center	Adjusting entries to correct error in Advances to Contractors shall be prepared.	Accounting Office	Jan-18	Dec-18	Fully Implemented		Adjusting Entries were already recorded this September 2018.
			Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct amount of Depreciation Expense, Accumulated Depreciation and Accumulated Surplus.  2. Direct the Accounting Department to periodically review the lapsing schedule of PPE and reconcile the same with the General Ledger  3. Direct the Accounting Department to establish effective coordination and reconciliation of records between the Accounting Section and Engineering Facilities Management Department	Accounting Department	3/7/18	3/31/18	Fully Implemented		Made appropriate adjusting entry to correct Other Prepayments and PPE

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>e) Net overstatement of Other Asset Accounts P266,456,492.08</b>  <i>- Non-reclassification to appropriate accounts</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing</p>	Dr. Paulino J. Garcia Memorial Research and Medical Center	Direct the Material Management and Accounting Section to regularly validate recorded equipment in the books. Effect necessary adjustments on or before April 2018.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY		COMPLIED.	N/A	Serviceable equipment that were recorded in the books as Other Assets were reclassified as per JEV Nos. 2018-03-1064 and 1072 through submission of necessary documents from Material Management Section. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>f) Net understatement of Liability Account P880,500,963.12</b> <i>- Unrecorded and late recorded Assets, Receipts of delivered inventories/ PPE and transferred Infrastructures</i>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p>	OSEC Accounting					Fully implemented		Unrecorded receipt of inventories and PPE were adjusted in the books upon receipt of the Delivery Reports and pertinent supporting documents from concerned office.
			Rizal Medical Center	<p>The accountant prepared JEV to adjust the act overstatement and record the accounts payable to its appropriate FCs.</p> <p>The accounting department will retrieve the supporting documents for the P110,386.60 understatement and subsequent adjustments will be made.</p>	Accounting Department	2018	2018	Fully implemented		<p>Prepared JEV Nos. 18-03832,833,834 and 835to adjust the accounts payable to its appropriate accounts/ FCs</p> <p>Adjustments will be made on September 2018</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information."''''</p>	Governor Celestino Gallares Memorial Hospital	To book up the parcel of land transferred by the Provincial Government of Bohol through Deed of Donation ( By Usufruct)	Serelyn Lamigo, Leah Aurora Bongalos/Accounting section	March 1, 2018	March 31, 2018	Fully Implemented		Land transferred by Provincial Government of Bohol through Deed of Donation (By Usufruct) was already taken up in the books of account as per jev no. 2018-03-000944 dated 03/31/2018.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>f) Net understatement of Liability Account P880,500,963.12</b> <i>- Unrecorded expenses, disbursements, remittances, application of payment, liabilities,</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:	OSEC Accounting					Fully implemented		Cash balances in the bank were already remitted to the Bureau of Treasury;  Deposits on Letters of Credit account balance was regularly reconciled with the bank balance.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	receipts, receivable, collections or deposits	<p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	RO 3	To fast track payments so that they will reported in the year they were incurred and stop the charging of expenses incurred prior years to Accumulated Surplus Account	Bids and Awards Committee, Procurement and Supply Unit	Mar-2018	Dec-2018	Ongoing implementation		
TRC Pototan, Iloilo			The amount of P8,033.13 already remitted to BIR last January 31, 2018; adjusting entry in the amount of P22,608.99 to record the remittance/adjustment of taxes withheld done - Adjusting entries for the Month of January 2018 done (f the Accounts Payable and Advances to officers and Employees accounts by P587,478.44 and P10,000.00, respectively.)	Hesper Justin V. Caporal-Marañon/ Accountant II	1/31/18	3/31/18			Adjusting Entries were made.	
East Avenue Medical Center			For Compliance	Accounting Section	1/1/18	1/31/18	Fully Implemented		Adjustments in the books were already made per JEV # 07-2018-0001	
Cotabato Regional and Medical Center			1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.  2. Direct the Claims Section	Accounting Department	3/7/18	3/31/18	Fully Implemented		Made adjusting entry to correct Accounts Receivable and Other Deferred Credits	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				to double check the transmittal list of its claims from PHIC to avoid double entries or unrecorded claims and instruct the assigned person in the accounting department to trace double entries in the transmittal through MS Excel formula.  3. Instruct the Accounting Department to periodically reconcile its GL with its SL balances.						
			RO NCR	a. To effect necessary adjustments including the prior year audit recommendation.  b. Thorough analysis of documents are being done in journalizing of transactions.	Accounting Section	Jan 2018	Dec 2018	Partially Implemented  Implemented	Retrieval of supporting documents for the adjustments are on-going.	a. For the erroneous entries, unrecorded liabilities and un-acted prior years recommendations, adjustments amounting to P3,256,586.39 were already recorded per JEV Nos: 2018-01-263; 2018-01-264; 2018-05-1915; 2018-05-1906; 2018-05-1916; 2018-05-1923; 2018-05-1908; 2018-05-05-1909; 2018-05-1911; 2018-05-1912; 2018-05-1963; 2018-05-1921; 2018-05-1989; 2018-05-1991; 2018-05-1953; 2018-05-1973; 2018-05-2018; 2018-05-2020; 2018-05-2022 and 2018-05-2023. The remaining balance of P75,496.80 to be adjusted upon retrieval of supporting documents.  b. Thorough analysis of documents are being done in journalizing of transactions.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> f) <b>Net understatement of Liability Account</b> <b>P880,500,963.12</b> - <i>Erroneous use of accounts</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:	Cagayan Valley Medical Center	*The Cashier and Accounting Section had already observed reconciliation of their records on a monthly basis and make necessary	Cashier Section, Accounting Section, Materials Management	August 2017 and onwards		Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		<p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>		<p>adjustments in their respective records after verification of such. Both offices had already effected the adjustments reflected in the Reconciliation Statement of Accountability during the cash exam. Likewise, both offices assigned person-in-charge to do monthly reconciliation. **The Accounting and Materials Management Section agreed to comply in the conduct of regular reconciliation of their respective records on inventories. The Accounting Section observed maintenance of records on inventories per Fund Cluster and records receipts and issuances of inventories based on relevant source documents submitted by the Materials Management Section such as Inspection and Acceptance Report and Requisition Issue Slip. Thus, the Accounting Section has already submitted monthly Report of Supplies and Materials Issued (RSMI) to COA with the accomplished portion on the unit cost and total cost of all issuances for the period and has already prepared journal entries to effect necessary adjustments as per verification of the ledgers maintained in the area and submitted the said entries</p>	Section and Billing and Claims Unit					
--	--	---	--	---	-------------------------------------	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				<p>to COA. Likewise, the Materials Management Section has already implemented the use of Stock Cards and properly accomplished such form. The section also observed monitoring for all items purchased, received and distributed separately according to their source as presented in the stock cards.</p> <p>***The Accounting Section agreed to comply with the review and analysis of reported balance of the receivables from PHIC and has already conducted regular reconciliation with the Billing and Claims Unit on a monthly basis. The Accounting Section has already prepared the journal entries for those claims with negative balances and denied claims. The Billing and Claims Unit also agreed to review carefully and thoroughly all claim forms for completeness and correctness of data prior to submission to the PHIC. Thus, Billing and Claims Unit regularly keeps on being immediately acquainted with PhilHealth Advisories and Circulars and continue to make strategies and possibilities to address issues and adhere to the guidelines prescribed by PhilHealth.</p>						
--	--	--	--	--	--	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			RO 8	Reclassification of erroneous entries made and effect the necessary adjustments to correct the balance of liability accounts	Rene V. Yanson Celeste Jane B. Tan	June 2018	Dec 2018	Fully Implemented		JEVs were already drawn to effect the necessary adjustments.
			TRC Pototan, Iloilo	The amount of P8,033.13 already remitted to BIR last January 31, 2018; adjusting entry in the amount of P22,608.99 to record the remittance/adjustment of taxes withheld done -Adjusting entries for the Month of January 2018 done (f the Accounts Payable and Advances to officers and Employees accounts by P587,478.44 and P10,000.00, respectively.)	Hesper Justin V. Caporal-Marañon/ Accountant II	1/31/18	3/31/18			Adjusting Entries were made.
			Valenzuela Medical Center		Accountant			Fully Implemented		Accountant adhered to the recommendations of the Auditor and adjusting entries were already made. ---VMC recorded an Accounts Payable of (P435,00.00)
			Western Visayas Medical Center	Adjusting entries to correct journal entry error shall be made.	Accounting Office	Jan-18	Dec-18	Fully Implemented		Adjusting Entries were already recorded this September 2018.
			TRC Dulag, Leyte	Not a TRC-Dulag's AOM.						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 4A	Make the necessary adjustments and corrections on the noted errors, omissions, and deficiencies thru the adjustment/ correction of Accumulated Surplus account and record the subject transactions accordingly.	Chief Accountant	Jan. 2018	Jun. 2018	Fully Implemented		Corresponding adjustments and corrections have been made and were submitted on June 28, 2018.
			RO 11	1) Conduct analysis of accounts "Due to Central Office" and "Construction-in-Progress" under the EU and AECID Funds 2) Prepare Journal Entry Vouchers to take up the adjustment of accounts from "Due to Central Office" to "Construction in Progress"	Riziel Magaway	4/23/18	4/26/18	Fully Implemented	N/A	-Analysis of accounts was completed on 04/25/18 -Journal Entry Vouchers were prepared to correct erroneous accounts used (JEV 2018-04-140 and 2018-04-144)
			RO 5	Effect Adjustment in the books	Resty D. Daep	Apr 2018	May 2018	Fully implemented		Adjusted in the books under JEV 18-04-090
			RO NCR	a. To effect necessary adjustments including the prior year audit recommendation on Accounts Payable.  b. Thorough analysis of documents are being done in journalizing of transactions.  c. To reclassify the account Due to NGAs to Due to Other Funds in the amount of P1,098,463.70.	Accounting Section	Jan 2018	Dec 2018	a. Partially Implemented  b. Implemented  c. Implemented	Retrieval of supporting documents for the adjustments are on-going.	a. For the erroneous entries, unrecorded liabilities and un-acted prior years recommendations, adjustments amounting to P3,256,586.39 were already recorded per JEV Nos: 2018-01-263; 2018-01-264; 2018-05-1915; 2018-05-1906; 2018-05-1916; 2018-05-1923; 2018-05-1908; 2018-05-05-1909; 2018-05-1911; 2018-05-1912; 2018-05-1963; 2018-05-1921; 2018-05-1989; 2018-05-1991; 2018-05-1953; 2018-05-1973; 2018-05-2018; 2018-05-2020; 2018-05-2022 and

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										<p>2018-05-2023. The remaining balance of P75,496.80 to be adjusted upon retrieval of supporting documents.</p> <p>b. Thorough analysis of documents are being done in journalizing of transactions.</p> <p>c. As recommended, we have reclassified the account Due to NGAs to Due to Other Funds in the amount of P1,098,463.70 with reference Journal Entry Voucher No. 2018-01-000334.</p>
			Schistosomiasis Control and Research Hospital	To reclassify the recognition of 1 unit ambulance donated from PCSO to SCRH recorded as Donated capital in kind, instead of Deferred Credits considering the conditions imposed must be complied based on deed of donation before ownership will be fully transferred to Donee (SCRH). The effect of such adjustment will increase the liability account, and will correct the beginning balance of Accumulated Surplus/(Deficit) that leads to accurate amount stated in the financial report which avoid misleading information.	Accounting Section	Jan 2018	Jun 2018	Fully Implemented		Inquire the persons responsible to secure the necessary documents to affect the adjustment. Please see JEV No. 18-06-61 General Journal, June 2018 under Fund Cluster: 01-RAF. (Note: Applies to all a to e audit recommendations.)

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			TRC Tagaytay	We will effect the necessary adjustments in order to reflect the reclassification of Other Payables to Guaranty/Security Deposits Payable amounting to Php39,758.15. Henceforth, we shall be cautious in the use of accounts to avoid erroneous recording and ensure at all times that the definition and recognition criteria for assets, liabilities, revenue and expenses are strictly observed.	Accounting Unit	43101	43101	Fully Implemented		An adjusting entry with JEV no. 2018-01-009CS dated January 3, 2018 was posted to reflect the reclassification of the performance cash bond from Other Payables to Guaranty/Security
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>f) Net understatement of Liability Account P880,500,963.12</b> <i>- Improper/ Erroneous (over, under and/ or double recording of transactions</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous	Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.  2. Instruct the Accounting Department to periodically reconcile its GL with its SL balances.	Accounting Department			Fully Implemented		Made adjusting entry to correct Accounts Payable and Other Deferred Credits



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	RO NCR	<p>a. To effect necessary adjustments including the prior year audit recommendation.</p> <p>b. Thorough analysis of documents are being done in journalizing of transactions.</p>	Accounting Section	Jan 2018	Dec 2018	Partially Implemented	Retrieval of supporting documents for the adjustments are on-going.	<p>a. For the erroneous entries, unrecorded liabilities and un-acted prior years recommendations, adjustments amounting to P3,256,586.39 were already recorded per JEV Nos: 2018-01-263; 2018-01-264; 2018-05-1915; 2018-05-1906; 2018-05-1916; 2018-05-1923; 2018-05-1908; 2018-05-05-1909; 2018-05-1911; 2018-05-1912; 2018-05-1963; 2018-05-1921; 2018-05-1989; 2018-05-1991; 2018-05-1953; 2018-05-1973; 2018-05-2018; 2018-05-2020; 2018-05-2022 and 2018-05-2023. The remaining balance of P75,496.80 to be adjusted upon retrieval of supporting documents.</p> <p>b. Thorough analysis of documents are being done in journalizing of transactions.</p>
			Rizal Medical Center	The Accountant prepared JEV to adjust the net overstatement and record the accounts payable to its appropriate FCs.	Accounting Department	2018	2018	Fully implemented		Prepared JEV Nos. 18-03-832,833,834 and 835 to adjust the accounts payable to its appropriate accounts/FCs

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 9	a. Identify the accounting errors relative to the non set-up of payables which resulted to the negative / abnormal balances of the payable accounts  b. Make the necessary adjusting entries	Iris A. Sanson Accountant III	Jan. 1, 2018	Mar 31, 2018	Fully Implemented		Investigated the abnormal balances of Accounts Payable and made the necessary adjusting entries
			Western Visayas Medical Center	Adjusting entries to correct journal entry error shall be made.	Accounting Office	Jan-18	Dec-18	Fully Implemented		Adjusting Entries were already recorded this September 2018.
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully implemented		Adjusted in the books as of December 31 , 2017.
			Vicente Sotto Sr. Memorial Medical Center	Change entries used in recording the PHIC claims, to Hospital Income from other deferred credits.	Finance Management Office  Accounting Office	Jan 1, 2018	Jan. 31, 2018	Implemented	N/A	Recommendations are taken and adopted.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>f) Net understatement of Liability Account</b>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that	Amai Pakpak Medical Center	Adjustment of errors and necessary correction in the records .	Anna Najieva Bantuas-Lucman-Accountant IV	Mar 2018	Mar 2018	Fully Implemented		Adjusting entries were drawn to effect the necessary correction.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	<b>P880,500,963.12</b> - Non-adjustment of stale checks	their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and	Bicol Medical Center	1. Review reconciling items and retrieve necessary supporting documents for reference. 2. Coordinate with Cash Operations re: unrecorded bank-to-bank transactions, stale checks and unreleased checks. 3. Conduct reconciliation and prepare necessary adjusting entries. 4. Ensure timely submission of Bank Reconciliation Statements. Coordinate with Cash Operations to facilitate receipt of Bank Statements or print-out of Bank Statements.	Armida L. Naz, Accountant IV Joel Bernard Enrile, Accountant III Ma Thresa Abay, SAO/Head-Cash Operations	April 10, 2018		Partially implemented	There were no source documents on some transactions.	Reviewed transactions and retrieved necessary documents for adjustments. Coordinated with Cash Operation re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.
			Bicol Sanitarium	1. Assign a staff to assist in the reconciliation of account and retrieval of supporting documents 2. Retrieve related supporting documents (bank statements, journals, book of accounts, etc) and analyze recording of transactions 3. Book the necessary journal entries"	Maria Cecilia J. Manzo / Accountant II	Jun 2018	Dec 2018	Ongoing	Retrieval of supporting documents as well as limited number of staff is a challenge	Specific personnel were assigned to help in the reconciliation. Out of 25.4 million difference in 2017, remaining items for reconciliation is only 420 thousand. Reconciliation and retrieval of supporting documents will be continued.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Food and Drug Administration	Prepare Bank Reconciliation Statements and submit on time and make the necessary adjustments.	Accounting / FROO	Jan 2018	Sep 2018	Partial Implementation		<p>Reconciling items were taken up as per JEV # 18-01-101; JEV # 18-01-102; JEV # 18-01-103;</p> <p>JEV # 18-01-104. The other reconciling items are still being verified/validated for the details.</p> <p>Delay in the submission of Bank Reconciliation Statement is partly due to delayed receipt of bank statements from the banks. The Accounting Division has submitted BRS for LBP Payroll Account No. 0392-1031-80 as of January 2017. Special Fund – RA DBP No. 0430-13669-030 as of March 2018. For LBP Account No. 0391-1052-12, last BRS was March 2016, there was no transaction for this account since then. Updating of BRS is on-going.</p> <p>To be able to comply with timeliness, we will be requesting LBP for WeAccess for all our bank accounts.</p>
			RO 1	<p>The Accountant is constantly performing account reconciliation in this regard.</p> <p>The Agency will adhere to the recommendations.</p>	<p>a), b), c) &amp; e) - Accountant</p> <p>d) CAO and/or SAO, Cluster Heads, Section chiefs</p>	Oct 2018	Dec 2018	<p>Necessary adjustments have been made and there is an on-going account reconciliation.</p> <p>Meeting with the concerned offices on the timely submission of reports will be conducted.</p>		<p>Necessary adjustments have been made and there is an on-going account reconciliation.</p> <p>Meeting with the concerned offices on the timely submission of reports will be conducted.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 2	The management reminded the Accountant and the Cashier to review the deficiencies noted and observed / implement immediately the recommendations made.	Accounting Unit	May 2017	Jun 2017	Fully Implemented		The unreleased checks were already recorded in the books as cancelled within the month or one month after they became stale.  The Accounting unit has exerted extra effort in securing the relevant documents pertaining to prior years' book reconciling items to support the adjustment made.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b> <i>- Government Equity - Unrecorded and late recorded Assets, Receipts of delivered inventories/ PPE and transferred Infrastructures</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper	Amai Pakpak Medical Center	Verification and confirmation of prior adjustments made for unrecorded Medical Equipment in reference to available records to substantiate the adjusting entry made.	Anna Najieva Bantuas-Lucman-Accountant IV	Mar 2018	Sept. 2018	Ongoing	Retrieval of records is a problem.	Verification and confirmation of prior adjustments will be made after the Supply Office were done with the conduct of Inventory sweep for all hospital PPEs.
			Bataan General Hospital		Accounting Section			Fully Implemented		The Accountant already computed the accurate accumulated depreciation and carrying amount of the Hospital and Health Centers transferred by PGOB based on the correct remaining life and made the necessary adjusting entries, with JEV No. 01-2018-02-87 dated February 20, 2017
			Conner District Hospital	The management had required the accounting and Property, Procurement and Supply to reconcile their books. The property custodian was also required to submit delivery receipt to the accounting unit for recording.	Accounting and Property, Procurement and Supply	October 2018	Dec 2018	Partially Implemented	Lack of manpower. The Property custodian is also the Supply and Procurement Officer.	Conduct inventory of all PPEs. The Accounting will prepare its own schedule.  And adhere with the audit recommendation

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	Far North Luzon General Hospital	To effect necessary adjustments on the errors to correct the reported balances of the affected accounts in the FS.	Accountant	Jun. 2017	Dec 2017	fully implemented		Various accounting errors were adjusted on June and December of last year.
		d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and	OSEC HPSP II					Fully implemented		Adjustments of this account were taken up on the adjustments made to assets, liabilities, and expenses accounts.
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the inventory/PPE report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The differences were reconciled and effect corrections /adjusting entries.
			National Center for Mental Health	ADJUSTED IN THE BOOKS	Dulce B. Valerio Chief, Accounting Section	CY 2017	CY 2017	Fully Implemented		PREPARED JEV No. 2017-12-00374 dated December 31, 2017 to revert back the past due payables amounting to P3,302.09.
			Quirino Memorial Medical Center		Manilyn Umandap/Accounting Section			Fully Implemented		Effects of the adjustments made on the specific accounts have been verified.
			RO 4B	Observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	Accounting Section and Logistics Management Section	Jan 2018	Dec 2018	Partially Implemented	System failure caused by ransomware	On going re-entry of 2016 and 2017 transactions to ENGAS. Reconciliation will resume once re-entry is done. Necessary adjustments will be effected in our Books of Accounts.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462
			Schistosomiasis Control and Research Hospital	To reclassify the recognition of 1-unit ambulance donated from PCSO to SCRH recorded as Donated capital in kind, instead of Deferred Credits considering the conditions imposed must be complied based on the deed of donation before ownership will be fully transferred to Donee (SCRH). The effect of such adjustment will increase the liability account, and will correct the beginning balance of Accumulated Surplus/(Deficit) that leads to accurate amount stated in the financial report which avoid misleading information.	Accounting Section	Jan 2018	Jun 2018	Fully Implemented		Inquire the persons responsible to secure the necessary documents to affect the adjustment. Please see JEV No. 18-06-61 General Journal, June 2018 under Fund Cluster: 01-RAF. (Note: Applies to all a to e audit recommendations.)
			TRC Dagupan	Reconciliation of Books with the records and inventory count of Supply Section	Accounting and Supply Section	Jan.2018	Jun. 2018	Fully Implemented	Difficulty of reconciliation due to the need for detailed reconciliation of subsidiary ledgers of Accounting vs. records and inventory count of Supply section	Books were adjusted as of March 2018

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Trc Argao, Cebu	Resend a letter request to VSMMC management for the transfer of the covered court to DOH TRC Argao and secure insurance with the GSIS.	Administrative Division (Accounting, Property & Supply)	April 2018	May 2018	Fully Implemented (transfer) Ongoing (Insurance)		The Agency received the signed Property Transfer Report from VSMMC on March 22, 2018 while the Journal Entry Voucher (JEV) made by the VSMMC for the transfer was received on May 11, 2018. Corresponding JEV for the receipt of transfer booked up by TRC Argao on May 31, 2018 JEV # 18-05-399. On the other hand, the GSIS already sent a quotation for the insurance of our buildings including the said transferred property and for payment processing early next year, 2019.
			Valenzuela Medical Center		Accountant			Fully Implemented		Adjusting entries were made to clarify the remaining inventories at hand to Drugs and Medicines Inventory account. --- VMC recorded an Accumulated Surplus/(Deficit) of P413,160.13
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Government Equity - Unrecorded distribution/ disposal/ derecognition/ consumption/ sale/ transfer</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and	Conner District Hospital	The management had required the accounting and Property, Procurement and Supply to reconcile their books. The property custodian was also required to submit delivery receipt to the accounting unit for recording.	Accounting and Property, Procurement and Supply	October 2018	Dec 2018	Partially Implemented	Lack of manpower. The Property custodian is also the Supply and Procurement Officer.	Conduct inventory of all PPEs. The Accounting will prepare its own schedule.  And adhere with the audit recommendation
			Dr. Paulino J. Garcia Memorial Research and Medical Center	1.Direct the Material Management Section and Accounting Section to regularly reconcile their balances. 2.Direct the Material Management to provide the Accounting Section copies of donations and transfers immediately after the consummation of the transaction.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY		COMPLIED.	N/A	Donated equipment to Mariveles Mental Hospital was dropped from the books through JEV No 2018-04-1347. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Talavera Extension Hospital	The Accountant requested all available Inventory and Inspection Report of Unserviceable Property (IIRUP) and other related documents to the disposal of assets to Supply Section to properly reconcile balance of Other Assets and effect necessary adjustments.	Accountant II & Supply Officer	02/01/2018	06/01/2018	Not Implemented+	Laxity of turned-over documents	Retrieve/Review documents through Supply Section and effect necessary adjustment.
			Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the PPE report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The differences were reconciled and effect corrections /adjusting entries.
			Labuan Public Hospital	Organize an Inventory and Inspection Committee to monitor all PPE of the hospital.  Submission of Report on the Physical Count of PPE.  Organize a Disposal Committee who takes charge of disposal of unserviceable properties of hospital.	OIC-Chief of Hospital, Administrative Officer V, Supply Officer, Inventory and Inspection Committee, and Accountant	Jan 2018	December 2018	Partially Implemented	Lack of Accounting manpower to prepare and monitor Property, Plant and Equipment Ledger Card  Lacks of manpower to facilitate in reconciliation process. Lack supporting documents.  No Disposal Committee was created for the disposal of unserviceable properties of	action Taken:  Coordinated with the Property Custodian to facilitate reconciliation of balances per books and supply.  The Accountant have exerted efforts to trace the balance of each PPE accounts in the books of Agency thru requisition of prior records from Supply Office, Inspection and Analysis of General Ledgers and Financial Reports, Interviews of previous in-charge in supply and accounting unit.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
									hospital.  No Inventory and Inspection Committee was created to monitor all PPE of the hospital.	
			OSEC Accounting					Fully implemented		Adjustments of this account were taken up on the adjustments made to assets, liabilities, and expenses accounts.
			RO CAR	Prepare the corresponding RSMIs and forward to Accounting Section for recording	MMT and Accounting Section	Immediately		Ongoing/Partially Implemented		Issued RSMI for the following:  PPE for distribution: P2,458,893.65 Excluton pills: 2,348,738.28 Deltamethrine: 819,000.00 S Bio Allethrine: 1,649,880.00 T o t a l: P7,276,511.93  Reconciliation with the Accounting section is on ongoing  RSMIs were forwarded to the Accounting Section
			RO 4B	Observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	Accounting Section and Logistics Management Section	Jan 2018	Dec 2018	Partially Implemented	System failure caused by ransomware	On going re-entry of 2016 and 2017 transactions to ENGAS. Reconciliation will resume once re-entry is done. Necessary adjustments will be effected in our Books of Accounts.
			RO 9	a. require the Supply Section to submit the complete RSMIs supported with the corresponding RIS and ICS as well as the RCPPE with IRPs and PTRs	Iris Sanson Accountant III  Jose Noel F. Torres AOV (Supply)	Jan. 1, 2018	Mar 31, 2018	Partially Implemented	Reconciliation still on-going, particularly for stocks procured in the prior years  No RSMI submitted for	Effected the necessary adjusting entries for RSMIs on drugs and medicines, submitted during the 1st quarter of CY 2018

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				b. effect the necessary adjusting entries to record the issuances of supplies and materials					"Other Supplies and Materials Inventory" account	
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462
			RO 11	1) Prepare MOA for the transfer of infrastructure projects to LGUs concerned	HFEP/Legal	1/5/18	12/31/18	Partial	Due to many HFEP projects and recipients the preparation of MOA and the signing thereof takes time	Some HFEP equipment and projects were already done with MOA - Continue preparation of MOA for other projects and equipment
			Valenzuela Medical Center		Accountant			Fully Implemented		The Accountant followed the recommendations of the Auditor in recognizing an expense account and presenting accounts in the financial statements in accordance with GAM. --- VMC recorded an Accumulated Surplus/(Deficit) of '(P218,732.00)
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Government Equity - Unrecorded depreciation (including net under-recorded depreciation)</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the	Baguio General Hospital and Medical Center	RECOGNIZE DEPRECIATION EXPENSE	ACCOUNTING OFFICE	2017	2018	FULLY IMPLEMENTED		RECOGNIZED DEPRECIATION EXPENSE
			Conner District Hospital	The management had required the accounting and Property, Procurement and Supply to reconcile their books. The property custodian was also required to submit delivery receipt to the accounting unit for recording.	Accounting and Property, Procurement and Supply	October 2018	Dec 2018	Partially Implemented	Lack of manpower. The Property custodian is also the Supply and Procurement Officer.	Conduct inventory of all PPEs. The Accounting will prepare its own schedule.  And adhere with the audit recommendation

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;	Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.  2. Instruct the Accounting Department to periodically reconcile its GL with its SL balances.	Accounting Department			Fully Implemented		Made adjusting entry to record appropriate depreciation expenses
		c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;	OSEC Accounting					Fully Implemented		Balances of PPE account and its contra asset accounts were already adjusted. Coordination with LMD will be strengthen to ensure the timely receipt of delivery reports and recording in the books.
		d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and	Region 1 Medical Center	All necessary adjustments has been effected	Accounting staff	Jun. 1, 2018	Jun. 31, 2018	Fully Implemented	n/a	Proper classification of accounts is to be observed in accordance with GAM
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Trc Argao, Cebu	Resend a letter request to VSMMC management for the transfer of the covered court to DOH TRC Argao and secure insurance with the GSIS.	Administrative Division (Accounting, Property & Supply)	April 2018	May 2018	Fully Implemented (transfer) Ongoing (Insurance)		The Agency received the signed Property Transfer Report from VSMMC on March 22, 2018 while the Journal Entry Voucher (JEV) made by the VSMMC for the transfer was received on May 11, 2018. Corresponding JEV for the receipt of transfer booked up by TRC Argao on May 31, 2018 JEV # 18-05-399. On the other hand, the GSIS already sent a quotation for the insurance of our buildings including the said transferred property and for payment processing early next year,2019.
DOH CAAR	Accounting Errors and Omissions <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b>	We recommended and the Management of the concerned DOH Agencies	Basilan General Hospital	• Strictly adhere to audit recommendations.	Eduard D. Sumergido	Aug. 31, 2018	Dec. 31., 2018	Ongoing		Cash Advances have been substantiated. Records adjusted by Accountant.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
2017 par.1	- <i>Government Equity - Unrecorded liquidation, refunds or replenishments</i>	<p>and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard</p>			(Accountant III)					
			RO 4A	Make the necessary adjustments and corrections on the noted errors, omissions, and deficiencies thru the adjustment/ correction of Accumulated Surplus account and record the subject transactions accordingly.	Chief Accountant	Jan. 2018	Jun. 2018	Fully Implemented		Corresponding adjustments and corrections have been made and were submitted on June 28, 2018.
			RO 9	<p>a. Send demand letters to respective LGUs for immediate submission of fund utilization reports</p> <p>b. conduct financial monitoring to reconcile balances with LGUs with corresponding outstanding unliquidated balances</p> <p>c. Effect the necessary adjustments and liquidations per FUR secured during the monitoring and subsequently received</p>	Iris Sanson Accountant III	May 1, 2018	June 30, 2018	Fully Implemented		<p>a. sent out demand letters</p> <p>b. conducted a 5-day financial monitoring among LGUs</p> <p>c. effected the necessary journal entries to properly record the liquidations submitted by the LGUs</p>
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken	
						From	To				
		against inaccurate or misleading information.									
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b> <i>- Government Equity - Unrecorded transfer of Infrastructure</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and	OSEC HPSP II					Fully implemented		Adjustments of this account were taken up on the adjustments made to assets, liabilities, and expenses accounts.	
			RO NCR	Not applicable							
			RO 11	1) Prepare MOA for the transfer of infrastructure projects to LGUs concerned	HFEP/Legal	1/5/18	12/31/18	Partial	Due to many HFEP projects and recipients the preparation of MOA and the signing thereof takes time	Some HFEP equipment and projects were already done with MOA - Continue preparation of MOA for other projects and equipment	
			Vicente Sotto Sr. Memorial Medical Center	Recommendations to be adopted.  Transfer the property to Argao Treatment and Rehab center.	Chief Administrative Office  Finance Management Office	Jan. 2, 2018	Feb 30, 2018	Fully Implemented	N/A	TRC-Argao the Property Transfer Report has been prepared and transmitted.	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b>  <u>- Government Equity - Unrecorded expenses, disbursements, remittances, application of payment, liabilities, receipts, receivable, collections or deposits</u></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the</p>	Cagayan Valley Medical Center	<p>*The Cashier and Accounting Section had already observed reconciliation of their records on a monthly basis and make necessary adjustments in their respective records after verification of such. Both offices had already effected the adjustments reflected in the Reconciliation Statement of Accountability during the cash exam. Likewise, both offices assigned person-in-charge to do monthly reconciliation.</p> <p>**The Accounting and Materials Management Section agreed to comply in the conduct of regular reconciliation of their respective records on inventories. The Accounting Section observed maintenance of records on inventories per Fund Cluster and records receipts and issuances of inventories based on relevant source documents submitted by the Materials Management Section such as Inspection and Acceptance Report and Requisition Issue Slip.</p>	Cashier Section, Accounting Section, Materials Management Section and Billing and Claims Unit	August 2017 and onwards		Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		<p>concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>		<p>Thus, the Accounting Section has already submitted monthly Report of Supplies and Materials Issued (RSMI) to COA with the accomplished portion on the unit cost and total cost of all issuances for the period and has already prepared journal entries to effect necessary adjustments as per verification of the ledgers maintained in the area and submitted the said entries to COA. Likewise, the Materials Management Section has already implemented the use of Stock Cards and properly accomplished such form. The section also observed monitoring for all items purchased, received and distributed separately according to their source as presented in the stock cards.</p> <p>***The Accounting Section agreed to comply with the review and analysis of reported balance of the receivables from PHIC and has already conducted regular reconciliation with the Billing and Claims Unit on a monthly basis. The Accounting Section has already prepared the journal entries for those claims with negative balances and denied claims. The Billing and Claims Unit also agreed to review carefully and</p>						
--	--	---	--	--	--	--	--	--	--	--



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				thoroughly all claim forms for completeness and correctness of data prior to submission to the PHIC. Thus, Billing and Claims Unit regularly keeps on being immediately acquainted with PhilHealth Advisories and Circulars and continue to make strategies and possibilities to address issues and adhere to the guidelines prescribed by PhilHealth.						
			RO NCR	not applicable						
			RO 3	To fast track payments so that they will reported in the year they were incurred and stop the charging of expenses incurred prior years to Accumulated Surplus Account	Bids and Awards Committee, Procurement and Supply Unit	Mar-2018	Dec-2018	Ongoing implementation		
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462
			San Lazaro Hospital	1. Compliance to COA recommendation to be fully implemented	Accounting Department	July 2018	Onwards	Partial Implementation		Necessary adjustment will be made by the Accounting Department.
			San Lorenzo Ruiz Women's Hospital	The Accountant shall resubmit the settlement amounting to 23,731.79 that was first received by the COA office on March 2017; review the records, reconcile the GL balances and prepare the necessary adjusting entries as needed.	Accounting Unit	2018	2018	Fully Implemented		SL for Receivables-Disallowances/Charges are already maintained and updated.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			TRC Pototan, Iloilo	Adjusting entries for the Month of January 2018 done which Retention money amounting to P989,149.24 withheld from the payment of progress billings to contractors were erroneously recorded as Other Payables instead of Guaranty/Security Deposits Payable resulting in the overstatement of the Other Payables account and understatement of the Guaranty/Security Deposits Payable account by the same amount.	Hesper Justin V. Caporal-Marañon/ Accountant II	1/31/18	3/31/18			Adjusting Entries were made.
			Valenzuela Medical Center		Engineer IV/Special Disbursing Officer			Fully Implemented		Accountable Officer is already reconciling the Cash Disbursement Record with the Subsidiary Ledger of the Accounting Section ---VMC recorded an Accumulated Surplus/(Deficit) of '(P22,545.00)
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Government Equity - Erroneous use of accounts</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to	RO 8	The Accountant will effect the necessary adjustments on the erroneous use of account to correct the reported balance of Government Equity account in the FS.	Rene V. Yanson Celeste Jane B. Tan	June 2018	Dec 2018	Fully Implemented		JEVs were already drawn to effect the necessary adjustments.
			RO 10	- To Make necessary adjustments to correct reported balances in the affected accounts.  - Succeeding fund transfers to LGU's requiring Fund Utilization Report shall be taken up as a receivable account instead of expense.	Accountant Section / Accountant III	January	Jun. 2018	Fully Implemented		- A Journal Entry was already made to take up all fund transfers from DOH RO X to LGU's in the implementation of Water Sanitation Projects under BuB amounting to P 2,467,750.00. JEV No. 2017-12010469 dated December 31, 2017.  - Succeeding transfers to LGU's requiring Fund Utilization Reports (FUR's) were now taken up as receivable account from LGU

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	RO 11	1) Conduct analysis of accounts used for the 1st Quarter 2018 2) Prepare Journal Entry Vouchers to effect adjustment	Rosalinda R. Dela Cruz	4/16/18	43208	Fully Implemented	N/A	Analysis of accounts were done and were completed on April 18, 2018 - Journal Entry vouchers were prepared to correct erroneous accounts used per JEV Nos. 2018-04-1503;1510;1523; 1634;1612
			RO 12					Fully Implemented		The accounting section has already prepared letters to LGU's with unliquidated cash advances for settlement of their account.  Adjusting entry with Jev # 2018-01-001228 was already taken up for no. 2 recommendation of this finding.  The PPE with dormant accumulated depreciation is already fully depreciated hence there is no movement in the said account.
			San Lazaro Hospital	1. Compliance to COA recommendation to be fully implemented	Accounting Department	July 2018	Onwards	Partial Implementation		Necessary adjustment will be made by the Accounting Department.
			Valenzuela Medical Center		Accountant			Fully Implemented		The Accountant followed the recommendations of the Auditor in recognizing an expense account and presenting accounts in the financial statements in accordance with GAM. ---VMC recorded an

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										Accumulated Surplus/(Deficit) of P1,401.60
			Western Visayas Medical Center	Adjusting entries to correct journal entry error shall be made.	Accounting Office	Jan-18	Dec-18	Fully Implemented		Adjusting Entries were already recorded this September 2018.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Government Equity - Improper/ Erroneous (over, under and/ or double recording of transactions</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the	Dr. Jose N. Rodriguez Memorial Hospital	The management will comply as recommended by our resident auditor.  To date, the necessary adjustments were already taken-up in the agency books of accounts. Journal Entry Vouchers (JEVs) and related documents were submitted to the Office of our resident auditor.	Accountant IV	Jan-2018	Jun-2018	Fully Implemented		Journal Entry Vouchers (JEVs) and other related documents were submitted to the Office of our resident auditor. Adjustments were already taken-up in the Agency books of accounts.
			Jose R. Reyes Memorial Medical Center					Fully Implemented		Adjusted as per JEV No. 2018-04-003102

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the inventory/PPE report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The differences were reconciled and effect corrections /adjusting entries.
			Las Piñas General Hospital and Satellite Trauma Center	Necessary adjustments must be reflected in the books of accounts.	Accounting Section	January 2018	June 2018	Fully implemented		Financial statements account of Government Equity was restated in compliance to the directive of the DOH Central Office. Necessary adjustments were reflected in the books of accounts.
			RO NCR	not applicable						
			OSEC Accounting					Fully Implemented		A dialogue/ meeting will be conducted with LMD to reconcile the records of both offices and agree on measures to ensure timely recording of inventory.
			Region 1 Medical Center	All necessary adjustments has been effected	Accounting staff	Jun. 1, 2018	Jun. 31, 2018	Fully Implemented	n/a	Proper classification of accounts is to be observed in accordance with GAM
			Research Institute for Tropical Medicine					a & c) FULLY IMPLEMENTED  b) FULLY IMPLEMENTED  c & e) ONGOING  d) ONGOING		a & c) JEV was submitted to COA resident auditor last March 26, 2018  b) Submitted restated CY 2017 financial statements on July 18, 2018  c & e) reconciliation of SL balances still to be done after

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

										implementation of e-NGAS  d) installation of e-NGAS to be prioritized to minimize delays in submission of reports
			RO 9	a. Identify the transactions recorded twice in the accounting books  b. Effect the necessary adjusting journal entries to correct the inventory balances	Iris A. Sanson Accountant III	Jan. 1, 2018	Mar 31, 2018	Fully Implemented		Effectuated the necessary journal entries to reverse double recording of transactions
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31, 2017. JEV No. 17-12-421-462
			RO 13	a) necessary adjustments on the errors and omissions as well as misclassifications of accounts to correct reported balances of affected accounts in the FS shall be effected immediately  b) necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements shall be effected immediately  c) proper recording adjustments and reclassification of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations shall be strictly observed  d) constant coordination/meeting with	a) Accountant III/Accountant II  b) Accountant III/Accountant II  c) Accountant III/Accountant II	Jan. 2018	Continuous Implementation	a) On-going implementation  b) On-going Implementation  c) On-going Implementation  d) On going Implementation		a) necessary adjustments are already effected in the books of accounts  b) Constant referral to GAM for proper classification accounts  c) Constant meeting/coordination with other concerned offices to submit financial reports on time

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				the concerned offices regarding timely submission of reports for recording purposes shall be done accordingly  e) highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information shall be strictly observed.						
			Valenzuela Medical Center		Engineer IV/Special Disbursing Officer  Accountant			Fully Implemented  Fully Implemented		Accountable Officer is already reconciling the Cash Disbursement Record with the Subsidiary Ledger of the Accounting Section VMC recorded an Accumulated Surplus/(Deficit) of P24,556.50  The Accountant followed the recommendations of the Auditor in recognizing an expense account and presenting accounts in the financial statements in accordance with GAM. VMC had an Accumulated Surplus/(Deficit) of '(P67,818.00)

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			Western Visayas Medical Center	Adjusting entries to correct journal entry error shall be made.	Accounting Office	Jan-18	Dec-18	Fully Implemented		Adjusting Entries were already recorded this September 2018.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Government Equity - Non-reclassification to appropriate account</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices	Dr. Paulino J. Garcia Memorial Research and Medical Center	Direct the Material Management and Accounting Section to regularly validate recorded equipment in the books. Effect necessary adjustments on or before April 2018.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	IMMEDIATELY		COMPLIED.	N/A	Serviceable equipment that were recorded in the books as Other Assets were reclassified as per JEV Nos. 2018-03-1064 and 1072 through submission of necessary documents from Material Management Section. PPE accounts between Accounting and Material Management are reconciled as of June 30, 2018.
			RO NCR	not applicable						
			OSEC Accounting					Fully implemented		Adjustments of this account were taken up on the adjustments made to assets, liabilities, and expenses accounts.
			Region 1 Medical Center	All necessary adjustments has been effected	Accounting staff	Jun. 1, 2018	Jun. 31, 2018	Fully Implemented	n/a	Proper classification of accounts is to be observed in accordance with GAM
			RO CAR	To send follow up demand letters to concerned LGUs and/or to personally follow up the liquidation and turn-over documents of completed projects  To record adjusting journal entries upon receipt of complete liquidation reports and turn-over documents from LGUs and/ or program coordinators	Program Coordinators and Accounting Section  Accounting Section	Immediately  Immediately		Partially Implemented  Partially Implemented	Recording of turn-over cannot be done due to non-submission of liquidation reports by recipient LGUs	Sent demand letters dated March 19, 2018 to concerned LGUs  Turned-over Salintubig in Kabugao, Apayao amounting to P9,971,357.51 was recorded under JEV Nos. 2018-02-1576 and 2018-02-1652



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.							despite demand letters	
			RO 11	1) Conduct analysis of accounts used for the 1st Quarter 2018 2) Prepare Journal Entry Vouchers to effect adjustment	Rosalinda R. Dela Cruz	04/16/18	4/18/18	Fully Implemented	N/A	Analysis of accounts were done and were completed on April 18, 2018 - Journal Entry vouchers were prepared to correct erroneous accounts used per JEV Nos. 2018-04-1503;1510;1523; 1634;1612
			San Lorenzo Ruiz Women's Hospital	The accounting unit shall draw the necessary adjusting entries to correct the errors on issued Semi-Expendable asset Accounts	Accounting Unit	2018	2018	Fully Implemented		JEV was already drawn to correct the errors on issued Semi-Expendable asset Accounts
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b> <i>- Government Equity - Non-adjustment of book reconciling items</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated	Bicol Medical Center	1. Review reconciling items and retrieve necessary supporting documents for reference.  2. Coordinate with Cash Operations re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.  3. Conduct reconciliation and prepare necessary adjusting entries.  4. Ensure timely submission of Bank Reconciliation Statements. Coordinate with Cash Operations to facilitate receipt of Bank Statements or print-out of Bank Statements.	Armida L. Naz, Accountant IV  Joel Bernard Enrile, Accountant III  Ma Thresa Abay, SAO/Head-Cash Operations	April 10, 2018		Partially implemented	There were no source documents on some transactions.	Reviewed transactions and retrieved necessary documents for adjustments.  Coordinated with Cash Operation re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	Bicol Sanitarium	<p>1. Assign a staff to assist in the reconciliation of account and retrieval of supporting documents</p> <p>2. Retrieve related supporting documents (bank statements, journals, book of accounts, etc) and analyze recording of transactions</p> <p>3. Book the necessary journal entries"</p>	Maria Cecilia J. Manzo / Accountant II	Jun 2018	Dec 2018	Ongoing	Retrieval of supporting documents as well as limited number of staff is a challenge	Specific personnel were assigned to help in the reconciliation. Out of 25.4 million difference in 2017, remaining items for reconciliation is only 420 thousand. Reconciliation and retrieval of supporting documents will be continued.
			Eastern Visayas Regional Medical Center	Find the supporting documents of reconciling items	Accounting	3/14/18	12/31/18	Partially implemented	Supporting documents were already submitted to COA and others were already destroyed by Super Typhoon Yolanda	Find other alternative supporting documents which are available
			Food and Drug Administration	Prepare Bank Reconciliation Statements and submit on time and make the necessary adjustments.	Accounting / FROO	Jan 2018	Sep 2018	Partial Implementation		<p>Reconciling items were taken up as per JEV # 18-01-101; JEV # 18-01-102; JEV # 18-01-103;</p> <p>JEV # 18-01-104. The other reconciling items are still being verified/validated for the details.</p> <p>Delay in the submission of Bank Reconciliation Statement is partly due to delayed receipt of bank statements from the banks. The Accounting Division has submitted BRS for LBP Payroll Account No. 0392-1031-80 as of January 2017.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										Special Fund – RA DBP No. 0430-13669-030 as of March 2018. For LBP Account No. 0391-1052-12, last BRS was March 2016, there was no transaction for this account since then. Updating of BRS is on-going.  To be able to comply with timeliness, we will be requesting LBP for WeAccess for all our bank accounts.
			RO NCR	not applicable						
			RO 2	The management reminded the Accountant and the Cashier to review the deficiencies noted and observed / implement immediately the recommendations made.	Accounting Unit	May 2017	Jun 2017	Fully Implemented		The unreleased checks were already recorded in the books as cancelled within the month or one month after they became stale.  The Accounting unit has exerted extra effort in securing the relevant documents pertaining to prior years' book reconciling items to support the adjustment made.
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462
			Southern Philippines Medical Center	(1) We will record the adjustment as suggested in the recommendation; (2) We will do regular reconciliation with the cashier since there are five (5) staff who are in charge of recording collections to facilitate immediate recording.	(1) Accountant-Cyndi Fe Moratilla; (2) Accountants-Cyndi Fe Moratilla, Charmaine Café, Vicente Cubero Jr. and AO-Freddie	(1) Feb. 23, 2018; (2) Feb 2018	(1) Feb. 23, 2018; (2) Dec 2018	Fully implemented		(1) A journal entry was drawn to effect the adjustment per JEV No. 2018-01-001018 dated January 3, 2018; (2) Five staffs are now in charge to record collection, that way the errors and early recording will be made.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

					Tadlan and ADAS-Juvella Laruda					
			Western Visayas Medical Center	Adjusting entries to correct journal entry error shall be made.	Accounting Office	Jan-18	Dec-18	Fully Implemented		Adjusting Entries were already recorded this September 2018.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Government Equity - Unrecorded Deposits</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the	RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b>  <i>- Income - Unrecorded Hospital Billings</i></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p>	Batangas Medical Center		Accounting	May 2018	May 2018	Fully Implemented	Not Applicable	Accounts are already booked-up Ref: various JEVs (JEV 2018-04-000286 up to 2018-05-000371) - (Annex C for FY2017 and Annex D for Jan - May 2018)

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR 2017 par.1	<p><u>Accounting Errors and Omissions</u>  <b>g) Net overstatement of Equity accounts P3,331,963,088.10 - Income - Unrecorded and late recorded Assets, Receipts of delivered inventories/ PPE and transferred Infrastructures</b></p>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper</p>	Eastern Visayas Regional Medical Center	<p>1.To generate a list of equipment for disposal and prepare reports related thereto. Conduct physical inventory for the whole hospital and match with the property ledger cards.</p> <p>2.Letter sent to DOH Central Office requesting for the Deeds of Donation of OPD and MCH on March 20, 2018.</p> <p>JICA provided the following documents which was submitted to COA:</p> <ol style="list-style-type: none"> <li>1. Grant Agreement</li> <li>2. Contract</li> <li>3. Certificate of Completion of Service</li> </ol> <p>3.Request from MMD other documents missing(e.g. RIS, deed of donation)for various PPEs donated by Central office</p>	Accounting & MMD	3/14/18	12/31/18	Partially implemented	<p>1.There are items that were not identified by the Disposal Committee. Equipment placed by end-users at the maintenance section were not properly labeled and reported, hence cannot be easily identified by the committee. 3. The accounting staff cannot record those donated PPEs without the supporting documents from MMD.</p>	Generated Waste Material Report and submitted to the Medical Center Chief Office. 2. Already recorded/adjusted in the books, per jev no. 17-12-354 3.Record unrecorded donated PPEs upon receipt of required documentary requirements.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462
			Labuan Public Hospital	The Acting Supply Officer shall furnish the Accounting Unit the supporting documents for the latter to drop/derecognize the Other Asset account from the books of accounts	Chief of Hospital; Accountant; and Supply Officer.	Mar 2018	Dec 2018	On-going	Waiting for physical counting to verify the existence of the item.	Action to be taken:  All supporting documents to derecognize the Other Asset Account from the books will be submitted by Supply Unit to the Accounting Unit.
			TRC Bataan	The management will be instructing the Accountant to coordinate with other concerned sections regarding the misstatements and misclassifications identified during the audit. Also, strict adherence to the GAM and other related rules and policies will be reiterated.	Accounting Section	Jan. 2018	Nov. 2018	Ongoing		Some adjustments had already been made. However, accounting records are still being reconciled with records of the Materials Management Section for the subsequent restatements of the balances of other accounts.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken	
						From	To				
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Income - Erroneous use of accounts</u>	<p>We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSS;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the</p>	Davao Regional Medical Center								
			San Lazaro Hospital	<p>1. Submission of Official monthly inventory and consumption report</p> <p>2. Provide BIR reports to COA relative to the use of Drugs and Medicines Expense instead of Cost of Sales</p> <p>-</p>	Pharmacy Department	June, 2018	Onwards	Ongoing	Due to the voluminous transaction, recording and preparation of reports incurred backlogs. Additional manpower (Adm. Staff) are being assigned at the Pharmacy to assist in the preparation of report.	Monitor submission of monthly inventory report/consumption	All concerned are directed to submit the required reports otherwise their salary will be withheld until submission of the necessary Report.
					Accounting Department	July, 2018	July, 2018				
		Schistosomiasis Control and Research Hospital	To reclassify the recognition of 1 unit ambulance donated from PCSO to SCRH recorded as Donated capital in kind, instead of Deferred Credits considering the conditions imposed must be complied based on deed of donation before ownership will be fully transferred to Donee (SCRH). The effect of such adjustment will increase the liability account, and will correct the beginning balance of Accumulated Surplus/(Deficit) that leads	Accounting Section	Jan 2018	Jun 2018	Fully Implemented		Inquire the person responsible to secure the necessary documents to affect the adjustment. Please see JEV No. 18-06-61 General Journal, June 2018 under Fund Cluster: 01-RAF. (Note: Applies to all a to audit recommendations.)		



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		accounts to safeguard against inaccurate or misleading information.		to accurate amount stated in the financial report which avoid misleading information.						
			Valenzuela Medical Center		Accountant			Fully Implemented		Accountant complied with the recommendations of the Auditor in compliance with the provision of GAM. Necessary adjustments were already made. --- VMC recorded an Interest Income of P63,641.73
			RO 8	The Accountant will effect the necessary adjustments on the erroneous use of account to correct the reported balance of Government Equity account in the FS.	Rene V. Yanson Celeste Jane B. Tan	June 2018	December 2018	Fully Implemented		JEVs were already drawn to effect the necessary adjustments.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Income- Improper/ Erroneous (over, under and/ or double recording of transactions</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;	Vicente Sotto Sr. Memorial Medical Center	Change entries used in recording the PHIC claims, to Hospital Income from other deferred credits.	Finance Management Office  Accounting Office	Jan 1, 2018	Jan. 31, 2018	Implemented	N/A	Recommendations are taken and adopted.
			San Lorenzo Ruiz Women's Hospital	The accounting unit shall draw the necessary adjusting entries to correct the errors. And, through coordination with the Philhealth unit, revise the template/process needed as basis for recording monthly Accounts Receivables.	Accounting Unit	2018	2018	On-going		Accounting Unit is to formulate more intense pre-audit on amounts reported in relation to patient charges, billing and collections  JEV was already drawn to adjust the Sales Revenue for 2017.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>								
DOH CAAR	<u>Accounting Errors and Omissions</u> <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b>	We recommended and the Management of the concerned DOH Agencies	RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
2017 par.1	<i>-Expenses - Unrecorded distribution/ disposal/ derecognition/ consumption/ sale/ transfer</i>	<p>and Hospitals agreed that their respective Accountants to:</p> <p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	Southern Philippines Medical Center	The quarter not recorded in the books is already identified. We will be coordinating with the pharmacy to fast track submission of the said unrecorded merchandise inventory.	Accounting Staff-Freddie Tadlan/ Alfie Pasco; Pharmacy Staff	Feb 2018	Jun 2018	Fully implemented		We have recorded the cost of sales up to June 2018 with the pharmacy report. Proper stamping signifying receipt of the report was also observed. The IHOMP also have coordinated with the supplier of the inventory system and it is almost 100% functional.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b> <i>- Expenses - Unrecorded depreciation (including net under-recorded depreciation)</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard	OSEC Accounting					Fully Implemented		Balances of PPE account and its contra asset accounts were already adjusted. Coordination with LMD will be strengthen to ensure the timely receipt of delivery reports and recording in the books.
			Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.  2. Instruct the Accounting Department to periodically reconcile its GL with its SL balances.	Accounting Department				Fully Implemented	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		against inaccurate or misleading information.								
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> g) <b>Net overstatement of Equity accounts P3,331,963,088.10- Expenses - Unrecorded expenses, disbursements, remittances, application of payment, liabilities, receipts, receivable, collections or deposits</b>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording	San Lazaro Hospital	1. Statement of Account to EHCI to be provided to Accounting Department 2. Reconciliation of the list of patients provided by EHCI to previously list issued to Accounting Department 3. Compute for accurate unpaid balance pertaining to Hospital share	EFMD Accounting Department Accounting Department	June, 2018 June, 2018 July, 2018	Onwards Onwards Onwards	Partially implemented		Ongoing reconciliation of Accounting and EHCI records

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs; b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; ande) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	TRC Isabela	Disbursement vouchers should be immediately accounted and recorded to the books and reconciliation of book and bank accounts at a regular basis	Accounting Section	Apr. 2018	Jun. 2018	Fully Implemented	n/a	Disbursement vouchers are immediately accounted and recorded to the books and reconciliation of book and bank accounts at a regular basis
			RO 4A	Make the necessary adjustments and corrections on the noted errors, omissions, and deficiencies thru the adjustment/ correction of Accumulated Surplus account and record the subject transactions accordingly.	Chief Accountant	Jan. 2018	Jun. 2018	Fully Implemented		Corresponding adjustments and corrections have been made and were submitted on June 28, 2018.
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b> <i>- Expenses - Unrecorded Impairment Loss</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary	Cotabato Regional and Medical Center	1. Instruct the Accounting Department to prepare the necessary adjusting entries to reflect the correct net realizable value of accounts receivable.  2. Instruct the Accounting	Accounting Department			Fully Implemented		Made adjusting entry to record impairment loss

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>		Department to periodically reconcile its GL with its SL balances.						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions</u> <b>g) Net overstatement of Equity accounts P3,331,963,088.10</b> <i>- Expenses - Erroneous use of accounts</i>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:  a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;  b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;  c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;  d) coordinate and/or set a meeting with the	OSEC Accounting					Fully implemented		Adjustments of this account were taken up on the adjustments made to assets, liabilities, and expenses accounts.
			RO 11	1) Conduct analysis of accounts used for the 1st Quarter 2018 2) Prepare Journal Entry Vouchers to effect adjustment	Rosalinda R. Dela Cruz	04/16/18	4/18/18	Fully Implemented	N/A	Analysis of accounts were done and were completed on April 18, 2018 - Journal Entry vouchers were prepared to correct erroneous accounts used per JEV Nos. 2018-04-1503;1510;1523; 1634;1612
			San Lazaro Hospital	1. Submission of Official monthly inventory and consumption report  2. Provide BIR reports to COA relative to the use of Drugs and Medicines Expense instead of Cost of Sales -	Pharmacy Department  Accounting Department	June, 2018  July, 2018	Onwards  July, 2018	Ongoing	Due to the voluminous transaction, recording and preparation of reports incurred backlogs. Additional manpower (Adm. Staff) are being assigned at the Pharmacy to assist in the preparation of report.	Monitor submission of monthly inventory report/consumption  All concerned are directed to submit the required reports otherwise their salary will be withheld until submission of the necessary Report.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		concerned offices regarding timely submission of reports for recording purposes; and  e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.	Valenzuela Medical Center		Accountant			Fully Implemented		The Accountant reclassified the cost of issued drugs and medicines to Cost of Sales from the original entry of Drugs and Medicines Expense because the Philhealth Insurance Corporation will reimburse the said amount to VMC. The Accountant record the cost of drugs and medicines issued to Pay/PHILHEALTH patients (Regular Member/NBB/ORE) as debit to Accounts Receivable and Credit to Sales Revenue; the Net Sales will be overstated if no reclassification of account will be made. --- VMC had Cost of Sales of '(P7,372,969.87) and Drugs and Medicines Expense of P7,372,969.87
			RO 8	The Accountant will effect the necessary adjustments on the erroneous use of account to correct the reported balance of Government Equity account in the FS.	Rene V. Yanson Celeste Jane B. Tan	June 2018	December 2018	Fully Implemented		JEVs were already drawn to effect the necessary adjustments.
			Research Institute for Tropical Medicine					a, c & e) ONGOING  b) FULLY IMPLEMENTED  d) ONGOING		a, c & e) reconciliation of SL balances still to be done after implementation of e-NGAS  b) Submitted restated CY 2017 financial statements on July 18, 2018  d) installation of e-NGAS to be prioritized to minimize delays in submission of reports

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Western Visayas Sanitarium	Accounts will be checked thoroughly and adjustments shall be made to reach the accurate data for Cyclical Year 2018.	Accounting	1/1/18	12/31/18	Partially Implemented	non-submission of accounting records and documents for the last quarter of CY 2017 and no proper endorsement was made by the previous OIC Accountant	Verify the amounts with the available accounting records and make necessary adjusting/correcting entries should erroneous entries were made by the previous OIC Accountant
			Philippine Orthopedic Center							
			Eastern Visayas Regional Medical Center	Prepare adjusting journal entries to adjust wrong account codes used.	Accounting	3/14/18	12/31/18	Implemented		Adjusted transactions which were recorded using wrong account codes.
			Jose R. Reyes Memorial Medical Center					Fully Implemented		Adjusted as per JEV Nos. 2018-01-000760 and 2018-01-000761
			RO 5	Effect Adjustment in the books	Resty Daep	Jul 2017	Dec 2017	Fully Implemented		Adjusted in the books as of December 31 , 2017. JEV No. 17-12-421-462
DOH CAAR 2017 par.1	<u>Accounting Errors and Omissions g) Net overstatement of Equity accounts P3,331,963,088.10 - Expenses- Improper/ Erroneous (over, under and/ or double recording of transactions</u>	We recommended and the Management of the concerned DOH Agencies and Hospitals agreed that their respective Accountants to:	Rizal Medical Center	The accountant prepared JEV to adjust the act overstatement and record the accounts payable to its appropriate FCs.	Accounting Department	2018	2018	Fully implemented		Prepared JEV Nos. 18-03832,833,834 and 835to adjust the accounts payable to its appropriate accounts/ FCs

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>a) effect the necessary adjustments on the errors and omissions, among others, the erroneous recording transactions, as well as, misclassification of accounts to correct the reported balances of affected accounts in the FSs;</p> <p>b) effect the necessary restatement entries to correct the final and beginning balances of the 2017 consolidated financial statements;</p> <p>c) observe the proper recording , adjustments and reclassifications of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations;</p> <p>d) coordinate and/or set a meeting with the concerned offices regarding timely submission of reports for recording purposes; and</p> <p>e) observe the highest objectivity and consistency in the keeping of the accounts to safeguard against inaccurate or misleading information.</p>	Corazon Locsin Montelibano Memorial Regional Hospital	<p>The accounting department will retrieve the supporting documents for the P110,386.60 understatement and subsequent adjustments will be made.</p> <p>a) Revisit and analyze the nature of accounting errors. (b) Make necessary adjusting journal entries.</p>	Accountant	01/01/2018	12/31/2019	Fully Implemented		Adjustments will be made on September 2018
	<b><u>Accounting Deficiencies</u></b>									
DOH CAAR		We recommended and Management of the	OSEC Accounting					Fully Implemented		The staff in charge of bank reconciliation regularly recognizes

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
2017 par. 18	<u>Accounting Deficiencies</u> <b>a) Deficiencies affecting Cash Accounts - P205.940 million</b>	<p>concerned DOH Offices agreed to require their concerned Accountant to:</p> <p>a) ensure that necessary supporting documents are obtained to support the authenticity/validity of bank accounts, maintain a Subsidiary Ledger for every Accountable Officer showing the detail for the control account in the GL which is maintained per account and fund cluster by the Accounting Division/Unit, and have a monthly and quarterly reconciliation of their respective books/records and to follow the prescribed guidelines embodied in the Government Accounting Manual, Volume I;</p> <p>b) require the Cashier to (1) issue Official Receipt (OR) upon bank credit based on the transmittal voucher coming from PHIC. Reconciliation could be done after issuance of OR and recording in the Report of Collection and Deposits to facilitate submission of such reports to Accounting Section for recording purposes in the books of accounts in compliance with Section 2(a) of Chapter 2, GAM, Volume I; and (2) to either return</p>								the bank's debit and credit memo transactions. Since the net effect of the amounts afore-mentioned has zero effect in the balance, no JEV or adjustments were actually made
			East Avenue Medical Center	For Compliance	Accounting Section / Cash Operation Section	1/1/18	12/31/18	Fully Implemented		All Bank Accounts were supported with Bank Reconciliation Statements and separate subsidiary ledger for each bank accounts
			Cagayan Valley Medical Center	*The RCD balances of the Cashier section has already been reconciled with the Accounting records as of September 30, 2017 and onwards. Also, the Cashier Section has maintained Cashbook per fund with proper ruling and footing every end of the month and has observed proper use of CRRec since October 1, 2017. Further, the Cashier section reviewed the sub-collector's files of fidelity bonds against the bracket of schedule of sub-collectors to determine the appropriate bond. Some of the sub-collectors maintain CRRec to record their own collections and ORs issued. **The Cashier Section agreed to observe intact deposits of collections daily or the next banking day. Also, the Management already increased the revolving fund/cash advance of the Disbursing officer to cover the needs of NBB patients and	Cashier and Accounting Section	September 2017 and onwards		Partially Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>the dormant balances to source agency or remit to National Treasury as the case maybe pursuant to item 6.7 of COA Circular 94-013 and Section 6, General Provisions of 2017 GAA, respectively. If to be remitted to National Treasury, we also recommend that a written request be submitted to Land Bank of the Philippines to facilitate the remittance pursuant to Section 6, General Provisions of 2017 GAA; and</p> <p>c) require the Accountant and Cashier to remit to the BTr the excess collections from sale of bidding documents, forfeited performance security bond and dormant cash of the thirteen (13) DOH Agencies and to strictly comply to Section 6.2 of DBM of Budget Circular 2004-5A, Section 44 of EO 292 and Section 8 of RA 10352 and DOF-DBM-COA Permanent Committee Resolution No. 2005-2 dated June 2, 2005.</p>		<p>disbursements charged to MAP funds. ***The Cashier and Accounting Section had already reconciled their respective records on collections on a monthly basis and also reported and prepared some of the necessary adjusting entries for the unreported official receipts.</p>						
			Bicol Medical Center	<ol style="list-style-type: none"> <li>Weekly preparation of Order of Payment and issuance of Official Receipt upon receipt of Auto Credit Payment Notice and verification from the LBP.</li> <li>Receipt/collections for performance bond and other cash allocation with no authority to use are remitted to BTr.</li> <li>Maintain SL/GL of all bank accounts and conduct regular reconciliation.</li> </ol>	<p>Cecil Avengoza, Admin Asst II/Accounting Section</p> <p>Julieta Nuñez, AO II/ Cash Operation</p>	April 18, 2018		Fully implemented		<p>Weekly print out of Bank Statement is requested as basis for verification for the ACPN.</p> <p>Immediately prepare Order of Payment and forward to Cash Operation for the issuance of OR.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			CARAGA Regional Hospital	To direct all Collecting Officer to maintain a Cash Receipt Records compliant to the Appendix 29 Forms of GAM Volume II, and regularly be reviewed by the Head of the Cashier Section.To direct the Accountant to prepare and maintain Subsidiary Ledgers for every Accountable Officers upon submission of their individual Report of Collection and Deposits (RCDs) as basis for the entries to be made in the Subsidiary Ledgers. To direct the Accountant and the Cashier to regularly reconcile their respective registers/records/books and to follow the guidelines prescribed by the GAM.To ensure that all risks involving cash operation are adequately identified and included in the Risk Register, and that proper control measures are effectively installed to reduce, if not eliminate the risks and promote efficiency in the performance of tasks by the Accounting and Cashiering Section's personnel. And to adhere to the requirements under Section 124 of PD 1445 to install, implement, and monitor sound internal control system within the hospital.	Cashier/ Collecting OfficersAccountant& Head of Cash SectionAccountant& Head of Cash SectionAccountant& Head of Cash Section	March 2018Mar 2018Mar 2018Mar 2018	March 2018Apr 2018May 2018Jun 2018Jun 2018	Fully ImplementedFully ImplementedFully ImplementedFully Implemented		All Collecting Officer to maintains their respective CRR, and are regularly reviewed by the Head of the Cashier Section.Subsidiary Ledgers for all Accountable Officers were individually maintained. Registers and records of the cashier and its collecting officers were regularly reconciled with the books in the accounting.Control measures were properly installed as identified the Risk Register of the Cash Section.
--	--	--	--------------------------	--	--	------------------------------------	--	--	--	---

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Las Piñas General Hospital and Satellite Trauma Center	The management directed the Accounting Section to request the COA for the write-off of the Cash-Disbursing Officer account pertaining to a dormant accountability of the cashier.	Accounting Section	January 2018	June 2018	Fully implemented		The Accounting Section had requested already to COA for the write-off of the Cash-Disbursing Officer account pertaining to a dormant accountability of the cashier.
			TRC Bicutan	We will comply with the recommendations: a. Documents will be obtained to support the authenticity of bank accounts and maintain SL for every accountable officer. C. Remit to the BTr the excess collections from bidding documents.	Accounting Section/Cash Management Section	a. 01/01/2018 b. 01/30/2018	a. 10/30/2018 b. 02/15/2018	a. Ongoing b. Fully Implemented	Issue on workforce since 1 vacant position in Accounting is still for hiring since February.	a. Update of SL is already part of the ongoing activities of the Bookkeeper c. All excess Collections from sale of bidding documents are remitted and deposited in BTr.
			RO 5	Reconciliation of PCF records with AOs	Resty D. Daep / Accountable Officers	Jul 2018	Dec 2018	Partially implemented	Non-reconciliation of AOs with the Accounting Section	All AOs are instructed to bring their records every 1st Monday of the month so as to reconcile balances with the Accounting Section.
			RO 8	• Maintenance of complete and updated subsidiary ledgers at the Accounting Unit for each bank account on a regular basis. • The Accounting Unit Unit in coordination with the Cashier Unit, will determine the amount representing unutilized funds from the sale of bid documents (after payment of BAC honoraria CY 2016, 2017, 2018). And to remit the said amount to the Bureau of Treasury.	Carmelita Suan ReneV. Yanson Celeste Jane Tan	June 2018	Dec 2018	For Implementation		• Maintenance of complete and updated subsidiary ledgers at the Accounting Unit for each bank account on a regular basis. • The Accounting Unit in coordination with the Cashier Unit, will determine the amount representing unutilized funds from the sale of bid documents (after payment of BAC honoraria CY 2016, 2017, 2018). And to remit the said amount to the Bureau of Treasury.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Amai Pakpak Medical Center	Reorganization of the Inventory Committee - Require the Submission of the RPCPPE not later than January 31, 2019 in compliance to established guidelines of the GAM for NGAS	Dr. Shalimar Sani-Rakiin Medical Center Chief II	Aug 2018	Sept. 2018	Fully Implemented		Inventory Committee is reorganized in an APMC Office Order No. 053 Series of 2018, dated September 13, 2018
			Davao Regional Medical Center							
			RO 13	a) Accountant II shall be required to prepare monthly bank reconciliation  b) Cashier shall be required to issue Official Receipt upon bank credit based on the transmittal voucher coming from PHIC and to return to the National Treasury as the case maybe.	a) Accountant II  b) Cashier	Jan. 2018	Continuous Implementation	On-going implementation		a) Monthly bank reconciliation is being prepared by the Accountant II  b) Official receipt is issued by the Cashier upon receipt of bank credit based on the transmittal voucher from PHIC
			Adela Serra Ty Memorial Medical Center	The unreconciled amount as found in audit is mostly due to error in recording in the books of collectors (Cash Collection Record CRR). Also the timing of Audit did not coincide with the periodic recording of Accounting section. Accounting records transactions on a monthly basis compared to Cashier's recording which is daily and the audit falls on the 15th of the month, that's why there were discrepancies. However,	Cashier and Accountant	Apr 1, 2018	Jun 30, 2018	Fully Implemented		



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				most of these discrepancies were already reconciled. A reconciliation schedule was made in a separate sheet.						
			RO NCR	Reconciliation of fund transfer accounts are being reconciled prior to refund of unutilized balances.	Accounting and Cashier Section	Mar. 2018	Dec 2018	Partially Implemented	Reconciliation of accounts are on-going.	Dormant Balances in Trust Fund for Child Survival Program (CSP) and RCATS are to be returned to Bureau of Treasury. Disbursement Vouchers for the said accounts were already prepared.
			Research Institute for Tropical Medicine					ONGOING		Installation of e-NGAS to be prioritized to facilitate reconciliation procedure and creation of a more stable financial reporting section of the Accounting department.
			RO 3	To require the Accountant to remit the excess from the proceeds of sale of bidding documents to the Bureau of Treasury.	Accountant	Mar-18	Sept-18	Fully Implemented		Remit the excess this July 2018
			Jose B. Lingad Memorial General Hospital	TO verify the reason/cause for the non-remittance of trust receipts and effect the remittance of such collections as soon as possible.	Accounting Section	Feb. 2018	Mar 2018	Fully Implemented		The excess amount of collections sourced our from sale of bid documents were already remitted by this hospital last February 27, 2018
			Mariveles Mental Hospital	a) To submit delivery receipts and sales invoices to establish validity of the transaction made; to instruct BAC to submit proof of posting of Invitation and Notice of Award in the PhilGEPS to avoid audit suspension; and to make a written justification of resorting to alternative mode of procurement instead of public bidding by the BAC and follow strictly the RIRR of RA 9184 to avoid audit suspension and disallowance.b) N/Ac) To	Mariveles Mental Hospital	March 2018	Onwards	Fully Implemented	None	a) The Material Management Unit - Supplies submitted receipts in lieu of sales invoices and delivery receipts; posting of invitation to bid and Notice of Award in the PhilGEPS has been done; and made a written justification regarding resorting to alternative mode of procurement instead of public and followed strictly the RIRR of R.A. 9184.b) N/Ac) Remitted the amount of P621,397.75 to the Bureau of Treasury.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				remit dormant balance for the proceeds of bidding documents and forfeited performance security bond to Bureau of Treasury amounting to P621,397.75; and to utilize the remaining balance of P627,414.66 for the payment of Honoraria and other necessary expenses for BAC activities."						
			Bataan General Hospital		Accounting Section			Fully Implemented		The Accounting Office already remitted the amount of P3,516,908.13 representing the unexpended balance from the proceeds of bidding documents and forfeited performance security bond, to the National Treasury with JEV No. 05-2018-01-152.
			Ospital ng Palawan	Remittance of unutilized/ excess collections from the sale of bidding documents amounting to PhP 279,300.00 to the Bureau of Treasury in compliance with Section 6.2 of the DBM Circular No. 2004-005A.	Accounting Section	Mar	Mar	Fully Implemented		Prepared check in favor of the Bureau of Treasury in the amount of PhP279,300.00 last March 20, 2018 per DV No. 18-03-0200 with Check No. 339685.
			TRC Pototan, Iloilo	Check disbursement voucher prepared and deposited to the Bureau of Treasury	Hesper Justin V. Caporal-Marañon/ Accountant II	1/31/18	3/31/18	Done		Deposited and adjusting Entries were made.
			Mindanao Central Sanitarium	Direct the Accountant to submit the required reports and supporting documents immediately	<ul style="list-style-type: none"> <li>• Chief of Hospital</li> <li>• Accountant</li> <li>• Accounting personnel</li> </ul>	1/10/18	3/31/18	Fully implemented		Submitted the required reports. Received by COA on various dates. Issued Office Memo to the concerned employees.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Labuan Public Hospital	Not Applicable						
			Schistosomiasis Control and Research Hospital	The cashiering section is required to strictly require the supporting document submission upon PHILHEATH payment credited to Hospital account thru auto credit; Conduct to reconciliation between Accounting and Cashiering sections regarding unrecorded collection as a reconciling item pertaining to prior years. (letter b. recommendation)	Accounting and Cashiering Section	Jan. 2018	Jun 2018	Partially implemented	For the month of May 2018, the cash account, under FC:05-Internally Generated Funds has incurred negative balance for the reason of under-recording of collections of PHIC Claims. Although for the current year, the report of collection is regularly prepared in a form of monthly report (RCD) and updated in the issuance of OR to PHIC upon collection, still the negative balance subsist, which pertains to Prior Years unrecorded collections due to understatement of RCD prepared from cashiering section.	The Accounting and Cashiering section will conduct reconciliation of prior years' collection credited to hospital and consequent effect necessary adjustment/s if any.
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>b) Uncollected, Unliquidated and long outstanding and dormant Receivables - P4,473 billion</b>	We reiterated our prior years' recommendations and Management agreed to:  a) Send a Demand Letters	OSEC Accounting					Fully Implemented		RO/IAS/LGUs/Ous-Demand letters for liquidation were sent regularly. PSDBM-further improve the monitoring of this account, each APR No. is assigned as accounts SL's starting April, 2018.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		to ROs/IAs with accounts aging from two years and above requiring them to liquidate their outstanding balances and to refund any unused balances; and b) Continuously conduct periodic monitoring, analysis, and reconciliation of the funds transferred between books of the transferors and the recipient agencies, especially those old and non-moving accounts and unidentified balances between the CO/ ROs/ IAs. Consider providing allowance for impairment losses for uncollectible amounts.								PITC/PPPI- reconciliation with PPI and PITC's accountant will be scheduled to facilitate the liquidation
			Bureau of Quarantine	This bureau will request for write-off of the disallowances that are included in the beginning balances since 2007. Moreover, other concerned receivable accounts are subject for reconciliation	Accounting Section	Jan 2018	Dec 2018	Partially implemented	Difficulty of retrieving prior years' documents	Once the retrieval of prior years' documents is complete, the Accountant will start to analyze the documents, reconcile and prepare necessary adjusting entries related thereto.
			Food and Drug Administration	Send Demand Letters to follow up submission of Report of Disbursements / Liquidation Reports to concerned NGAs.  Reconcile the Due from NGAs account to correct the reported balance of the accounts in the books of the agency.	AFS  Accounting / GSD	May 2018  May 2018	Jun 2018  Sept 2018	Partial Implementation		Noted.  Demand Letters for follow-up of Liquidation Report will be sent to the concerned NGAs.  The balance in PS DBM and National Printing Office are being reduced by charging the procurement of current year's requirements. They are delivering the supplies based on Agency Approved Procurement Request.
			RO 4A	Make the necessary adjustments and corrections on the noted errors, omissions, and deficiencies thru the adjustment/ correction of Accumulated Surplus account and record the subject transactions accordingly.	Chief Accountant	Jan. 2018	Jun. 2018	Fully Implemented		Corresponding adjustments and corrections have been made and were submitted on June 28, 2018.
			Bicol Regional Training and Teaching Hospital	1. To issue policy in the granting, monitoring and collection of receivables from patients' 2. To create a credit and collection committee that shall	Atty. Lansangan, Jayson R. Prades, CPA	Sep. 30, 2018	Oct. 31, 2018	on-going	The hospital was only able to hire the Atty just last August , thus the legal aspect of demand letters	To send out collection/demand letters once the policy have been issued.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				oversee the collection of outstanding receivables. 3. To issue policy as to the amount/rate of allowable impairment loss that the hospital can accept to anticipate uncollectible accounts.					and collection notice have just been decided by the management.	
			RO 6	a) Prepare and send out Demand Letters to IA's b) Conduct Consultative Meeting w/ LGU Accountants to reconcile balances.	Accounting	a) July 2018  b) May 2019	a) Dec. 2018  b) June 2019	Partial Implementation	a) Unavailability of documents to support advances rendering difficulty in establishing balances b) Scheduled meeting is on 2019.	a) Establish balances to be included in the demand letters. B) Inclusion of the meeting in the 2019 WFP and APP for funding.
			RO 8	• Liquidation and settlement of long outstanding balances and to require refund of any unused balances. • Monitoring of fund transferred and reconciliation per book and per recipient records.	Rene V. Yanson Celeste Jane B. Tan	Jan 2018	Dec 2018	Fully Implemented		Demand letters were sent dated Dec. 11, 2017 Out of 136 demand letters sent, 45 recipient LGUs or 45/136 or 33% responded by submitting liquidation report to the Accounting Unit. The office also sent demand letters to employees who have outstanding cash advances dated March 5, 2018.
			RO 9	a. Send demand letters to respective LGUs for immediate submission of fund utilization reports  b. conduct financial monitoring to reconcile balances with LGUs with corresponding outstanding unliquidated balances  c. Effect the necessary adjustments and liquidations per FUR secured during the	Iris Sanson Accountant III	May 1, 2018	June 30, 2018	Fully Implemented		a. sent out demand letters  b. conducted a 5-day financial monitoring among LGUs  c. effected the necessary journal entries to properly record the liquidations submitted by the LGUs

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				monitoring and subsequently received						
			Far North Luzon General Hospital	To send demand letters to patients with accounts aging from 2years and above and to update their index of clients.	Accountant/Billing Section	Aug. 2018	Dec. 2018	On going		The management will exhaust all possible means of locating the whereabouts of the delinquent patients/clients and will send demand letters accordingly. To instruct the billing clerk to keep an index of clients.
			RO NCR	<p>1. Regular monitoring of fund transferred to LGUs are being done on a monthly basis.</p> <p>2. To reconcile with LGUs the account balances.</p> <p>3. To request for write-off of the dormant balances once needed documents are complied.</p>	Accounting Section	Jan 2018	Dec 2018	On-going		<p>1. Liquidation of cash advances amounting to P2,161,036.40 were already received by Accounting Section. Liquidation of outstanding cash advances were also being followed-up and coordinated to the concerned personnel. Demand Letter are being issued.</p> <p>2. The additional cash advance for the proposed landscaping and beautification of DOH-NCRO fence area was granted due to the price change in the materials needed to complete the project.</p> <p>3. a. The office has already sent a letter to the Securities and Exchange Commission for the confirmation on the existence of the NGOs/POs with account balances to facilitate write-off of dormant balances. Upon receipt of the requested document from SEC, the request for write-off shall commence. b. Follow- up letter was sent to Securities and Exchange Commission via mail last 8/7/18.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO CAR	DMOs assigned in their catchment areas to follow up submission of liquidation reports.  Write and send follow-up demand letters to all LGUs with outstanding balances.	Provincial DOH Offices (PDOs)  Accounting Section	Immediately		Ongoing/ Partially Implemented	Some LGUs submitted their Fund Utilization Reports (FURs); Copies of letters received by the LGUs were forwarded to Accounting Section for consolidation and submission to COA	Sent follow-up demand letters dated March 19, 2018 to all LGUs thru the DMOs assigned in their respective catchment areas. DMO Vs were instructed to send the receiving copy of the letters to the Accounting Section before forwarding to COA.
			RO 13	a) Demand letters to ROs/IAs with accounts aging from two years and above requiring them to liquidate their outstanding balances and to refund any unused balances shall be sent quarterly  b) Assign staff to focus on monitoring and following up of unliquidated funds transferred to concerned Implementing Agencies	Accountant III/Accountant II	Jan. 2018	Continuous Implementation	On-going implementation	Some LGUs submitted their Fund Utilization Reports (FURs); Copies of letters received by the LGUs were forwarded to Accounting Section for consolidation and submission to COA	a) Demand letters are sent quarterly to las with unliquidated accounts  b) A staff is assigned to focus on monitoring of unliquidated funds transferred to Implementing Agencies

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Mayor Hilarion A. Ramiro Sr. Regional Training and Teaching Hospital	1. To send another batch of collection letters to promissory note makers. 2. To ensure collection thru payroll deduction for employees with A/R balances. 3. To review requirements needed before write-off will be done in compliance with Section 10 of COA Circular No. 97-001.	Accountant, Payroll Maker, AR Account In Charge	Jun 2018	Dec 2018	Fully implemented		Collection of receivables was done thru payroll deduction in coordination with the Payroll Maker.
			Bicol Medical Center	1. Coordinate with Health Information Management System for possible research of addresses of patients with promissory note and with HRMO for employees with unpaid withholding taxes; and prepare demand letter for concerned patients/employees. 2. Final demand letter shall be prepared for patients/guarantors who did not respond to the first collection letter. 3. Establish policies and procedures on approval of Promissory Note. Completeness of data should be strictly imposed for proper recording and monitoring including address and contact number of patient and guarantor. 4. Continue monitoring of unpaid receivables.	Añonuevo, ADAS III  Armida L. Naz, Accountant IV  Evelyn V. Sayson, FMO II	April 10, 2018		Partially implemented		Letter was already forwarded to HRMO requesting complete addresses of resigned, retired and separated employees with tax deficiency or under withheld tax.  For Due from Officers and Employees review of accounting entries is on-going to verify correctness of entry to take-up payment including unrecorded liquidation from previous.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			National Children's Hospital					on-going		A request to write-off has been submitted to the resident auditor last December 14, 2017. Copies of demand letters to Philhealth and Patients retrieved by Billing Section were forwarded to resident auditor for validation. SLs per patient is being maintained since 2013 up to present to monitor the settlements of all accounts.
			RO 4B	Conduct verification, analysis, and validation of existence and validity of long outstanding and dormant Receivables and send demand letters to the debtors requiring liquidation. Request for Write-Off in accordance with COA Circular No.2016-005 dated December 19,2016	Accounting Section		Dec 2018	Partially Implemented	System failure caused by ransomware	On going verification, analysis, and validation of existence and validity of long outstanding and dormant Receivables. Request for Write- off will be made upon verification
			Bicol Sanitarium	1. Retrieve from old files any document that may support the establishment of receivables 2. Know the whereabouts/location of debtors (former employees) and send demand letters	Maria Cecilia J. Manzo / Accountant II	Jun 2018	Dec 2018	Ongoing	Searching for documents supporting the establishment of receivable is a challenge. Receivables, amounting to 68,311.05 pertained to in this CAAR was set up with particulars as "beginning balance" and remarked as "cannot be traced/resigned" in eNGAS and other reports	The accountant assigned personnel to trace from any available document the nature and details of the aforementioned receivable.  Once clear as to the agency's claim, efforts will then be exerted in locating the debtors and demand letters will be sent.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Vicente Sotto Sr. Memorial Medical Center	Assigned specific person to prepare breakdown and maintain subsidiary of receivables.  To issue demand letters to creditors for valid claims and set specific timeline within which the balances must be settled.	Finance Management Office	Jan 2, 2018	Nov. 30, 2018	On-going	N/A	Staff is assigned.  Started to send demand letters.
			Quirino Memorial Medical Center		Ma. Luisa Caneza/Accounting Section			Fully Implemented		Request for write-off of long outstanding cash advances were submitted to COA.
			TRC Dulag, Leyte	Craft its own collection and billing policy base on the resolution adopted by other TRCs. And periodically monitor related transactions especially those old and non-moving accounts. Likewise, request for write-off and/or adjustments of account balances that has been dormant for 10 years from COA pursuant to COA Circular No. 97-001 dated February 15, 1997.	Portia G. Aliposa, OIC Chief of hospital Jomarie Sangon, Accounting Section Alma Pantas, Billing Section	January 2018	onwards	Fully Implemented		The TRC Dulag have crafted a Collection and Billing Policy per DOH TRC Dulag Memorandum No. 078-2018 dated Aug.13,2018. The long outstanding amount of P 1.62M is being monitored especially those old and non-moving accounts through preparation of Monthly Report of Aging of Accounts Receivable. Likewise, request for write-off and/or adjustments of account balances that has been dormant for 10 years from COA pursuant to COA Circular No. 97-001 dated February 15, 1997.
			Rizal Medical Center	The Management instructed the Billing and Claims Department to:  a. Strictly comply with the requirements of Philhealth in filing hospital claims to ensure full payment and avoid RTH claims; and b. Closely coordinate with the Accounting Department to improve the present system and include	Billing and Claims Department	2018	2018	Fully implemented		The Billing and Claims Department submitted the status of uncollected Philhealth receivables for CY 2016-2017  Prepared JEV Nos. 18-06-0002125, 2126, 2127 to drop Return to Hospital (RTH)/denied claims amounting to P 608,937.09 per submitted report of the Billing and Claims Department

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				measures to properly account, monitor and evaluate denied/RTH claims						
			Labuan Public Hospital	<p>LPH Accounting Unit shall comply the following:</p> <p>a) Prepare an Aging of the Accounts Receivables regularly based on their Schedule of Accounts Receivable per year;</p> <p>b) Reconcile with the records of the Philhealth Coordinator the claims which were not yet reimbursed and make further analysis;</p> <p>c) Request the Philhealth Coordinator to provide the documents evidencing the denial with finality of the subject claims starting 2015;</p> <p>d) Make necessary adjustments to correct the receivable account based on documents;</p> <p>e) Make a periodic reconciliation of the Accounts Receivable account with Philhealth Coordinator to arrive with a reconciled amount at any given time.</p> <p>LPH Philhealth Unit shall comply the following:</p> <p>a)Compile the documents emanating from Philhealth concerning denied claims with finality starting 2015 to present;</p>	Chief of Hospital; Accountant; and Philhealth Coordinator	Mar 2018	Jun 2018	Partially implemented	Waiting for confirmation from Philhealth of the remaining balances of receivables amounting to P188,573.00, if the claim is denied with finality.	The Accounting will continuously reconcile its record with Philhealth Coordinator. Upon confirmation of the remaining balance of receivable, the Accounting Unit will reflect the necessary adjustments.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				<p>b) Open his record for reconciliation with the Accounting records;</p> <p>c) Must inform the Accounting Unit for any denied claims received and furnish them copies of documents evidencing therein;</p> <p>d) Coordinate with the Accountant with respect to Philhealth claims monitoring; and</p> <p>e) In the absence of the documents being asked by the Accounting Unit concerning denied claims with finality starting 2015 to present, coordinate with the Philhealth Office for possible reproduction of those missing documents or request any official document that will serve the purpose in facilitating the adjustment of the receivable account.</p>						
--	--	--	--	--	--	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			CARAGA Regional Hospital	The management will devise a monitoring mechanism that will ensure proper compliance by the Billing Section in handling PHIC claims. The head of the Billing Section will be directed to review and evaluate the reasons for the denied claims through submission of Monthly Denied Claims Report, and apply possible remedies for the reconsideration of the denied claims by PHIC. This monthly report will guide the management on the applicable interventions to avoid recurrence of denied claims. To direct the head of the Billing Section to assign personnel to follow-up, monitor and verify the status of transmitted claims in order to promptly address any problems concerning PHIC claims. To ensure strict adherence with the guidelines prescribed by the Revised IRR of the NHIC Act of 2013 and Philhealth Circular No.0002-2104..	Head of the Billing Section Head of the Billing Section Head of the Billing Section	Mar 2018 Mar 2018 Mar 2018	May 2018 Jun 2018 Jun 2018	Fully implemented Fully implemented Fully implemented		Monthly Denied Claims Report were already submitted to the management regularly.
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>c) Accounting and Property Control Deficiencies</b> <i>c.1) Non-maintenance and non-updating of SLC/ SC - P923.212 million</i>	We recommended and Management of the concerned DOH Offices agreed to instruct the Accountant and Supply Officer to maintain/update SLCs and SCs, respectively, and conduct regular reconciliation thereof for early detection	Quirino Memorial Medical Center Valenzuela Medical Center		Nica Narra/Accounting/Supply Sections Accountant / Materials Management	Sept 2018	Dec 2018	Partially Implemented Fully Implemented	Partial submission of RIS	Continous coordination with Supply Office for the submission of RIS  SLC of the Accounting Section is updated and maintained thru the implementation of the e-NGAS which is under on-going Parallel run. Stock card of the Materials Management Section on the other

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		of any error and discrepancy.								hand, is also updated as of August 2018.
			Research Institute for Tropical Medicine					ONGOING		Installation of e-NGAS to be prioritized for automatic setup of SLCs
			Dr. Jose N. Rodriguez Memorial Hospital	As of June 30, 2018, the Stock Ledger Cards and Stock Cards are already prepared, updated and reconciled by the concerned personnel of this office.	Accountant IV / SAO-MMS	Jan-2018	Jun-2018	Fully Implemented		Updated and reconciled the SLCs and SCs by the Accounting and Materials Management Section.
			San Lorenzo Ruiz Women's Hospital	The management would strictly require the Accountant and the Inventory Committee to arrange for an earlier conduction of the physical count of inventory of all PPEs towards the end of the year, to give the committee an ample time to prepare the RPCPPE, and have it reconciled with the Accounting Records before submission on or before January 31 of the following year	Accounting Unit	2018	2018	Fully Implemented		Monthly reconciliation is being implemented by the accounting unit and SPMU.
			Bataan General Hospital		Supply Section and Accounting Section		Dec. 31, 2018	Partially implemented	inclusion of no. of days to consume in SCs	The Management already requires the Supply Section and Accounting Section to complete all the necessary details in SLCs and SCs

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Talavera Extension Hospital	The Accountant already requested full cooperation of Supply Unit and requested documents that may be needed in the reconciliation of the Inventory Account, necessary adjustments will be booked on or before end of second semester. Also, the Accountant will begin to maintain its Stock Ledger Card and compute cost of inventory using Weighted Average Method.	Accountant II	Feb 2018	Jun 2018	Not Implemented	Unallocated documents in the Accounting Unit (not properly endorsed)	Make follow up of requested documents that will be used in the reconciliation of Inventory Account and continue updating Stock Ledger Card.
			Jose B. Lingad Memorial General Hospital	To instruct the Accountant and Supply Officer to maintain/update the SLCs and SCs and conduct regular reconciliation.	Accounting and Supply Section	Feb 2018	Dec 2018	Fully Implemented		The SLCs and SCs at both Accounting and Supply Sections have already been updated and reconciliation are regularly conducted.
			Don Jose S. Monfort Medical Center Extension Hospital	Update Supplies ledger Card and stock cards and reconcile	Supply Office/Accounting	Apr-18	Dec-18	Partially Implemented	Difficulty in tracing of discrepancy due to unavailability of supporting records and documents. No proper turn over by the outgoing designated Supply officer to the incoming Supply officer on the year 2011.	On going Update of supplies Ledger Card and stock Card. Accounting and Supply office reconcile to stock cards with RCPI's

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 8	Maintenance of complete and updated Supplies Ledger Card (SLC) at the Accounting Unit and Stock Card (SC) at the Supply Unit. Regular reconciliation thereof should be done.	Rene V. Yanson Celeste Jane Tan Marlo Calumpiano	May 2018	Dec. 2018	On-Going		SCs were already updated while SLCs were to be updated.
			RO 9	Update each SC and SLC maintained by both the Accounting and Supply Section	Iris Sanson Accountant III  Jose Noel F. Torres AOV (Supply)	Jan. 1, 2018	Dec. 31, 2018	Partially Implemented	On-going reconciliation	Hired additional manpower to focus on the reconciliation and updating of stock cards  The accounting section uses the e-NGAS system to generate the Stock Ledger Cards
			RO 13	A Certified Public Accountant under job order contract to focus on Inventory account management shall be hired.	Management	Jan. 2018	Continuous Implementation	On-going implementation		A Certified Public Accountant was hired by the Management to focus on inventory account management.
			TRC Bataan	The management will be instructing the Accountant and Supply Officer to maintain their respective ledger cards for proper reconciliation	Administrative Department	Jan, 2018	Dec. 2018	Ongoing		Ledger cards of the Supply and Accounting Section are already being updated in order to address discrepancies early
			CARAGA Regional Hospital	To direct the Head of the Property Management Section and the Accountant to reconcile the differences and effect necessary adjusting entries by gathering all the Inspection and Acceptance Report (IAR) for the previous years and compare it with the booked Report of Supplies and Materials Issued (RSMI). In order to facilitate the gathering of complete	Head of the Property Management Section and Accountant Inventory Committee Accountant	Mar 2018 Feb 2018 Mar 2018	Dec 2018 Jun 2018 Sep 2018	Ongoing Ongoing On-going		SLCs of all inventory accounts except for drugs and medicines were already updated as of December 31, 2017. The updating of Drugs and Medicines SLCs were already for the last quarter of 2017, and it will be finished by June 2018.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				records, the Head of the Property Management Section and the Accountant are directed to ask COA auditor to give them access to reproduce the required records maintained in the COA office.To instruct Inventory Committee to initiate more effort to coordinate with the Accounting Section in comparing each inventory item per SLCs with the stock cards of the Property Management Section to ensure proper reconciliation of records. To direct the Accountant to immediately update the SLCs and ensure that current year's receipts and issuances are all accounted in the SLCs and as reflected in the ledgers of the accounting books of accounts.						
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>c) Accounting and Property Control Deficiencies</b> <i>c.2) Delayed/non submission of RPCI and non-conduct physical inventory - P2,136.977 million</i>	We recommended and Management of the concerned DOH Offices agreed to:  a) require the Property Officer to prepare and submit RPCI not later than July 31 and January 31 as prescribed under Appendix 66 of GAM for NGAs Volume II; and  b) create an inventory committee to conduct semi-annually physical count of inventories and strictly comply to Section	OSEC Accounting/ F102					Partial Implemented	No supporting documents provided to Accounting Office to effect the adjustment	The Accounting Division coordinated with the offices concerned regarding this issue/ observation
			Food and Drug Administration	Conduct physical count of inventories, prepare the Report for submission to COA after the reconciliation of the RPCI with the SLCs and SCs	GSD / Accounting	Jun 2018	Dec 2018	Partial Implementation		1) A staff of the GSD assigned in Inventory already started the conduct of physical count last February 2018. We have invited representative from COA to witness the inventory-taking. Inventory of all the stockrooms will be continued.  2) The staff-in-charge of supplies inventory is working on the improvement of records of

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		13, Chapter 8 of the GAM for NGAs Volume 1.								inventories. Once completed, reconciliation with Accounting will be facilitated.  3) Noted. Report will be submitted once completed.
			Batanes General Hospital	Not applicable						
			Southern Isabela General Hospital	The Inventory Committee together with representatives from the Accounting unit and Supply Unit will conduct physical count of all the Property, Plant and Equipment to ascertain the existence of various equipment's and to establish the property custodianship for the items. The Property Officer to submit RPCI on or before the deadline as provided by the rules	Mr. Val Gamay - Supply Office	Jul-1	Dec-1	Implemented		The Inventory Committee together with representatives from the Accounting unit and Supply Unit conducted physical count of all the Property, Plant and Equipment to ascertain the existence of various equipment's and to establish the property custodianship for the items. The Property Officer to submit RPCI.
			Bataan General Hospital		Inventory Committee			Fully Implemented		The inventory committee is regularly conducting annual physical count of PPE and inventories semiannually. However, we are still required to conduct semiannual count of semi expendable items, which we already started for the 1st sem of FY 2018.
			Dr. Paulino J. Garcia Memorial Research and Medical Center	Direct the Inventory Committee to strictly conduct inventory semi-annually and to submit the report to COA.	INVENTORY COMMITTEE	July 2018	Jan. 19, 2018	Complied.	N/A	The Inventory Committee conducted a semi-annual inventory last June 30, 2018 which were submitted and verified by the Resident Auditors last July 31, 2018. The year-end inventory was scheduled on December 31, 2018.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Jose B. Lingad Memorial General Hospital	To require the Property Officer to submit RPCI as prescribed under GAM for NGAs Volume II. To reconstitute the inventory committee and require them to conduct semi-annually physical count of inventories.	Supply Section/Property Officer	Mar 2018	Dec 2018	On-going		Hospital Order creating a new inventory team has already been issued and were required to conduct semi-annual physical count of inventories as recommended.
			RO 4A	A) Prepare and submit RCPI on a semi-annually.  B) Create an inventory committee to conduct physical count of inventories.	Logistic Officer	Jan. 2018	Dec. 2018	Partially implemented	Physical count of existing inventories and reconciliation of the same with the Accounting Section is currently ongoing.	A) Inventory was created already.RPO No. 2018-127-28.  B) Schedule of physical count of inventories semi-annually is already in place.
			RO 4B	-Require submission of RPCI -Creation of Inventory Committee	Accounting Section and Logistics Management Section		Dec 2018	Partially Implemented	System failure caused by ransomware	On going re-entry of 2016 and 2017 transactions to ENGAS. Reconciliation will resume once re-entry is done.
			Corazon Locsin Montelibano Memorial Regional Hospital	(1) Reconstitute the members of the Inventory Committee. (2) Review the process involved in the inventory taking. (3) Perform annual inventory for PPE, and submit the approved inventory report to COA on the prescribed timeline.	Head of the Materials Management Section, Members of the Inventory Committee	01/01/2018	01/01/2019	Partial	Annual Physical Count as of December 31, 2018 is to be conducted yet.	(a)A Hospital Personnel Order on the reconstitution of the Inventory Committee of the Hospital was issued. COA Resident Auditor was given a copy of the order. (b) Performed semi-annual physical count as of June 30, 2018 and submitted the RPCI to COA Resident Auditor. (c) Conduct the annual physical count at the end of the year and submit RPCI not later than January 31, 2019.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Don Jose S. Monfort Medical Center Extension Hospital	a. Submit RPCI as prescribed under Appendix 66 of GAM b. Create Inventory Committee to conduct semiannually Inventory	Supply Office/Accounting/Inventory committee	Apr-18	Dec-18	a.Partially Implemented b.Partially Implemented	Difficulty in tracing of discrepancy due to unavailability of supporting records and documents. No proper turn over by the outgoing designated Supply officer to the incoming Supply officer on the year 2011.	On going Update of supplies Ledger Card and stock Card. Accounting and Supply office reconcile to stock cards with RCPI's. Inventory committee chairperson and some members was changed.
			Eversley Childs Sanitarium	Memo to be issued to Property and Supply Officer to conduct physical count of inventories every June 30 and December 31 of each year and reconciliation with Accounting Section should be made.	Property and Supply Officer/Accountant	Jan. 31, 2018	Dec. 31, 2018	On-going		Periodic Inventory taking was really complied with but RPCI made by Supply Section does not have complete data as reported.
			Labuan Public Hospital	The Accountant shall remind the other personnel handling supplies and materials to submit required physical count of their respective inventory and submit a monthly report thereof for proper recording of expense portion;  The Supply Officer/CSR in Charge/Engineering/HEMS shall:  a) Conduct the required physical count and submit a report on the same using the RPCI;	Chief of Hospital; Accountant; Chief Nurse; Supply/ Procurement Officer; Laboratory Head; HEMS Officer; Engineer; and Pharmacy Head.	Mar 2018	Dec 2018	On- going	Other concerned personnel were on Official Travel thus submission of report was delayed.	The Accountant in close monitoring with the different LPH Unit Heads submit report of Physical Count regularly.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				<p>b) Regularly prepare and submit the RSMLs to the Accounting Unit to facilitate timely recording and ensure accurate reporting of balances;</p> <p>c) Maintain reports and records complete with the required information that will facilitate reconciliation of balances; and</p> <p>d) Prepare ICS for every Semi-Expendable Property issued to end-user and furnish the Accounting Unit for recording the expense.</p> <p>Also, the Accountant and the Designated Supply Officer shall:</p> <p>a) Upon receipt of ICS, record the expense. If no ICS furnish but already issued, direct the Supply Unit to issue ICS for recording purposes; and</p> <p>b) Exert extra efforts to reconcile their records and facilitate adjustments, as necessary.</p>						
--	--	--	--	--	--	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Amai Pakpak Medical Center	Maintenance of complete Report of Physical Count of Inventories (RPCI) and regular reconciliation of records with the Accounting Office. - Issuance of Inventory Custodian Slip (ICS) for Semi-Expandable property. - Reorganization of the Inventory Committee.	Batangcorop O. Umungan-Supply Officer Anna Najieva Bantuas-Lucman-Accountant IV	Mar 2018	Dec. 2018	Ongoing	Reconciliation was not completed because retrieval of reference documents such as PO and Inspection Reports were a problem. - Updating of inventory records for the issuance of ICS took time. Retrieval of old record is a problem.	The Supply Office will incorporate in their reports submitted to Accounting Office reference # of PO's for purposes of verification. - Ongoing inventory sweep to update the inventory records of semi expandable property and inventory of PPE after there were reported lost and damaged property after the Marawi siege.
			RO 11	1) Reconstitute the Physical Inventory Committee 2) Conduct physical inventory and submit RCPI	Anna Remolar Joy Ilagan	0416/18	4/18/18	Fully Implemented	N/A	Physical inventory of equipment was done and report was submitted to COA on May 31, 2018
			RO 12					Partially Implemented		The management has already instructed the Supply Officer to fast tract preparation of physical count of inventories to facilitate reconciliation of records.  The accounting section is on the process of reconciling negative balances of inventories in the SL.  Other recommendations of this findings will be considered by the management.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Cotabato Sanitarium	To conduct physical count of inventories and submit to COA the duly certified and approved Report of Physical Count of Inventory.	Kareen Kay Elica, Head of Supply Unit Erlinda Samula, RPH, Head of Pharmacy Unit Deamae Pepugal, CPA, Head of Accounting Unit	Feb. 15, 2018	Feb. 28, 2018	FULL	N/A	* Conduct physical count of inventories and submitted to COA the duly certified and approved Report of Physical Count of Inventory.
			RO 13	a) Property Officer shall be required to prepare and submit RCPI  b) An inventory committee shall be created to conduct physical inventory	a) Property Officer  b) Management	Jan. 2018	Continuous Implementation	a) Partially Implemented  b) Fully Implemented	a) Staff in-charged with the preparation was re-assigned to PDOHO	Property Officer to submit RCPI as of June 30, 2018 on September 30, 2018
			CARAGA Regional Hospital	To instruct Inventory Committee to abide the prescribed format of the RCPI based on the instruction provided for in the GAM, and to submit a revised RPCI as recorded per account.  To direct the Head of the Property Management Section to update and reconcile the records and make a narrative report for all the untraceable and lost items.  To direct the Accountant to	Inventory Committee  Head of the Property Management Section  Accountant	Mar 2018  Mar 2018  Mar 2018	May 2018  Sep 2018  Sep 2018	Ongoing  Ongoing  Fully Implemented	Stock cards of the supply sections were not updated.	Revised December 31, 2016 RCPI per account is still being prepared. And will be submitted to COA once completed.  Updating and reconciliation of all property were being undertaken.  Personnel of the PMS are regularly coordinating with the bookkeepers to properly classify and segregate inventories, and from time to time, reconciliation were conducted to ensure inventory items were properly classified and recorded.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				assist the Head of the Property Management Section in the segregation of inventory records into per fund sources.						
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>c) Accounting and Property Control Deficiencies</b> <i>c.3) Other accounting and property control issues on inventory P 85,288,738.74</i>	We recommended and Management of the concerned DOH Offices agreed to:  a) strictly comply with pertinent provisions of the GAM for NGAs and other laws and guidelines pertaining to the receipt, issuance and recording of inventories in the books of the agency; and  b) always ensure that policies and procedures with regards to inventories are strictly adhered to.	OSEC Accounting/ F102					Not Implemented		The LMD is considering the assistance of EU- EPOS on the logistic management of inventory to address this issue
			National Center for Mental Health	STRICT ADHERENCE TO COA RULES AND REGULATION IN ESTABLISHMENT OF INVENTORY LEVEL OF TWO MONTHS FOR STOCK INVENTORIES	Arturo C. Salcedo Chief, Material Management Section	Mar. 2018	MONTHLY ROUTINE	Fully Implemented		SUFFICIENTLY COMPLIED WITH COA RULES AND REGULATION AND IS NOW IN THE MANUAL OF OPERATION
			East Avenue Medical Center	For Compliance	Accounting Section / Materials Management Section (MMS)	1/1/18	12/31/18	On-going		Inventory Committee which composed of staff/personnel from Accounting, MMS have ongoing reconciliation of various PPE and Inventory Accounts
			RO CAR	To prepare the corresponding ICS for reclassified PPE to Semi-expendable items and forward to Accounting Section for recording  Regular reconciliation between MMT and Accounting Section	MMT and Accounting Section  MMT and Accounting Section	Immediately  Immediately		Ongoing/Partially Implemented  Ongoing/Partially Implemented		Ics received for PPE reclassified to Semi-expendable expenses totaling P232,042.44 were recorded under JEV Nos. 2017-04-003393, 2017-06-005391, 2018-03-002078, 2018-05-004469, 2018-05-004848, 2018-05-004850, 2018-06-5790, 2018-06-5981, 2018-07-6395 and 2018-08-7614  Reconciled P1,780,956.97 PAR between RPCPPEI per reply letter dated April 26, 2018; Reconciliation is conducted regularly during recording of received Reports of Supplies and



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

										Materials Issued (RSMIs) by Accounting Section
			Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the books of accounts and the inventory/PPE report.	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The differences were reconciled and effect corrections /adjusting entries.
			Talavera Extension Hospital	The Accountant already requested full cooperation of Supply Unit and requested documents that may be needed in the reconciliation of the Inventory Account, necessary adjustments will be booked on or before end of second semester. Also, the Accountant will begin to maintain its Stock Ledger Card and compute cost of inventory using Weighted Average Method.	Accountant II	Feb 2018	Jun 2018	Not Implemented	Unallocated documents in the Accounting Unit.	Make follow up of requested documents that will be used in the reconciliation of Inventory Account and continue updating Stock Ledger Card.
			RO 7	The Accounting office shall be added manpower to timely cope up with the recording of receipts and issuances as being transmitted by the Supply office as well as to immediately reconcile discrepancies	Management Support Division	Jan 1, 2018	Jan. 31, 2018	Fully Implemented		Provisions under the GAM relating to recording of inventory related transactions have been strictly adhered to. The added manpower shall help in coping with the receipts and issuances transmitted by Supply section. As for the P 85,288,738.74 discrepancy, it was found out that there was just an erroneous summation in the Cold Chain Inventory Report which was accordingly corrected by the Cold Chain Personnel. The erroneous

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										summation resulted to material impact of discrepancy. Nevertheless, inventory report of Accounting, Cold Chain and Supply section matched as to quantity.
			RO 9	Establish Standard Operating Procedures pertaining to the receipt, issuance and recording of inventories in the books of the agencies, adherent to any existing accounting rules and regulations	Iris A. Sanson Accountant III  Jose Noel F. Torres AOV (Supply)	Jan. 1, 2018	Mar. 31, 2018	Fully Implemented		Established Standard Operating Procedures as required under ISO 9001:2015, at the same time compliant to the provisions of GAM
			TRC Bataan	The management will be instructing the Accounting Section to review the rules and regulations stated in the GAM pertaining the proper recording of inventories for proper implementation.	Administrative Department	Jan, 2018	Nov. 2018	Ongoing		The GAM had already been reviewed and coordination's had already been made by the Accounting Section with the Materials Management Section to ensure that policies and procedures with regards to inventories are being implemented properly.
			TRC Bicutan	We will comply with the recommendation and ensure consistent application.	Accounting Section and Material Management Section	Jan-2018	Dec. 2018	On going	Lack of manpower (MMS/Acctg)	Monthly monitoring and update of SLC/SC. Update as of June is ongoing based on reconciliation made last July.
DOH CAAR 2017 par. 18	Accounting Deficiencies <b>c) Accounting and Property Control Deficiencies</b> <i>c.4) Non-preparation/ maintenance/ update of PC and PPELC and non-reconciliation of PCs and PPELCs</i>	We recommended and Management of the concerned DOH Offices agreed to:  a) require the Accounting and Property Unit to maintain a complete and updated Property Cards	National Center for Mental Health	STRICT ADHERENCE TO COA RULES AND REGULATION IN THE MAINTENANCE AND PERIODIC RECONCILIATION OF PC AND PPELC	Dulce B. Valerio Chief, Accounting Section  Arturo C. Salcedo Chief,	Mar. 2018	MONTHLY ROUTINE	Fully Implemented		SUFFICIENTLY COMPLIED WITH COA RULES AND REGULATION AND IS NOW IN THE MANUAL OF OPERATION

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		(PCs) and Plant and Equipment Ledger Cards (PPELCs);			Material Management Section					
		b) reconcile periodically the PPELC with PC and to complete the recording of properties in the PPELC and PC with its acquisition, description, custody, estimated life, depreciation, impairment, disposal, transfer/adjustment, repair history and other information about the property and assigned a uniform property number for easy reconciliation; and	Quirino Memorial Medical Center		Ma. Luisa Cañeza/ Manilyn Umandap/ Accounting Section	Sept 2018	Dec 2018	Partially Implemented	Supply and Property office has yet to submit documents for other Equipment found in the wards and offices.	a-c) Accounting office has already completed set of PPELCs for recorded PPEs while reconciliation with PCs still ongoing.
		c) henceforth, strictly adhere to the provisions under Section 42 of Chap. 10, Volume 1 and , Appendices 69 and 70 under Volume 2 of Government Accounting Manual (GAM) for NGAs.	Amang Rodriguez Memorial Medical Center	Materials Management Section (MMS) to ensure that Property Cards are updated and the Accounting Section continue to update the Property Plant and Equipment Ledger Cards and reconcile with MMS.	Materials Management Section and Accounting Section	Apr. 2018	Sept. 2018	Ongoing		Continue updating the PCs and PPELCs by the Materials Management Section and the Accounting Section
			San Lorenzo Ruiz Women's Hospital	The management would strictly require the Accountant and the Inventory Committee to arrange for an earlier conduction of the physical count of inventory of all PPEs towards the end of the year, to give the committee an ample time to prepare the RPCPPE, and have it reconciled with the Accounting Records before submission on or before January 31 of the following year	Accounting Unit	2018	2018	Fully Implemented		Monthly reconciliation is being implemented by the accounting unit and SPMU.
			Dr. Jose N. Rodriguez Memorial Hospital	The management will strictly implement the auditor recommendations. To date, Property Plant and Equipment Ledger Cards	Accountant IV / SAO-MMS	Jan-2018	Jun-2018	Fully Implemented		Adhered to the provisions under Section 42 Chapter 10, Volume 1 and, Appendices 69 and 70 under Volume 2 of Government

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				(PPELCs) and Property Cards (PCs) are maintained and updated by Accounting and Materials Management Section.						Accounting Manual (GAM) for National Government Agency.
			RO 3	To require the Accountant and Supply Officer to maintain and update PCs and PPELCs respectively, and to conduct reconciliation in their respective records	Supply Officer and Accountant	Mar-2018	Dec-2018	Partially Complied	Report of Issuances submitted to Accounting Unit by the Supply Officer is for the month of January 2018. Reconciliation between the two units for years 2016 and 2017 will be made during the 4th quarter.	Require the Supply Officer to exert more effort in submitting the Report of Issuances so that reconciliation for year 2018 will be made
			Jose B. Lingad Memorial General Hospital	To require Accounting and Supply units to maintain a complete and updated Property Ledger Cards and Plant & Equipment Ledger Cards and reconcile periodically the PPELC with PC.	Accounting and Supply Section	Feb 2018	Dec 2018	On-going		Both Accounting and Supply Units are in the process of updating the PCs and PPELCs, Proper reconciliation will be done as soon as the inventory Committee have completed the conduct of actual physical count of PPE.
			Talavera Extension Hospital	The Accountant and Supply Officer will: will maintain the required PPE Ledger Cards and Property Cards, respectively. Maintain a complete and updated Property Acknowledgement Receipt (PAR).	Accountant II & Supply Officer	Feb 2018	Jun 2018	Ongoing	Proper balance on PPELC was not establish and endorsed by the previous Accountant since year 2014.	Accountant and Supply Officer will update PPELC and PC respectively.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			TRC Bataan	The undersigned will be taking the following actions: a. Follow up the proper recording of the PPE and the maintenance and updating of ledger cards for proper accounting and reconciliation; and b. make continuous coordination with the Provincial Government of Bataan for the subsequent transfer of ownership of the land occupied by this agency	Accounting and Materials Management Section	Jan. 2018	Dec. 2018	Ongoing	The transfer will be a very tedious process as the Congressman of the 2nd District of Bataan has to make representation to the Congress.	The PPELC and the PC of the Accounting and Property section are already being updated to date. Also, they had already been instructed to reconcile at least quarterly. In addition, a meeting with the Congressman of this District will be scheduled in order to discuss the status of the transfer of title of the land occupied by our agency.
DOH CAAR 2017 par. 18	Accounting Deficiencies <b>c) Accounting and Property Control Deficiencies</b> c.5) Non-submission of RPCPPE and non-establishment of existence of PPE	We recommended and Management of the concerned DOH offices agreed to:  a) give priority to the creation of Inventory Committees to conduct physical count of PPE annually. Otherwise, any loss/es of PPE that may be established in the future due to negligence by accountable officers concerned shall be charged against the responsible officers of the agency; and  b) submit the duly certified and approved RPCPPE not later than January 31 of each year in compliance with Sec. 38, Chapter 10, Volume 1 of the GAM for NGAs;	OSEC Faps					Partially Implemented		The Accounting Division coordinated with the offices concerned regarding this issue/ observation
			Jose R. Reyes Memorial Medical Center					Fully Implemented		The Inventory Committee has scheduled the Inventory to each department/section/unit for strict implementation to be able to submit on time the approved RPCPPE not later than January 31 of each year.  a. Committee on Physical Inventory has been created. The Inventory Committee has scheduled the Inventory to each department/section/ unit for strict implementation to be able to submit on time the approved RPCPPE not later than January 31 of each year.  b. RPCPPE was submitted on March 9, 2018 to COA, JRRMMC Please find attached: -Physical inventory 2018 Committee Members/COA Representative; -Hospital Personnel Order No. 2018-004 dtd 1/3/2018 Composition of the Committee on

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										Physical Inventory on Semi-Expandable Supplies, Materials and Equipment; -Hospital Personnel Order No. 2017-023 dtd 1/16/2017, Composition of the Committee on Physical Inventory on Semi-Expandable Supplies, Materials and Equipment; -Physical Inventory Committee Report dtd 3/8/2018 on the Physical Count of Property, Plant and Equipment as of Dec. 31, 2017
			National Center for Mental Health	SUBMITTED TO COA RPCPPE ON MARCH 2018	Arturo C. Salcedo Chief, Material Management Section  Jerry C. Rodriguez Chairman, Inventory Committee for PPE  Dulce B. Valerio Chief, Accounting Section	March 2018	March 2018	Fully Implemented		SUFFICIENTLY COMPLIED WITH COA RULES AND REGULATION AND IS NOW IN THE MANUAL OF OPERATION

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Las Piñas General Hospital and Satellite Trauma Center	The management, through its Inventory Committee, had submitted already to the Commission On Audit the required RPCPPE as of December 31, 2017. Noted discrepancies between the said report and that of the book balances of Accounting shall be duly adjusted as necessary.	Accounting Section and Materials Management Section	January 2018	June 2018	Fully implemented		The management, through its Inventory Committee, had submitted already to the Commission On Audit the required RPCPPE as of December 31, 2017. Noted discrepancies between the said report and that of the book balances of Accounting shall be duly adjusted as necessary.
			Bureau of Quarantine	Recommendations have been noted with appropriate action from the Management.	Supply Section	Jan 2018	Dec 2018	Partially implemented		The Inventory Committee has been created and the physical count of the PPE is on-going (Manila and Provincial Station).
			Food and Drug Administration	Conduct physical inventory of PPE and reconcile with Accounting and submit the final RCPPE as of December 31, 2017 for verification of COA	GSD / Accounting	Jun 2018	Dec 2018	Partial Implementation		Submission of RPCPP of the Technical and Scientific Equipment as of 31 December 2017. Accounting Division was furnished the same report.  Submission of PPE Schedule generated in eNGAs. Reconciliation of balances of the records of Property Unit and Accounting Division is on-going/ Once completed, ledger balances will be adjusted and report of the reconciliation will be submitted to your Office.  Director General Nela Charade Puno also ordered the creation of Sub-Inventory Committee or Asset Management Committee to ensure the establishment of reliable PPE inventories.
			Rizal Medical Center	Not applicable						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Valenzuela Medical Center	a) New Inventory and Disposal Committee was reconstituted per Hospital Order No. 2018-376 dated July 30, 2018 b) Before the year ends, Inventory Committee will reconcile with Accounting and Materials and Management Section records. c) After reconciliation, proper adjustments will be made.	Accountant / Inventory Committee	October 2018	Jan 2019	On Going	Inventory Committee is still under transition period.	There was an initial meeting with the members of the Inventory and Disposal Committee for their future actions to be taken. Every sections were instructed to reconcile their respective physical inventory within their sections versus their Property Acknowledgement Receipt (PAR).
			Baguio General Hospital and Medical Center	Submit required reports	Finance/HOP SS	2017	2018	FULLY IMPLEMENTED		Inventory Committee already performed physical count and submitted required reports
			Southern Isabela General Hospital	The Inventory Committee together with representatives from the Accounting unit and Supply Unit will conduct physical count of all the Property, Plant and Equipment to ascertain the existence of various equipment's and to establish the property custodianship for the items. The Property Officer shall submit RPCI on or before the deadline as provided by the rules	Mr. Val Gamay - Supply Office	1-Jul-17	1-Dec-17	Implemented		The Inventory Committee together with representatives from the Accounting unit and Supply Unit conducted physical count of all the Property, Plant and Equipment to ascertain the existence of various equipment's and to establish the property custodianship for the items. The Property Officer shall submit RPCI on or before the deadline as provided by the rules



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Veteran's Regional Hospital	We adhere to the audit recommendations.	Materials Management Section/ Inventory Committee/ Accounting Department	Feb. 1, 2018	Mar. 31, 2018	Fully Implemented		Physical Inventory was conducted and the RPCPPE was submitted on February 19, 2018
			RO 3	To require the Supply Officer to submit the Report of Issuances to the Accounting Unit on time to properly classify the correct balance of inventory	Supply Officer	Mar-18	Dec-18	Partially Complied	Report of Issuances submitted to Accounting Unit by the Supply Officer is for the month of January 2018. Reconciliation between the two units for years 2016 and 2017 will be made during the 4th quarter.	Require the Supply Officer to exert more effort in submitting the Report of Issuances so that reconciliation for year 2018 will be made
			Jose B. Lingad Memorial General Hospital	To reconstitute the Inventory Committee and prioritize the conduct of annual physical count of PPE.	MCC, CAO Property Officer	Feb 2018	Dec 2018	On-going		Hospital Order creating a new inventory team has already been issued and were required to conduct the physical count of PPE
			RO 4A	A) Create an inventory committee to conduct physical count of PPEs annually.  B) Submit the approved RPCPPE before January 31 of each year.	Management  Supply Officer/ Logistics Officer	Jan. 2018	Dec. 2018	Partially implemented	Physical count of existing PPEs and reconciliation of the same with the Accounting Section is currently ongoing	a. Inventory was created already.RPO No. 2018-127-28.  b. RPCPPE will be submitted once the inventory count is conducted.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 4B	-Creation of Inventory Committees to conduct physical count of PPE. - Submission of duly certified and approved RPCPPE	Accounting Section and Logistics Management Section	Jan 2018	Dec 2018	Partially Implemented	System failure caused by ransomware	On going re-entry of 2016 and 2017 transactions to ENGAS. Reconciliation will resume once re-entry is done.
			Bicol Medical Center	1. Immediately reconstitute Inventory Committee  2. Assign point person to ensure that physical count of inventories are conducted and submitted.	Josephine Soverano, SAO	April 2018		Partially implemented	Reconstitution of inventory committee for approval.	Schedule conduct of physical count of inventories.
			Corazon Locsin Montelibano Memorial Regional Hospital	(1) Reconstitute the members of the Inventory Committee. (2) Review the process involved in the inventory taking. (3) Perform annual inventory for PPE, and submit the approved inventory report to COA on the prescribed timeline.	Head of the Materials Management Section, Head of the Engineering and Facilities Management Section, Members of the Inventory Committee	01/01/2018	12/01/2019	On-going	Annual Physical Count of PPE as of December 31, 2018 is to be conducted yet.	(1) Reconstituted the Hospital Inventory Committee. (b) Conduct annual physical count of PPE and submit the results thereof to COA on or before January 31, 2019.
			Eastern Visayas Regional Medical Center	a. To create an Inventory and Disposal Committee that is in accordance with PSMS/COA rulings. Require the Committee to attend trainings on, in relation to their duties and responsibilities, Property and Supply Management System and Appraisal and Disposal of Government Property. b. Inventory Committee to conduct physical count to come up with an RPCPPE.	Materials Management Department and Inventory Committee	Mar 18	Jan 19	Implemented		Inventory committee was created and an RCPPE for year 2017 was submitted to COA.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 9	a. require the Supply Section to submit the RCPPE as well as all IRPs or Property Transfer Reports on time to Accounting Section  b. effect the necessary adjusting entries to record the issuances of supplies and materials	Iris Sanson Accountant III  Jose Noel F. Torres AOV (Supply)	Jan. 1, 2018	Mar. 31, 2018	Fully Implemented		Recorded all distributions per IRPs and property transfer report submitted to accounting section
			Amai Pakpak Medical Center	Reorganization of the Inventory Committee - Require the Submission of the RPCPPE not later than January 31, 2019 in compliance to established guidelines of the GAM for NGAS	Dr. Shalimar Sani-Rakiin Medical Center Chief II	Aug 2018	Sept. 2018	Fully Implemented		Inventory Committee is reorganized in an APMC Office Order No. 053 Series of 2018, dated September 13, 2018
			Northern Mindanao Medical Center	MMS Section to prepare and submit to appropriate offices the updated RPCPPE for CY 2017 as basis for adjustment/ establishment of a correct PPE balance.	Chief Adm. Officer SAO, Head Materials Management MMS Staff Accounting	Jun. 2018	Dec. 2018	Implemented		submitted the updated RPCPPE for CY 2017
			RO 12					Partially implemented		Delay in the conduct of physical count of PPE was due to unavailability of some members of the inventory committee. At present, conduct of PPE inventory was already done in the four (4) PHODO offices and RLED. The inventory committee is in the process of conducting inventory in the remaining offices and will submit the report as soon as they have completed the physical count.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Cotabato Sanitarium	To immediately submit the required documents to be attached in the IIRUP. -To immediately dispose the unserviceable property and the accountant to derecognize the disposal of PPE in the books -To conduct year-end physical count of all properties and reconcile the results of the count with the property and accounting records in order to ascertain the existence, validity and correctness of the reported PPE in the books, and -To immediately submit to COA the prescribed RPCPPE form in accordance with GAM.	Kareen Kay Eliaca, Head of Supply Unit Bai Sittie Abrala Mamadra, RN, Chairman Inventory Committee Deamae Pepugal, CPA, Vice Chairman Inventory Committee Mohajera Mamento, Member Inventory Committee Mowalim Kalim, Jr., Member Inventory Committee Jenniffer Caceres, Member Inventory Committee	Mar. 1, 2018	Jul. 31, 2018	Partially Implemented	The inventory committee is still on process of finalizing the prescribed RPCPPE form in accordance with GAM.	* Disposal of unserviceable property were done and the corresponding reports were submitted to COA. *Inventory committee already conducted physical count of all Property, Plant and Equipment. Actions to be taken: * To immediately require the Inventory Committee to prepare the prescribed RPCPPE in accordance with GAM and to submit it to COA.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Adela Serra Ty Memorial Medical Center	Concerned personnel were already warned in a form of memorandum about the delay in the submission of reports and that this should not be repeated in the next cycle of physical counting of inventories. RPCI was submitted to COA on February 12, 2018 for supplies kept in the warehouse, and March 1, 2018 for Medical Supplies under the safekeeping of Central Supply Room.	MMO, Accountant	Apr 1, 2018	Jun 30, 2018	Fully Implemented		
			TRC Bataan	The management will be ordering the Inventory Committee to conduct physical count semi-annually and require the submission of protocols in order to ascertain possible areas for improvement and the Supply Officer to submit pertinent documents to the Accounting Section for the proper recording of inventory items	Administrative Department	Jan, 2018	Nov. 2018	Ongoing		The following actions had already been taken: a. The Inventory Committee had already submitted copies of their protocols for review of the Management Committee and had already been ordered to conduct semi-annual physical count of inventory; b. supporting documents for the receipt of inventory items are already being forwarded by the Supply Officer to the Accounting Section for proper recording
			TRC Pototan, Iloilo	RPCPPE finalized and submitted	Maria Gina P. Sazon/SAO	1/31/18	9/30/18	Done		Physical Count submitted to COA.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			TRC CARAGA	<p>The Inventory Committee must finish the physical count of all inventoriable items.</p> <p>Also, prepare RPCI and RPCPPE based on the updated Stock Cards and Property Cards.</p> <p>Moreover, accounting section will maintain proper formats provided in GAM Volume II and reconcile accordingly with Supply Section.</p>	<p>Marcilina M. Garcia, AO-V – Supply Officer</p> <p>Marwen M. Goña, Accountant II</p> <p>Aida R. Campos, Accountant III</p>	Mar 30, 2018	Jul 30, 2018	Partially Implemented		<p>RPCI and RPCPPE reports were made and already submitted. Stock cards and property cards were already updated.</p> <p>There is still on going reconciliation of the records between the Accounting office and Supply/Property Section .</p>
DOH CAAR 2017 par. 18	<p><u>Accounting Deficiencies</u></p> <p><b>c) Accounting and Property Control Deficiencies</b></p> <p><i>c.6) Unreconciled differences between book and physical count balances - P4.032 billion</i></p>	<p>We recommended and Management of the concerned DOH Offices agreed to:</p> <p>a) require the concerned Accountants and the Supply Officers to analyze the breakdown/composition of the unreconciled/unaccounted discrepancy of PPE amounting to P4,031,936,632.22 between the RPCPPE and</p>	National Children's Hospital					on-going		<p>The list prepared by the Property Section was reviewed by the Accountant and returned back to Property Section for their re-classification considering the remarks given. It was agreed that Property Officer will re-classify the PPE according to the accounts given by the Accountant while the fully depreciated assets will be delisted from PPE and re-classified to Other Assets account by the Property Officer. Actual physical inventory of PPE is being done by the inventory team since May 2018.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>the recorded balances of the PPE accounts and to reconcile their records as basis for making the necessary adjustments in their respective records;</p> <p>b) require the Property Unit and the Accounting Unit to prepare and maintain Property Cards and Equipment Ledger Cards of the PPE, respectively; and</p> <p>c) henceforth, observe the highest standards of honesty, objectivity and consistency in the keeping of accounts to safeguard against inaccurate or misleading information.</p>	Rizal Medical Center	<p>The Management instructed the designated personnel to:</p> <p>a. Set time frame for the reconciliation of PPE accounts acquired in CY 2014 and below to achieve an effective progress monitoring.</p> <p>b. Update properly the PC and PPELC</p> <p>c. Retrieve the documents of the unbooked motor vehicles amounting to P2,238,000.00, reclassify the semi expendable inventories amounting to P3,164,073.64 and</p> <p>the replacement of the ARE to ICS for the semi-expendable items</p> <p>Analysis of the account is no longer possible due to the absence of records and documents. We will determine the and follow the guidelines enumerated under COA Circular No. 97-001 under "B. Dormant Accounts"</p>	Ms. Jane Villanueva and Mr. Jake Chua	2018	2019	<p>On-going Implementation</p> <p>Partially Implemented</p> <p>On-going Implementation</p>	<p>For retrieval of documents from the Engineering and Facilities Management Dept. (EFMD);</p> <p>On-going reclassification of semi-expendable inventories pending replacement of ARE to ICS</p>	<p>32.34 % of the PPE Inventories were already reconciled</p> <p>90% of ICS and PAR are re classed but will be reissued within the year</p>
			Quirino Memorial Medical Center		Ma. Luisa Cañeza/ Manilyn Umandap/ Accounting Section	Sept 2018	Dec 2018	Partially Implemented	Supply and Property office has yet to submit documents for other Equipment found in the wards and offices.	a-c) Accounting office has already completed set of PPELCs for recorded PPEs while reconciliation with PCs still ongoing.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			San Lorenzo Ruiz Women's Hospital	The management would strictly require the Accountant and the Inventory Committee to arrange for an earlier conduction of the physical count of inventory of all PPEs towards the end of the year, to give the committee an ample time to prepare the RPCPPE, and have it reconciled with the Accounting Records before submission on or before January 31 of the following year	Accounting Unit	2018	2018	Fully Implemented		Monthly reconciliation is being implemented by the accounting unit and SPMU.
			Valenzuela Medical Center	a) New Inventory and Disposal Committee was reconstituted per Hospital Order No. 2018-376 dated July 30, 2018 b) Before the year ends, Inventory Committee will reconcile with Accounting and Materials and Management Section records. c) After reconciliation, proper adjustments will be made.	Accountant / Inventory Committee	Oct 2018	Jan 2019	On Going	Inventory Committee is still under transition period.	There was an initial meeting with the members of the Inventory and Disposal Committee for their future actions to be taken. Every sections were instructed to reconcile their respective physical inventory within their sections versus their Property Acknowledgement Receipt (PAR).
			TRC Bicutan	We will comply with the recommendations.	Accounting Section & Materials and Management Section	Mar. 2018	Nov. 2018	a. On going b. Fully Implemented	Lack of manpower (MMS)	a. Unreconciled difference was decreased to P 800,000. Reconciliation will be continued on the 4th quarter to account the remaining discrepancy. b. Updated PPLC (quarterly); MMS hired additional staff expected to assume office on September 10, 2018.
			Luis Hora Memorial Regional Hospital	Validate the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies and errors or other reconciling items requiring corrections in the	Materials and Management Unit , Accounting Unit and Inventory Committee			Fully implemented		The Property Plant and Equipment (PPE) accounts were reconciled and effect correction in the Report of Physical Count of Property, Plant and Equipment (RPCPPE).



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				books of accounts and the PPE report.						
			Region 1 Medical Center	Reconciled PPE Accounts by Accounting and Material Management Offices  All recommendations has been complied	Material and Management (Property); Accounting Staff  Material and Management (Property); Accounting Staff	Jan. 1, 2018  Jan. 1, 2018	Jan. 31, 2018  Jan. 31, 2018	Fully Implemented  Fully Implemented		Conduct regular reconciliation of Property, Plant and Equipment (PPE) to monitor/ observe the consistencies of data  Regular maintenance of Property Cards and Equipment Ledger Cards
			Dr. Paulino J. Garcia Memorial Research and Medical Center	1.Direct the Material Management and Accounting Section to continue to reconcile their difference and settle the same before the end of this year. 1.Direct the Material Management to implement electronic inventory system to monitor the supplies real-time and to minimize or eliminate errors and/or wastages.	ACCOUNTING AND MATERIAL MANAGEMENT SECTION	January 2018	ONWARDS	Partial Implementation (on-going).	Difficulty in retrieving past years documents	Material Management and Accounting Section were given deadline to reconcile all their variances on or before the end of the year. Implementation of electronic inventory system is on the process of training of personnel on September 24 to October 5, 2018.
			Talavera Extension Hospital	The Accountant and Supply Officer will identify variances between Accounting and Supply Record and effect necessary adjustments in agency book.	Accountant II & Supply Officer	Feb 2018	Jun 2018	Ongoing	Accounting deficiencies existed since 2014, laxity in supporting documents	Review previous transactions recorded to identify variances between Accounting and Supply Records and effect necessary adjusting journal entries.
			Batangas Medical Center		Accounting and Materials Management Section		Dec. 2018	Fully Implemented	Not Applicable	Property Cards and Equipment Ledger Cards of PPE are being used. Annual Physical Count of PPE is conducted and recorded missing items are to be charged to accountable personnel

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Bicol Regional Training and Teaching Hospital	1. To reconcile the records from the time that the COA implemented the new set of classification of accounts and work back from there to properly identify misclassified PPE's.	Anthony Valladolid, Ma, Victoria N. Lorilla	Jun. 30, 2018	Dec-31	On-going	Lack of manpower as well as the other reconciliation complicates the work load of the persons responsible.	To assign additional manpower or hire new job order personnel to help in the reconciliation.
			Bicol Sanitarium	1. Trace and compare PPE transactions and records from Accounting and Supply Sections to know what caused differences  2. Retrieve necessary documents to support the propriety of booking of each item  3. Book the necessary journal entries	Maria Cecilia J. Manzo / Accountant II  Minerva N. Relato / Supply Officer	Jun 2018	Dec 2018	Ongoing	Retrieval of supporting documents as well as limited number of staff is a challenge	65.9 million of the 67.8 million difference was reconciled and recorded to respective books already  The Supply and Accounting Sections will push for the reconciliation of the remaining 1.9 million
			RO 6	a) Regular monitoring of accounts to ensure proper recording of PPE b) Monthly updating of Property Cards and Equipment Ledger Cards c) Strictly implement the Government Accounting Manual in recording accounts.	Accounting & Supply	Jul. 2018	Dec 2018	Partial Implementation	On-going monitoring & updating of PPE and implementation of GAM.	a) Adjusting entries were made to correct erroneous recording of accounts; Periodic reconciliation of PPE accounts between Accounting & Supply Section b) Property Cards & Equipment Ledger Cards properly maintained c) Recording of PPE Accounts based on GAM
			Far North Luzon General Hospital	To conduct physical count of PPE by the Inventory Committee for proper recognition of items to be recorded in the books. -To follow-up on the Inventory and Inspection Report of Unserviceable Property(IIRUP) by the Property Unit To de-recognized equipment in the books	Accountant/Property Officer	Jan. 2018	Dec. 2018	fully implemented		a. Accounting and property unit have already reconciled their records regarding PPE. B.Property unit had already identified unserviceable items.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Vicente Sotto Sr. Memorial Medical Center	<p>Recommendations to be adopted.</p> <p>Conduct Physical Inventory of property, plant, and equipment of the hospital.</p> <p>Appraisal to be conducted.</p> <p>Building inventory shall also be conducted after receipt of evaluation/appraisal of the cost of donated buildings.</p> <p>Remove from books those unserviceable.</p>	<p>Property and Supply Department</p> <p>Accounting Office</p>	Apr 1, 2018	Nov. 30, 2018	On-going		
			Eastern Visayas Regional Medical Center	<p>a. To coordinate with the Hospital Accountant for the reconciliation of RPCPPE and Property Ledger Cards from Accounting Unit. b. Train/Require employees from supply and accounting unit to attend trainings and seminars pertaining to their duties and responsibilities/task assigned. For Supply Section, one or two personnel will be assigned to monitor and focus on updating property cards, stock cards and other reports.</p>	<p>Materials Management Department and Accounting Unit</p>	Mar-18	Jan- 19	Partially Implemented	<p>Lack of Manpower, Transition/ Transfer to new location, untrained manpower, Inventory Committee is not in line with PSMS</p>	<p>Require employees to be trained within the year of first quarter of the following year depending on the schedule of training available. Immediate creation of Inventory and Disposal Committee who will be responsible in the conduct of Physical Inventory to come up with RPCPPE.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Schistosomiasis Control and Research Hospital	The Accounting and Property section will conduct a periodic reconciliation of Property and Equipment Ledger Cards to effect unreconciled item and make necessary adjustments if any.	Accounting and Supply Sections	January 2018	December 2018	On-going	Although property cards and equipment ledger cards maintained by Property and Accounting sections respectively, the reconciling items are due to timing of recognition of PPE. The accounting section, PPE is recognized upon payment while property section, PPEs are already included in the PPE inventory list (Property cards) upon receipt. Hence, a reconciling items will arise that will subject to adjustments.	
			Dr. Jose Rizal Memorial Hospital	To facilitate the transmittal of documents to the Accounting Section so that timely recording of PPE accounts are reflected as well in the books.	1.Carmelita Y. Barbaso/ Materials Management Section 2.Roe Omar M. Icao/Accounting Section 3.Inventory Committee	Mar-18	Present	On-going		The Inventory Committee has now regularly conducted semi-annual physical count of inventories. The MMO and Accounting Section are still reconciling their records to reflect accurate financial reports and status of hospital's assets.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Margosatubig Regional Hospital	> Analysis of the unaccounted discrepancy of PPE > Reconciliation of RPCPPE and the recorded balances > Keeping Property Cards to further safeguard against inaccurate recording of properties and equipment's.	Accounting & Materials Management Office	Sept. 1, 2018	Dec. 31, 2018	Ongoing		> Already prepared PPELC for each identified PPEs. > Identify the unreconciled amounts of PPE between the RCPPE & the recorded balances in the books.
			Amai Pakpak Medical Center	Ensure reconciled balances between the accounting and the supply office. - Timely and complete submission of Report on the Physical Count of Property, Plant, and Equipment (RPCPPE). Ensure reconciled balances between the accounting and the supply office. Institute coordination with the Engineering Office for the classification of completed projects to respective PPE Accounts.	Nissah Decampong - Chairperson, Inventory Committee Batangcorop O. Umungan-Supply Officer Anna Najieva Bantuas-Lucman-Accountant IV	Feb 2018	Sept. 2018	Ongoing	Inventory sweep is ongoing for purposes of updating of records and to review accountability for lost and damaged property after the occurrence of the Marawi siege.	Reconciliation of records between the Accounting and the Supply Office shall be done after the Inventory sweep.
			Mayor Hilarion A. Ramiro Sr. Regional Training and Teaching Hospital	Full implementation of the eNGAS system	Chief Accountant, Head of Supply Office	Jun 2018	Dec. 2018	Fully implemented		Thru the full implementation of the eNGAS system, deficiencies in the recording of PPEs are detected prior to generation of financial statements.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Adela Serra Ty Memorial Medical Center	<p>The Report of Physical Count of Property, Plant and Equipment (RPCPPE) was already submitted to Accounting Section and Commission on Audit on February 26, 2018.</p> <p>The recording of equipment in the Supply Section was already segregated by fund, however the presentation of RPCPPE did not specify the funding source. The revised RPCPPE was already submitted to COA.</p> <p>RPCPPE for other PPE items particularly of the Hospital Buildings and Land Improvements were already submitted to COA. The difference was mainly due to unrecorded cost of Buildings in Property Cards of MMO. This will be included this Year.</p> <p>Another difference is the Depreciation Expense. On the COA's audit report, they compared the amount balance in the accounting record (net of depreciation) and 1Supply record (at Gross/Acquisition Cost) that is why a difference was established. We have already prepared the working paper on this and was already submitted to COA for clarification.</p>	MMO, Accountant	Apr 1, 2018	Jun 30, 2018	Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Caraga Regional Hospital	<p>To direct the Head of the Property Management Section and the Accountant to reconcile the differences and effect necessary adjusting entries by gathering all the Inspection and Acceptance Report (IAR) for the previous years and compare it with the booked Report of Supplies and Materials Issued (RSMI). In order to facilitate the gathering of complete records, the Head of the Property Management Section and the Accountant are directed to ask COA auditor to give them access to reproduce the required records maintained in the COA office.</p> <p>To instruct Inventory Committee to initiate more effort to coordinate with the Accounting Section in comparing each inventory item per SLCs with the stock cards of the Property Management Section to ensure proper reconciliation of records.</p> <p>To direct the Accountant to immediately update the SLCs and ensure that current year's receipts and issuances are all accounted in the SLCs and as reflected in the ledgers of the accounting books of</p>	<p>Head of the Property Management Section and Accountant</p> <p>Inventory Committee</p> <p>Accountant</p>	Mar 2018	Dec 2018	Ongoing		SLCs of all inventory accounts except for drugs and medicines were already updated as of December 31, 2017. The updating of Drugs and Medicines SLCs were already for the last quarter of 2017, and it will be finished by June 2018.
					Feb 2018	Jun 2018	Ongoing			
					Mar 2018	Sep 2018	On-going			

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				accounts.						
DOH CAAR 2017 par. 18	<p><u>Accounting Deficiencies</u>  <b>c) Accounting and Property Control Deficiencies</b>  <i>c.7) Various lapses for the Unserviceable/ obsolete properties - P63.613 million</i></p>	<p>We recommended and Management of the concerned DOH Offices agreed to:</p> <p>a) direct the Property Officer to submit the accomplished IIRUP on the disposed unserviceable properties to the Accounting Section for dropping from the books to reflect the correct balance of PPEs;</p> <p>b) derecognize the unserviceable properties from PPE account based on the submitted IIRUP of the Property Unit and recognize impairment loss, if any; and</p> <p>c) direct the Property/Supply Section to prepare an updated IIRUP of the undisposed unserviceable properties and submit a copy to the audit team after the inspection thereof by the agency and require them to coordinate with the Disposal Committee to immediately dispose these unserviceable properties to avoid further deterioration, earn income from their sale, if warranted, and make use</p>	Bureau of Quarantine	Recommendations have been noted with appropriate action from the Management.	Supply Section and Disposal Committee	Jan 2018	Dec 2018	Partially implemented		The preparation of the IIRUP and the appraisal of properties to be disposed is on-going.
			Quirino Memorial Medical Center		Ma. Luisa Cañeza/ Manilyn Umandap/Accounting Section	Sept 2018	Dec 2018	Partially Implemented	Disposed items with complete descriptions have been dropped from the books while those which are not clearly described are still being reconciled, those labelled as "various items"	a-c) Retrieval of details of equipment listed in the IIRUP still on-going
			Dr. Jose N. Rodriguez Memorial Hospital	Unserviceable properties of this office were disposed in the first quarter of CY 2018. Please refer to the Official Receipt No. 6499211 dated February 09, 2018 for the amount of proceeds realized from the sale of unserviceable properties. The related documents were already forwarded to the Office of our resident auditor.	Disposal Committee / SAO - MMS / Accountant IV	Jan-2018	Mar-2018	Fully Implemented		Unserviceable properties were disposed in the first quarter of CY 2018.
			Region 1 Medical Center	Concerned Offices has complied with the policies on the disposal of unserviceable properties	Disposal Committee, Material Management (Property) Office and COA representative	Jan. 1, 2018	Dec. 31, 2018	Partially Implemented	There are no interested Bidders	Management continuously finds ways on the disposal and to always comply with the Proper Disposal Procedures



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		of the storage spaces occupied by these items.	Cotabato Regional and Medical Center	1. Locate property card of every item to identify the accountable officers & provide a copy of still to locate items to the receiving personnel as reference to their accountabilities.2. Review and update property cards to monitor the status of equipment and to update accountable officers.3. Establish a list of items that cannot be located with corresponding identified accountable officers and provide a copy to Accounting Department	Materials and Supply Management Department	3/1/18	12/1/18			1. Locate property card of every item to identify the accountable officers & provide a copy of still to locate items to the receiving personnel as reference to their accountabilities.2. Review and update property cards to monitor the status of equipment and to update accountable officers.3. Establish a list of items that cannot be located with corresponding identified accountable officers and provide a copy to Accounting Department
			TRC Bataan	The undersigned will be instructing the Disposal Committee to review the list of unserviceable equipment and facilitate the disposal of the same. Protocols related to the reporting of unserviceable and obsolete PPE will be required from them. Furthermore, members of related committees will be sent to trainings in order capacitate them with the process.	Disposal Committee	Jan, 2018	Jul. 2018	Ongoing		Protocols of the Disposal Committee had already been received subject for review of the Management Committee. Also, one member of the Appraisal and Disposal Committees had been sent to training last May 2018.In addition, per report of the said committee, inspection of the obsolete PPE is already being done in order to assess the physical condition of those equipment. Assistance of affiliated hospitals will likewise be sought to guide us as we facilitate the disposal.
			RO NCR	a. Accounting to check and reconcile the subsidiary ledger balances of the said accounts.  b. Supply Officer and Accountant to analyze and reconcile the discrepancy Physical Inventory and book balance and effect the	Accounting and Supply Section	March 2018	Dec 2018	On-going		As agreed per meeting with COA, Inventory Account to be adjusted on the books of account per Report of Physical Inventory Count of Supply Section as of June 2018.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				necessary adjustments for the differences noted.						
			Don Emilio del Valle Memorial Hospital	a. As per Audit Recommendation, the cost of the building must be dropped amounting to PhP 298,000.00. However, the OB Waiting Area has still not been recorded in the books because this is a part of the Various Infrastructure Project costing PhP 46,125,000.00. Some of these structures are still on-going construction. No Final Payment and Acceptance has taken place. Thus, dropping the cost of the building in the Financial Statements is not necessary b. Scheduling for the Reconstruction of the OB Waiting Area as per agreed by the hospital and the Contractor (Arn Builders) at no additional cost. c. Inventory and Inspection Report of Unserviceable Property (IIRUP) will be prepared on properties that are no longer deemed serviceable	Engineering / CSR / Accounting/ Management	Oct. 2018	Dec. 2018	Partial Implementation	Difficulty in the determination of the year of acquisition, acquisition cost, fund reclassification and other pertinent data to be used in the disposal of obsolete and unserviceable PPE	a. Coordinated with the Contractor as to the Reconstruction of the OB Waiting Area with no additional cost to be incurred. Construction will commence once the area is available. b. The Inventory and Inspection Report of Unserviceable Property (IIRUP) is being finalized

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 4A	A) Submit accomplished IIRUP on the disposed unserviceable properties to the Accounting Section.  B) Derecognize the unserviceable properties from PPE account based on the submitted IIRUP.  C) Prepare an updated IIRUP of undisposed unserviceable properties and submit a copy of the same to the audit team.	Supply Officer/ Logistics Officer  Chief Accountant	Jan. 2018	Dec. 2018	Partially implemented	Physical count and reclassification of serviceable PPEs and reconciliation of the same with the Accounting Section is currently ongoing	Inventory committee already met to start the inventory count starting October. IIRUP shall be submitted to the Accounting Section for derecognition once the given task is accomplished.
			RO 4B	Direct the Property Officer to submit the accomplished IIRUP on the disposed unserviceable properties to the Accounting Section for dropping from the books to reflect the correct balance of PPEs;	Accounting Section and Logistics Management Section		Dec 2018	Partially Implemented	System failure caused by ransomware	On going re-entry of 2016 and 2017 transactions to ENGAS. Necessary adjustments will be effected in the Books of Accounts.
			RO 5	Submit the supporting document to COA	Resty D. Daep	Apr 2018	Apr 2018	Fully implemented		IIRUP was duly transmitted to COA on April 18,2018.
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>d) Unreconciled/ Unaccounted/ Unreliable/ Negative account balances</b> <i>d.1) Doubtful/ unreliable balance of receivables accounts - P764.495 million</i>	We recommend Management of the concerned DOH Offices and Hospitals agreed to require their respective Accountants to account for and validate the unreconciled differences and effect immediately any correcting/adjusting	Adela Serra Ty Memorial Medical Center	The P 6,829,635.21 difference are receivables recorded in a separate file. These are dormant receivables from year 2007-2010. The file was already merged to one subsidiary ledger by 2018.This subsidiary Ledger was already submitted to COA.	Accountant	Apr 1, 2018	Apr 30, 2018	Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		entries on discrepancies or other reconciling items requiring corrections in the books of accounts.	Bicol Medical Center	1. Review reconciling items and retrieve necessary supporting documents for reference.  2. Conduct reconciliation and prepare necessary adjusting entries	Armida L. Naz, Accountant IV	April 2018		Partially implemented	Some has no source documents to refer to.	
			Bicol Regional Training and Teaching Hospital	1. To conduct reconciliation of accounts. 2. To prepare the necessary adjusting journal entries to effect the adjustments.	Nellie L. Lorilla, Jezza Mae S. Luna, Jayson R. Prades	Jun. 30, 2018	Dec-31	ON going	Lack of supporting documents and records that is necessary in the reconciliation of accounts.	1. To conduct meeting to determine the coverage of the reconciliation to be done.
			Caraga Regional Hospital	To direct the Accountant to prepare and maintain Subsidiary Ledgers for every Accountable Officers upon submission of their individual Report of Collection and Deposits (RCDs) as basis for the entries to be made in the Subsidiary Ledgers.  To direct the Accountant and the Cashier to regularly reconcile their respective registers/records/books and to follow the guidelines prescribed by the GAM.  To ensure that all risks involving cash operation are adequately identified and included in the Risk Register, and that proper control measures are effectively installed to reduce, if not eliminate the risks and promote efficiency	Accountant  Accountant & Head of Cash Section  Accountant & Head of Cash Section  Accountant & Head of Cash Section	March 2017  March 2017  March 2017	April 2017  June 2017  June 2017  May 2017	Fully Implemented  Fully Implemented  Fully Implemented  Fully Implemented		Subsidiary Ledgers for all Accountable Officers were individually maintained.  Registers and records of the cashier and its collecting officers were regularly reconciled with the books in the accounting.  Control measures were properly installed as identified the Risk Register of the Cash Section.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>in the performance of tasks by the Accounting and Cashiering Section's personnel.</p> <p>And to adhere to the requirements under Section 124 of PD 1445 to install, implement, and monitor sound internal control system within the hospital.</p>						
			RO 4A	<p>A) Prepare Request for Write-off for Dormant Receivable Accounts. B) Request assistance from SEC to determine the current addresses of subject NGOs/ Pos and/or request for Certification as to the non-existence of said NGOs/ Pos, as the case may be.</p>	Chief Accountant	Mar 2018	May 2018	Partially Implemented	Necessary records/ documents need to be obtained and prepared in support of our Request for Write-off on the remaining accounts as provided in the COA Circular re: Guidelines and Procedures on the Write-off of Accounts.	A) Request for Write-off of Dormant Accounts was submitted to the COA on May 31, 2018. B) Series of letters was sent to the SEC, latest was on March 9, 2018. Certification of Non-Registration of Company from SEC, as requested was received on Aug. 23, 2018. Additional Request for Write-off in connection with these accounts shall be sent to the COA.
			RO 13	Accountants shall validate and account the unreconciled differences and effect immediately any correcting/adjusting entries on discrepancies or other reconciling items requiring corrections in the books of accounts	Accountant III/Accountant II	Jan. 2018	Continuous Implementation	On-going implementation		Accountants have been validating and taken into account unreconciled differences and effected immediately correcting/adjusting entries which require corrections in the books of accounts
			RO 6	Exert effort in finding the unreconciled items.	Accounting	Jul 2018	Dec 2018	Partial Implementation	No available documents	On-going retrieval of data

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 5	Reconciliation of balances between Accounting Section and concerned IAs, and enforcement of liquidation from IAs.	Resty D. Daep Program Coordinators and PDOs	Jan 2018	Dec 2018	Partially implemented	Despite follow ups made by PDOs and Program Managers, some LGUs still failed to submit liquidation of fund transfers	Regional memorandum 2018-0008 dated Jan. 22, 2018 was issued to Provincial DOH Offices to follow-up from LGUs the submission of FURs covering Fund transfers for 2015 and prior years. Monthly Status of Fund Transfers and Liquidation is furnished to program coordinators and provincial DOH offices to follow up liquidation from concerned LGUs with outstanding fund transfer.
			RO CAR	To write follow-up demand letters to concerned hospitals	Accounting Section	Immediately		Ongoing/ Partially Implemented		Wrote concerned hospitals to submit liquidation report (letters dated May 22, 2018)
			RO NCR	1. Regular monitoring of fund transferred to LGUs are being done on a monthly basis.  2. To reconcile with LGUs the account balances.	Accounting Section	Jan 2018	Dec 2018	On-going		1. Liquidation of cash advances amounting to P2,161,036.40 were already received by Accounting Section. Liquidation of outstanding cash advances were also being followed-up and coordinated to the concerned personnel. Demand Letter are being issued.  2. The additional cash advance for the proposed landscaping and beautification of DOH-NCRO fence area was granted due to the price change in the materials needed to complete the project.
			Corazon Tocsin Montelibano Memorial Regional Hospital	1. Revisit and analyze the identified accounting deficiencies. 2. Reconcile account balances and make supported adjusting entries.	Accountant	01/01/2018	12/01/2019	On-going	(a) Unavailability of the prior years' schedules and subsidiary ledgers particularly accounting errors affecting real accounts.	(1) Adjusting entries to correct the accounting errors were made accordingly. (2) Assigned personnel to take charge of the vouching of the transactions which resulted to the unreconciled amounts.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Don Jose S. Monfort Medical Center Extension Hospital	Trace, identify and reconcile the receivable difference between GL and SL	Accounting/Philhealth/Billing	Apr-18	Dec-18	Partially Implemented	Unavailability of prior years' subsidiary ledgers and supporting documents prior to assumption of New Accountant and bookkeeper	Traced and identified errors/omissions in the recording of receivables.
			Dr. Jose Rizal Memorial Hospital	To require the Accounting Section and its sub-unit Billing and Claims in reconciling the Due from GOCC account in the book and the report generated.	Roe Omar M. Icao/ Accounting Section	Mar-18	Present	On-going		The Due from GOCC account from the reimbursement of PHIC Claims has been currently updated while the prior unreconciled amount has an on-going reconciliation to reflect denied claims or any reconcilable items.
			East Avenue Medical Center	For Compliance	Accounting Section / Billing and Philhealth Unit	1/1/18	12/31/18	On-going		With On-going reconciliation with various Concessionaires
			Governor Celestino Gallares Memorial Hospital	To reconcile the Accounts Receivable negative balances.	Serelyn Lamigo, Leah Aurora Bongalos/Accounting section	March 1, 2018	Dec. 31, 2018	On-going		The subsidiary ledger from old engas data base was already retrieved last June 14, 2018. Reconciliation was started and adjustments will be done from time to time.
			Jose R. Reyes Memorial Medical Center					Fully implemented		Adjusted as per JEV No. 2018-04-003102
			Margosatubig Regional Hospital	> To reconcile difference between Accounting records and Billing & Claims Section pertaining to the Due from GOCCs account, based on the earliest records available at hand.	Accountant & Head of Billing & Claims Section	August 1, 2018	Dec 1, 2018	Ongoing	Unavailability/ Incomplete data/records	> CY transactions are closely monitored as well as FY based on available records; > To effect necessary adjusting entries

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Quirino Memorial Medical Center		Michelle Abella/Accounting Section	Sept 2018	Dec 2018	Partially Implemented	Partial retrieval of doubtful accounts made from 1981-1997.	Partial request for write-off of doubtful accounts already submitted to COA. Demand letters currently being sent.
			Research Institute for Tropical Medicine					ONGOING		Installation of e-NGAS to be prioritized to facilitate reconciliation procedure and creation of a more stable financial reporting section of the Accounting department.
			San Lazaro Hospital	Due from NGA Accounts – Procurement Service - ₱3,384,961.40 1. Compliance to COA recommendation to be fully implemented  2. Reconcile Accounting and MMD records relative to Due from PS DBM  3. Reconciliation of unaccounted differences of PS DBM deliveries	Accounting Department  Accounting Department/ MMD  MMD	July, 2018  June,2018  June, 2018	Onwards  Onwards  Onwards	Partially implemented		Reconciliation of accounting and MMD records will be done
			Tondo Medical Center	d.) Adjustment for the reclassification of receivable account has been made per JEV No. 2018-03-000673 dtd. 03/01/18 d.1) Already identified SL balance for DPWH based on available records. Sent Demand letter to DPWH	Accounting Office	d.1) October 2018	Dec. 2018	d.) Fully Implemented d.1) Partially Implemented	d.1) No available record for the remaining unreconciled balance	d.) Adjustment of Accounts Receivable d.1) To coordinate with MMS for possible record of previous payments to PS DBP or NPO (please see attached Annex A)
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>d) Unreconciled/ Unaccounted/ Unreliable/ Negative account balances</b> <i>d.2) Unreconciled, unidentified / unaccounted and negative PPE account balances – 13.909 million</i>	We recommended and Management of the concerned DOH Offices agreed to require their respective Accountants to require the Accounting Divisions and the Supply	RO NCR	a. Accounting to check and reconcile the subsidiary ledger balances of the said accounts.  b. Supply Officer and Accountant to analyze and	Accounting and Supply Section	March 2018	Dec 2018	On-going		As agreed per meeting with COA, Inventory Account to be adjusted on the books of account per Report of Physical Inventory Count of Supply Section as of June 2018.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		Officers to analyze the breakdown/ composition of the unreconciled/ unaccounted/ dormant and negative balances of the PPE account and to reconcile their records as basis for making the necessary adjustments in their respective records.		reconcile the discrepancy Physical Inventory and book balance and effect the necessary adjustments for the differences noted.						
			Rizal Medical Center	<p>The Management instructed the designated personnel to:</p> <p>a. Set time frame for the reconciliation of PPE accounts acquired in CY2014 and below to achieve an effective progress monitoring.</p> <p>b. Update properly the PC and PPELC</p> <p>c. Retrieve the documents of the uncooked motor vehicles amounting to P2,238,000.00, reclassify the semi expendable inventories amounting to P3,164,073.64, and the replacement of the ARE to ICS for the semi-expendable items.</p> <p>Analysis of the account is no longer possible due to the absence of records and documents. We will determine the proper disposition of dormant accounts; and follow the guidelines enumerated under COA Circular No. 97-001 under "B" "Dormant Accounts"</p>	Ms. Jane Villanueva and Mr. Jake Chua	2018	2019	<p>Ongoing Implementation</p> <p>Partially Implemented</p> <p>On-going Implementation</p>	<p>For retrieval of documents from the engineering the facilities Management Dept. (EFMD)</p> <p>On-going reclassification of semi-expendable inventories pending replacement of ARE to ICS</p>	<p>32.34% of the PPE inventories were already reconciled</p> <p>90% of ICS and PAR are reclassified but will be reissued within the year.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Corazon Locsin Montelibano Memorial Regional Hospital	1. Revisit and analyze the identified accounting deficiencies. 2. Reconcile account balances and make supported adjusting entries.	Accountant	01/01/2018	12/01/2019	On-going	(a) Unavailability of the prior years' schedules and subsidiary ledgers particularly accounting errors affecting real accounts.	Assigned personnel to take charge of the vouching and tracing of transactions which resulted to the unreconciled amounts.
			Basilan General Hospital	• Strictly adhere to audit recommendations.	Eduard D. Sumergido (Accountant III)	Aug. 31, 2018	Dec. 31, 2018	Ongoing		Accounting and Supply Sections to coordinate closely on the matter.
			RO 9	Investigate the negative balances on the PPE accounts	Iris A. Sanson Accountant III	Jan. 1, 2018	Dec. 31, 2018	Partially Implemented	On-going reconciliation	Identified some accounting errors and adjusted some abnormal balances
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>d) Unreconciled/ Unaccounted/ Unreliable/ Negative account balances</b> <i>d.3) Negative/ abnormal/ unreconciled balance of Liabilities accounts - ₱914.819 million</i>	We recommended and the Management of the concerned DOH Offices and DOH hospitals agreed to require their respective Accountants to review the recorded liability accounts to determine the legality and validity of obligations to warrant payment and make necessary adjustments to reflect the correct balance of Accounts Payable	Baguio General Hospital and Medical Center	Reconcile accounts	Finance	2017	2018	FULLY IMPLEMENTED		Reconciled and adjusted accounts
			Bicol Regional Training and Teaching Hospital	1. To conduct reconciliation of accounts. 2. To prepare the necessary adjusting journal entries to effect the adjustments.	Nellie L. Lorilla, Jezza Mae S. Luna, Jayson R. Prades	Jun. 30, 2018	Dec-31	ON going	Lack of supporting documents and records that is necessary in the reconciliation of accounts.	1. To conduct meeting to determine the coverage of the reconciliation to be done.
			TRC Bicutan	The Accounts Payable negative balance of the agency in the amount of Php 2,419,241.35 is still under reconciliation together with other abnormal balances transferred from RMC to	Accounting Section	Jun. 2018	Nov. 2018	On going	Issue on workforce since 1 vacant position in Accounting is still for hiring since February. Also, documents for reconciliation	Ongoing reconciliation with abnormal balances transferred from RMC to DOH TRC Bicutan. We've also coordinated that TRC's file with RMC be transferred accordingly.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				DOH Agency TRC Bicutan. We are doing all the possible effort in order reconcile these accounts.					is still with RMC premises and other documents are not already in the active files.	
			Cagayan Valley Medical Center	The Accounting Section agreed to conduct a thorough review and analysis of all outstanding accounts payable. The section observed regular review and monitoring of all booked obligations and reconciled the subsidiary ledgers with the general ledger. The Accounting Section has already made the necessary adjustments in the books of accounts for those abnormal balances and those settled accounts payable which were erroneously recorded and adjustments to those booked accounts payable versus the actual deliveries or services rendered and such adjustments were already submitted to COA.	Accounting Section	January 2018 and onwards		Fully Implemented		
			RO 12					Fully Implemented		The accountant has already reviewed the SL of items with negative balances and made necessary adjustments. Adjusting entry with JEV no 2018-01-001239 was taken up for the adjustment.
			Corazon Locsin Montelibano Memorial Regional Hospital	1. Revisit and analyze the identified accounting deficiencies. 2. Reconcile account balances and make supported adjusting entries.	Accountant	01/01/2018	12/01/2019	On-going	(a) Unavailability of the prior years' schedules and subsidiary ledgers particularly	Assigned personnel to take charge of the vouching and tracing of transactions which resulted to the unreconciled amounts.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
									accounting errors affecting real accounts.	
			Don Jose S. Monfort Medical Center Extension Hospital	Make necessary adjustments and review the legality and validity of Accounts payable	Accounting	Apr-18	Dec-18	Partially implemented	Difficulty in tracing of discrepancy due to unavailability of prior supporting records and documents	Traced Prior period supporting documents and transactions. Reconcile with the controlling accounts
			Northern Mindanao Medical Center	To devise a strategy that would lead to submission on required reports within the prescribed period	FMOAccounting IVBookkeeper	Jun. 2018	Dec. 2018	Partially Implemented	Trial Balance were not submitted earlier than in the previous period, however, due to complexity and tedious process in the preparation of report in the "manual system" parallel to that of the ENGAS, the reglamentary period to submit every 10th day following each month/ quarter is too short to consider for big institutions such as hospitals.	Liquidation Reports for Travel Cash Advances were now submitted to COA within the prescribed period. To comply with the reglamentary period within which to submit the Financial Statement and supporting schedules, we plan an earlier "cut-off" of transactions preferably every 25th day of the month.
			OSEC Accounting					Fully Implemented		All negative balances were adjusted.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Quirino Memorial Medical Center		Jocille Villarete Betty Ma. P. Santos/Accounting Section	Sept 2018	Dec 2018	Partially Implemented	Retrieval of documents ongoing.	Updated and reconciled related schedule with ledger balances; reconciliation of negative balances still on-going.
			Southern Isabela General Hospital	The Other Payables account is subject to reconciliation and still work in progress. Some amounts will be reclassified on its proper accounts depending o the nature of the transactions.	Accounting Office - Majal Margret A. Morales	Mar-1	Dec-31	On-going	Due to voluminous transaction	The account's reconciliation is still on-going
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>e) Non-reversion of unsupported and past due payables – ₱686.784 million</b>	We recommended and Management of the concerned DOH Agencies and DOH Hospitals agreed to require their respective Accountants to:  a) Review the recorded liability accounts to determine the legality and validity of obligations to warrant payment and effect reversion for those long outstanding accounts without existing valid claims and make necessary adjustments to reflect the correct balance of Accounts Payable; and  b) Revert the balance of Accounts Payable outstanding for two years or more and those undocumented and without valid/ actual claimants pursuant to EO No. 109, as implemented by COA-DBM Joint Circular No. 99-06	Bicol Regional Training and Teaching Hospital	1. To conduct review of the balances stated in the Financial Statements and determine the coverage of the reconciliation. 2. To prepare the journal entry vouchers to revert the payables.	Nellie L. Lorilla, Jezza Mae S. Luna, Jayson R. Prades	Jun. 30, 2018	Dec-31	On-going	Lack of supporting documents and records that is necessary in the reconciliation of accounts.	1. To ask COA to grant us authority to access the storage room and look for the needed records and documents.
			Bureau of Quarantine	For Accounts Payable account, the availability of documents of five of the creditors mentioned will be coordinated with the Supply Section to proceed with the payment.	Accounting Section	Jan 2018	Dec 2018	Partially implemented	For Accounts Payable account, some creditors are subject for verification.  The reconciliation of other accounts is still on-going.	The Accounting Section booked up the adjustment for Due to NGAs and Bureaus accounts per JEV# 2018-03-000363 dated March 31, 2018.
			Cagayan Valley Medical Center	The Accounting Section agreed to conduct a thorough review and analysis of all outstanding accounts payable. The section observed regular review and monitoring of all booked obligations and reconciled the subsidiary ledgers with the general ledger. The Accounting Section has already made the necessary adjustments	Accounting Section	January 2018 and onwards		Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				in the books of accounts for those abnormal balances and those settled accounts payable which were erroneously recorded and adjustments to those booked accounts payable versus the actual deliveries or services rendered and such adjustments were already submitted to COA.						
			RO 3	To require the Accountant to revert the unsupported Accounts Payable that has been outstanding for 2 years to Accumulated Surplus	Accountant	Mar-18	Sept-18	Fully Implemented		Journal Entry Voucher (JEV) had been made this July 2018 for the reversion of Accounts Payable
			Jose B. Lingad Memorial General Hospital	To validate the validity of payables which have long been outstanding and make necessary adjustment to reflect the correct balance of Accounts Payable.	Accounting Section	Mar 2018	Dec 2018	Fully implemented		The outstanding amount due to National Treasury have been verified and were already remitted to the National Treasury.
			National Center for Mental Health	ADJUSTED IN THE BOOKS	Dulce B. Valerio Chief, Accounting Section	CY 2017	CY2017	Fully Implemented		PREPARED JEV No. 2017-12-00374 dated December 31, 2017 to revert back the past due payables amounting to P3,302.09.
			Quirino Memorial Medical Center		Jocille Villarete Betty Ma. P. Santos	Sept 2018	Dec 2018	Partially Implemented	Retrieval of documents ongoing.	a-b) Updated and reconciled related schedule with the ledger balance; Verification of negative balances currently being undertaken.
			Region 1 Medical Center	Concerned Offices has regularly reviewed existing Accounts Payable	Accounting Staff	Jan. 1, 2018	Dec. 31, 2018	Fully Implemented		Regular aging of Accounts Payable
				Outstanding Payable for more than 2 years has been fully liquidated	Accounting Staff	Jan. 1, 2018	Dec. 31, 2018	Fully Implemented		Maintenance of Subsidiary ledger for all creditors

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Rizal Medical Center	The Accounting Department will retrieve the supporting documents for the P110,386.60 understatement and subsequent adjustments will be made.	Accounting Department	2018	2018	On-going Implementation	Retrieval of documents	Adjustments will be made on September 2018
			Southern Philippines Medical Center	(1) We will conduct analysis and reconciliation of accounts and prepare necessary entries for the adjustments to come up with the correct balance of other payables.; (2) We will post in the designated areas for three months the list of other payables as soon as we have come up with correct balance in order that this may be seen by the concerned individuals or offices; (3) We will revert the payables to the accumulated surplus/ government equity account if after the three months period it is still unclaimed; (4) To check subsidiary ledgers to determine if there are negative balances.	Accounts payable in-charge- Freddie Tadian/ Payroll in-charge- Razzel Valles/ Accountant III-Cyndi Moratilla/ Chief Accountant- Mrs. Japson;	(1) July 2018; (2) July 2018; (3) July 2018; (4) Feb 23, 2018	(1) December 2018; (2) December 2018; (3) December 2018; (4) Feb 23, 2018	(1) Fully implemented; (2) Fully implemented; (3) Not yet implemented; (4) Fully implemented		(1)We are done with the analysis and will constantly monitor and reconcile subsidiary ledgers; (2) List of claimants are already posted in conspicuous places; (3) If after the three months period posting, there are still unclaimed accounts, we will effect an entry to revert it back to the government equity; (4) We have checked on the subsidiary ledger balances of JFCK Enterprise at year end Dec. 31, 2017, and it did not have negative balance.
			Vicente Sotto Sr. Memorial Medical Center	To record and adjust from the books	Finance Management Office  Accounting Office	Apr. 1, 2018	June 30, 2018	Implemented: recorded and adjusted	N/A	Books had been adjusted.
DOH CAAR	<u>Accounting Deficiencies</u> f) <b>Non-elimination of Intra-</b>	We recommend the Management require the	OSEC Accounting					Partially Implemented		Drafted Department Memorandum to inform and require the Regional

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
2017 par. 18	<b>agency accounts</b> Non-elimination of the figures pertaining to Intra-agency transactions for the Calendar Years (CYs) 2016 and 2017 as presented in the CY 2017 Consolidated Financial Statements (FS) as provided in Sections 8, Chapter 20 of the Government Accounting Manual (GAM), Volume I, affects the reliability and accuracy of the reported consolidated balances in the FS, thereby, overstating the Receivable accounts balances and its corresponding credits by P1,520,187,183.36 and P498,085,343.96 and overstated the Payable Accounts balances and its corresponding debits by P906,132,901.58 and P469,689,281.23 for the CYs 2017 and 2016, respectively.	Accounting Division of the OSEC (1) to the accounting divisions of the DOH Regional Offices, Hospital, Health Centers and other facilities to prepare and submit schedules/ breakdowns of the nature and amounts of the reciprocal accounts needed to undertake an analysis, reconciliation and elimination of said transactions thereof; and (2) to prepare consolidation working papers and adjusting entries to eliminate in full the balances, transactions, revenues and expenses between entities within the DOH in the consolidated financial statements in compliance with the requirements of Sections 8, Chapter 20 of the Government Accounting Manual (GAM), Volume I.								Offices, Hospitals and TRCs to submit schedules / breakdowns of the nature and amounts of Intra-agency accounts at year end for strict compliance to facilitate the elimination of the said account
DOH CAAR 2017 par. 18	<u>Accounting Deficiencies</u> <b>g) Non-restatement of CY 2016 beginning balances</b>  The Calendar Year (CYs) 2016 corresponding figures presented in the CY 2017 Financial Statements (FS) were not restated to reflect prior year errors and adjustments, which is not in compliance with Section 42 (b) and 43, Chapter 19 of the Government Accounting Manual (GAM), Volume I	We recommend that Management require the Accounting Division to properly present prior period errors and adjustments by restating the prior year balances of the affected accounts shown as corresponding figures for the current year FS in compliance with the requirements of Section 42 (b) and 43, Chapter 19 of the GAM, Volume I	OSEC Accounting					Partially Implemented	There were delays in submission from other units due to some clarifications in complying the restatement considering that this is the first year of implementation.	Constantly follow-up the compliance of the Regional Offices, Hospitals and TRCs thru their official Gmail account There were delays in submission from other units due to some clarifications in complying to the above restatement considering that this is the first year of implementation.
DOH CAAR	<u>Accounting Deficiencies</u> <b>h) Non-provision of disclosure</b>	We recommend that Management require the	OSEC Accounting					Partially Implemented		Drafted Memorandum to inform and require the Regional Offices,



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
2017 par. 18	<b>required by GAM on the Notes to the Financial Statements</b>  Non-conformance of the CY 2017 Financial Statements (FS) with the required disclosures under Pro-forma Notes to FS of the GAM, Volume I affected and casted doubts on the reliability, accuracy and fair presentation of the financial position, financial performance and cash flows of the DOH.	Accounting Division of the OSEC (1) to require the accounting divisions of the DOH Regional Offices, Hospitals, Health Centers and other facilities to prepare and submit schedules/breakdowns of the nature and amounts of all accounts in their financial statements and ensure that their submitted financial statements have complete disclosures as to nature of the disclosed accounts and explanation of the events causing its increase/ decreases; and (2) to make necessary disclosures in the notes to the consolidated financial statements in accordance with Annex F of GAM Volume I.								Hospitals and TRCs to submit schedules/ breakdown of amounts in their financial statements and the complete disclosures as to the nature of the disclosed accounts and explanation of the events causing its increases/ decreases which is necessary for the Consolidated Financial Statements
	<b><u>Other Financial Audit Issues</u></b>									
DOH CAAR 2017 par. 93	Non-submission of contracts, POs and related documentary requirements  Twenty DOH Agencies failed to submit perfected contracts and the corresponding related documentary requirements to COA for auditorial and technical review/evaluation within 5 working days from the execution of the contract as required under Section 39(1) of PD 1445 and Section 3 of COA Circular Nos. 2009-001 dated February 12, 2009, thus precluded the timely and judicious review/evaluation of these contracts.	We recommended and Management of the concerned DOH Offices agreed to ensure the submission of perfected contracts and corresponding related documentary requirements within five (5) working days from execution of the contract and to strictly comply with PD 1445 and Section 3 of COA Circular No. 2009-001 to preclude audit suspension.	TRC Bicutan		Procurement Section			Fully Implemented		All perfected CY 2016 contracts were sent/submitted COA; Currently implementing the submission of advance copies of approved contracts to COA within five (5) days for compliance.
			TRC Isabela	Submit all required documents thru email	Supply Section	Regular Basis		Fully Implemented	n/a	Copies of all contracts, POs, NODs, request for inspection, IARs are sent and submitted thru email to COA at a regular basis
			TRC Bataan	In order check the areas for improvement in the agency's procurement process, the procurement section and the Bids and Awards Committee will be required to submit their	Bids and Awards Committee/ Procurement Section	Jan, 2018	May 2018	Ongoing		The Procurement Section and BAC have already submitted copies of their protocol subject for review of the Management Committee. Coordination is already being made regarding the schedule of training of concerned

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				standard operating procedures. They will also be sent to trainings to further capacitate them with the rules and regulations governing the procurement process. Likewise, the procurement section will be ordered to submit copies of purchase orders/job orders/ contracts to the Commission on Audit within five days from date of perfection.						officers with the RIRR of RA 9184. Also, copies of perfected contracts are already being forwarded to the COA for review.
			TRC Tagaytay	We would submit all perfected contracts and IARs to the audit team on the prescribed period to ensure compliance with the Section 3 and 4 of COA Circular No. 2009-001 dated February 12, 2009.	Procurement Unit  Materials Management Unit  Human Resource Management Unit			Fully Implemented		We have already complied with the submission of the submission of the perfected contracts including POs, job order contracts, and the likes. We are also able to submit all the IARs of all deliveries.
			TRC CARAGA	Expedite the submission of the lacking documents through making request letter addressed to DOH – RO XIII about the lacking bid documents.	Dennis Jose R. Malazarte, Engineer III/Head Engineering Section	Mar 30, 2018	Aug. 31, 2018	Partially Implemented		Requested the DOH-RO XIII to provide lacking bid documents of the following item stated below as these were bided by the Regional BAC, to wit:  1. Construction of Sewage Treatment Plant with original contract amount of Php 2,743,323.39 which was bided and implemented by DOH-RO XIII  2. Construction of 2-Storey 40 Bed Dormitory with original contract amount of 6,515,616.95 which was bided and implemented by DOH RO – XIII and DOH – TRC Caraga respectively.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										3. Construction of 2-Storey Staff Quarter with original contract amount of 9,250,967.09 which was bided and implemented by DOH – RO XIII and DOH TRC Caraga respectively.  4. 4. Construction of Motorpool/Maintenance Building with original contract amount 1,864,693.57 which was bided and implemented by DOH-RO XIII and DOH- TRC Caraga respectively.
			Jose R. Reyes Memorial Medical Center					Fully implemented		Proof of receipt of documentary requirements submitted to COA Resident.
			East Avenue Medical Center	For Compliance	BAC / Procurement Section / MMS	4/1/18	12/31/18	On-going		The management instructed the BAC, Procurement and Materials Management Section to Comply with the requirements of the COA.
			Research Institute for Tropical Medicine					FULLY IMPLEMENTED		Memorandum dated March 16, 2018 was issued to Heads of Procurement Department and Materials Management Department to submit Purchase Orders and Notice of Deliveries to COA Auditor within the prescribed period
			National Center for Mental Health	REORIENTATION ON THE DEADLINES OF SUBMISSION OF CONTRACTS AND OTHER RELATED INFRA DOCUMENT TO COA AND ASSIGNED FOCAL POINT PERSON TO IMPLEMENT THE TASK	Gertrudes G. Sabaricos Chief, Procurement Section	Mar. 2018	MONTHLY ROUTINE	Fully Implemented		1. COMPLETED ALL DEFICIENCIES IN THE SUBMISSION OF CONTRACTS AND OTHE RELATED INFRA DOCUMENTS TO COA 2. ASSIGNED FOCAL POINT PERSON TO MAKE SURE THERE IS NO REPETITION OF THIS AOM.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Amang Rodriguez Memorial Medical Center	To inform the BAC member/BAC Secretariat to adhere to the COA Circular on a timely submission of Contracts upon perfection	BAC members/BAC SecretariatMMS/Housekeeping			Fully Implemented		We have already submitted the Lease Contract Agreement together with the corresponding documentary requirements per Annexes "A" to "T"
			RO NCR	- To submit to COA the copies of the contract documents of the 13 completed projects for CY 2017.  - With regards to the submission of Purchase Orders and Notice of Deliveries, the Supply Section has complied with COA Circular No. 96-010.	Supply Section	March 2018	March 2018	Implemented		- Copies of the contract documents of the 13 completed projects for CY 2017 were already submitted to COA.  - The Supply Section is already complying with the COA Circular No. 96-010 on submission of Purchase Orders and Notice of Deliveries.
			RO CAR	Furnish the Audit Team with approved contracts within five (5) working days upon perfection together with the supporting documents for timely auditorial review and evaluation and if any, recommend measures for improvements in case defects/ deficiencies are noted.  Explain/justify in writing why concerned officials and employees in charge should not be subjected to administrative disciplinary action for failure to comply with the requirements as stated under Section 4.1 of COA Circular No. 2009-001.  Advise concerned officials	HFEP Section	Immediately		Fully Implemented		Audit team is now furnished copies
					HFEP Section	Immediately		Fully Implemented		As soon as the AOM was received, an explanation was submitted
					HFEP Section	Immediately		Fully Implemented		All necessary data are now reflected in the face of the contract

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				and employees to ensure that all the necessary data are completely indicated on the face of every contract to make it binding and valid.						
			RO 3	To require the Procurement Unit to submit perfected contracts to COA	Procurement Officer	Mar-18	Dec-18	Fully Implemented	100% of the perfected contracts had been submitted to COA	
			Bataan General Hospital	Not applicable						
			RO 4A	Ensure the submission of perfected contracts and corresponding related documentary requirements within five (5) working days from execution of the contract	BAC Secretariat Program Managers	Jan. 2018	Jun 2018	Fully Implemented		Pos are submitted once signed by the HOPE, Contracts of venues, HRDU were required to submit as required.
			Batangas Medical Center		Chief Admin. Officer - Legal Office			Fully Implemented	Not Applicable	Contracts and Memorandum of Agreement are submitted by the Legal office to COA within the five (5) days grace period
			Don Jose S. Monfort Medical Center Extension Hospital	Submit related documentary requirements within 5 working days from the execution of the contract	Procurement/ BAC/HEMU/ Human Resource	Apr-18	Dec-18	Partially Implemented	concerned Personnel not aware of the prescribed period of submission	The concerned department/persons to submit within the prescribed period and strictly comply with PD 1445.
			Corazon Locsin Montelibano Memorial Regional Hospital	Review existing work assignments and workloads in the Procurement Section to implement improvements to avoid the same predicament in the future.	Supervising Administrative Officer, Procurement Section	01/01/2018	12/01/2019	On-going		Established a separate BAC Secretariat which will take charge of the Public Bidding projects while the Procurement Office will concentrate on the Alternative Methods of procurement.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Labuan Public Hospital	<p>LPH Management shall:</p> <p>a) Instruct the Supply Office to submit copies of contracts, purchase orders together with all supporting documents to the Auditor within five (5) days from execution/issuance in accordance with COA Circular No. 2009-001;</p> <p>b) Instruct the Supply Officer to notify the audit team within twenty-four (24) hours from acceptance of deliveries; and</p> <p>c) Strictly adhere to the rules and procedures governing procurements of supplies and materials as provided in RA 9184.</p>	Chief of Hospital; Accountant; Engineer; and Supply Officer.	Mar 2018	Jun 2018	Partially Implemented	Elements of time, information, inspection and recent delineation and designation of duties are the major reasons for the delay and slow implementation.	<p>Partial copies of contracts, purchase orders with all supporting documents have been submitted within five (5) days from execution/issuance;</p> <p>Audit Team will be notified within twenty-four (24) hours from acceptance of deliveries; and</p>
			Northern Mindanao Medical Center	Inform in writing M.R. Vargas Construction and to request issuance of Warranty Security (for Structural Defects) equivalent to the contract amount	CAO, HOPSS, Engr. IV	Jun. 2018	Dec. 2018	Partially Impemented	Letter already forwarded to M.R. Vargas Construction requesting to submit ; Warranty Security (structural Defects)	Awaiting reply/ copy of the warranty security

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Mayor Hilarion A. Ramiro Sr. Regional Training and Teaching Hospital	1. To accept delivered food stuffs as soon as they are inspected. 2. To comply strictly with the provisions on COA Circular No. 96-010.	Head of Supply Office and Procurement Office	Mar 2018	Dec 2018	Fully implemented		A pre audit was done in the accounting office to check the completeness of supporting documents attached to the vouchers.
DOH CAAR 2017 par. 100	Payment despite absence/lack of adequate necessary supporting documents  Various transactions totaling P527.84 million were made by the 24 DOH agencies despite lacking complete required supporting documents	We recommended and Management of the concerned DOH Offices to require their Accountant to submit immediately the required supporting documents of the paid disbursement vouchers to avoid issuance of Notices of Suspension. Henceforth, strictly comply with the provisions of COA Circular No. 2012-001 dated June 14, 2012.	TRC Dagupan	Prepared checklist of required bidding documents for submission	BAC Secretariat	Jan. 2018	Dec. 2018	Fully Implemented	Not Applicable	Submitted all required bidding documents for COA evaluation
			TRC Tagaytay	We will ensure to attach the documentary requirements for payment of salaries of Job-Order Personnel	Accounting Unit			Fully Implemented		The necessary documentary requirements needed for the payment of salaries of Job-Order Personnel are intact in the custody of the HR Section but were not attached to the corresponding disbursement vouchers.
			TRC Dulag, Leyte	Submission of lacking documents. Henceforth, comply strictly to RA No. 9184 and COA Circular No. 2012-001	Jomarie Sangon, Accounting Section	March 2018	May 2018	Fully Implemented		Secured the lacking Bidding Documents of HIMS Project amounting to P2.13M identified by the Auditor at DOH RO/VIII and have submitted to the COA Auditor on March 19, 2018. Henceforth, ensure strict compliance to RA No. 9184 and COA Circular No. 2012-001 by reviewing thoroughly the attachments to Disbursement Vouchers before certifying hereof as to completeness of supporting documents.
			Jose R. Reyes Memorial Medical Center					Fully implemented		We are providing a checklist for the supporting documents to be attached to the disbursement voucher.
			Southern Isabela General Hospital	The complete supporting documents necessary to substantiate the transactions are to be submitted to the Office of Resident Auditors	Ms. Teresita Mangahas-Procurement Unit	Jul-1	Dec-31	Implemented		The complete supporting documents necessary to substantiate the transactions were submitted to the Office of Resident Auditors

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Batanes General Hospital	Official Receipts coming from suppliers from outside the province are being forwarded to COA upon receipt.				Fully Implemented		Official Receipts are being demanded to suppliers upon forwarding tax withheld from land bank deposits. DTRs are being strictly monitored and as of to date, MRA/ DTRs are being submitted on time.
			RO 3	To request for write-off for those fund transfers granted years and ago and to conduct monitoring for the implementation of the projects relative to the fund transferred.	Accountant	Mar-2018	Dec-2018	Ongoing		Already requested for write-off last March 2018
			Ospital ng Palawan	<p><b><u>TERMINAL LEAVE BENEFIT</u></b> Inclusion of the Affidavit of No Pending Criminal Investigation or Prosecution among the documents for compliance of retiring/resigning staff pursuant to COA Circular No. 2012-001</p> <p><b><u>INFRASTRUCTURE PROJECT</u></b> Prepare all documents for submission to COA</p> <p>Require contractor to submit complete documents. Incomplete submission will result in delay in processing of billing/payment.</p>	<p><b><u>TERMINAL LEAVE BENEFIT</u></b> HRMS</p> <p><b><u>INFRASTRUCURE PROJECT</u></b> EFMS</p> <p>EFMS, Accounting</p>	<p><b><u>TERMINAL LEAVE BENEFIT</u></b> Apr</p> <p><b><u>INFRASTRUCTURE PROJECT</u></b> Jan</p> <p>Jan</p>	<p><b><u>TERMINAL LEAVE BENEFIT</u></b> Sept</p> <p><b><u>INFRASTRUCTURE PROJECT</u></b> Jun</p> <p>Jun</p>	<p><b><u>TERMINAL LEAVE BENEFIT</u></b> Fully Implemented</p> <p><b><u>INFRASTRUCTURE PROJECTS</u></b> Partially Implemented</p> <p>Fully Implemented</p>	<p><b><u>INFRASTRUCTURE PROJECTS</u></b> Some of the documents to be submitted are currently not in the possession of ONP/EFMS.</p>	<p><b><u>TERMINAL LEAVE BENEFIT</u></b> Issued Memorandum to the Human Resource Head on the requirement for Affidavit of No Pending Criminal Investigation or Prosecution among retiring/resigning staff in line with COA Circ. No. 2012-001.</p> <p>Updated guidelines and procedures with checklist on requirements for retiring/resigning staff prior processing of clearance.</p> <p><b><u>INFRASTRUCTURE PROJECTS</u></b> Thru a letter dated February 01, 2018, ONP has already furnished the COA a copy of the documents required for submission. Implementation is only partial because ONP is trying to secure copies of other documents which were not properly turned-over to the management.</p> <p>Proper submission of all billing documents is strictly implemented before billing is made. Contractors are provided a checklist to be followed.</p>



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Culion Sanitarium and General Hospital		Accounting Unit Budget Unit HR Office			Fully Implemented		Required documents were already submitted to COA using COA circular No. 2012-001. This formed part of Accounting Work Instruction.
			RO 5		Dustin Formalejo	Jul 2018	August 2018	Fully Implemented		All the documentary requirements were submitted to the Commission on Audit (COA) date August 7, 2018.
			Bicol Medical Center	1. Immediately submit disbursements vouchers and supporting documents, request for consideration for overtime.  3. Conduct monitoring of all unsubmitted disbursement vouchers  2. Assign other personnel to help in the sorting and filing particulars at year-end.	Jocelyn Llanes, ADAS II  Armida L. Naz, Accountant IV	April 16, 2018		Fully implemented		Paid disbursement vouchers, paid payrolls for the CY 2017 were already submitted to COA, as of this date.  Monthly monitoring is being conducted.
			Bicol Regional Training and Teaching Hospital	1. To draft a letter addressed to the program/activity coordinators regarding the required documents that must be submitted. 2. To submit lacking documents to COA.	Gilma Zerrudo, Jayne M. Pardinias, jayson R. Prades	March 19, 2018	March 30, 2018	Fully Implemented		1. Submitted the lacking documents to COA.
			Bicol Sanitarium	Submit the requested lacking supporting documents to COA auditors	Maria Cecilia J. Manzo / Accountant II	Jun 2018	Dec 2018	Ongoing	Retrieval of supporting documents as well as limited number of staff is a challenge  Transition from 1 accountant to another also	Submitted some of the required documents already.  The Accountant will follow up (push) and monitor submission of related sections/persons.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
									impose additional challenge to retrieve necessary documents	
			Vicente Sotto Sr. Memorial Medical Center	Comply documentary requirements and not issue salary for not submitting clearance.  Follow-up the concerned for the documentary requirements for clearance from DOH-RO.  To monitor compliance with the law and related circulars.	Chief Administrative Office  Finance Management Office  Human Resource Office	Apr 1, 2018	Dec 31, 2018	On-going	N/A	Ensure strict compliance with the provisions of PD No. 1445, the General Circular No. 2012-001 and all applicable rules and regulations in payment of salaries and benefits to employees of the Medical Center starting April 1, 2018.
			Saint Anthony Mother and Child Hospital							
			RO 8	Submission of the required supporting documents.	Rene V. Yanson	March 2018	June 2018	Fully Implemented		Management has already submitted the lacking documentary requirements to COA dated March 15, 2018.
			Basilan General Hospital	• Strictly adhere to audit recommendations.	Eduard D. Sumergido (Accountant III)	Aug. 31, 2018	Dec. 31., 2018	Ongoing		Accounting, Procurement and Supply Sections to coordinate closely on the matter.
			Mindanao Central Sanitarium	Require Program Coordinators to plan their programs with complete details specifically on the target participants.  Direct Accounting unit to ensure completeness of documents before processing payments for catering services.	• Management • Program Coordinators • Accounting unit	3/1/18	6/30/18	Fully implemented		Issued Office Memo to the concerned employees.  Ensure that plan activities submitted by the Program Coordinators specifically identifies the number of participants and an Office Order shall be issued detailing the names of employees-participants.  Payments for catering services

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										shall be processed only upon submission of the original copies of attendance sheets and other supporting documents.  Compare actual attendees with the office order upon processing of claims to avoid last minute pick-up of participants.
			Sulu Sanitarium	To properly check disbursement vouchers to see to it that the voucher are signed and supporting documents are complete before payment and before submission to COA	Wida J. Hajjil/ Accounting Section	Jan 2018	Feb 2018	Fully Implemented		Disbursement vouchers were already checked and supported with proper documents.
			RO 10	- To strictly comply with the provisions of COA Circular No. 2012-001 dated June 14, 2012. - To submit Fund Utilization Report	Accountant III / BuB Focal Person	January	Jun. 2018	Fully Implemented		LGU of Opol already fully implemented the project. Attached is the Statement of Receipts and Disbursements (Annex B) showing full utilization of the fund and liquidation of our final tranche made.
			Northern Mindanao Medical Center	The accounting section to adopt the suggested form to serve both as Accounts Payable Subsidiary Ledger and at the same time as an index of payment	FMO Accounting IV Accounting Staff	Jun. 2018	Dec. 2018	Implemented		
			RO 13	Accountant shall submit immediately required supporting documents on the paid disbursement vouchers to avoid issuance of Notices of Suspension	Accountant III/Accountant II	Jan. 2018	Continuous Implementation	On-going implementation		Staff are assigned to regularly submit supporting documents on paid disbursement vouchers.
DOH CAAR 2017 par. 106	Delayed and/or Non-Submission of FSs, TBs, Payrolls, and other FRs; and DVs, BRSs  Several DOH agencies incurred delayed/non-submission of required reports and supporting documents in contrary to Chapters	We recommended and Management of the concerned DOH Offices agreed that/ to:  (a) For the cash in bank accounts: (i) prepare and submit immediately and on	TRC Bicutan		The Agency is currently processing the access on online banking "we Access" c/o Cashier	Jan. 2018	Dec, 2018	On going	Issue on lack of manpower which we've already communicated with the Management. In addition, the Director has	We are updated as of August. Nevertheless, we still need to comply with on time transmittal of DV's and update SL on a monthly basis.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	19 and 21 of the GAM Volume 1, COA Circular Nos. 95-006 and 2009-001 prevented the auditor from conducting a timely audit and verification of financial transactions, the results of which could have been used as an aid in management decisions and inputs in enhancing financial accountability.	<p>a regular basis, the BRs with the necessary supporting documents, within the prescribed period and in accordance with the prescribed format for all bank accounts, to prove the correctness of the recorded cash balances; and (ii) enroll in the LBPs "we Access" to view transactions involving the bank accounts with LBP and facilitate timely preparations of the BRs; and</p> <p>(b) Comply strictly with existing COA rules and regulations on the timely submission of the required FSs and reports and the related schedules and supporting documents to the Audit Team, for audit purposes, otherwise, consider the withholding of salaries of concerned officials, if deemed necessary, until the timely submission of financial and accounting reports has been complied with, pursuant to Section 122 (2) of PD No. 1445.</p>			Section. This is to address the audit observation on BRs.				<p>agreed/approved that Accounting Section to have additional 2 regular positions in Issue on lack of manpower which we've already communicated with the Management. In addition, the Director has agreed/approved that Accounting Section to have additional 2 regular positions in order to comply with various COA and other reporting requirements. This will be coordinated with the DBM/DOH Central for facilitation by HRMS .</p> <p>As of to date 1 vacant position for Accounting is still for hiring since February. Likewise, Job orders will be maintained until approval of additional 2 regular plantilla position.</p>	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			TRC Isabela	Submission of required Financial Reports will be submitted immediately and for the submission of delayed accounts, as per the Regional Supervising Auditor, it will be risky to deliver financial transactions (DVs) and attached supporting documents, since our facility is in a far-flung area, recommended that the Audit team will visit and have their own working area for the conduction of the verification of accounts.	Accounting Section	Annually		Fully Implemented	n/a	Submission of Financial Reports were already submitted. Accounts (DVs) for 2017 have been submitted already to the COA office and separate working area for the audit team has been established for the current transactions.
			TRC Tagaytay	To ensure adherence to the provisions in the submission of the Report of Disbursements together with the DV within the prescribed period, we requested Cash Operations Section to prepare CDR on a weekly basis and furnish Accounting for early preparation of JEVs.	Accounting Unit			Fully Implemented		As discussed with the Audit Team last March 19, 2018 during the exit dialogue, we no longer have to submit the hard copy of the DVs . Instead, we shall submit the Report of Checks Issues (RCI) on a monthly basis.  We have already submitted the RCIs for the first quarter of 2018.
			TRC Pototan, Iloilo	Financial Statements and Disbursement Vouchers as of December 2017 already submitted	Hesper Justin V. Caporal-Marañon/ Accountant II	1/31/18	6/30/18	DONE		Disbursement Vouchers Submitted.
			Trc Argao, Cebu	Review on the processes and preparation which causes the delay and enforcement on the periodic submission of all financial	Accounting Office (E.M. Sardido)	Jan. 25, 2018	Jan. 26, 2018	Fully Implemented		Financial Statement & other financial reports for 2017 were submitted & received by COA on January 25, 2018. Vouchers from July – December 2017 were

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				reports within the prescribed timeline.						submitted & received by COA on January 26, 2018.
			TRC Cagayan de Oro	(a) For the cash in bank: On a regular basis, request the necessary Bank Statement or Snap Shot, the day after the end of the month. (b) Strategize and improve the manner of submission of various reports; strictly follow the timelines and set a deadline for the sections involve.	(a) Accountant III/Accounting Section; Cashier II/Cashiering Section (b) Supply Section, Accounting Section, Cashiering Section, Nursing Section, Billing Unit and Inventory Custodian	Jan. 2018	Mar. 2018	Implemented		(a) For the cash in bank: On a regular basis, requested the necessary Bank Statement or Snap Shot, the day after the end of the month. (b) Strategized the manner of reporting and submission dates of the sections involved; strictly implemented the required timelines of various reports and set cut-off dates for every transaction.
			Bureau of Quarantine		Accounting Section			Fully implemented		CY 2017 accounting reports and other supporting documents have been submitted to the Resident Auditor.
			San Lazaro Hospital	1. Close monitoring of submission of all financial reports as per set deadlines 2. Issuance of memo to concerned departments for submission of reports 3. Implementation of HOMIS Cashier Module system	FMS Chief Accountant IHOMP	June, 2018 As need arises July, 2018	Dec, 2018 onwards	Ongoing	Accounting Department is only the last presenter of reports, documents supporting every financial transaction of the institution and these reports are coming from other offices (i.e. MMD, Pharmacy Department, Billing and Claims	Management issued Hospital Memorandum No. 25 s. 2017 reiterating previously issued Hospital Memorandum No. 31 s. 2015 re: Submission of Required Reports to the Accounting Office, with emphasis on possible disallowance and withholding of salaries of the Accountable Officers. The Cash Management Department, has been pursuing the automation and use of HOMIS Cashier Module system regarding the collection of fees and ultimately a better and faster generation of monthly reports needed by the Accounting Department. 6

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
									<p>Department, Human Resource Management Department, Cash Management Department, Central Supply and Sterilization Unit, Dental, Laboratory, SACCL, Radiology Department, among others). Delay in reconciliation of bank statements is caused by delay in provision of statement from the Landbank of the Philippines. The delay is about 2 months which is uncontrollable as far as SLH management is concerned. Review of all the documents and reconciliation is delayed due to the limited human resources currently doing the task.</p>	<p>Computers and 3 Printers were already delivered to the Cash Management Department. Training will be conducted this July, 2018 Management is also pursuing the use of electronic NGAS or e-NGAS and e-budget for financial transactions since hardware is already available at the Accounting Department. Templates for the ledgers are already provided by DOH. Accounting Department will input all necessary items required by the system. Online submissions of BFARs are being printed out and submitted to DOH, DBM and COA. The management is currently enrolling into the We-ACCESS program of the LBP for updated bank balances. Sanctions (withholding of salary) will be imposed to concerned employee causing delay submission of reports. Continual review and revision of existing policies are being undertaken. Hiring of new Accountants and additional staff are in transit.</p>
			East Avenue Medical Center	For Compliance	Accounting Section	4/1/18	12/31/18	Fully Implemented		All 2017 required Financial Reports were already submitted to the Commission on Audit

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Research Institute for Tropical Medicine					ONGOING		Enrollment to LBP's "we Access" to be coordinated with LBP Alabang after the initial meeting with the branch manager. Timely submission of required FSs and supporting documents are also expected to be better complied upon the successful implementation of the e-NGAS facility.
			Quirino Memorial Medical Center		Manilyn Umandap, Jocille Villarete/Accounting	Sept 2018	Dec 2018	Partially Implemented	Updated Bank Statements not yet available with Landbank	a-b) For compliance.
			National Children's Hospital					Fully Implemented		Management commented that the Accounting Section already submitted the BRS as of December 31m 2017 for all the accounts of NCH. Also, all reconciling items were accounted and adjustments were made. Management commented that the Accounting Section already submitted all DVs, ORs and payrolls as of December 31, 2017 including all supporting documents.
			Las Piñas General Hospital and Satellite Trauma Center	The management had directed already the Accounting Section to submit to COA the required reports on time. Necessary coordination with concerned offices must likewise be done.	Accounting Section	January 2018	June 2018	Fully implemented		The management had directed already the Accounting Section to submit to COA the required reports on time. The Accounting Section is in constant coordination with the DOH-KMITS and COA-GAS eticket system for any errors and/or concerns on e-NGAS operations



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Valenzuela Medical Center		Accountant / Section Heads			Fully Implemented		The required disbursement/journal entry/liquidation vouchers, official receipts and other related financial reports were already submitted to COA. There was delay in the submission of January Report considering that it was the time of year-end closing and preparation of the annual report. For the months of February to December 2017, we were able to submit our reports to COA on time.
			Baguio General Hospital and Medical Center	Submit all reports on time	Finance/ HOPSS	2017	2018	FULLY IMPLEMENTED		Submitted all reports required
			Far North Luzon General Hospital	To inform the suppliers To immediately submit ORs upon receipt of payments. Also, To immediately submit the disbursement vouchers with complete supporting documents to the COA .	Accountant/Di sbursing Officer	Jan. 2018	Mar. 2018	fully implemented		The suppliers were already informed to submit immediately their official receipts upon rendering the ADA to the LBP and advised the disbursing officer not to release checks if official/collection receipts are not presented.
			Conner District Hospital	Direct other units to submit promptly their report for consolidation in the accounting unit; Communicate with DOH-Central Office for the training on the use and installation of eNGAS to facilitate timely generation of reports.	Accountant, Administrative Assistant, Cashier, Supply Officer	Oct 2018	Dec 2018	Partially Implemented	Lack of manpower supplement; usage of manual recording and reporting	Reports were being submitted but still with delay
			Dr. Paulino J. Garcia Memorial Research and Medical Center	1. MANAGEMENT-to direct Accounting Section and BAC to immediately comply to the COA recommendations. 2. FMO and BAC CHAIRMAN-regular monitoring of the submission of Financial Statements and Contracts.	FMO/ACCOU NTING SECTION/BAC OFFICE	2018	ONWARDS	COMPLIED.	N/A	The delay on the submission of FSSs, TBs, Payrolls, and other FRs and DVs was due to the implementation/transition of the Accounting Section from manual reporting to eNGAS. The transition period lasted up to six months and as of June 2018, the section is now in full compliance to the

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										eNGAS system as well as to its submission timeliness to wit: 1. Disbursement Vouchers including supporting documents-submitted July 10 2. Trial Balance and Financial Statements - submitted July 18 Contracts related to bidded supplies and equipment were submitted to COA.
			RO 4A	A) Prepare and submit BRs on a regular basis; enroll in "weAccess " to facilitate reporting and preparation of BRs.  B) Submit FS and reports including all supporting documents on a timely basis.	Chief Accountant  Cashier	Jan. 2018	Dec. 2018	Fully implemented		A) BRs with the necessary supporting documents are submitted on a regular basis, and that our Office was already enrolled in the LBPs "weAccess".  B) FS and other financial reports are henceforth submitted on or before their scheduled deadlines.
			RO 4B	Submit Financial Reports and supporting documents within the prescribed period	Accounting Section	Jan 2018	Dec 2018	Partially Implemented	System failure caused by ransomware	On going re-entry of 2016 and 2017 transactions to ENGAS. Complied with submission of Disbursement Vouchers and other required reports.
			Culion Sanitarium and General Hospital		Accounting unit			Fully Implemented	Delayed preparation of BRS was due also to delayed receipt of bank statements.Lates t received Bank Statement from LBP, CSGH ADB is June 2018.Delayed reporting was due to inadequacy of staff at the Accounting Unit,	- 2017 Bank Reconciliation Statements were already submitted to COA thru email on July 2018 - 2018 Bank Reconciliation Statement were updated up to May 2018- 2017 financial Statements were already submitted to COA on March 2018

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

									the unit can't cope with the inputting of entries to ENGAS	
			RO 5	Submission of DVs and other Financial Reports to COA	Resty D. Daep	Jan 2018	Apr 2018	Fully implemented		All disbursement vouchers for 2017 were duly transmitted to COA on April 5, 2018. Likewise, financial reports for 2017 were also duly submitted to COA in March 2018.
			Bicol Medical Center	<p>Review reconciling items and retrieve necessary supporting documents for reference. Coordinate with Cash Operations re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.</p> <p>2. Conduct reconciliation and prepare necessary adjusting entries and ensure timely submission of Bank Reconciliation Statements. Coordinate with Cash Operations to facilitate receipt of Bank Statements or print-out of Bank Statements.</p>	<p>ARMIDA L. NAZ, Accountant IV</p> <p>MA. THERESA ABAY, SAO, Head-Cash Operation</p>	April 1, 2018		Partially implemented	There were no source documents on some transactions particularly prior years.	Coordinated with Cash Operation re: unrecorded bank-to-bank transactions, stale checks and unreleased checks.
			Bicol Regional Training and Teaching Hospital	1. To submit the reports to COA.	Jezza Mae S. Luna, Jayson R. Prades, Judith Nuyte	March 19, 2018	March 31, 2018	Fully Implemented		
			Bicol Sanitarium	<p>1. Assign a staff to take charge specifically of the long outstanding reconciling items in the BRs as mentioned in CAAR 2017 par. 1</p> <p>2. Evaluate the process to know necessary point for adjustment and apply changes to ensure timely</p>	Maria Cecilia J. Manzo / Accountant II	Jun 2018	Feb 2018	Ongoing	<p>Coordination of process with other sections to ensure timely taking up of transaction is in progress.</p> <p>Reconciliation of long outstanding</p>	<p>1. "We access" enrollment is currently suspended in the agency depository bank, bank snapshots is used instead.</p> <p>2. Reconciliation of account balances is ongoing</p> <p>3. Process and preparation of aforementioned documents ongoing evaluation and necessary</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				preparation of reports, documents and transmittal to COA					unreconciled balances is a challenge	adjustments to ensure timely transmittal of reports to COA
			RO 6	a) Assign personnel to focus mainly on financial report preparation relieving her of some responsibilities b) Ensure timely submission of Financial Statements & reports as to prescribed timelines	Accounting	Jul 2018	Dec 2018	Partial Implementation	Monthly & Quarterly reports were submitted on time as to prescribed timelines except for Paid DVs wherein the office of the Resident Auditor cannot accommodate as of the moment.	Financial Statements and reports as of August 2018 were submitted on time.
			Don Jose S. Monfort Medical Center Extension Hospital	a. Submit immediately and on regular basis the BRs b. Comply strictly with existing COA Rules on timely submission of the required FS and reports.	Cash/Supply/ Billing/Pharmacy/Accounting.	Apr-18	Dec-18	a. Implemented b. Partially Implemented	b. Submission of Reports from cost center are delayed	Timely Submission of required Fs and reports
			RO 7	The Accounting office shall be added manpower for financial reporting in order to have timely submission of financial reports. There shall be proper delegation of duty within the Accounting Office	Management Support Division and Accounting Section	Jan 1, 2018	Jul 31, 2018	Fully Implemented		The additional manpower is assigned to augment financial reporting of the Accounting unit specifically for reconciliation of various accounts including bank reconciliation. Monthly, quarterly, and yearly financial reports shall be submitted based on the prescribed schedule under the GAM should there be no factor intervening the timely submission such as e-NGAS error.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Vicente Sotto Sr. Memorial Medical Center	Financial Report submitted February 12, 2018  Ensure the periodic submission of all reports within the prescribed period set.	Finance Management Office  Accounting Office	Jan 2018	Dec 2018	On-going	N/A	Close monitoring is conducted.
			Talisay District Hospital	Enforce submission Add Personnel	Accounting and Head of Agency Accounting, HRMO, PSB, Head of Agency	Jan 2018	Dec 2018	Fully Implemented	N/A	N/A
			Eversley Childs Sanitarium	Require all concerned office for the timely submission of their reports as their outputs are the inputs of Accounting Section in making their Financial Reports.	Property and Supply Officer/Cashi er/Pharmacist /Head of Billing and PhilHealth Section/Acco untant	Jan. 31, 2018	Dec. 31, 2018	Partially Implemented	Lack of manpower to focus on reporting	Meetings/dialogue has been done by Finance people to set timelines in the submission of reports especially during year-end.
			Don Emilio del Valle Memorial Hospital	The concerned sections will be investigated and consulted as to the reasons for such delay. Data and reports from other areas affecting the Financial Statements will be timely collected and reflected in the Financial Statements and will be immediately submitted upon completion thereof.	CSR / Accounting			Fully Implemented		a. Enforced deadline of submission of pertinent data from the Various Sections affecting the generation of Financial Statements

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken	
						From	To				
			RO 8	<ul style="list-style-type: none"> <li>Regular preparation of Bank Reconciliation Statements per bank account upon receipt of bank statement from the bank.</li> <li>The Accounting Unit will comply on the timely submission of the required FS and other reports, and supporting documents to the Audit Team.</li> </ul>	Rene V. Yanson Celeste Jane B. Tan	Jun 2018	Dec. 2018	On-Going	Manual generation of reports	<ul style="list-style-type: none"> <li>Regular preparation of Bank Reconciliation Statements per bank account upon receipt of bank statement from the bank.</li> <li>The Accounting Unit will comply on the timely submission of the required FS and other reports, and supporting documents to the Audit Team.</li> </ul>	
			Labuan Public Hospital	LPH Management through its Budget Officer shall immediately furnish the Audit Team a copy of all budgetary reports submitted to COA-GAS and DBM for CY 2017.	Chief of Hospital; Accountant; and Budget Officer	Feb 2018	March 2018	Fully Implemented	N/A	Submitted Budgetary Reports for CY 2017 through email dated February 19, 2018.	
			Basilan General Hospital	<ul style="list-style-type: none"> <li>Strictly adhere to audit recommendations.</li> <li>Memo issued to Accountant for submission until Aug. 31, 2018</li> </ul>	Sitti Nurussamsi Casalin-Amilasan (MCC I)	Jul. 31, 2018	Aug. 31, 2018	Not Implemented	<ul style="list-style-type: none"> <li>Only revolving fund of the agency was submitted</li> <li>No FS and Trial Balance for regular fund and hospital income submitted</li> </ul>	<ul style="list-style-type: none"> <li>Accounting section issued memo to concerned sections to update reports last March 2017; only partial compliance from some sections resulting to Accountant's inability to finish FS</li> <li>Accounts Payable – with lacking documents in some POs</li> </ul>	<ul style="list-style-type: none"> <li>Memo on reiteration was drafted by the HR and given to concerned sections to comply with submission of Report of Supplies and Materials Issued (RSMI)</li> <li>Supply to provide Accounting of list of unpaid and cancelled POs; letters of cancellation to be sent to suppliers ASAP</li> <li>Concern on non-compliance of Accountant III forwarded to Legal Section of DOH-RO IX for assistance</li> </ul>
			Mindanao Central Sanitarium	Direct the Accountant to submit the required reports and supporting documents immediately	<ul style="list-style-type: none"> <li>Chief of Hospital</li> <li>Accountant</li> <li>Accounting personnel</li> </ul>	1/10/18	3/31/18	Fully implemented		<p>Submitted the required reports. Received by COA on various dates while the Financial Statements were received on March 9, 2018.</p> <p>Issued Office Memo to the concerned employees.</p>	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Sulu Sanitarium	To submit monthly report such as Reports of Collection and Deposits (RCD) together with the issued official receipts and deposit slips; Reports of Check Issued (RCI); and report of Disbursements (ROD) together with the paid Disbursement Vouchers and payrolls; and other supporting documents promptly to the auditor for examination and audit.	Nazra Majajil and Rohina Gajir/ Cash section	Jan 2018	May 2018	Fully implemented		Monthly Reports were updated and already submitted to COA for examination and audit.
			Cotabato Regional and Medical Center	<p>1. Instruct the Accounting Department to submit on or before of the 10th day of the following month to the Audit Team the Disbursement Vouchers and their supporting documents and to prioritize the submission of the two DVs mentioned in the AOM.</p> <p>2. Direct the accountant to make sure that the supporting documents are complete before processing the Disbursement Vouchers.</p> <p>3. Hire additional job order to aid in the filing and sorting of DVs for submission to the Audit Team</p>	Accounting Department	3/7/18	12/31/18	Fully Implemented		<p>1. On-going filing and sorting of DV's and their supporting documents for submission to the Audit Team</p> <p>2. Submitted the sorted and filed DV's to the Audit Team within the first 10 (10) days of the ensuing month, the reports/ records together with the required supporting documents.</p>
	<b><u>B. Value for Money</u></b>									
DOH CAAR 2017 par. 114	<b><u>Low Disbursement of Allotment</u></b> Delays in the implementation of various programs, projects and activities of the DOH resulted in its inability to optimize the utilization of its authorized appropriations for	We recommended and Management of the concerned Hospitals and agencies to:  a) Fast-track the	OSEC HFDB	<p>Conducted PBUR with Regional Offices and Engineers</p> <p>Hire additional manpower to address low utilization rate.</p>	HFEP			Implemented	<p>2015 HFEP implemented by DPWH</p> <p>2016 to 2017 some projects</p>	<p>a. Send follow up memo to ROs and Health Facilities</p> <p>b. Conduct on-site monitoring to address concern on low disbursement rate</p> <p>c. Request catch-up plan from</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	CYs 2015 to 2017, as indicated in the low disbursement rates of only 51.47%, 62.42%, and 60.07% for the said periods. Further analysis of the absorptive capacity of the DOH major program for CY 2017 showed that six out of the nine major DOH programs, although with a high obligation rate, have a very low absorptive capacity based on their low fund utilization rate of 16.30% to 57.90%.	<p>completion of the awarded projects by constantly monitoring the physical accomplishment of the contractor/supplier;</p> <p>b) Improved coordination with the concerned implementing agencies so that the optimum results and benefits on their completion would be timely realized as timely as planned, and to prevent the lapsing of the NCA be prevented, as well as to attain and the objectives of the program/projects/activities are attained; and</p> <p>c) Henceforth, formulate a realistic and attainable work plan to ensure that the program/activities are ready for implementation upon release of the funds to enhance the disbursement of allotments.</p>		Every two months PBUR workshop/meeting with Regional Engineers. A memo was sent on September 6, 2018 to request status report and on September 20, 2018 to follow up on their report.	HFEP				implemented by DPWH since no available lot and some project request for modification	concerned offices.  Follow-up responses
			TRC Isabela	1. Constant monitoring of physical accomplishment of the awarded projects; 2. Strategic planning for 2018 onwards for working financial plan, making realistic estimates and attainable activities and programs to be implemented	Management			Fully Implemented	n/a	As recommended, we will strictly implement: 1. Constant monitoring of physical accomplishment of the awarded projects; 2. Strategic planning for 2018 onwards for working financial plan, making realistic estimates and attainable activities and programs to be implemented
			TRC Tagaytay					Partially Implemented	<p>To date, there is still no update on the issue and no definite decision as to whether the Agency will be staying or relocating in the future.</p> <p>The proposed possible relocation site for the Agency will be in Trece Martires City, a project being undertaken by JICA and will be completed by the year 2020.</p>	On April 30, 2018, another meeting with the officers from the central office was held to discuss the matter. As agreed, our team left the matter to the decision of the central office.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Bureau of Quarantine		Planning, Budget, Accounting Section			Fully implemented		The management reflected the good proper planning and monitoring in its CY 2018 1st & 2nd quarter's performance.
			Dr. Jose Fabella Memorial Hospital	Upon receipt of the allotment from the DBM/DOH, the Medical Center Chief II directed all program managers/ concerned departments to prepare all required documents in order to implement the program but due to some constraints especially in the procurement process, it took time to implement the programs/projects.  From the total amount of P50,300,000 allotments, P9,446,115 were obligated for various medical equipment; P27,520,000 were transferred to PS-DBM; and the balance of P13,033,885 had lapsed.  Of the P1,000,000.00 allocations for DJFMH, only P54,460.00 were allocated to pay for Chest X-ray of various DJFMH employees as part of DOH TB-DOTS since the program is not within the mandate of the Hospital.	Budget Office	Mar., 2018	April, 2018	Fully Implemented		Upon receipt of the allotment, the management directed all concerned departments to implement immediately the programs.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Jose R. Reyes Memorial Medical Center					Partial implementation	a. Areas for renovations could not be fully vacated since the service to the patients is continuously operational and were not totally shutdown. - Repair/Renovation of Wards and other areas; - Development of ESC, CSR and other areas; - Repair/Renovation of Main OR	a. Updated Monthly Report Status for Infrastructure Projects is being submitted every 10th day of the month to the Department of Health Disbursement rates: -2015 (76.78%) -2016 (66.43%) -2017 (62.44%) Please find attached: - Receiving copy on the submitted Physical and Financial Report for HFEP 2015-2018 -Catch-up Plan / Deadline of various HFEP projects to be accomplished within 2018
			Tondo Medical Center	Coordination between Budget Section and Program Managers have been established. Orientation/Re-orientation on Work and Financial Plan was made during the Performance Implementation review in collaboration with the Public Health Unit.	Budget Office, Public Health Unit and All Program Managers	July 18, 2018	July 20, 2018 (Program Implementation Review 2018)	Fully Implemented		Orientation/Re-Orientation of Program Managers We already drawn JEV#2018-06-000723 dated June 6/1/2018 reflected the liquidation of Infant and Young Child Feeding Program. (please see attached Annex B & C)
			Quirino Memorial Medical Center		Milicent Joaquin/Planning Office	Sept 2018	Dec 2018	Partially Implemented	There were items not yet delivered by suppliers.	a-c) Close monitoring and coordination will be done to concerned sections and program managers for the full delivery of various equipment requested and the accomplishment of programs indicated in the Work and Financial Plan.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO NCR	The programs are doing exceptionally well in terms of actual program performance and that we do not deprive our countrymen with the services needed. Funds are needed to implement the programs and we agree with the recommendation that funds must be utilized as planned, but there is no one-to-one correspondence in terms of low utilization versus attainment of program objectives and targets. Success of each program is greatly affected by multiple factors such as policies, effective strategies, adequate and competent manpower, appropriate technologies and good communication and social mobilization for all services to be appealing to the target population.	MSSD / LHSD	2018	2018	Implemented		The summary of 2017 Financial and Physical Accomplishments of Programs were already submitted to Resident COA.
			RO CAR	To maximize utilization of FY 2018 budget since unutilized funds for 2015 to 2017 already lapsed/reverted to the Treasury	HFEP Section	Immediately		Partially Implemented	Although early procurement was done, there are still failure of bidding; hence, some projects had to be re-bid.	Procurement of FY 2018 HFEP projects is being undertaken
			Region 1 Medical Center	Management has maximized the utilization of HFEP Funds	Engineering BAC, Budget Offices and HOPE	Jul. 1, 2017	Dec. 31, 2017	Fully Implemented		Allotments is almost 100% utilized

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			RO 4B	Coordinate with Division Heads for the prompt implementation of the agency project for the utilization of allotment received.	Budget Section, Accounting Section, All Program Heads	Jan. 2018	Dec 2018	Partially Implemented	Delayed procurement	Submission of PPMP
			Hospital ng Palawan	Fast track completion of infrastructure projects and deliveries of medical equipment	Budget  Procurement Materials Management Accounting	Jan	Dec	Ongoing		<p><b>Project: Design and Build of Three-Storey ER Complex Phase 1 &amp; 2 ABC: 50 M</b>  <b>Fund Source: GAA FY2015 (30 M) ,GAA FY2016 (20M); Date of Obligation: December 28, 2016</b>  - In order for the project to resume, the Hospital initiated the utilization of the OR Building as the relocation area of the patients from the old male and female wards.  - The Hospital thru EFMS, conducted coordination meetings with the contractor to ensure target completion date is accomplished.  - A monthly utilization schedule was also formulated. This was also discussed with the contractor.  - Utilization Rate: 39 %</p> <p><b>Project Procurement of Medical Equipment ABC: 14 M</b>  <b>Fund Source:GAA FY2015</b>  <b>Date of Obligation: December 29, 2016</b>  - Utilization Rate: 100 %</p> <p><b>Project Completion of Three Storey Communicable Disease Bldg (Phase IV) ABC: P 6,177,000</b>  <b>Fund Source: GAA FY 2016;</b>  <b>Date of Obligation: September 15, 2017</b>  - The Hospital coordinated with DOH RO MIMAROPA to address the concerns /issues of the previous phases in order for the project to be implemented.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										<ul style="list-style-type: none"> <li>- The Hospital also employed additional manpower to oversee the construction and ensure early completion.</li> <li>- The project was completed on February 22, 2018 and is now being utilized.</li> <li>-Utilization rate: 100%</li> </ul> <p><b>Project Design and Build of Two Storey Hemodialysis Bldg ABC: 4 M</b>  <b>Fund Source: GAA FY 2017;</b>  <b>Date of Obligation: December 29, 2017</b></p> <ul style="list-style-type: none"> <li>- The hospital conducted coordination meeting with the contractor to ensure that the target completion date is realized.</li> <li>- A Monthly Utilization schedule was also formulated. This was discussed with the contractor.</li> <li>- The Hospital also employed additional manpower to oversee the construction and ensure early completion.</li> <li>- Utilization Rate: 90%</li> </ul> <p><b>Project procurement of 3 storey Delivery Room Complex ABC: 26M</b>  <b>Fund source: GAA FY 2017;</b>  <b>Date of Obligation: December 28, 2017</b>  - Utilization Rate: 37%</p> <p><b>Project Procurement of ER Complex Phase 3 ABC: 25 M</b>  <b>Fund Source: GAA FY 2017</b>  - Pipeline will be procured via PSDBM  - Utilization Rate:15%</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Culion Sanitarium and General Hospital		Engineering Unit			Fully Implemented		<p>Communications were given to contractors to fast track projects to aid immediate disbursement of funds.</p> <p>2015 infra projects were already 100% disbursed while 2016 HFEP which was bided in 2017 due to absence of Engineer to work on its plans and estimates and other requirements that time, it is now 75% disbursed and the 2018 HFEP is already 60% disbursed.</p>
	<u>Health Facilities Enhancement Program (HFEP)</u>									

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	<p><b>HFEP TSeKaP School-based BHS</b></p> <p>The objective of the HFEP TSeKaP to construct 5,700 units of School-based BHS amounting ₱8,131,481,28.29 was not achieved due to poor planning, inadequate coordination with DepEd and LGUs in identification of project sites, inadequate documentation, inadequate monitoring of project, unclear contract terms for the basis of payment which caused the majority of the BHS units to be not started and not completed within the contracted time, duplication of BHS in the same barangay, with undelivered accessories/equipment and/or uninstalled toilet facilities and idle/not yet turned-over. Moreover, the conduct of bidding for the procurement of construction of 3,200 units of under HFEP BHS-TseKaP Phase 1 amounting to ₱4,456,592,239.41 was not in conformance with / strict observance with of Section 4.2 of the GPPB Circular No. 09-2015 dated August 18, 2015 and the Investment Coordination Committee (ICC) Memorandum entitled, "ICC Procedures on the</p>	<p>We recommended and Management:</p> <p>a) conduct a thorough assessment of the project whether there is a need to continue or otherwise remit the unused fund to the Bureau of Treasury;</p> <p>b) improve procurement planning and strengthen coordination with project implementers/partners to ensure timely project implementation and to prevent/minimize incurrence of delays/ occurrence of low rates of project completions;</p> <p>c) submit supporting documents evidencing compliance with DBM Circular Letter No. 2010-9 dated December 30, 2010 and related GPPB regulations, Investment Coordination Committee (ICC) Memorandum entitled "ICC Procedure on the Review and Approval Process for Public Biddings/Facilities Costing At Least Php1 Billion"</p>	RO XIII	Management shall coordinate with DOH-Central Office and propose appropriate mechanism to solve the problem of non-implementation of BHS in public schools	RD/ARD	January 2018	April 2018	Fully Implemented		DOH Central Office has already filed a case to the contractor of BHS in public schools

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	Review and Approval Process for Public Biddings/Facilities Costing at least Php1 Billion" dated July 14, 2014, thus, casting doubt on the regularity and validity of the bidding processes.	<p>dated July 14, 2014 and COA Circular No. 2012-003, dated October 29, 2012);</p> <p>d) ensure that agreements/conditions/provisions of contract should be clear, definite and concrete so as not to allow room for misinterpretation and disagreements,</p> <p>e) evaluate/ investigate the inefficient project implementation and the non-completion of contract by the Contractor, consider the recoupment of advances from the contractor and undertake/file the appropriate legal actions/remedies in favor of the government against those who failed to comply with the contract and the provisions of Republic Act (RA) No.9184, otherwise known as the Government Procurement Reform Act; and</p> <p>f) henceforth, strictly comply with the provisions of RA No. 9184 and its Revised IRR, and all applicable rules and regulations in the implementation of infrastructure projects.</p>	OSEC HFDB	Phase 1 and 2 school based recommended for termination and under CIAC ArbitrationSince no ICE was issued, it was submitted to the office of the president270 completed BHS as of MAY 16, 2018 BEING IMPLEMENTED BY DOH RO Offices	HFEP			Implemented Implemented Implemented		



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 155	<p><b>Non-completion of Infrastructure Project for Dr. Jose Fabella Memorial Hospital within the time extension for completion</b></p> <p>Design and Build of Infrastructure Project for Dr. Jose Fabella Memorial Hospital (DJFMH) Transfer and Redevelopment (Phase I and II) with a total contract cost of P1,514,480,712.55 is still incomplete having unperformed cost of P629,042,005.72 or 41% as of December 31, 2017 despite the time extension granted, i.e., with new target date of November 11, 2017, thus, consequently incurring liquidated damages of P55,976,969.07, in compliance with pursuant to paragraph 10.1, Annex E of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, which was not to the best interest of the DOH thus depriving the patients the immediate use of the facility.</p>	<p>We recommended and Management:</p> <p>a) Collect from the contractor payment for liquidated damages for failing to satisfactorily complete the work within the specified time;</p> <p>b) Consider the termination of the Contract on with the defaulting contractor for possible completion of the project by other competent Contractor following the requirements under RA 9184 and its Revised IRR;</p> <p>c) Avail all the legal remedies to recover damages and initiate the blacklisting of the Contractor in accordance with the provisions of R.A. 9184; and</p> <p>d) Henceforth, closely monitor the on-going construction and communicate, as needed, with the Contractor for the smooth completion of the project so as not to deprive the immediate delivery of health care services to the people, particularly the indigent patients, in accordance with Section 3.e., Rule 1, RA 9184.</p>	OSEC HFDB	Show Cause Notice issued	HFEP			On-going	Recommending for grant of time extension	Recommendation from HFEP to SOH to approve time extension
			Dr. Jose Fabella Memorial Hospital	<p>The Management sent a letter to Arch. Ma. Rebecca M. Penafiel , Director III of Health Facility Development Bureau of the Department of Health, dated January 24, 2018 and March 15, 2018, respectively, requesting copy of the documents and other related communications for the said projects in order to impose any appropriate liquidated damages against the contractor.</p> <p>The Management designated Engr. Gemma Pagas, Engineer II , to closely monitor and provide technical assistance in the on-going construction and smooth implementation of the project; also an HFDB Infra Engineers of the Department of Health to evaluate their accomplishments</p>	HOPPS and Finance Service	Jan., 2018	Dec., 2018	Partially Implemented	As of this date, the Health Facility Development Bureau has not provided the documents despite of verbal and written follow ups.	Upon sending a letter to the concerned officer constant follow ups were made to avail all legal remedies and appropriate action for the Contractor. The Management is still in the process of considering the status of the Contractor under default.
					HOPPS	Nov., 2017	Dec., 2018	On-Going		
			OSEC HFDB	Recommendation of Phase 1 and 2 for termination	HFEP	Sept 17, 2018		On-going CIAC Arbitration	Due to contractors bad performance and alleged unlawful acts	Recommendation for contract termination

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 173	<p><b>Deficiencies of HFEP Infrastructure Projects Implementation (other than TSeKap School-based BHS TSeKap and Dr. Jose Fabella Memorial Hospital)</b></p> <p>Various HFEP infrastructure projects with total contract costs of ₱4,099,477,779.96 were not yet started, not completed within the specified contract time, delayed implementation, abandoned, suspended, found with defects, unutilized or not utilized by intended recipients, and recorded with no supporting documents; thus, exposing these facilities to deterioration and affecting the benefits that the public could have derived from the immediate and maximum use of the said facilities and the non-attainment of the program objectives while also affecting the reliability and accuracy of the reported accounts in the financial statements (FSs) of the recipient facilities.</p>	<p>We recommended and Management of the concerned DOH Offices, DOH Hospitals and Centers agreed to:</p> <p>a) Facilitate the determination, preparation and compliance of with all pending requirements needed to immediately facilitate the completion of all pending health facilities and plan early and adequately to avoid revisions/changes in awarded contracts, unless necessary in the exigency of the service;</p> <p>b) Strictly monitor and coordinate the immediate completion of both projects on the expected target date/s of completion, require the chief of engineering services or health facilities to carry out effective remedial steps to address delayed project implementation, strictly follow the standards of the National Structural Code of the Philippines (NSCP) and coordinate with the DOH Central Office Engineers and Architects to avoid wastage of time;</p> <p>c) Assign a sufficient number of engineers to strictly and closely monitor the implementation of the</p>	TRC Camarines Sur	Not Applicable						
			TRC Pototan, Iloilo	Ratification works and deficiencies are being acted upon by the implementing unit (WVMC); Residents will be transferred once completely done; Lot donation done last May 10, 2018;	Engr. Crisencio Tanaleon/ Engineer III	1/31/2018	12/31/18	Ongoing		Lot Donation Done.  Final ratification work is on process.
			Jose R. Reyes Memorial Medical Center							Not applicable
			Amang Rodriguez Memorial Medical Center	To immediately comply with COA recommendation	EFM/Housekeeping unit/ Materials Management Section	May 7, 2018		Fully Implemented		In compliance with the audit recommendations, the following were taken:  a) The Engineering and Facilities Management thru the Housekeeping section has

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>project in accordance with plans specifications, and conduct an ocular inspection of the projects;</p> <p>d) Ensure resources needed for construction such as the cooperation and the agreement as evidenced by MOA of recipients and DOH-CO regarding manpower, needed facilities (e.g. buildings for conversion, project sites, etc.), construction materials, necessary permits and other needed resources and sustainability of the transferred completed project;</p> <p>e) Henceforth, strictly comply with the provisions of DOH D.O. No. 2016-0045 to mitigate problems that may arise during project implementation, thus, preventing delay or possible termination of contracts; and conduct dialogues with the LGUs concerned including the lot owners/donors. the</p>								<p>instructed the Janitorial Service provider to assign a janitor on shift to maintain the cleanliness in the area.</p> <p>b) The MMS has regularly monitored the washing/cleaning of the 187 units of bedside table by assigned janitors with detergent and water, drying and putting a plastic cover on each bedside table as protection from dust, dirt and scratches until such time that the units are issued and distributed in the different wards or other areas if needed; and has also been monitoring the 79 units hospital bed, covering these with plastic covers (trapal) as protection from dust, dirt and other elements</p> <p>c) A request for hospital bed, bedside table has already been made by the Surgery ward and OPD Payward. A corresponding outline of the overall census was made by the MMS, likewise we have already received a communication letter from the Presidential Security group Station Hospital on the transfer of allotted medical equipment.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>contractors and other parties involved to resolve the problems on the right-of-way, and lot donations, and among others, and come up with terms beneficial to all parties;</p> <p>f) Submit the pertinent Memorandum of Agreement, Property Transfer Report and the corresponding JEV issued by the recipient LGUs to support the transfer and derecognition of transferred properties and recording in the books of recipients;</p> <p>g) Require the concerned contractors to immediately effect remedial measures for defects and flaws noted during the evaluation as. Failure to comply could be used as basis for management to demand reparation and as a ground for their including blacklisting thereof; and</p> <p>h) Impose and collect liquidated damages for the time elapsed in accordance with Section . 6 and 8.5 of Annex "E" of the Revised IRR of RA No. 9184, and consider rescinding/terminating contracts of infrastructure projects with negative slippage of more than 10% percent due to the fault of</p>	RO NCR	The National Capital Regional Office, Department of Health is regularly conducting consultation meeting with the City/Municipality Health Officers, Hospital Directors and DPWH-District Engineering Offices to ensure the proper monitoring and implementation of the projects. Also, this Office, is regularly coordinating with the DPWH and LGUs concern in conducting the project inspection to immediately address any problems that may arise.	HFEP / Engr. Nilo Marayag	March 2018	Dec 2018	Implemented		Regular meeting with the City/Municipality Health Officers, Hospital Directors and DPWH-District Engineering Offices to ensure the proper monitoring and implementation of the projects are being conducted.
			San Lorenzo Ruiz Women's Hospital	The plantilla items granted to the hospital as a 10-bed Level 1 hospital is for a Level 1 25 beds. There is only one provision for an Engineer position. We hired an Electrical Engineer to man the item during the last quarter of 2016 and he had been very active in the Infrastructure projects of the hospital. However, the HFEP projects on hand pertains to that of 2015 and 2016 during which, we were	Engineering and Facilities Management Unit	2018	2018	Fully Implemented		Request for change of creditors were submitted to both DBM and COA but no approval was obtained. But since we are on the process of acquiring a new lot, an architect was already hired and a design and build contractor is being considered during the planning of agency's infrastructure projects.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		negligence of the Contractor.		completely reliant on the Technical expertise of the Engineers of the Regional Office and Central Office as well. We hired a consultant to do the necessary plans and detailed engineering works taking into consideration all statutory and regulatory requirements needed. The failure of implementation lies on the site and access of the would be construction and the price variance should it have been implemented. Upon due consultation with the OSG and with the onset of the 2018 provision for our acquisition of a parcel of land, we deemed it more economically, financially and technically feasible to terminate the Project.						
--	--	-------------------------------	--	---	--	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO CAR	To explain in writing the reasons for the continued delay	HFEP Section	Immediately		Fully Implemented		An explanation was submitted to COA stating that political pressure to the contractors, retraction of donated lots intended for the infrastructure projects by the donors, and failure of bidding contributed to the delays of project implementation.  Checking of documents is already being done as part of the guidelines in the procurement and implementation of the HFEP projects.  Meetings with the LGUs concerned were done, and they were reminded to abide by the guidelines. As early as the planning stage, the coordinators are now requiring the concerned LGUs to submit proofs of lot ownership.  Contractors of problematic projects were sent notices of termination of their contracts. Also, performance of the contractors will be taken into consideration in future public bidding.
				To strictly check documents before the procurement process	HFEP Section	Immediately		Fully Implemented		
				To conduct dialogue with the LGUs concerned	HFEP Section	Immediately		Fully Implemented		
				Termination of projects that cannot be settled	HFEP Section	Immediately		Partially Implemented		
			Luis Hora Memorial Regional Hospital	Conduct timely and regular monitoring of project accomplishments to ensure that construction works are on schedule in accordance with the terms of the contract and to carry out effective remedial steps to address delayed project implementation.	Engineering Unit			Fully implemented		Conducted regular monitoring and issued notice/advised contractors to fast track the completion of projects.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>etc.), construction materials, necessary permits and other needed resources and sustainability of the transferred completed project;</p> <p>Mitigate problems during project implementation to prevent delays or possible termination of contracts.</p> <p>Recognition of properties through Transfers in the book of accounts should be consistent with the applicable provisions of the Government Accounting Manual.</p> <p>Require the concerned contractors to immediately effect remedial measures for defects and flaws noted during the evaluation as.</p> <p>Ensure, at all times, imposition and collection of liquidated damages, whenever applicable</p>	<p>Accounting</p> <p>Inspection and Acceptance Committee (IAC)</p> <p>Accounting</p>					<p>Status of ongoing projects are consistently monitored by the Equipment and Facilities Section and are reported weekly either to Management Committee and/or the Financial Planning and Management Committee of the Hospital for immediate resolution. Also, the status of projects is regularly reported to the Health Facility Development Bureau of the DOH. On the other hand, all projects were in conformance with the National Structural Code of the Philippines (NSCP) as checked by DOH Central Office.</p> <p>We have in-house architects and engineers who lead the monitoring of projects in accordance with plans and specifications. In addition, as per terms of reference per project, we require the contractors to hire locally based architects or engineers to supervise a given project.</p> <p>We have our in-house architects and engineers who ensures that detailed engineering activities are adequately planned.</p> <p>Status of ongoing projects are consistently monitored by the Equipment and Facilities Section and are reported weekly either to Management Committee and/or the Financial Planning and Management Committee of the Hospital for immediate resolution.</p> <p>The MMMHMC shall recognize properties in respect of transfers pursuant to applicable provisions in the Government Accounting</p>



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										<p>Manual.</p> <p>Upon completion of every project, the Inspection and Acceptance Committee inspects the project for punch listing. The contractor will repair all defective findings immediately as a requirement for their final billing</p> <p>Accounting Section ensures imposition and collection of liquidated damages, at all times, for delayed completion of projects, whenever applicable.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
					Procurement/ Equipment and Facilities Management	2017	onwards	Fully Implemented		<p>Our existing processes ensures adequate planning and preparation. The Procurement Section requires the concerned end-user to facilitate all the needed documentary requirements to be discussed or presented during the Pre-Procurement Conference as follows:</p> <p>A. Preparatory Works for Infrastructure Projects</p> <p>1. Feasibility or Preliminary Engineering</p> <ul style="list-style-type: none"> <li>- Project Procurement Management Plan (PPMP)</li> <li>- Annual Procurement Plan (APP)</li> <li>- Purchase Request/Service Request</li> </ul> <p>2. Detailed Engineering Activities</p> <ul style="list-style-type: none"> <li>- Plans and Drawings</li> <li>- Technical Specifications</li> <li>- Detailed Estimates</li> <li>- Minimum Equipment Requirement</li> <li>- Technical Personnel Requirement</li> <li>- Contract Duration</li> <li>- Program of Works</li> <li>- Approved Budget for the Contract (ABC)</li> </ul> <p>B. Preparatory Works for Goods</p> <p>1. Feasibility or Preliminary Engineering Study</p> <ul style="list-style-type: none"> <li>- Project Procurement Management Plan (PPMP)</li> <li>- Annual Procurement Plan (APP)</li> </ul> <p>2. Purchase Request</p> <p>3. Approved Budget for the Contract (ABC)</p>
					Equipment and Facilities Management	2017	Onwards	Fully Implemented		
					Equipment and Facilities Management	2017	onwards	Fully Implemented		
					Equipment and Facilities Management	2017	onwards	Fully Implemented		
					Equipment and Facilities Management	2017	onwards	Fully Implemented		
					Equipment and Facilities Management	2017	Present	Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			Region 1 Medical Center	Complied with the requirements and all COA recommendations	<p>Management</p> <p>Chief Administrative Officer</p> <p>Accounting</p> <p>Inspection and Acceptance Committee (IAC)</p> <p>Accounting BAC and engineering Offices</p>	2017	Present	Fully Implemented		<p>For infrastructure projects, we have our in-house architects and engineers who ensures that detailed engineering activities are adequately planned."</p> <p>Status of ongoing projects are consistently monitored by the Equipment and Facilities Section and are reported weekly either to Management Committee and/or the Financial Planning and Management Committee of the Hospital for immediate resolution. Also, the status of projects is regularly reported to the Health Facility Development Bureau of the DOH. On the other hand, all projects were in conformance with the National Structural Code of the Philippines (NSCP) as checked by DOH Central Office.</p> <p>We have in-house architects and engineers who lead the monitoring of projects in accordance with plans and specifications. In addition, as per terms of reference per project, we require the contractors to hire locally based architects or engineers to supervise a given project.</p> <p>We have our in-house architects and engineers who ensures that detailed engineering activities are adequately planned.</p> <p>Status of ongoing projects are consistently monitored by the Equipment and Facilities Section and are reported weekly either to Management Committee and/or the Financial Planning and Management Committee of the</p>
--	--	--	-------------------------	--	--	------	---------	-------------------	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										<p>Hospital for immediate resolution.</p> <p>The MMMHMC shall recognize properties in respect of transfers pursuant to applicable provisions in the Government Accounting Manual.</p> <p>Upon completion of every project, the Inspection and Acceptance Committee inspects the project for punch listing. The contractor will repair all defective findings immediately as a requirement for their final billing</p> <p>Accounting Section ensures imposition and collection of liquidated damages, at all times, for delayed completion of projects, whenever applicable. Strictly complied with the requirements</p>
			RO 2	1. Facilitate the determination, preparation and compliance of all pending requirements needed to immediately facilitate the completion of all pending health facilities.- HFEP Civil Works Coordinator with the assistance of the HFEP Archs/Engrs conducted assessment/inspection of all incomplete (non-operational/non-functional) health facilities. Facilities identified as needing additional funding for its completion were already included in the HFEP 2017	Infra Unit	December 2017 February 2018 December 2017 December 2017	December 2018 December 2018 December 2018 December 2018	Partially Implemented Partially Implemented Partially Implemented Partially Implemented	The 2016 and 2017 HFEP projects that are LGUs & DPWH-Implemented which were incomplete and non-operational are prioritized for funding under the 2018 and 2019 HFEP fund. Backlog projects of the 2016 & 2017 are to be completed out of the 2018 HFEP which are already on	For 2018 HFEP projects, all incomplete and non-functional facilities are prioritized and programmed to be completed/ operational by the FY 2018. Funds were already available and majority of the projects are bid. The rest are for DPWH and LGU Implementation of which insurance were made that the same will also be completed on The deficiency called for in the Audit AOM was already been addressed in our 2018 HFEP. There were on-going implementation which will guarantee the operation/ functionality of the health facilities. The DOH-RO2 HFEP Team is now composed of 32

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				and of the HFEP 2018 fund. Further, HFEP-RO2 provided technical assistance and will ensure that the LGUs are compliant to the requirements of the DOH-Licensing Division."2. Facilitate and ensure the immediate installation of needed equipment, electrical power, water supply and other needed utilities.- Due to unforeseen condition and the change of scope of works in order to conform with the existing site, modification in the plans/scope are inevitable, hence resulting to Change Order. Lacking scope of works are to be included in the 2018 HFEP fund."3. Instruct and advise the Infrastructure Unit to conduct regular and strict monitoring of all health facilities during implementation to ensure that deficiencies are detected and corrected immediately;- While adhering to the comment/s, HFEP-Infra faced difficulty in handling the monitoring of all HFEP projects due to limited number of technical personnel (Archs/Engrs) allocated by the HFEP-MO. Hence, for 2018, the reguin has requested an increase of personnel from the former 15 to 25 Technical Personnel (Engrs/Archs)."4. Impose liquidated damages for the time elapsed in					progress.Additio nal hiring of competent Architects/ Engineers are now on-going and recruitment expected to be completed this May 2018. Target professional/tech nical personnel composition per district is 4. Records of our payment to our contractor's billing disclosed that Liquidated Damages (LD) were deducted depending on the number of delays contractors have incurred as against the target schedule of implementation. Checking of contractor's limitation to the allowable slippages is also computed. Those beyond the allowable are recommended for contract termination/resci ssion.	Archs/ Engr. Aide which are now deployed to the different districts of the different provinces of the region. This is in response to the call of the COA.For the contractors which exceeded the contract planned schedule and fall short of its accomplishment were imposed Liquidated Damages (LD) on the contractors progressive billing report. Deduction was reflected on the billing and indorsed to Accounting for deduction.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				accordance with Section 6 and 8.5 of Annex E of the Revised IRR of RA 9184.- Records of our contractor's billing report indicates the imposition of Liquidated Damages (LD) for the projects that incur delays in the implementation/completion.						
			Veteran's Regional Hospital	We adhere to the audit recommendations.	Engineering Facilities Management	Jan. 1, 2018	Dec. 31, 2018	Ongoing Implementation. 1. Training Center 2. Dietary Building 3. MRI Building & Equipment	Default on the part of the Contractor particularly MRI Bldg.	Catch up Plan to cope up with the delay. Construction of MRI Building was terminated on August 24, 2018
			Batanes General Hospital	a) Notify contractor to submit immediately the lacking documentary requirements (building permit and as-built plan)  b) Conduct dialogue w/ the LGU officials to address the issues raised by contractor on buiding permit  c) Direct contract to conduct the testing and commissioning of the fire sprinkler to facilitate acceptance of project.	Engr. Alviso	Jan	Sept.	Not Implemented	Non-submission of contractor of building permit, testing and commissioning of the fire sprinkler and submission of as-built plan.	Management has already wrote a letter to the contractor following up their deficiencies.
			RO 3	To require the HFEP Engineer to finalize the requirements of infrastructure projects to avoid changes and revisions during the construction period and to strictly comply to the target date of completion.	HFEP Engineer	Mar-18	Dec-18	Ongoing implementation		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Batangas Medical Center		HBAC and CAO			Partially Implemented	Emergency Procurement for Electrical Configuration Project is process	Letter to the Office of the COA was sent on June 11, 2018 to include supporting documents for the Negotiated Procurement (Emergency Cases) for the "Electrical Configuration" project. Emergency Procurement for the Electrical Configuration Project was requested from HBAC
			Hospital ng Palawan	Preparation of all documents and necessary requirements in order to pursue COA recommendation.	EFMS	Mar	Sep	Partially Implemented	The project is under the implementation of DOH RO MIMAROPA thus coordination with them is essential.  EFMS can't fully focus on the undertaking of the project yet due to volume of works and concerns to address.  Numerous concerns raised by both the contractor and the Hospital (i.e. delivery of OR light)	The EFMS started coordinating with DOH RO MIMAROPA on the proper course of action to take.  Started preparation of documents needed for the take-over contract by administration.  Computed Liquidated damages to be deducted to the final billing of the project. EFMS to re-evaluate all documents in order to address the concerns as per instruction of DOH RO MIMAROPA. Deductive costs and LD will be imposed.  Submitted the explanation from DOH RO MIMAROPA/HFEP to COA.
				Take-over contract by administration	EFMS	Jul	Dec	Partially Implemented		
				Computation of Liquidated Damages.	EFMS/ Accounting			Partially Implemented		
				Coordination with DOH RO MIMAROPA for the explanation	EFMS	Mar	May	Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			RO 5		Engr. Roengen Punzalan	Apr 2018	Ongoing	Partially implemented		The management is doing all its best to ensure that all completed infrastructure projects will fully operationalized. This office had it already turned-over to the respective LCEs and end-users. Projects with noted deficiencies were referred to the respective contractors for them to rectify through punch list issued. Corrections are monitored and ensure that it is in accordance with the specifications.
			Don Jose S. Monfort Medical Center Extension Hospital	a. Plan early and adequately b. Close Coordination and monitoring of projects to address delay and implementation	HEMU- Engr. Yap	Apr-18	Dec-18	Implemented		Strict Monitoring and monthly contractors meeting to carry out effective remedial steps to address delay.
			Corazon Locsin Montelibano Memorial Regional Hospital	(1) Review the contract agreement in relation to the Construction of the East Tower Building. (2) Identify areas which cause the delay and find applicable solutions. (3) Require the contractor to submit the revised plans if applicable.	Medical Center Chief, Head of the Engineering Facilities and Management, Accountant	01/01/2018	12/31/2019	On-going		(1) Created a committee on HFEP that will closely monitor the implementation of HFEP projects. (2) Met with the contractor of HFEP project and discussed the timelines and any revisions to plans affecting the timeline completion. (3) Instruct the contractor to finish the project on the revised timeline.
			Eastern Visayas Regional Medical Center	Additional manpower for the monitoring of the delivery and construction of work. To ensure that the construction has enough resources to complete the project.	Planning Section / Engineering Department	2015	2019	50% Implemented	Some Equipment are still for delivery, Construction of Infrastructure Project are still ongoing	Strictly monitor the delivery date of the equipment, and for the Infrastructure Project, close monitoring of the construction accomplishment of every contractor to lessen the slippage or delay of works.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Labuan Public Hospital	LPH Management shall: a) Explain why the amount of P1,600,000.00 intended for the project Storage Room was included in the total amount of the Cluster of Infra Projects which excluded the former; b) Ask DOH IX to explain why the projects were awarded to a Contractor with unsatisfactory performance or who is incurring negative slippages in his other HFEP projects being implemented by DOH IX in the region; c) Explain the delay in the project implementation despite payment of the mobilization fee taking into consideration all the issues mentioned and submit other Suspension/Resume orders, if there are still any, and d) Initiate the necessary action towards the Contractor for the immediate implementation of the project in order to avoid suspension/disallowance.	Chief of Hospital; Accountant; and Engineer.	March 2018	Dec 2018	On-going	There was time constraint last year to look for other bidders and in order for allocated funds not to be reverted	Meeting have already been done by the LPH Engineer, the LPH OIC and the DOH- RO IX Engineer and DOH- RO IX Regulation, Licensing and Enforcement Division Attorney, on the action plan to fast tract project implementation. The first move is to evaluate and verify the level of accomplishment and attach this report for possible serving of the Notice of Termination of Contract to the Contractor; To furnish COA a copy of recommendation letter from DOH-CO, stating, to incorporate the P1,600,000.00 in the Building 1 and 2; Coordinate with DOH IX for comments and explanations for the award and LPH is open for any compromise agreement so long as its accomplishment is ensured.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Basilan General Hospital	<p>Initiate Termination of Contract</p> <p>For item b: Initiate Termination of contract;</p> <p>For item c: Meet with the contractor to determine if project amount is still applicable on August 30, 2018 (letter sent). Notice of Contract Cancellation to be issued after meeting, if project amount is already non-applicable</p> <p>3rd tracer follow-up of assessment of Plan at DOH RO IX HFEP on Aug. 23, 2018.</p> <p>Attain updates from supplier</p> <p>Audit recommendation to be complied</p>	<p>Sitti Nurussamsi Casalin-Amilasan (MCC I) and Engr.- Marc Anthony P. Aparencio (Engineer II)</p> <p>Sitti Nurussamsi Casalin-Amilasan (MCC I) and Engr.- Marc Anthony P. Aparencio (Engineer II)</p> <p>Sitti Nurussamsi Casalin-Amilasan (MCC I) and Engr.- Marc Anthony P. Aparencio (Engineer II)</p> <p>Engr.- Marc Anthony P. Aparencio (Engineer II)/ BAC</p>	<p>7/1/2018</p> <p>July 2018</p> <p>August 2018</p> <p>July 2018</p>	<p>Dec. 31, 2018</p> <p>Dec. 31, 2018</p> <p>August 2018</p> <p>July 2018</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>Inability to pursue construction due to presence of electrical panel within the construction site; only 45% completion from 2014 to present; transitory management</p> <p>Absence of technical documents pertaining to the project supposedly to be provided by the contractor -no response from contractor</p> <p>Change of Management of supplier</p> <p>Absence of electrical needs, e.g. transformers, during p[planning phase causing delayed purchase.</p>	<p>Termination of Contract initiated</p> <p>Termination of Contract Initiated</p> <p>Cancellation to be Initiated</p> <p>For completion on October 2018.</p> <p>For energization on October 2018 (electrical plan for signing)</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Mindanao Central Sanitarium	Direct the Engineer to strictly monitor/supervise the completion of the HFEP projects and see to it that the Plans/Program of Works and Estimates/Detailed Architecture and Engineering Design are properly followed.	<ul style="list-style-type: none"> <li>• Chief of Hospital</li> <li>• Administrative Officer</li> <li>• Engineer</li> </ul>	3/20/18	12/31/18	On going		<p>Strictly supervising and coordinating the immediate completion of the HFEP projects.</p> <p>Created HFEP Monitoring Team.</p> <p>Called all contractors for a meeting and discussed issues regarding HFEP projects.</p>
			RO 10	- To continue with the conduct of regular monitoring and validation to all health facilities in Region X.	DOH RO X HFEP Engineers	January	Jun. 2018	Fully Implemented		<p>* The Management through the Infrastructure unit conducted their monitoring and results were laid down as follows;</p> <p>A. Misamis Occidental - Calamba RHU</p> <p>TB DOTS – Municipal Hall occupant already vacated the facility and TB DOTS was reverted to its intended use.</p> <p>MCP – Currently applying for License to Operate from DOH ROX RLED.</p> <p>- Panaon MCP – License to Operate was not yet applied. The MHO requested assistance regarding equipment such as Hospital Bed. Personnel already acquired their BEMONC training. Lastly, MHO requested additional works for their fencing.</p> <p>B. Lanao del Norte</p> <p>- Maigo RHU – TB DOTS is already functioning and its MCP has approved PTC already.</p> <p>- Magsaysay RHU – TB DOTS is now functioning and utilized</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										<p>already by the LGU while its MCP has approved PTC already.</p> <p>- Baroy RHU – Their MCP was not yet repaired and Infra Unit will send letter to the Contractor seeking explanation letter to the Contractor seeking explanation.</p> <p>- Bacolod RHU - TB DOTS and MCP are now functioning and utilized already by the LGU since January 2018 while its MCP has approved PTC already.</p>
			RO 11	1) Conduct quarterly Performance Implementation Review and Contractors meeting to monitor the implementation of various HFEP projects	Engr. Divine Sonido	Starting April 2018	Every Quarter	Partial	The quarterly PIR is on going every end of the quarter	The Contractors' meeting was already done on June 2018 and succeeding meetings are scheduled -Quarterly PIR is being done on scheduled
			RO 12					Partially implemented		<p>1. Demolition works of existing facilities, lot and Human Resources including the tapping of electrical power and main water lines should be LGU counterpart. Some LGU's do not have enough funds for the demolition and increase of power supply. 2017 HFEP allocation included cost for additional power supply and demolition of existing facilities to avoid delay.2. The preparation of detailed Architectural and Engineering Design (DAED), Program of works and Detailed Estimates is LGU counterpart except those project that deal with the standard design. Standard design facilities, like Birthing Homes, BHS's, RHU Annexes for Municipalities; dietary, linen, power house, doctors and nurses quarter and administrative building for the</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										hospital were already made available by our in-house personnel (HFEP Staff),3. Variation orders for additional works are charged against the remaining amount.4. Liquidated damages are being implemented by this office.5. HFEP personnel are strictly monitoring all projects.6. All audit recommendations are considered and will be strictly implemented by this office.7. Attached are the status of projects included in the AOM.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			Cotabato Regional and Medical Center	Adhere to the recommendation	Bids and Awards Committee  Engineering Facilities Management Department			Partially Implemented	<p>For HVAC: Project suspension due to the relocation of ducting works at the OR complex in order to give way for the installation of the pendant system and the brackets for the C-Arm Installation of Pendant System is now 90%</p> <p>For 4th and 5th of Phase Modernization and Auditorium: Project suspension particularly on ceiling, electrical and plumbing works due to the ongoing installation of VRF System undertaken by other trade contractors.</p>	<p><b>Action Taken:</b></p> <p><b>1. The Department hired two (2) job order engineers.</b></p> <p><b>2. Instructed the architects and engineers to provide standard plans and design for all infrastructure projects</b></p> <p><b>Action to be Taken</b></p> <p><b>1. The department will wait for the approval for additional project engineers.</b></p> <p><b>2. We will impose liquidation damages against the contractor once the project will be delayed given with the extension due to the suspension.</b></p>
--	--	--	--------------------------------------	------------------------------	---	--	--	-----------------------	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 13	<p>a) HFEP Engineers shall be tasked to determine, prepare and comply pending requirements needed to immediately facilitate completion of all pending health facilities.</p> <p>b) Sufficient number of engineers shall be assigned to closely monitor the implementation of the project in accordance with plans specification and conduct ocular inspection of the projects.</p> <p>c) DOH DO no. 2016-0045 shall be strictly complied to mitigate problems that may arise during project implementation, thus, preventing delay or possible termination of contracts.</p> <p>d) Property Transfer Report (PTR) and other pertinent documents shall be sent promptly to recipient LGU's for the transfer and derecognition of assets from the book of accounts</p>	<p>a) HFEP Engineer IV/HFEP Coordinator</p> <p>b) Management</p> <p>a) HFEP Engineer/IV/HFEP Coordinator</p> <p>d) HFEP Engineer IV/HPEP Coordinator/Accountant III</p>	Jan. 2018	Continuous Implementation	<p>a) On-going implementation</p> <p>b) Fully Implemented</p> <p>c) On-going Implementation</p> <p>d) On-going Implementation</p>	<p>a) Sufficient number of engineers were hired by the management to thoroughly monitor and supervise projects and immediately facilitate completion of health facilities</p> <p>b) Property transfer reports and other pertinent documents are sent promptly to recipient LGU's for the transfer and derecognition of assets from the book of accounts</p>	
DOH CAAR 2017 par. 183	<p><b>Absence/Lack of records and/or supporting documents of Regional Offices in the distribution of Mobile Dental Vehicles and TSeKaP packages</b></p> <p>Regional Offices in DOH Regions IV A, IV B and CAR were not provided with transfer/distribution/re-location documents of Mobile Dental Vehicles (MDVs) and TSeKaP</p>	We recommended and Management agreed to direct require the HFDB of the DOH-CO to ensure the implementation of the provisions of DOH Department Memorandum 2017-0181 by communicating said issuance to its counterpart, the HFDB of the Regional Offices,	OSEC HFDB	<p>Records of the Mobile Dental Van from the Regional Office was already compiled at HFEP office.</p> <p>Memo was already sent to Regional Office with incomplete documents.</p> <p>As of todate, the HFEP</p>				<p>Implemented</p> <p>Implemented</p>	<p>A composite team was created under DOH DPO#2018-1420, 1420A and B of different offices and deployed to the different Regional Offices to monitor the submission of documents for the MDVs and TSeKaP packages and to address the problem on idle, unutilized and defective equipment.</p> <p>Follow-up responses</p>	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	packages, contrary to DOH Department Memorandum No. 2017-0181 dated April 17, 2017 on the "Status of Centrally Procured Equipment and Vehicles Funded by HFEP 2016"	providing them with necessary documents/schedules and establishing a documented continuous coordination process.		office have received submission of documents from Regions 4A, 4B and CAR.  Draft Program and Distribution Guidelines of MDV is being reviewed by HPDPB, continuous monitoring of submission of JEV, MOA, DOD is being conducted.  Sent memo for updating the status dated September 6, 2018 and follow memo on September 20, 2018				Implemented		Follow-up status from HPDPB  Follow-up status
RO CAR			To record received mobile dental van immediately upon receipt of turn-over documents from DOH-Central Office	Accounting Section	Immediately		Fully Implemented		The receipt of mobile dental van by DOH-CAR was recorded under JEV No. 2016-08-006366 dated August 23, 2016. For the TSeKaP packages, items were directly given to recipient LGUs, and no documents were given to the regional office for recording.	
RO 4A			Conduct a meeting with all recipients and request a complete copy of all documents in connection with the distribution of Mobile Dental Vehicles and TsekaP packages.	Dental Program Officer  Logistics Officer	Jan. 2018	Aug. 1, 2018	Fully implemented		All required documents were submitted to the DOH Central Office, copy finished our COA Office.	
RO 4B				General Services, Logistics Management Section	Jan. 2018	Dec 2018	Partially Implemented		Coordinate with General Services and Logistics Management Section to ensure proper documentation of the distribution of Mobile Dental Vehicles and Tsekap Packages	



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 188	<p><b>Mobile Dental Van, TSeKaP Packages and other various HFEP Equipment that are found with defects/ incomplete accessories, unrecorded in the books of the recipients, idle/ unutilized/ not fully utilized, not received by /not distributed to intended recipients and with improper labelling.</b></p> <p>Mobile Dental Van, TSeKaP Packages and other various HFEP Equipment in various DOH agencies/hospitals in NCR and regions of ₱457,177,807.36 were found either with defects/ incomplete accessories, unrecorded in the books of the recipients, idle/ unutilized/ not fully utilized, not received by /not distributed to intended recipients and with improper labelling thus, exposing these properties to deterioration/loss / theft and resulting in the non-attainment of the program objectives while also affecting the reliability and accuracy of the reported accounts in the FSs of the recipient facilities.</p> <p>a) With defects/incomplete accessories - ₱55,317,201.29  b) Unrecorded in the books of the recipients (including unrecorded equipment which are also unutilized) - ₱82,000,544.34  c) Idle/ unutilized/ not fully utilized - ₱281,877,886.34  d) Noy received by/ not distributed to intended recipients - ₱37,807,175.39  e) With improper labelling - ₱175,000.00</p>	<p>We recommended and Management of the concerned DOH offices, hospitals and centers agreed to:</p> <p>a) Conduct strict validation, continuous monitoring and coordination process on the completeness of delivery, acceptance, utilization, redistribution of unutilized equipment, availability of space, reagents, vaccines, pharmaceutical medicines, manpower and training of personnel, proper tagging of equipment, provision of documents/ records/ details/ breakdown of the cost of packages stated in Purchase Orders, coordination with suppliers for replacements;</p> <p>b) Establish a coordination process with the intended recipients during the preparation of the PPMP (Project Procurement Management Plan) including the establishment of policies, procedures and processes for such coordination. Document fully the procedures and communication regarding HFDB coordination with the intended recipients, consolidate reports resulting from said</p>	RO 8	<p>Strict adherence to the provision of the approved Contract Agreement with the Philpost.</p> <p>Supply unit will monitor delivery schedule of the equipment to the end user</p>	Marlo Calumpiano	May 2018	July 2018	Partially Implemented		As of May 23, 2018, out of P14.9M equipment, P7.7M has been delivered. Items that were already inspected and with DVs, it will be included in the forthcoming delivery (6th batch) by Philpost.
			RO 5	Ordered all HEFP Nurses to revisit the health facilities concerned.	Kris Bryan Baria	Jun 2018	Dec 2018	Partially Implemented		We'll submitting the update on the first week of September 2018.
			RO 10	Conduct of Monitoring to verify the utilization of various equipment transferred to LGU's	Health Facility Development Cluster	July 2018	December 2018	Partially Implemented		The management through the Infra Unit already prepared all the documents required for the conduct of their monitoring.Scheduled date of monitoring will be on June 18-22, 2018 as planned by the unit.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>coordination and which reports were initially consolidate by the HFDB of the Regional Offices and justify and communicate immediately to the intended recipients any subsequent changes made from the communication with them;</p> <p>c) Issue DOH memorandums/ policies/ MOAs to establish the continuous communication, coordination, reconciliation, documentation, monitoring process, monitoring of recording, and the responsibilities of regional offices and recipient facilities on the distribution and utilization of equipment and TSeKaP Packages including the efficient and immediate return of defective units; and</p> <p>d) Henceforth, ensure strict compliance with DOH DM No. 2017-0107 dated March 6, 2017 and DM No. 2016-0220 dated June 23, 2016, which require the DOH Reginal HFEP Teams to extend their validation and monitoring of equipment up to its proper disclosure in the books of accounts and the use of Journal Entry Voucher (JEV)</p>	RO 6	<p>(as per letter of Dr, Nacanaynay reply to AOM 2018-013.pdf dated April 30, 2018)</p> <p>The ff is our response on the deficiencies observed:</p> <ol style="list-style-type: none"> <li>1. Examining table delivered are not in accordance with the specification - This was already noted by the respective inspectors for HFEP equipment. The supplier was already informed and has agreed to change the items. No payment was yet made on this equipment.</li> <li>2. Some delivered equipment allocated for BHS were still at the RHU- A letter will be sent to the different MHOs advising them to transfer the equipment for the BHS to their intended end-user as soon as possible.</li> <li>3. Un-utilized equipment in some BHS as well as laboratory and hospital equipment issued to Mandurriao DHC and WVSUMC are un-utilized as still waiting for LTO - The Program Manager will provide each DHCs the list of un-utilized equipment in their BHS. This issue will be tackled during the Stakeholder's Meeting on HFEP equipment. As for WVSUMC, they are still waiting for their LTO as they were already inspected by the FDA. For Mandurriao</li> </ol>	HFEP Point Person			Ongoing	<p>-Some delivered items were not compliant with the specifications.</p> <p>-Recipient health facility is/are still awaiting for their License to Operate (LTO)</p> <p>-Ongoing construction / renovation of health facility</p>	<p>Preparation by Supply Office of Deed of Donation (DOD) for regionally procured equipment's for CY 2016-2017</p> <p>Unutilized equipment will be transferred to other RHU / BHS where it can be used/needed.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		drawn by the source agency and end-users to link the accounting records, and impose liquidated damages for the time elapsed in accordance with Section 68 and 8.5 of Annex "E" of the Revised IRR of RA 9184, and comply with the labeling instructions of PO No. GOP-2016-12-0237 and contact the supplier for the replacement of the current sticker label with that of a non-removable label indicating "Philippine Government- DOH Property- Not for Sale.		DHC, they will be advised through letter to fast track their application for the LTO otherwise the equipment will be transferred. 4. Some equipment still un-utilized due to on-going construction/ renovation - HFEP RO6 will monitor the un-utilized equipment due to ongoing construction / renovation and ensure that these will be utilized upon completion of the project. 5. Recipient LGUs of HFEP packages were unaware of the provisions of DOH DO No. 2012-0065 dated May 3, 2012 and other provisions - Issuances related to HFEP Equipment will be presented again during the Stakeholder's Meeting on June 2018. 6. Most of the delivered HFEP packages were not booked-up by the recipient LGUs- Attached is the list of JEVs to Tsekap Equipment. Booking up of other HFEP equipment are still on process.						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Western Visayas Medical Center	a) Outreach dental health activities/ advocacy in selected areas atleast twice a year  b) Request for a documents of of the Dental Vehicle from dental unit and record the cost of vehicle upon receipt of documents	Head Dental Unit  Accountant/ Property Officer/ Head of Dental Unit	Jan 2018	Dec 2018	Partially Implemented  Fully Implemented	The dental unit has already conducted an outreach program last March 16, 2018	More outreach program shall be conducted  Dental unit submitted all the necessary documents and accounting unit booked it up.
			Conner District Hospital	Utilization of the equipment transferred to the hospital; require supplies to conduct actual demonstration of delivered equipment/machine prior to acceptance	Engineering, BAC, Procurement Unit, Inspectorate Team	Jul 2018	Dec 2018	Implemented		Utilization of the equipment received/funded through HFEP
			Baguio General Hospital and Medical Center	Facilitate availability of ARE for the equipment  Inspect all procurements properly  Procure supplies needed  Utilize the dental bus	Management/ BAC  MMO/ Inspection Committee  PMO  Management/ Dental	2017	2018	Ongoing  Fully Implemented  Fully Implemented  Fully Implemented		Phase I - Construction of PCR ongoing Phase II - Completion - for Public Bidding  Inspection committee is composed of technical persons. The procured items are also inspected by end user. Product demos for functionality and preventive maintenance has been done.  Supplies needed were delivered last May 2018  Dental bus is being utilized for dental mission

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			OSEC HFDB	On the Mobile Dental Van: DOH have issued a memorandum to Regional Offices to submit Narrative Utilization Report on the use of MDV.				Implemented		On the equipment and other accessories: A memo will be issued to regional offices to make an inventory of all equipment to update Central Office on its status.
DOH CAAR 2017 par. 203	<b>High Utilization of Medical Assistance Fund Program</b>  The program implementation of the MAFP was effectively carried-out by six retained hospitals and two regional offices as evidenced by the significant increase in utilization of the funds as compared from previous years' utilization, which demonstrated the determination in achieving the objective of granting medical assistance to indigent and poor patients.	We acknowledged and commended Management on the continued effort and commitment to achieve its goal of providing medical assistance and quality health care to the public and to the indigents/poor patients seeking medical services from the hospital.								
	<b>Expanded Program on Immunization (EPI)</b>									
DOH CAAR 2017 par. 210	<b>Inadequate planning, coordination, and monitoring; and non-observance of timelines resulted in over/ under distribution/ issuances of vaccines and undelivered/ undispached cold chain equipment apparently affected the attainment of the EPI target vaccination coverage rate of 95%.</b>  a) Distribution did not meet the target number of vaccines required during the year.  b)Logistic Management Division (LMD) records disclosed 4,398 vaccine carriers, cold boxes and refrigerators amounting to	We recommended and Management agreed to require the:  a) The LMD Chief to: (i) deliver/dispatch the 4,398 cold chain equipment to DOH hospitals and public health facilities; and (ii) require the couriers to submit monthly status report of delivery and distribution to facilitate monitoring and coordination;  b) The Project Manager to: (i) adequately plan the procurement and issuance of vaccines, and other	OSEC EPI		b) Ms. Luzviminda Garcia Ms. Jennifer Snow c) Dr. Wilda Silva	b) August 2018 c) August 2018	b)December 2018 c) December 2018	b) Ongoing c)Ongoing		b) Monitor regularly status of distribution c) issue Department Memorandum to all Regions to conduct catch-up immunization
			OSEC LMD	Closely coordinate with the Program for submission of allocation list and follow-up status of delivery of the courier to its intended recipients	LMD/ NIP	Jul 31, 2018	Oct. 31, 2018	On-going		Request the courier to submit latest update on the delivery status of the vaccine equipment. The 1,453 vaccine carrier were already re-allocated and endorsed to the courier for delivery to the recipients. Further, there are 738 units of vaccine refrigerator remaining and there's a newly received partial allocation list from the program for processing and delivery to the recipients. LMD will closely coordinate with the NIP

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	<p>₱100,726,839.85 that were not delivered/dispatched to DOH hospitals and public health facilities. These are stored in DOH warehouses for 9 to 22 months as of December 31, 2017</p> <p>c)The implementation of the EPI for the years 2014-2017 was below its target vaccination coverage rate of 95 percent of the total target population, as computed by the Epidemiology Bureau.</p>	<p>medical supplies; (ii) coordinate regularly with the LMD to monitor the stock level inventories; and (iii) ensure that vaccines and other supplies are distributed within the required day's inventory of 180 days or less to avoid possible expiration/deterioration; and</p> <p>c) The National Center for Disease Prevention and Control (NCDPC) officials managing the EPI to ensure that, henceforth, the target vaccination coverage rate of 95% percent of the total target population is achieved.</p>								<p>program coordinator for the continued submission of allocation list for the remaining vaccine refrigerator.</p>
	<p><b>The distribution of vaccines for senior citizens by the National Capital Region Office (NCRO) for the years 2014-2017, which is not in accordance with the vaccine distribution mechanism used by the EPI, may affect the program's targeted beneficiaries and may result in the improper storage and potency of the vaccines.</b></p>	<p>We recommend that henceforth, management of NCRO strictly follow the provisions of DOH Administrative Order No. 2011-0018 in the distribution and administration of Pneumococcal and Influenza vaccines, utilize the Pharmadule before it becomes unserviceable.</p>	RO NCR	<p>The provision of vaccines intended for senior citizens that were provided to the City Health Offices and hospitals is in accordance with the DOH Administrative Order No. 2011-0018.</p>	LHSD	2018	2018	Implemented		<ul style="list-style-type: none"> <li>- The vaccines provided to others (Congressmen, Senators, OGAs, NGAs, NGOs and private individuals) were made sure to be administered by health workers trained on proper cold chain management and prioritized the target population as stipulated.</li> <li>- All vaccines that were coursed through the Congressman and Senators were utilized during activities that involve community mobilization (HOPE, Hi-Five, Last Mile and other outreach activities).</li> <li>- Based on endorsements from DOH Central Office and requests to DOH-NCRO, other organizations were provided with the vaccines reiterating that recipients should follow DOH guidelines.</li> </ul>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	<b>The gap in the procurement of Freeze Drying Machine/Lyophilizer resulted in the continued failure to produce the Freeze Dried Baccillus Calmette-Guerin (BCG) vaccines for the Expanded Program on Immunization (EPI) of the DOH, and non-utilization of the Pharmadule.</b>	We recommend that Management fast-track the procurement of the Freeze drying machine/ Lyophilizer in order to produce the Freeze Dried BCG vaccines for the EPI, and to utilize the Pharmadule before it becomes unserviceable.	OSEC EPI  Research Institute for Tropical Medicine							RITM concern  Procurement of Freeze Drying Machine now in process
DOH CAAR 2017 par. 234	<b>Dengue Vaccine Program</b> The Php3.0 billion transferred funds to PCMC to finance the Dengue Program was conducted by the auditor assigned at the PCMC who raised audit observations in the implementation of the program, the details of which are comprehensively discussed in the Annual Audit Report on the PCMC for CY 2017 published in the COA website.									Refer to CY 2017 Annual Audit Report of PCMC
DOH CAAR 2017 par. 242-245  DOH CAAR 2017 par. 246-247  DOH	<b>National Tuberculosis Control Program (NTP)</b>  a. <b>Non-attainment of 90% target treatment success rate</b> Twelve hospitals reported a decrease in the treatment success rate as compared from the previous year resulting to the non-attainment of the 90% target treatment success rate for NTP.  b. <b>Increase in TB incidence</b>  c. <b>Inadequate human resources</b> We note an inadequate team complement in the TB-DOTS facilities of DJNRMH, QMMC, RMC, TMC, CVMC, SIGH and VRH which could affect the	We recommended and Management of the concerned DOH Retained Hospitals and ROs agreed to require the NTCP Coordinator to:  a) continuously employ/ institute effective and efficient mechanism in the implementation of the NTP by providing integrated patient centered TB care and quality TB services in CY 2018 and the years thereafter, in order to serve more intended beneficiaries and maintain the achievement of the NTP target of 90 percent	OSEC NTP	To submit the Procurement plan for 2019, the quantities of commodities will be based on the accomplishments of the facilities. Data quality checks will be conducted to enhance the quality of the data  Regular field monitoring visits will be conducted to monitor use, storage and inventory of commodities.  Memo will be issued to LMD to provide update on the status of delivery of TB commodities.	NTP/ DPCB	June 2018  June 2018  July 2018  June 2018  July 2018	Implemented/ Ongoing		The Project Procurement Management Plan (PPMP) for CY2019 of DPCB was already submitted to COBAC last June 19, 2018.  Conduct Monitoring visit to Health Facilities in selected provinces of Regions V, X, XI last June 19-22, 2018 as per DPO DPCB No. 2018-11 dated May 28,2018  Memo was issued to LMD to provide delivery status of the TB Commodities to the different regions and provinces nationwide.	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
CAAR 2017 par. 248-254	effective and efficient operations of the TB-DOTS facilities, and the attainment of the End TB Strategy and NTP objectives for 2022, specifically to ensure adequate and competent human resources for TB elimination efforts.	<p>treatment success rate in all forms of TB, based on the updated 2010-2016 PhilPACT;</p> <p>b) ensure that every TB patient is well-informed/ oriented on specific healthy measures and work practices that reduce the likelihood of spreading TB bacteria to their families, co-patients and other individuals in the community;</p> <p>c) enhance coordination with Local Government Units (LGUs) particularly those with inaccessible and far-flung barangays under their jurisdiction for the conduct of wider information dissemination regarding the NTC Program of the government to increase awareness of intended beneficiaries as well as high accomplishment of CDRs.</p> <p>d) conduct orientation/ training of TB patients on specific healthy measures</p>		<p>The procurement, Logistics and budget unit of DPCB was strengthened to monitor the status of procurement, distribution of commodities and budget utilization through hiring of warehouse men to check regularly the inventory of commodities of all programs under the Infectious Diseases for Prevention and Control Division.</p> <p>Meeting with the Logistics Management Division (LMD) with the Accounting Division will be conducted every two months to monitor the inventory and issuances of commodities of all Programs of DPCB.</p> <p>Discuss COA findings with concerned hospital TB Coordinator at the meeting with DOH hospitals in Metro Manila;</p> <p>Provide initial copy of the COA findings (AOM No. VFM-2018-001 (17) to concerned hospitals for their reference</p>				Fully Implemented		Meeting has been done last July 13, 2018 and Initial copy of the COA findings (AOM No. VFM-2018-001 (17) was provided to concerned Hospitals TB Coordinator.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>and work practices on TB program;</p> <p>e) strengthen the information dissemination of the NTP of the Center in the vicinity or the nearby towns and cities through intensified information campaign on TB control awareness by means of posters and flyers in order to prevent TB incidence and maintain zero incidence of mortality in the succeeding year/s.</p> <p>f) require personnel in charge to exert more effort in the monitoring and detection of TB cases in their respective areas to increase, if not attain fully, the target set during the year. If necessary, consider assigning more manpower to monitor/ detect cases of the disease in every municipality for immediate referral to TB treatment facilities;</p> <p>g) fulfill the human resources requirements commensurate with the regular operations of the TB-DOTS facilities, in</p>	Jose R. Reyes Memorial Medical Center					Partial implementation		<p>Made necessary adjustments for proper identification of source of fund for supplies and materials for TB Dots patients. JRRMMC is only categorized as DOTS referring hospital and not a providing hospital, so we do not report treatment success rate. Patients are being referred to peripheral units for treatment. Continuous hiring and training of staff are also being done. In 2017, 2,300 suspected and 450 was diagnosed to have TB were provided treatment and the rest were referred to peripheral unit. Please find attached: -Accomplishment Report/Utilization Report for January -February 2017</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken					
						From	To								
		<p>order to fully attain/ achieve the objectives of the NTCP; and</p> <p>h) henceforth, continue to pursue the objectives of the National Tuberculosis Program (NTP) of the DOH by exerting more efforts to render TB diagnostic and treatment services to TB afflicted patients to ensure the success of the program.</p>	Tondo Medical Center	We have coordinated with local government units such as MHD, SDN 1 Navotas and Malabon (our catchment areas) For proper referral of our patients with regards to treatment and diagnostics. Our Cashier, Budget Officer, Accounting, Procurement, Pharmacy and Nursing are well informed of our plans and advocacy.	Aileen M. Mallari/Chairman, NTP DOTS	Oct 2018 Oct 2018	Oct 2018 Oct 2018	Dec 2018 Dec 2018	Dec 2018 Dec 2018	Partially Implemented Partially Implemented Fully Implemented Fully Implemented Fully Implemented	a) Non-attainment of 90% target treatment success rate: 2017 treatment success reported is 88%, while are short of 2%, our result is already increase from the previous year. e)Although our hospital is a 200 bed capacity, we cater to more than that everyday thus the lack of nursing staff	a) By 2018 we are working on attaining our goal. b) We coordinated with LGU's of Manila, Navotas and Malabon for easy referrals of patient for treatment and diagnostics. c)We have a daily lectures conducted at OPD for our patients. d)We hired a Job Order for NTP Nurse and Sputum Microscopist under the TB DOTS sub-allotment, taking almost half of the budget. e) We have already appointed (1) permanent staff nurse to monitor the census and communication to Local & National Unit (Please see attached Annex C)			
			San Lazaro Hospital	<p>1. Conduct committee meetings with LGU representatives and other stakeholders to intensify campaign on TB awareness</p> <p>2. Distribution of flyers to communities with high incidence of TB</p> <p>3. Screening of household contacts of TB cases in the hospital</p> <p>4. Monthly coordination with Finance Office relative</p>	<p>TB DOTS Program Manager</p> <p>TB DOTS Program Manager</p> <p>TB DOTS Program Manager</p> <p>TB DOTS Program Manager and Finance Management Office</p>	June, 2018	August, 2018	July, 2018	July, 2018	Onwards	March, 2019	Onwards	Dec, 2018	Ongoing	<p>The San Lazaro TB DOTS hold TB Diagnostic Committee meetings twice a month together with LGU District 3 Health Center comprising Dimasalang, Quiapo, Binondo areas to intensify information and educational campaign to the barangays and local health centers.</p> <p>Motorcade activities are conducted twice a year along the vicinity of our hospital distributing IEC materials during World TB Day – March 2017 and National TB Day – August 19, 2016 and 2017. For CY 2018, SLH TB DOTS are coordinating with the Rizal Park to distribute IEC Materials, screen TB to vulnerable groups – street dwellers, elderly, smokers, diabetics contacts (estimated to be around 600 people from Manila).</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				to utilization of sub-allotted funds						<p>Conduct more health education drive in the wards to newly diagnosed patients and relatives, etc. As part of the agreement with the DOH-NCR last Program Implementation Review March 2018 screening household contacts of our TB cases in the hospital will also be done.</p> <p>Other employed allied health care providers will likewise be involved in information dissemination by ward visits in the different areas such as Surgery, Obstetrics and Gynecology, Adult, Pediatrics, Family Medicine Departments as well as Out-Patient areas.</p> <p>Additional personnel will be requested to monitor, review, update and document NTP related programs, activities and projects.</p> <p>NTP coordinator will coordinate with the Finance Officer for the utilization of funds. The budget/finance representative will report budget utilization updates during monthly TB DOTS Meeting as scheduled.</p>
			East Avenue Medical Center	Not applicable						
			Rizal Medical Center	Not applicable						
			Quirino Memorial Medical Center		Dr. Joel Santiague/T B-DOTS	Sept 2018	Dec 2018	Partially Implemented	Hiring of additional manpower still in process.	a-h) Follow up with the Human Resource Office the request for additional manpower; TB program has been extended to community and Persons Deprived of Liberty (PDL).

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Amang Rodriguez Memorial Medical Center		NTP program Coordinator	Sept. 2018	Nov. 2018	Ongoing	Ongoing reconciliation with between NTP Program Coordinator and COA.	NTP Coordinator to provide COA with the program progress reports and updates
			Las Piñas General Hospital and Satellite Trauma Center	The management had directed the Program Coordinator for TB DOTS to have an effective and efficient mechanism on TB care and continuously conduct monitoring and orientation to increase awareness.	TB DOTS Coordinator	January 2018	June 2018	Fully implemented		The Program Coordinator for TB DOTS formulated an effective and efficient mechanism on TB care and continuously conduct monitoring and orientation to increase awareness of patients
			Dr. Jose N. Rodriguez Memorial Hospital	The Management will comply as recommended by our resident auditor: a.) 93% treatment success rate achieved by the hospital for FY 2017;  b.) Increase in TB incidence NTP Mechanisms: - Case Findings: 1. Free Chest Xray to all TB patients and other vulnerable populations; 2. Total Number as of Sept. 13, 2018 = 1667 patients; 3. Intensive case finding through contact tracing of household members of Index TB patient; 4. Tuberculin Skin Testing (TST) for children; 5. Direct sputum smear microscope; 6. Sputum Gen Xpert; 7. Free diagnostic test for Extrapulmonary	NTP Program Coordinator	Jan-18	Dec-18	Partially Implemented	Ongoing implementation	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>Tuberculosis.</p> <ul style="list-style-type: none"> <li>- Free laboratories prior to treatment of TB patients and PLHIV,</li> <li>- Available PMDT services for Drug Resistant Tuberculosis patients,</li> <li>- Free HIV testing,</li> <li>- Case Holding:               <ol style="list-style-type: none"> <li>1. Counselling and health education to TB patients and family prior to start of treatment,</li> <li>2. Patient centered DOT by providing Treatment partners for those TB patients who are in school, working and others with special needs,</li> <li>3. Free TB drugs,</li> <li>4. Strict monitoring of sputum follow-up while on treatment and</li> <li>5. Address adverse drug reactions of patient undergoing DOT.</li> </ol> </li> <li>- TB-DOTS Clinic for consultation of TB patients,</li> <li>- Available isolation ward for confinement of TB patients,</li> <li>- Coordination with the MSSU for financial assistance and other needs of TB patients,</li> <li>- Accomplishments of NTP,</li> <li>- Submission of NTP reports thru ITIS on time and</li> <li>-Attendance of NTP staff to monthly meetings and other CHD-NCR Meetings.</li> </ul> <p>c.) Coordination /</p>						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>Networking:</p> <ul style="list-style-type: none"> <li>- Total of 22 I-DOTS (Integrated DOTS) facilities of Caloocan City are linked to the PMDT facility of DJNRMH;</li> <li>- TB-DOTS Clinic and PMDT Clinic provides services as referral center in the following: Caloocan, Quezon City, City of San Jose Del Monte and nearby Bulacan towns, DOH and LGU hospital, Private hospitals and clinics, Treatment hubs and satellites and Other Diagnostics laboratories;</li> <li>- Quarterly meeting with Caloocan Health Department NTP;</li> <li>- Conduct of TB Advocacy symposium in the different barangays of Caloocan City and</li> <li>- Coordination with Ugnayan ng Barangay at Simbahan (UBAS) in advocacy TB Programs.</li> </ul> <p>Human Resources:</p> <ul style="list-style-type: none"> <li>- TB-DOTS staff 1. Doctors - 4 (Plantilla) 2. Nurses - 4 (JO)</li> <li>- PMDT staff 1. Doctor - 1 (PBSP hired) 2. Nurses - 3 (PBSP hired) - 1 (CHD-NCR) 3. Med Tech. - 1 (PBSP hired).</li> </ul>						
			San Lorenzo Ruiz Women's Hospital	Not Applicable. No AOM received. Last TSR achieved was 95% not 57.97%						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Valenzuela Medical Center					N/A		No AOM received
			Baguio General Hospital and Medical Center	Pursue Objectives of NTCP; Monitor patients properly	TB DOTS	2017	2018	FULLY IMPLEMENTED		The cohort data of 2016-2017 was validated and the treatment success rate shows 90.17% for 2016 and 90.79% for 2017; Strengthen our efforts for our patients to comply with their treatment for a healthy and disease free population
			Far North Luzon General Hospital	To provide TB DOTS facility/room to cater TB DOTS patients within the hospital premises. Also, to assign TB team at the OPD during TB DOTS clinic to conduct health education drive and to follow up TB patients on going treatment.	Coordinator, TB DOTS	Feb. 2018	Mar. 2018	fully implemented		TB team especially nursing component was assigned to the OPD during TB DOTS Clinic to orient or inform new cases, update records and reports, follow up TB patients on going treatment.
			Veteran's Regional Hospital	We adhere to the audit recommendations.	TB DOTS Coordinator	June 1, 2017	Dec. 31, 2017	Ongoing Implementation.	VRH Rate= 82%	1. Intensify counselling and health education to all TB cases enrolled at the facility; 2. Intensify follow-up of patients with treatment ansences to prevent Lost to Follow Up; 3. Strengthen Internal and external referral system and quality of TB diagnosis and treatment.
			Cagayan Valley Medical Center	*The Hospital TB Team will refer/coordinate patient to their peripheral RHUs, conduct a quarterly lay forum to patients and health workers orientation/re-orientation and update to increase TB awareness, prevention and control and to promote TB advocacy, health education on TB and health promotion to emphasize to patient and relatives during enrollment,	Hospital TB Team	2018	2019	Partially Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>treatment and after the treatment.</p> <p>**The team will also actively find TB case among family members/contacts of the enrolled TB patients, conduct a layforum to patients and health providers to increase TB awareness, health education on TB, prevention and control and cough etiquette and health promotion on TB to vulnerable groups.</p> <p>***The Hospital TB Team will request for additional staff nurse and nursing attendants to help attain the NTP objectives of 2022.</p>						
			Eastern Visayas Regional Medical Center	<p>A. Conduct patient orientation / health education regarding tuberculosis in the hospital and communities of nearby areas.</p> <p>B. Conduct orientation on tuberculosis among health workers in the hospital</p> <p>C. Follow up and monitor enrolled TB patients to ensure treatment adherence</p> <p>D. Mobilize and strengthen family awareness regarding tuberculosis among TB patients</p>	<p>A. NTP coordinators</p> <p>B. NTP coordinators</p> <p>C.NTP Nurse/ Clerk</p> <p>D. NTP Nurse/ Medical Coordinator</p>	2018	PRESENT	ON-GOING		
DOH CAAR 2017 par. 260	<p><b><u>National HIV, AIDS and STI (Sexually Transmitted Infection) Prevention and Control Program (NASPCP)</u></b></p> <p>Actual accomplishment on the</p>	<p>We recommended and Management agreed to:</p> <p>a) the NASPCP to use correct denominators, as provided by the EB, in the</p>	OSEC NASPCP	<p>Monthly monitoring of program activities</p> <p>Official request to EB of latest estimates</p>	<p>DPCB-NASPCP</p> <p>DPCB-NASPCP</p>	<p>Jul-18</p> <p>Jul-18</p>	<p>Jul-19</p> <p>Jul-19</p>	<p>On-going</p> <p>On-going (Please see attached draft letter)</p>		<p>NASPCP has been monitoring program implementation based on 2018 Work and Financial Plan</p> <p>Official communication was drafted this month regarding request to EB</p>



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	<p>coverage of Antiretroviral (ARV) treatment among PLHIV did not achieved the program's target of 90% in both CY 2016 and CY 2017 in DOH Central Office.</p> <p>a. Late procurement of ARV drugs in 2016 and 2017 b. Poor Inventory Management System (Slow Inventory Turnover)</p>	<p>determination of the program's accomplishment in providing ARV treatment to PLHIV;</p> <p>b) the NASPCP to review the timeframes from procurement, delivery to distribution of the ARV drugs to the intended recipients to spot bottlenecks that hinder timely and efficient distribution of ARV drugs and make a viable solution therefrom;</p> <p>d) the LMD to monitor the stocks that are not issued within 6 months from its delivery and call the attention / remind the program's head regarding the non-moving stocks; and</p> <p>e) the NASPCP to, henceforth , ensure that fund allocated for the programs are fully utilized as planned, program objectives are attained and maximum benefits are provided to the intended recipients.</p>		Develop and review ARV forecast and inventory	DPCB-NASPCP	May-18	Apr-19	On-going		<p>of latest estimates.</p> <p>ARV forecast and quantification was conducted in May 2018 and again this September, once data from EB are available.</p>
	<b>Other VFM Issues</b>									
DOH CAAR 2017 par. 271	<p><b>Idle/Unutilized Medical Equipment and Other Property, Plant and Equipment - Other Fund (Not HFEP)</b></p> <p>Medical Equipment and Other Property, Plant and Equipment amounting to P19,272,268.34</p>	<p>We recommended and Management of the concerned DOH offices and hospitals agreed to:</p> <p>a) properly plan, assess and evaluate the equipment to be procured</p>	San Lazaro Hospital	1. Full implementation of COA recommendation on the issued AOM to be observed.	EXECOM with all concerned accountable officers  Department	July, 2018  July, 2018	end of Dec, 2018  Onwards	Partially implemented	The full potential of the diagnostic sets are not maximized due to unavailability of its consumable supplies such as	The diagnostic sets are intended to be placed at the isolation rooms to provide a quick and convenient access for the doctors and nurses to perform assessment without compromising the infection control protocols.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	<p>were unutilized due to inadequate procurement planning, no trained personnel to operate the equipment, not aligned to the needs of the service, existence of functional and similar equipment, defective equipment and non-completion of new facilities, thus, depriving the hospital and patients for an efficient, quality health care services and non-realization of the benefits that may be derived from the use and operation of these equipment/ machines and buildings. In addition, if not acted upon, these equipment/ machines are exposed to deterioration and eventually condemnation, hence, wastage of government funds.</p>	<p>to obtain maximum use of the hospital equipment in an economical, efficient and effective way and avoid wastage of government funds;</p> <p>b) coordinate closely with the DOH CO and other source agencies so that any grant in the form of fund or facilities are utilized in accordance with the plans to avoid wastage of government funds;</p> <p>c) report promptly defective equipment/ parts/ vehicles that need immediate repair/ replacement so as to facilitate availing warranties;</p> <p>d) exhaust all possible means to ensure that utilization of equipment, facilities, and the like are maximized to prevent wear and tear due to exposure to elements or through obsolescence or non-use.</p> <p>e) expedite procurement process for the supply/ installation of the lacking essential parts of the projects/ equipment; and</p> <p>f) for future infrastructure projects, ensure that contracts cover the electrical aspect of a building, including the provision for transformers</p>		<p>2. Ensure all equipment requested are utilized through monitoring</p> <p>3. Standard Operating Procedure (SOP) for preparation of Procurement planning for hospital equipment and devices to be prepared</p> <p>4. Preventive and Corrective Maintenance Program for Hospital Equipment policies to be strictly implemented and monitored</p> <p>5. Orient all end-users program managers on the existing rules and regulations in the procurement of goods, equipment, and devices.</p>	<p>Heads</p> <p>EXECOM with all concerned program managers/ end-users</p> <p>EFMD</p> <p>BAC, Procurement Department in coordination with ETHRD</p>	<p>June, 2018</p> <p>June, 2018</p> <p>June, 2018</p>	<p>2nd wk July, 2018</p> <p>Onwards</p> <p>Onwards</p>		<p>disposable ear speculum and probe covers of the thermometer.</p> <p>The slide stainer with dryer has been transferred to a newly-renovated space dedicated for histopathology procedures. System check was done by engineers and the equipment is ready for use. This will be utilized together with the newly acquired microtome. A technical staff has been assigned at the Main lab to operate this equipment. Other staff will be trained.</p> <p>The mobile clinic bus is still not being utilized. Request of funds from the DOH for the repair has not been provided</p>	<p>8 of the 13 diagnostic sets are already transferred to isolation rooms in PAV2, PAV3, PAV4 and PAV8. 3 units are transferred to the Family Medicine Consultation Room at the OPD and the 2 units are retained at the Payward and Nursing Education and Training Research Department. (for demonstration to affiliates and newly hired nurses)</p> <p>Needed consumables are already requested.</p> <p>Flow cytometer, pipettor, biological microscope, centrifuge (bench top), PCR machine and the oven for drying and heating are currently being utilized by NRL-SACCL and the Main Lab.</p> <p>The 3 freezers for the use of NRL/SACCL will be transferred to SACCL Annex Building for safer electrical provision in order to be used.</p> <p>As per EFMD, the gas flow analyzer and the patient simulator were issued calibration certificate and are already being utilized.</p> <p>The edging sewing machine is also being utilized by the Linen and Laundry Service.</p> <p>The defibrillator at the ER Department is also being used already.</p> <p>8 units BP Apparatus are being used as per end-users from PAV 8</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		and other facilities necessary to make the same operational, to avoid its being unutilized and exposed to the elements which may cause its deterioration.							until now. Follow up will be done.  Oxygen and flow sensors needed to operate the 10 ventilators is not included in the warranty. Due to budget constraints, only 2 sensors will be purchased. The remaining sensors will be purchased as funds will be available.	and Payward. Utilization will depend on the number of patients admitted.  All equipment requests for 2018 shall be consolidated by the CMPS Office and will be approved by the EXECOM based on priority and available fund sources.
			Batangas Medical Center		Chief Admin. Officer - Materials Management Section and Engineering and Facilities Management			Partially Implemented	Technical defect on the equipment was found during the manufacturer's visit last Apr 03, 2018 Laboratory is yet to submit report regarding to justify inappropriateness of using the equipment due to high-cost of reagents. Foreign representative from PBSP must be present during inspection prior to release of Permit to Operate	Constant follow-up and coordination with concerned section is being done

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 278	<p><b>Idle Other Supplies and Materials Inventory Held for Distribution</b></p> <p>Other Supplies and Materials Inventory consisting of various items of Advocacy/ IEC Materials, Medical Supplies and Other Supplies received from the DOH-Central Office amounting to P436,260.00 and procured by the DOH RO V amounting to P6,093,145.68 remained idle/ undistributed/ unused; thus exposing other supplies and materials to various hazards in that could cause the items to deteriorate and become obsolete and the failure of Management to dispose the items as intended is indicative of inefficiency that may adversely affected the effectiveness of the programs thereof.</p>	<p>We recommended and Management agreed to:</p> <p>a) fast-track the distribution of undistributed materials to maximize its usefulness and prevent deterioration and obsolescence;</p> <p>b) henceforth, properly coordinate with the DOH-CO the needs of the LGUs and other local health units in order that the appropriate medical supplies and materials are delivered.</p> <p>c) require the Program/ Project Coordinators to coordinate with the property and supply unit on the availability and existence of IEC material needed in the implementation of their assigned program/ project so that appropriate usage thereof could be done; and</p> <p>d) distribute the materials for programs that are still being continuously implemented by the agency, and find ways on how to properly dispose these unutilized campaign materials by distributing the same to concerned beneficiaries of similar programs that may be implemented by agency during the year.</p>	RO 5		Fe Q. Atento / Program Managers	Apr 2018	On going	Partially Implemented	Key message of IEC materials changes depending on current studies as well as need and effectiveness thus, materials become obsolete. Still, the program coordinators intend to use and distribute these commodities to the health facilities to avoid wastage.	We recognize our lapses with regard to these findings on IEC Materials and other Supplies, however some of these are beyond our control since some of the items provided by the Central Office were not relevant to the present activity to be conducted by the program coordinator.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 285	<b>Low utilization of hospital income – P 207.539 million</b>  Hospital Income amounting to ₱207.539 million was not utilized efficiently within the prescribed limit of at least 25% of said income as required in Special Provision of the GAA for FY 2017 and Sec. 3.5 of DOF DBM Circular No. 2003-1, thus, depriving the hospital of the much needed equipment in the delivery of quality health care services to its patients.	We recommended and Management of the concerned DOH Agencies, retained Hospitals and Centers agreed to strictly comply with the Special Provision of GAA for FY 2017 and the DOF DBM Circular No. 2003-1 on the required 25% utilization of the hospital income for the acquisition of hospital equipment including medical/ dental/ laboratory equipment and upgrading of existing hospital facilities.	TRC Bataan	The management will be procuring several medical equipment. However, this cannot be facilitated early this year due to the lack of storage area and ongoing construction in the center. Nevertheless, the procurement will be facilitated this year in order to improve the quality of services to our clients	Administrative Department	Jan, 2018	Sep. 2018	Ongoing		The management is already in the process of reviewing the proposed list of medical equipment to be procured by the agency. Rest assured that as soon as the list had been finalized, the procurement of the same will be facilitated for the furtherance of the provision of quality services to the residents.
			TRC Pototan, Iloilo	As recommended, requests for the acquisition of hospital equipment and upgrading of facilities and provision of services for the direct use of the patients will be prioritized and charged against hospital income	Jerry Porras / CHPO	1/31/18	3/31/18	Ongoing		Request are being prioritized for the direct use of the patients..
			Luis Hora Memorial Regional Hospital	Planning of hospital income utilization.	Management Committee			Fully implemented		There is a Management Committee Resolution on the use of hospital income. Monitoring of 25% utilization
			Conner District Hospital	Maximize the utilization of 25% of the hospital income for the acquisition of equipment and upgrading of facilities. With the meeting with FIMC last August, there has been a recommendation on the abolition of this provision under the GAA	Budget Officer, Accountant, Supply Officer	Oct 2018	Dec 2018	Partially Implemented	Due to high volume of payables, we use current collection to pay our purchases on drugs and medicines and medical supplies.	We maximized the used of HFEP fund from DOH-CO under GAA Regular Fund

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Mariveles Mental Hospital	a. To carefully plan and maximize the utilization of the hospital income; and to stop the practice of using the hospital income for unauthorized and/or irregular expenditures.	Management	43160	Onwards	Implemented	None	a. Carefully planned and maximized the utilization of hospital income; management Committee to include income utilization every weekly meetings; and all expenditures using hospital income will be tackled and approved in the Management Committee meetings with upgrading of hospital equipment's as priority.
			Bataan General Hospital		Budget Section			Fully Implemented		Part of the unexpended balance amounting to P18,512,622.20 was a collection from December 2017 only and as such intended for FY 2018 purchases. Nevertheless, the 34million income balance for this purpose was already bid, awarded, utilized and obligated. We are now continuously monitoring its balance to make sure of its timely utilization.
			Don Jose S. Monfort Medical Center Extension Hospital	Comply Strictly with the Provisions of GAA and DOH-DOF-DBM Circular No.2003-01	Accounting/Budget/Top Mgt.	Apr-18	Dec-18	Partially Implemented	Delayed on the implementation of Infrastructure Projects	Compel the contractors to complete the infrastructure project in time. Acquisition and upgrading of Hospital equipment subject for bidding
			Vicente Sotto Sr. Memorial Medical Center	Unless given substantial MOOE for patients, the hospital shall comply.  Offshoots of NBB shall be considered.  To consider that Operational Expense is high especially with the existing of the Malasakit Center.  Discuss with COA on the difficulty of the compliance thereof.	Chief Administrative Office  Finance Management Office	Apr 1, 2018	Dec 31, 2018	On-going consideration	Difficulty in compliance due to increasing expenses for drugs, medicines, hospital supplies and the like.	To consider that, there is still a difficulty to comply fully with the 25% requirement on hospital income retained for acquisition of hospital equipment needed to be used directly in the delivery of health care services pursuant to the GAA and DOH-DOF-DBM Joint Circular No. 2013-1 due to increasing operational expenses unless substantial MOOE shall be afforded to VSMMC.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 291	<b><u>Delayed Completion of Projects under Other Funds</u></b>  Various projects amounting to P638.571 million are still in progress due to inadequate planning and supervision, lack of manpower of implementing LGUs and delay downloading of funds, thus, depriving the public of the intended social and economic benefits that these projects could have provided had these projects been timely completed.	We recommended and Management of the concerned DOH Agencies and retained Hospitals agreed to:  a. require the Engineer to perform regular and thorough monitoring and supervision of projects to ensure that works are accomplished in accordance with the terms of the contract;  b. consider the termination of the Contract on defaulting contractors for possible completion by other competent Contractors following the requirements under RA 9184 and its IRR; and  c. avail all the legal remedies to recover damages and initiate the blacklisting of the Contractor in accordance with the provisions of R. A. 9184	East Avenue Medical Center	For management review and appropriate action	Management / Engineering Section	7/1/18	12/31/18	On-going		The Management have closely coordinated with the contractors and have monitored the projects to ensure that the implementation is in accordance with the plans and specifications. However, there were factors which were beyond our control that have resulted to project delay such as the issuance of the various permits needed for construction and bad weather condition
			Quirino Memorial Medical Center		Infra Management Committee	Sept 2018	Dec 2018	Partially Implemented	Processing of building permit for old structures still on-going.	a-c) Modified building permit plans for old structures were already submitted for signature.
			RO 13	a) HFEP Engineers shall monitor and supervise projects thoroughly to ensure that works are accomplished in accordance with the terms and conditions.  b) Termination of contract shall be considered on defaulting contractors for possible completion by other competent contractors  c) Legal remedies shall be availed to recover damages and initiate blacklisting of the contractor	HFEP Engineer IV/HFEP Coordinator	Jan. 2018	Continuous Implementation	On-going implementation		a) Sufficient number of engineers were hired by the management to thoroughly monitor and supervise projects and immediately facilitate completion of health facilities  b) Contract of defaulting contractors have been terminated and projects for completion were awarded to other contractors under negotiated contract.
			RO 10	a.To conduct regular inventory for near expiring drugs and medicines;  b. To Review perpetual records that show the last date of usage;  c. To utilize an enhanced Excel System in monitoring	Supply Officer / Supply Section	January	Jun. 2018	Fully Implemented		- The Supply Section established various measures to control inventory items from being obsolete / undistributed:  a. The supply office conducted regular inventory review per month for near expiring drugs.  b. Regularly review records that

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>expiring drugs within 6 months;</p> <p>d. To hire additional personnel to complement the Supply Section and to support operations in the warehouse.</p> <p>e. To conduct consultative meetings with Program Managers/ Coordinators/ Cluster Heads for proper planning , monitoring, control on the utilization and distribution of inventory items.;</p> <p>d. Flag potentially obsolete items in the database as well as on the items on the shelves; and</p> <p>e. Compare on-hand inventory against historical usage.</p>						<p>show the last date of usage.</p> <p>c. An enhanced Excel System was utilized for easy monitoring of expiring drugs within 6 months. A computerized system will still be considered in the future but as of the moment the Excel System was adopted.</p> <p>d. The Supply Office conducted consultative meeting with Program Managers/ Coordinators, Cluster Heads, Division Heads and Section/ Unit Heads for proper planning, monitoring and control on the utilization and distribution of inventory items.</p> <p>e. Two personnel were added to complement existing personnel of the Supply Section and to support operations in the Warehouse.</p>
			RO 11	1) Issue Regional Order to conduct inventory and identify perishable items for non-pharma commodities and strictly implement the FEFO	Anna Remolar Ben Cagampang	5/28/18	6/30/18	Fully Implemented	N/A	Regular physical inventory is being done and tagging of goods as to its expiry is also being done to alert the Supply section as to its expiry date
	<b><u>C. Compliance Audit</u></b>									
DOH CAAR	<b>Expenditures incurred not in accordance with prescribed</b>	We recommended and Management of the	OSEC AS							



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
2017 par. 297	<b>rules and regulations</b> Disbursements totaling ₱10.343 million in 15 DOH Offices, ROs, Hospitals and Centers did not comply with established rules, procedural guidelines, policies, principles or practices resulting to incurrence of irregular, unnecessary and excessive expenditures.	concerned DOH Officer, Regional Offices and retained Hospitals agreed to:  a) conform to established rules, regulations, procedural guidelines, policies, principles or practices and incur expenses at reasonable cost and moderate quantity to prevent disallowance in audit;  b) conduct of an independent investigation on the irregular disbursement out of the undeposited collection of SDO of DOH-OSEC and institute the appropriate administrative and legal actions, as warranted; and  c) request the DOH-OSEC to strengthen the internal control as regard to establish the integrity of cash custodianship and safeguard of cash from exposure to possible misuse.	TRC Tagaytay	We shall submit justifications or explanations relative to the audit observations.	Human Resource Management Unit			Fully Implemented		We were able to submit the justification relative to the audit observation. Thus, with the above justification, we believe the Agency were still able to attain the objectives as envisioned in conducting the said activity.  It has always been the policy of the local management to uphold strictly at all times the legal basis of conducting team building hence, team building activity shall continue to be conducted to promote the objectives envisioned and ensure consistent compliance to existing policy guidelines.
			Trc Argao, Cebu	Procurement of food commodities (monthly) through the Bids and Awards Committee through alternative mode of procurement (Small Value Procurement) from legally established suppliers supported with sales invoices and release of cash advance for special purpose.	Procurement Section (C.M. Lucero) Dr. D. Baron	Mar. 2018	April 2018	Fully Implemented		Starting March 2018, the procurement of food commodities was done through Small Value Procurement by the Bids and Awards Committee supported with canvass and sales invoices. Petty Cash fund for dietary expenses was already liquidated on March 5, 2018. Cash Advance for special purpose (dietary expenses for March 1-15) was released to Dr. D. Baron on March 5, 2018, liquidated on March 14, 2018. Cash Advance for March 16-31 was released on March 15, liquidated on March 27. Same process on the release of Cash Advance on the succeeding months.
			Food and Drug Administration	Concerned officials to prepare justification/s	All Centers / Offices		Jun. 2018	Full Implementation		FDA Memorandum Circular No. 2018-002 was issued to provide guidelines on availment of expenditures on food.  Replies/justifications to AOM No. 2018-010 (17) were submitted to COA on 04 June 2018.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Bureau of Quarantine	Recommendations have been noted with appropriate action from the Management.	Admin			Fully implemented		The Bureau is strictly following the rules, regulations, procedural guidelines, policies on disbursement. All expenses incurred is at a reasonable cost.
			San Lazaro Hospital	Explanation relative to procurement of Laundry Services are provided to COA	HOPSS	May 2018		Fully implemented.	Submitted reports to COA are evidences to support that Laundry Services has undergone Public Bidding and Re-bidding. The recommendation to resort to Alternative Method of Procurement has been submitted due to failure of bids which is in pursuant to Rule XVI of the IRR of RA 9184. Laundry Services is very vital in the day to day operation of the hospital in particular the provision of clean and sanitized linens to patients admitted. The current manpower (Laundry worker) responsible for in house laundering	Letter of explanation submitted to COA with the supporting documents to indicate that the said services had been submitted for public bidding prior to the issuance of extension contract. Contract issued to NGL has expired last March 31, 2018. No extension contract issued. Due to failure of bids for laundry services for CY 2018, and the contract issued to NGL has been terminated, quotations from other laundry service provider by posting the invitation to other hospitals and PhilGEPS are secured. However, no interested bidder submits their intent. There are already reports of insufficient supply of clean linens since the laundering services is being done manually by only two laundry workers. The situation has been addressed to by procuring new linens to augment the numbers of linens being circulated in the clinical areas. Monitoring of the increased water consumption will also be done. Public bidding for laundry services for CY 2018 Failed Twice. BAC Resolution using Alternative Method of Procurement (Section 53, Rule XVI, 2016 revised IRR had been issued). ITB for laundry services posted at PhilGEPS, however, NO interested bidder submitted their intent

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

									<p>services cannot cope with the demands and had been exposed to high risks of hazard exposure. Laundry services had been outsourced, however, for the past three years no interested bidders had submitted their intent due to the nature of patients being admitted in the hospital, highly infectious and communicable diseases. It was only last August, 2014 when the New Generation Laundry Corporation had submitted its intent that the laundry services were outsourced. Extension has been undertaken due to circumstances beyond the agency's control and the procuring entity cannot award a new contract after the expiration in December 31,</p>	
--	--	--	--	--	--	--	--	--	--	--

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
									2014 due to the FAILURE result of series of public bidding and re-bidding conducted for that purpose. The extension contract has been issued using the same terms and conditions including the price per kilo which was not increase throughout the extension period is advantageous to the government.	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 2	<p>AOM 2017-007 The Management directed to stop the payments of premiums for GPAL and PHIC contribution to all JO-COS concerned and all financial obligations and claims shall be duly appropriated and authorized before processing.</p> <p>AOM 2017-009 The Management instructed the concerned employee to review payments for cellular phone and internet mobile allowance for the period and make the necessary adjustments.</p>	<p>Human Resource Management Unit</p> <p>Budget Unit</p> <p>Accounting Unit</p>	June 2017	Dec 2017	Fully Implemented		<p>AOM 2017-007 Payment of premiums for annual GSIS-Group Personal Accident Insurance and Philhealth contributions for Job Order personnel under Contract of Service was already stopped right after the AOM was received.</p> <p>AOM 2017-009 The excess payments of cellular and internet mobile allowance were already deducted in the October and November 2017 payroll.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Cagayan Valley Medical Center	The Pharmacy and the Therapeutics Committee meticulously reviewed the Project Procurement Management Plan to ensure timely and sufficient procurement of drugs and medicines. The hospital also entered into Memorandum of Agreement with Saint Paul Hospital for diagnostics and other laboratory tests not available in the hospital to comply with Philhealth Circular No. 0003 s. 2014 in the strengthening of the Implementation of No Balance Billing Policy. A petty cash was also strategized to address the needs of PHIC patients especially the NBB. Likewise, a Special BAC is also institutionalized for the procurement of medicines.	Pharmacy Section, Therapeutics Committee, Procurement Section and Bids and Awards Committee	February 2018 and onwards		Fully Implemented		
			Southern Isabela General Hospital	The documentary requirements are to be submitted. In addition, the program manager/program implementer will submit justification thereto considering the nature of the seminar	Dr. Imelda Cornel - Pediatric Department	1-Jul-17	1-Dec-17	Implemented		The documentary requirements have been submitted. In addition, the program manager/program implementer submitted justification thereto considering the nature of the seminar

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 3	not applicable - NO AOM issued						
			Dr. Paulino J. Garcia Memorial Research and Medical Center	1. EXCESS PAYMENT OF SUBSISTENCE ALLOWANCE - to refund the excess payment as soon as possible 2. DEFICIENCIES IN HADLING CASH ADVANCES OF FOOD STUFF - to direct Mrs. Valenzuela, head of the Dietary Section and BAC to procure food stuff in compliance to RA 9184.	1. MANAGEME NT/ FINANCE AND ALL PERSONNEL 2. DIETARY SECTION AND BAC	2018	ONWARDS	COMPLIED.	N/A	1. EXCESS PAYMENT OF SUBSISTENCE ALLOWANCE- Refund of the overpayment is now being deducted from subsistence payroll after all personnel were notified and consensus was taken. 2. DEFICIENCIES IN HADLING CASH ADVANCES OF FOOD STUFF- Food stuff requirements were already been posted to Philgeps.
			Talavera Extension Hospital	Maximize the utilization of hospital income to upgrade and acquire more needed hospital equipment. Monitor and procurement should not be based only on released GAA.	Budget Officer & Accountant II	March 2018	March 2018	Fully Implemented		Utilization of hospital income in accordance with prescribed rules and regulation
			Vicente Sotto Sr. Memorial Medical Center	Unless given substantial MOOE for patients, the hospital shall comply.  Offshoots of NBB shall be considered.  To consider that Operational Expense is high especially with the existing of the Malasakit Center.  Discuss with COA on the difficulty of the compliance thereof.	Chief Administrative Office  Finance Management Office	June 1, 2018	Dec 31, 2018	On-going consideration	Difficulty in compliance due to increasing expenses for drugs, medicines, hospital supplies and the like.	To consider that, there is still a difficulty to comply fully with the 25% requirement on hospital income retained for acquisition of hospital equipment needed to be used directly in the delivery of health care services pursuant to the GAA and DOH-DOF-DBM Joint Circular No. 2013-1 due to increasing operational expenses unless substantial MOOE shall be afforded to VSMMC.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 13	a) The management shall conform to established rules, regulations, procedural guidelines, policies, principles and practices and incur expenses at reasonable cost and moderate quantity to prevent disallowance in audit	Program Managers	Jan. 2018	Continuous Implementation	Fully Implemented		Program Managers are directed to establish detailed specifications/baselines and do market research specific to all requested logistic/services required from third party suppliers/contractors and not just rely on information/data gathered from the Central Office
DOH CAAR 2017 par. 302	<b>Procurement Law (RA No. 9184) and its RIRR not strictly observed</b> In 32 DOH Agencies, certain provisions of RA 9184 and its revised IRR were not observed and/or complied with in the procurement of goods and services amounting to P2,641.428 million	We recommended and Management of the concerned DOH Offices and retained Hospitals agreed to: a) require the BAC members, Procurement Officer and the Accountant to always ensure, in all instances, that the most advantageous price for the government/ hospital is obtained in every procurement activity;b) prepare and update the PPMPs and the APP; monitor the APP and implementation of the projects, if all are properly executed in consonance with the provisions of RA No. 9184 to efficiently and effectively carry out procurement activities and to avoid audit disallowance; andc) adhere strictly to the provisions of the Revised IRR of RA 9184 and other issuances related thereto, in all stages of the procurement of goods and	OSEC COBAC	1. Conduct of regular/ continuous trainings on the 2016 Revised IRR of RA 9184 and other related laws, policies and tools on procurement.2. Disseminate all-important GPPB issuances on procurement.3. Craft procurement guidelines, protocols and DOH Customized Procurement Manuals.4. Continuous professionalization of all BAC Members, Secretariat, TWG and all procurement personnel in DOH central offices, regional offices and hospitals.5. Conduct of monitoring and mentoring to ensure compliance in the provisions of RA 9184 and its 2016 Revised IRR for DOH Central Offices, regional Offices and hospitals.6. Ensure compliance of all DOH Central Office, regional Offices and Hospitals in regular submission of the Procurement Monitoring Report.	Procurement ServiceProcurement ServiceProcurement ServiceProcurement ServiceProcurement Service	Aug. 2018Aug. 20182019Aug. 2018	Sept. 2018Dec. 2018Sept. 20182019Dec. 2018	Not yet ImplementedFully ImplementedOngoingFully ImplementedNot yet ImplementedNot yet Implemented	.Need to prioritize the conduct of early procurement due to implementation of the Cash Based Program	1. One (1) training on 2016 Revised IRR of RA 9184 to be conducted on September 19-21, 2018.2. Nineteen (19) GPPB Resolutions/ Memorandum/ Circulars disseminated through the issuance of Department Memorandum/ Circulars.3. Ongoing updating of DOH Customized Procurement Manual4. Procurement practitioners sent by the Regional Offices and Hospitals (BAC members TWG and Secretariat) were provided with training on 2016 Revised IRR and RA No. 9184.5. Activity to be undertaken next year6. Submission of procurement Management Report (PMT) to be done every 14th CD after the semester to the GPPB.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		services to efficiently and effectively carry out the procurement activities and be guided by their approved APP to achieve transparency, competitiveness, equity, efficiency and economy and to avoid audit disallowances.	Bureau of Quarantine		Procurement Section	Jan 2017	Dec 2017	Fully Implemented		The Bureau is strictly following the provisions of the Revised IRR of RA 9184 in all stages of procurement including the meticulous preparation and updating of the PPMP's and the APP. This is to ensure that all procurement transactions shall be for the benefit of the Bureau.
			Dr. Jose Fabella Memorial Hospital	With regards to the construction of DJFMH Building, the Management is still in the process of evaluating the said project	Accounting Department/ HOPPS	Jan., 2017	Dec., 2018	On-going		Constant follow ups were made to the letter sent to the Health Facility Development Bureau and still in the process of evaluating the said project.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				for possible appropriate legal actions in connection with RA 9184 paragraph 10.1, Annex E.						
			Jose R. Reyes Memorial Medical Center					Fully implemented		<p>a. Complying with the RA 9184 in every procurement process specifically on Lowest Calculated Responsive Bid;</p> <p>b. Memorandum was issued dated March 26, 2018 for compliance of all concerns for the timetable/timeline of preparation of PPMP and APP for 2019, PMD Head is strictly monitoring the compliance of the issuance;</p> <p>c. The Hospital BAC adhered with the provisions of the Revised IRR of RA 9184.</p> <p>Please see attached:  -Copy of Memorandum dated March 26, 2018 (Re: Timeline for Preparation of Project Procurement Management Program (PPMP) and Annual Procurement Plan (APP) for 2019;  -PPMP and Indicative APP FY 2019 Preparation Status as of August 31, 2018</p>
			San Lazaro Hospital	1. BAC Secretariat to finalize complete details of the APP and Supplemental APP for CY 2016-2017	BAC Secretariat (CY 2016-July 2017)	Mar 2018	Onwards	Ongoing		<p>Submit APP and supplemental APP for CY 2016-2017.</p> <p>For CY 2018, BAC already finalized the details of the APP 2018. In addition, complete supporting/bidding documents are already submitted to Accounting and COA.</p> <p>Review of the policies in the planning and preparation of PPMP has been included in the Management Review and all concerned will be given orientation</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										on the Revised IRR of RA 9184 to properly guide them in the preparation, in order to improve the system of procurement.
			Research Institute for Tropical Medicine					ONGOING		Series of trainings and workshops already ongoing for the improvement of the procurement process of RITM.
			National Center for Mental Health	STRICT ADHERENCE TO PROCUREMENT LAW AND BE MORE CAUTIOUS NOT TO COMMIT THE SAME AOM	Gertrudes G. Sabaricos Chief, Procurement Section AND BAC MEMBERS	Mar. 2018	EVERY OPENING OF BID DOCS	Fully Implemented		STRICT COMPLIANCE TO RA 9184 AND BE MORE CAUTIOUS IN QUALIFYING PROSPECTIVE BIDDERS
			Rizal Medical Center	The management instructed the INFRACOM to submit the required explanation/ justification on observations and Contract document listed	Infrastructure Committee	March 2018	Sep. 2018	On-going		Coordination meeting was held last August 28, 2018; Deadline of submission of deficiencies/ required documents to COA will be on September 17, 2018
			RO NCR	NCRO Management observed the provisions of RA 9184 and its IRR.	DOH-NCRO	2018	2018	Implemented		The activities were procured in 2015 through 2 consecutive Public Bidding however the results were both BID FAILURE, hence it was reposted for Negotiated procurement through Government to Government since the Plaza Del Norte Hotel and Convention Center was owned by Provincial Government of Ilocos Norte managed by 88 Green.
			Valenzuela Medical Center	Bids and Awards Committee will ensure that drugs and medicines should be included in the regular public bidding activity of the hospital	Chief Pharmacist/Procurement Head/BAC	January 2018	Dec 2018	Partially Implemented	No bidders for small quantity and sometimes, failed bidding due to DPRI. Although some medicines are being procured thru Emergency	As per Pharmacy Unit is concerned, they have followed the recommendations of the auditor within their scope of duties and responsibilities. No reimbursements were made since the issuance of AOM no. 2017-010-101 (17). Although some medicines are being procured thru emergency purchase, public

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

										bidding for drugs and medicines is being conducted regularly.
			RO CAR	To ensure that no procurement shall be undertaken unless it is in accordance with the approved APP Program Coordinators to submit their Purchase Requests on time to enable the BAC to include their requests for bidding purposes. If not, consider according them stern warning for non-compliance. Observe public bidding in their procurement activities and resort to alternative modes of procurement only if justified by circumstances to ensure that the most advantageous and economical prices for the government are obtained.	BAC Secretariat Program Coordinators Program Coordinators	Immediately	Immediately	Fully Implemented Fully Implemented Fully Implemented		Procurement is now being conducted in accordance with approved APP or SAPP Memorandum No. 2018-010 to submit purchase request within 15 working days after the approval of WFP and APP, SWFP and SPPM Public Bidding as the default mode of procurement is being done. If the mode of procurement in the approved annual procurement plan (APP) is not followed, a BAC Resolution for alternative mode is being prepared
			Far North Luzon General Hospital	To strictly follow the guidelines and procedures provided under RA 9184.	BAC Chairman/Procurement Officer	Jan. 2018	Feb. 2018	fully implemented		Regular schedules of bidding were already planned. The management adhere that they will follow the audit recommendations guided with proper procurement process in all transactions.
			Luis Hora Memorial Regional Hospital	Conduct thorough planning in the acquisition of HFEP equipment to ensure effective and efficient implementation thereof.	Procurement Unit, Engineering Unit, Bids and Awards Committee			Fully implemented		Conducted regular monitoring and issued notice/advised contractors to fast track the completion of projects.
			Region 1 Medical Center	Management has complied with R.A. 9184/ Procurement Law	BAC, Procurement Office and HOPE	Jan. 1, 2018	Dec. 31, 2018	Fully Implemented		Strict compliance to procurement law

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 2	A unilateral termination recommendation containing all the items in the AOM was already approved by both the Chief of DATRC and this Office.	DOH-TRC BAC Infra Procurement Accountant	March of CY 2018	December of CY 2018	Partially Implemented	The contract with Erickvonne was already terminated while the confiscation of performance security is still in-process	The contract with Erickvonne was already terminated while the confiscation of performance security is still in-process
			Cagayan Valley Medical Center	The management agreed to abide with the COA recommendation and work out with the comprehensive review, evaluation of the actual site conditions, program of works and detailed estimates prior to project implementation for projects that are yet to be started. The management also submit to observe the mandate to evaluate performance of contractors using the NEDA Approved CPES Guidelines to ensure that our projects are implemented in accordance with RA 9184, its Revised Implementing Rules, other laws and regulations. Thus, the Bids and Awards Committee already submitted the contracts and other documents of the different projects undertaken by the hospital.	Engineering and Facilities Management Section and Bids and Awards Committee	February 2018 and onwards		Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Batanes General Hospital	Educate bonafide suppliers to strictly adhere/ observe the delivery period to avoid imposition of liquidated damages  Write formal letter to PPPI demanding immediate enforcement of MOA for continuous procurement with the company  Demand the concern supplier to open its LBP Bank account	Procurement & Property Section  BAC  BAC	'Jul 2018	'Sept. 2018	Fully Implemented  Partially Implemented  Fully Implemented		Communicate to the suppliers regarding the penalties to be imposed on failure to deliver w/in the prescribed period. Liquidated damages are now being imposed for late deliveries.  Already asked PPPI to furnish the office regarding documentary requirements to enter contract w/ BGH.  Supplier already complied. It has now existing LBP account under their company.
			RO 3	To fast track all procurement for 2018 projects before the end of the year.  To coordinate with the end-user (LGU's) and contractors to strictly comply with the set schedule in infrastructures completion.  To formulate and adopt CPES-based system of monitoring	BAC Chairperson  Engineer  Engineer	March 2018  March 2018  March 2018	December 2018  December 2018  December 2018	Ongoing  Ongoing  Ongoing		Ongoing bidding  Suspension and resumption orders are minimized  Already coordinated with BAC and contractors
			Mariveles Mental Hospital	a) To adopt competitive bidding as primary mode of procurement of goods and services; and to facilitate BAC about the consolidation of projects of the same nature so that procurement and implementation of various programs, projects and activities will be	Mariveles Mental Hospital	March 2018	Onwards	Fully Implemented	None	a) The primary mode of procurement of goods and services is through Public Bidding; and all procurement and implementation of various programs, projects and activities is in accordance with R.A. 9184.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>consolidated in accordance with R.A. 9184.</p> <p>b) To meticulously prepare the APP and the Annual Implementation Plan (AIP) to properly plan the procurement processes of the hospital.</p> <p>c) To exercise prudence in the selection of the mode of procurement; To make a written justification regarding resorting to alternative mode of procurement instead of public bidding and to follow strictly the RIRR of R.A. 9184.</p>						<p>b) Annual Procurement Plan and Annual Implementation Plan was meticulously prepared and properly plan the procurement processes.</p> <p>c)BAC exercises prudence in the selection of the mode of procurement; and made a written justification regarding resorting to alternative mode of procurement instead of public and followed strictly the RIRR of R.A. 9184.</p>
			Bataan General Hospital		BAC and Procurement Section			Fully Implemented		<p>The Bids and Awards Committee and BAC secretariat is efficiently attending and processing all the requests of the end users within the prescribed allowable period of action involving procurement activities.</p> <p>The management also highlighted the importance of Timely, Effective and Good Planning and discussed it with the end-users.</p> <p>The outsourcing of the other items with the PITC is due to extreme urgency called upon the situation. The very end of taking such action is to use the fund allocated for the purpose in the interest of public service. Otherwise, the very end of the issuance of the fund is defeated to the detriment of public service. Said action was taken considering the Principle that "Time is of the Essence"</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Batangas Medical Center		HBAC and Procurement Section			Fully Implemented	Not Applicable	HBAC meeting was held last Mar 2018 to re-emphasize to members the RIRR of the Procurement Law (RA9184) and ensure compliance to it all projects
			Hospital ng Palawan	Regular monitoring of the validity of warranty security and formulation of EFMS checklist for billing to ensure that warranty securities are properly posted.	EFMS Accounting	Jan	Dec	Fully Implemented		Prepared checklist of documentary requirements for billing of all the Hospital's current projects for compliance prior processing of final billing
			Bicol Medical Center	Monitoring Board for all the Contract Agreement issued and the likes is already requested for closely monitoring of compliance to the prescribed timelines set under RA 9184. Constant follow-up and reminder thru e-mail and dialogue with the supplier's representative will be done religiously. Require early submission of WFP and PPMP of all departments to consider one-year requirements. Early bidding for the CY 2019 requirements shall be conducted short of award before the year-ends. Conduct regular monitoring of compliance of suppliers to terms and conditions of the contract, submit report to the Management copy furnished Procurement Section and concerned end-users.	Staff of Procurement Section Pharmacy Section/ Procurement Section Materials Management Section	April 2018 May 2018 Oct 2018 April 2018		Partially implemented.		Monitoring of compliance of supplier is being conducted. WFP/PPMP for CY 2018 is still for review.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Bicol Regional Training and Teaching Hospital	1. To conduct meeting to discuss the deficiencies noted in the AOM. 2. To look into other measures that will be undertaken by the BAC and Accounting Office to avoid the deficiencies. 3. To submit the lacking documents.,	Euras g. Navera, Axel Arispe, Jayson Prades, Jayne M. Pardinias	April 1, 2018	May 31, 2018	Fully Implemented		
			Vicente Sotto Sr. Memorial Medical Center	Maintain that no irregularities in the procurement process of the said projects of the medical center.	Chief Administrative Officer  Finance Management Office  Accounting Office	May 1, 2018	Nov. 30, 2018	On-going		Meeting conducted to strictly comply with the provisions of RA 9184, its revised IRR and all applicable rules and regulations in carrying out the Medical Center's procurement activities/transactions.  Office for Strategic Management shall monitor compliance thereof.
			Eversley Childs Sanitarium	To revise APP if there are sub-allotments from DOH Central Office for the purchase of equipment's	BAC/BAC Secretariat	Oct. 1, 2018	Mar. 31, 2018	Fully Implemented		APP has been revised to include PPE's as required
			Eastern Visayas Regional Medical Center	Strict observance of the provisions stated in RA 9184 and its Revised IRR and other circulars.	BAC/ BAC Sec/ Procurement			Complied and Fully Implemented		
			Zamboanga City Medical Center		Accounting/ Finance			Fully Implemented		In compliance to the civil code rule and the recommendation of the auditors, we are already computing the liquidating damages including the last day of delay, since February 23, 2018

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 10	<p>a. To require the contractor to perform additional works without added cost;</p> <p>'b. To reprimand erring employees and issue stern warning;</p> <p>c. To intensify the conduct of the Detailed Bid Evaluation to avoid recurrence.</p>	<p>Regiona Bid and Awards Committee</p> <p>Personnel Section</p>	January	Jun. 2018	Fully Implemented		<p>- The contractor performed the additional work without added cost from the DOH RO X. Attached were pictures taken during validation from the Infra Unit of the work performed by the contractor.</p> <p>- The office immediately called the attention of concerned employees through a letter. (attached as Annex A)</p> <p>- One employee with stern warning was transferred to another unit.</p> <p>- Detailed bid evaluation were already conducted and now being intensified to prevent the occurrence of this scenario.</p>
			Mayor Hilarion A. Ramiro Sr. Regional Training and Teaching Hospital	<p>1. Hospital Management, Bids and Awards Committee, Procurement Management Office, Supply and Property Office will strengthen the Procurement Planning in order to address this matter. 2. Proper scheduling of Bidding Activities will be made and followed. 3. Improve procurement procedures in accordance to RA 9184 in order to ensure continuous supply of items and prudent use of the hospital's budget and resources.</p>	Procurement Officer and BAC Members	Jan 2018	Dec. 2018	Fully implemented		PPMPs are already updated and bidding schedules are already prepared in adherence to the provisions of the Revised IRR of RA 9184.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Southern Philippines Medical Center	Observe strict Compliance to the provisions of RA 9184 and its Revised IRR of 2016	Bids and Awards Committee, Procurement Office, BAC Secretariat	Jan. 2018	Dec 2018	On-going implementation		1. Bids and Awards Committee awarded the items to the supplier with the lowest calculated and responsive bid 2. Every July, the management requires an end-user to submit PPMP and the procurement office to prepare the APP and submit to the different offices.
			RO 13	a) BAC members, Procurement Officer and Accountants shall always ensure in all instances that the most advantageous price for the government is obtained in every procurement activity	BAC, Procurement Officer, Accountants	Jan. 2018	Continuous Implementation	On-going implementation		BAC Members, Procurement Officer and Accountants have been ensuring that in all instances the most advantageous price for the government is obtained in every procurement activity
DOH CAAR 2017 par. 306	<b>Lack of Information and Publicity of Infrastructure Projects</b>  Signboards containing detailed information of on-going PPAs with a total contract cost of P 1,465,948,093.95 were not installed at six DOH Agencies thus, relevant information on said PPAs was not made available to the public.	We recommended and Management of the concerned DOH Offices to direct the Head of Engineering Facilities Management Section to ensure that appropriate signage or signboards for on-going PPA's and those to be implemented in the current year are posted/ installed, where appropriate; and to strictly comply with COA Circular No. 2013-004.	Region 1 Medical Center	Complied with the requirements	BAC engineering Offices	From the start of the project	Up to the completion	Fully Implemented		Complied
			Veteran's Regional Hospital	We adhere to the audit recommendations.	Engineering Facilities Management/ Contractors	Mar. 1, 2018	Mar. 31, 2018	Fully Implemented		Complied.
			Batangas Medical Center		HBAC			Fully Implemented	Not Applicable	Appropriate and detailed signage's were installed for public information
			Ospital ng Palawan	Installation of all project billboards.	EFMS	Feb	Mar	Fully Implemented	-	Installed project billboards.  Forwarded report of compliance to COA thru a letter dated March 23, 2018.
			Corazon Locsin Montelibano Memorial	(1) Assign a point person which will take charge of the posting of PPAs (2) Ensure that all information regarding the PPAs of the	Head, EFM , HEPO	01/01/2018	12/31/2018	Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

			Regional Hospital	agency shall be made available to the public.						
			Basilan General Hospital	Audit Recommendations to be complied.	Engr. Marc Anthony P. Aparecio (Engineer II)			Fully Implemented		Letters were sent to contractors for the putting up of signboards. Discussed during meeting with contractors last July 3, 2018 and was clarified that construction site had signboards during initiation of project (2015).

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 313	<p><b>Denied/Disallowed PHIC Claims – P62,302,833.01</b></p> <p>Claims from the PHIC totaling P62,302,833.01 of 16 hospitals were disallowed/ denied due partial/ non-compliance with pertinent provisions of the RIRR of RA No. 7875 or the NHIA of 1995, as amended by RA Nos. 9241 and 10606, and relevant PHIC resulting to non-recovery of the expenses incurred by the hospital which depleted the hospital's income that could have been used to finance hospital operations in order to provide better health care services to the public.</p>	<p>We recommended and Management of the concerned DOH Offices agreed to require the BPS to:</p> <p>a) set a meeting with PHIC personnel to address the issues regarding the delayed posting of an updated information in the PHIC Portal and database;</p> <p>b) review carefully and thoroughly all claim forms for completeness and correctness of data prior to submission to the PHIC;</p> <p>c) continuous training and seminars to update themselves with current and best practices relevant to processing PHIC claims;</p> <p>d) fast track the use of E-Claims system to enable to provide more efficient way of verification, validation, processing and transmission of the PHIC claims;</p> <p>e) require doctors to regularly accredit themselves to the PHIC in accordance with existing regulations to guarantee reimbursement of professional fees and other hospital claims that will redound to the benefit of the hospital and its</p>	Jose R. Reyes Memorial Medical Center					Fully implemented		<p>a) We already had a meeting with PHIC Caloocan Branch dated July 16, 2018</p> <p>b) We already revised checklist for PHIC claims</p> <p>c) We have sent some employees that attended training for ICD-10 Coding and Round Table Discussions with PhilHealth</p> <p>d) We are now using E-Claims System in verifying, validation, processing, and transmitting of PHIC Claims</p> <p>f) We already sent demand letters to patients with denied claims</p> <p>g) We already have a tool in monitoring PHIC Claims through our PHIC System</p> <p>i) We are continuously sending appeal letters for denied claims</p> <p>j) We already have a tool in monitoring PHIC Claims through our PHIC System</p> <p>k) Coordination between Billing and Accounting regarding denied claims being done</p> <p>l) strictly abide with the provisions of Section 47e of the Revised IRR of the National Health Insurance Act.</p>
			Tondo Medical Center	To issue demand letter to patients were not reimbursed/ paid by PHIC To monitor the deadline set for filling and	FMOII/Philhealth Officer/Billing & Claims StaffPhilhealth	July 2018 July 2018 2018 July 2018 2018 July 2018 July 2018 July	Dec 2018 Dec 2018 2018 Dec 2018 2018 Dec 2018 Dec 2018 Dec	Fully Implemented Fully Implemented Partially Implemented Fully Implemented Fully Implemented	Training reported for ICD-10 was rescheduled to December 2018. h)Waiting for	<p>a) Meeting has been conducted to address issues on delayed posting in PHIC Portal Database</p> <p>b) Reviewed completeness &amp; correctness of data before</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>officials and staff;</p> <p>f) consider the issuance of demand letters to patients whose claims were not reimbursed/ paid by PHIC to at least recover partly, if not in full, unpaid hospital bills;</p> <p>g) monitor the deadline set for filing and appeals, to ensure payment/ collection thereof;</p> <p>h) require the Management Committee study the incurrence of all denied/ disallowed claims and formulate a policy/ guideline regarding the qualification standards on when to approve or deny usage of PHIC benefits to members;</p> <p>i) pursue the request for consideration/ appeal from PHIC for denied claims that are not the Hospital's fault, otherwise the amount of denied claims be charged against erring personnel;</p> <p>j) require the Accounting Division to check whether all discharges with PHIC deductions were filed with the PHIC;</p> <p>k) coordinate with Accounting for the reporting of denied/ disallowed claims promptly</p>		<p>appeals and to ensure payment and collection. To study the incurrence of all denied/disallowed claims and formulate a policy and guidelines about qualification standard To review and verify the correctness of submitted claims To furnish the Accounting Section with a copy of transmittal list submitted to PHIC.To furnish the accounting Section with the list of monthly denied/disallowed claims Strictly review and monitor all patients with Philhealth benefit.</p>	<p>h Officer/Billing &amp; Claims StaffPhilhealth</p> <p>h Officer/Billing &amp; Claims StaffPhilhealth</p> <p>h Officer/Billing &amp; Claims StaffPhilhealth</p> <p>h Officer/Billing &amp; Claims StaffPhilhealth</p> <p>h Officer/Billing &amp; Claims StaffPhilhealth</p> <p>h Officer/Billing &amp; Claims StaffPhilhealth</p> <p>h Officer/Billing &amp; Claims StaffPhilhealth</p> <p>h Officer/Billing &amp; Claims StaffAccounting Section/Philhealth</p> <p>h Officer/Billing &amp; Claims StaffAccounting Section/Philhealth</p> <p>h Officer/Billing &amp; Claims StaffPhilhealth</p>	<p>2018 Oct 2018 Jan 2018 Jan 2018 Jan 2018</p>	<p>2018 Dec 2018 Dec 2018 Dec 2018</p>	<p>Implemented Partially Implemented Partially Implemented Fully Implemented Fully Implemented Partially Implemented Fully Implemented</p>	<p>action/ approval PHIC Re: RTH Claims</p>	<p>submitting to PHIC. c)Forum with PHIC has already been attended to address issues and concerns regarding Philhealth Claims. Training of billing and Philhealth Staff are already being scheduled this coming December 2018. d)We are already using E-claims since January 2018. e)All TMC doctors are accredited to PHIC in accordance with existing regulations to guarantee reimbursement of professional fees and our hospital claims f) Still waiting for action/approval PHIC g) All RTH claims has been re-submitted to PHIC as of May 5, 2018. And almost 70% has been paid as of September 5, 2018. h) The Billing and claims personnel facilitate and strictly follow the guidelines regarding the qualification standards of PHIC. i) Continuous follow up from PHIC j) Accounting Section monitored and booked up the Summary Account Receivable and Summary of Collection of Account Receivable k) To draw Journal entry voucher to set up receiving from patients when claims were finally disallowed by PHIC. l) The billing and Claims Sections strictly abide with provision of section 47e of Revised IRR of the National Health Insurance.(please see attached Annex D)</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		once such claims has already been denied/ disallowed by PHIC so that Accounting can set-up the Accounts Receivables – PHIC Hospital Bill or Accounts Receivables – PHIC Drugs and Medicines in the books; and  l) strictly abide with the provisions of Section 47e of the Revised IRR of the National Health Insurance Act.			Officer/Billing & Claims Staff					
			Baguio General Hospital and Medical Center	Revisit existing policies	FINANCE/ BILLING UNIT	2017	2018	FULLY IMPLEMENTED		MANAGEMENT INCORPORATED SEVERAL CONTROLS
			Far North Luzon General Hospital	To prepare for the schedule of the dormant Due from GOCCs account and upon receipt of certification from PHIC for the non-payment of claims then the management will request authority to write-off from COA.	Accountant	March 2018	Dec. 2018	On going		The schedule of the dormant Due from GOCCs account had been made. To request certification form PHIC for non-payment of philhealth claims.
			Conner District Hospital	Billing and claims unit will review thoroughly all claims before submission; Access the e-claims system of PHIC.  Also, the Management implemented a strict monitoring scheme on PHIC claims.  2 Nurses was assigned at the B and C as manpower augmentation	Billing & Claims Unit	Sep 2018	Dec 2018	On going implementation	Lack of Manpower, Lack of Training of personnel	Already processing claims through the e-claims system of PHIC
			Dr. Paulino J. Garcia Memorial Research and Medical Center	1. Regular coordination meeting with philhealth. 2. File letter of appeal to Philhealth for claims that were erroneously denied by them.	Billing and Claims Unit	Jan-18	ONWARDS	Complied.	N/A	During one of the regular coordination meeting with Region 3 Hospitals and Philhealth, returned and denied claims were being discussed for clarification and for reference. It was found out that some returned claims were due to automatic tagging of Philhealth System without any basis and waiting for final decision from Philhealth Central Office, some were erroneously returned or denied and we were advised to

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										transmit it back to them, and some were uncontrollable by the hospital i.e. denied due to Single Period of Confinement. Nonetheless, we regularly evaluate the cause of the returned and denied claims and refile them or file an appeal.
			Batangas Medical Center		Accounting and Claims Section			Fully Implemented	Not Applicable	<p>a) Monthly meeting is held by the Billing and Claims Section to discuss issues and concern regarding the compliance on policies and rules governing the section</p> <p>b) A more thorough review of the submitted claim forms are being done by senior officers of the Claims section</p> <p>c) Schedule of seminars are being coordinated with PHIC</p> <p>d) E-claims processing is on-going</p> <p>e) Accreditation of doctors are being monitored and complied</p> <p>f) Patients with denied claims are sent with Demand Letters</p> <p>g) Claims are submitted with the prescribed period</p> <p>h) Denied Claims are consolidated and reviewed to be used as reference for the formulation of policies and guidelines</p>



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Vicente Sotto Sr. Memorial Medical Center	Recommendations to be adopted. Strengthened the PhilHealth processes and flowcharts: wards to PhilHealth for evaluation of documents for the case rate by VSMMC – PhilHealth Office that includes review, ICD -10 coding, case rates, RBU/BS prior to preparation of Statement of Accounts and Billing. Office for Strategic Management shall be mandated to monitor the submitted reports of PhilHealth Offices. Internal Audit Service Office shall be mandated to do operational audit on this matter.	Chief Administrative Office PhilHealth Office Office for Strategic Management Internal Audit Service	Feb. 1, 2018	Dec. 31, 2018	On-going	N/A	Established offices. Recommendations from the COA are adopted. Collaborative meetings had been conducted to prevent any denials/disallowance.
			Talisay District Hospital	Review claims carefully Request access to e-claims Review and Audit PHIC reports	FMO and Head of Billing/PHIC Head of Billing/PHIC Accounting	Jan 2018	Dec 2018	Fully Implemented	N/A	N/A
			Eversley Childs Sanitarium		Head-Billing and PhilHealth Section/Accountant	Jun. 1, 2018	Dec. 31, 2018	On-going		Followed-up PHIC for our reimbursements, e-claims has been practiced and documents are reviewed to minimize RTH/denied claims.
			Northern Mindanao Medical Center	No such Audit Observation in the CY 2017 NMMC Management Letter						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Mayor Hilarion A. Ramiro Sr. Regional Training and Teaching Hospital	1. All the staffs concerned were advised to strictly comply with the Philhealth requirements to ensure payment of claims. 2. To file letter of protest and request for review for claims denied beyond the 60 day statutory period for denied claims believed are errors done by Philhealth and not due to the negligence of MHARSMC staff. 3. To strengthen the procedure on interview during admission. 4. To send demand letters to patients/members with denied claims 5. Fast track full implementation of the Electronic Claims System (E-claims) in the hospital.	Chief Accountant, Head of Philhealth and Billing Section	Mar 2018	Dec 2018	fully implemented		Interview during admission is already strengthened. Meanwhile, demand letters for the said denied claims were already sent out to concerned patients/ members.
			CARAGA Regional Hospital	The management will devise a monitoring mechanism that will ensure proper compliance by the Billing Section in handling PHIC claims. The head of the Billing Section will be directed to review and evaluate the reasons for the denied claims through submission of Monthly Denied Claims Report, and apply possible remedies for the reconsideration of the denied claims by PHIC. This monthly report will guide the management on the applicable interventions to avoid recurrence of denied claims.  To direct the head of the	Head of the Billing Section  Head of the Billing Section  Head of the Billing Section	Mar 2018  Mar 2018	May 2018  Jun 2018  Jun 2018	Fully implemented  Fully implemented  Fully implemented		Monthly Denied Claims Report were already submitted to the management regularly.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				<p>Billing Section to assign personnel to follow-up, monitor and verify the status of transmitted claims in order to promptly address any problems concerning PHIC claims.</p> <p>To ensure strict adherence with the guidelines prescribed by the Revised IRR of the NHIC Act of 2013 and Philhealth Circular No.0002-2104..</p>						
			Adela Serra Ty Memorial Medical Center	<p>To address this concern, the ASTMMC established a PHIC Claims committee. Their main function is to review and evaluate the reasons of return to hospital claims and denied claims. They will also serve as a recommendatory body for solutions and improvement measures to address the PHIC Claims deficiencies and will be responsible for the monitoring of those recommendations. The billing section was already mandated to monitor all transmitted claims primarily monitoring those claims of which are still unpaid and due for reimbursements. A working paper/matrix was recently introduced to the billing and accounting sections for analysis of uncollected receivables.</p>	Billing Section, Accounting Section, PHIC Committee	Jun 1, 2018	Dec. 31, 2018	On-going Implementation		Analysis of uncollected receivable is on-going by the Accounting Section and sending of demand letters is underway.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 321	<b>Cash Advance of nine (9) DOH Agencies amounting to P12,149,260.44 remained unliquidated for more than one year as of December 31, 2017 contrary to the provisions of PD No. 1445 and COA Circular No. 97-002 dated February 10, 1997, thus casting doubts on the reliability and collectibility of the Advances to Officers and Employees and Advances to Special Disbursing Officer accounts.</b>	We recommended and Management of the concerned DOH Offices agreed and Accountants to:  a) immediately liquidate their outstanding cash advances and submit liquidation reports within the prescribed period;  b) require immediate settlement of the long-outstanding cash advances of the concerned employees; and  c. strictly observe the provision of COA Circular No. 97-002 on the grant, utilization and liquidation of CAs and ensure monitoring thereof.	OSEC ACCOUNTING					Fully Implemented		Demand letters were sent regularly for liquidation. Likewise, withholding of salaries is strictly implemented within the prescribed period
			TRC Bataan	The management will be sending out demand letters addressed to the accountable officers requiring the immediate liquidation of the cash advances. Likewise, timely liquidation of advances in accordance with existing rules and regulations will be reiterated to all accountable officers of this agency.	Accounting Section	Jan. 2018	May 2018	Fully Implemented		Demand letters had already been sent out to concerned officers and all cash advances granted for the year 2017 had already been liquidated to date. Also, strict adherence to the rules and regulations on the granting, utilization and liquidation of advances had already been reiterated in order to avoid delayed settlement/ liquidation of funds.
			Bureau of Quarantine		Accounting Section			Fully implemented		The Accounting Section adheres to granting of additional cash advance to employees once they have submitted their liquidation report for the previously granted cash advance. One of the Accounting staff monitors the timely liquidation of cash advances and prepares demand letter if necessary.
			Jose R. Reyes Memorial Medical Center					Partial implementation		LIRIO PALOMAR: Full implementation Php1,104,417.98 (JEV No. 2017-01-000636 dated 01/23/17) Php6,849.75 (JEV No. 2017-01-000637 dated 01/06/17) Php639,102.51 (Php22,825.07 JEV No. 2016-12-015945 dated 12/29/16 & Php616,277.44 JEV No. 2017-01-000637 dated 01/06/17) Php699,803.58, (JEV No. 2017-11-012940 dated Nov. 2017) Php435,348.08 (JEV No. 2017-11-012940 dated Nov. 2017) Php425,024.46 (JEV No. 2017-11-012970 dated Nov. 2017) Php96,403.50 (JEV No. 2018-07-002464) RACHELLE

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										<p>LUMAQUE:Php25,560.00 (JEV No. 2017-10-012332 dated 10/05/17)BONIFACIO VELASCO:Php9,470.00 (OR No. 2972577 dated Apr. 12, 2018) "ENRICO A. DE JESUS: Full implementation Php120,000.00 (JEV No. 2018-07-002451 dated July 24, 2018) MA. LUISA A. VENIDA: Full implementationPhp33,990.00 (JEV No. 2018-07-002448 dated July 24, 2018)ALICIA NAGUIT-SALAMANCA:Check No. 492894 dated March 26, 2013 – Php86,400.00Check No. 530440 dated May 20, 2013 – Php184,000.00MEMO: Reiteration on the submission of the necessary documentary requirements. dated May 30, 2018Follow up letter: dated July 3, 2018. (Still for follow up at Thundebird Resort and Boso-Boso highlands Resort for retrieval of the said transactions. Submitted request extension letter addressed to Ms. Nenette Monica Tadeo,State Auditor IV- Audit Team Leader for an extension on submission of needed documents.)</p>
			East Avenue Medical Center	For Compliance	Various Accountable Officers and Employees / Accounting Section	3/1/18	6/30/18	Fully Implemented		As of to date, all outstanding Cash Advances as of December 31, 2018 were liquidated and properly recorded in the books

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Quirino Memorial Medical Center		Ma. Luisa Cañeza/Accounting Section			Fully implemented		A request for write-off of long outstanding accounts was submitted to COA.
			Conner District Hospital	Require immediate liquidation of overdue unliquidated cash advances; Issue a Certificate of No Unliquidated Cash Advances prior to granting prepayments to ensure that the previous cash advance has been liquidated before granting another cash advance	CDH employees, Accountant			Implemented		Directed employees for the submission of their liquidation
			Cagayan Valley Medical Center	*The unliquidated cash advances of the Disbursing Officer had already been liquidated and submitted to COA Office and properly recorded in the books of the agency. The Disbursing Officer committed for immediate liquidation of all cash advances granted. **The Accounting Section currently observed issuance of demand letters to those concerned employees who were not able to settle their unliquidated cash advances and the outstanding balances of cash advances of some employees prior to retirement/resignation are deducted either from their last salary, terminal leave benefits and other available claim from the hospital. The Chief Accountant has	Cashier and Accounting Section	June 2017 and onwards		Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				assigned employees tasked to strictly monitor the grant and liquidation of cash advances to officers and employees, its proper recording in the books of accounts and monthly reconciliation of the balances of Advances to Officers and Employees account recorded thru the eNGAS. The Accounting section had already prepared journal entries for the necessary adjustments on the identified errors and unrecorded liquidation of cash advances and submitted the said entries to COA.						
			RO 6	a) Regular monitoring of advances b) Send demand letters to concerned employees c) Ensure prompt liquidation of cash advances	Accounting	Jul 2018	Dec 2018	Partial Implementation	b) Employees with long-outstanding advances can no longer be traced as the subsidiary ledger does not indicate there addresses and most of them are not employees of the agency and are no longer in service.	a) Cash advances made in 2017 were already liquidated in January 2018. B) Third follow-up demand letters will be sent out to long-outstanding advances with available addresses c) Current year cash advances were strictly monitored to ensure on-time liquidation.
	<b>Other Compliance Issues</b>									
DOH CAAR 2017 par. 329	<b>Disaster Risk Reduction and Management (DRRM) Program and Health Emergency Management (HEM) Program of DOH</b>  Contrary with provision of DOH Administrative Order (AO) No.	We recommended and Management of the concerned DOH Offices agreed to:  a) allot at least 5% of their MOOE for procurement of standby logistics in case of	OSEC HEMS	1. Closed monitoring and coordination with Disaster Risk Reduction in Health Managers on the implementation of 5% allotment from of Annual Budget for emergencies and Disasters to all DOH	HEMB and other concerned agencies	Jan 2017	Dec 2017	Ongoing		1. Memorandum No. 2018-0116 dated March 9, 2018 entitled "Funding Source for Disaster Risk Reduction and Management in Health (DRRM-H) at the Regional Offices was approved by Usec. Lilibeth David and disseminated all regional directors and Disaster

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	2012-0013 dated July 20, 2012, DOH Central Office have not fully utilized its appropriated funds for DRRM activities thereby leaving an undisbursed amount of P 57.747 million. Moreover, two DOH Agencies reported that they failed to allot at least 5% of MOOE for the DRRM Funds, three agencies with no formal plan of activities were allotted fund for DRRM and one agency did not comply with reportorial requirements for DRRM funds.	<p>disaster and prepare a plan for the utilization of the DRRM Fund;</p> <p>b) formulate a plan for disaster risk reduction activities to serve as a concrete basis in allocating funds from its regular appropriation for emergencies and disasters;</p> <p>c) direct the Budget Officer and the Accountant of the MRH to prepare the RAUD of the DRRMF sourced from GAA on a monthly basis and submit the same to the NDRRMC through the Office of the Civil Defense before the 5th day of the following month, copy the COA; and</p> <p>d) require the DOH CO to maximize the utilization of the DRRM Fund allotted, thru prompt execution and implementation of the planned activities during the year for optimum attainment of the NDRRMP and the HEMB program/project objectives.</p>		<p>hospitals and Regional Offices.</p> <p>2. A total of P350,0000,000 was requested and approved for realignment from MOOE for realignment from MOOE to Capital outlay for the procurement of various equipment for MARAWI and the procurement process is on going at PS-DBM.</p>					<p>Risk Reduction Management in Health (DRRM-H) Managers. Also, reiteration of the Department Memorandum 2016-0027 dated January 14, 2016 entitled "Five Percent (5%) Allotment of Annual Budget to Emergencies and Disasters" to all DOH Hospitals.</p> <p>2.The Health Emergency Management Bureau Central Office allocated 59.18% of its total MOOE budget for 2017 for the procurement of logistics.</p> <p>3. Close coordination with the PS-DBM focal persons for the status and development of the procurement of various equipment for MARAWI.</p>	
			RO 9	Allot at least 5% of the budget for DRRM	Charlou E. Peligro Planning Officer III Marlyn B. Taroy AOV (Budget) Maxel G. Bermas HEMS Coordinator	Aug 1, 2018	Sep t. 30, 2018	On-Going	Work and Financial Plan for CY 2019 not yet finalized	Conducted workshop for WFP formulation last August 16-17, 2018
			Margosatubig Regional Hospital	> a.) 5% of the MOOE was allotted for DRRM funds; > b.) formulated a plan for disaster risk reduction activities; > c.) Regularly prepare & submit report needed.	> a. & b.) HEMB > c.) Budget Officer & Accountant	Whole Year Implementation		Fully Implemented	Not aware of COA existing circular with regards to the preparation of separate report.	> Formulated a plan for disaster risk reduction activities > Prepared the report needed every month & submitted the same to the offices concerned for CY 2018.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Labuan Public Hospital	The HEMS Coordinate will formulate a plan for disaster risk reduction.  The formulate plan will be forwarded to Budget Office as a concrete basis in allocating funds from its regular appropriation for emergencies and disasters activities.	Chief of Hospital; Accountant; Budget Officer; and HEMS Coordinator	March 2018	Jun 2018	Fully Implemented	N/A	Submitted Management Plan to Budget dated March 15, 2018  Such copy will also be given to Audit Team.
			Basilan General Hospital	Strictly adhere to audit recommendations.	Dr. Rizalino Pajarito (HEMB Coordinator)/ Evangelyn V. Bugahod (Budget Officer)	Jan. 2018	Jan. 2018	Fully Implemented		HEMB Plan, which includes provisions for cases of disaster was submitted on January 2018.
			Mindanao Central Sanitarium	Direct the DRRM Coordinator to formulate plan of activities to have a solid basis of allocating funds.	• Chief of Hospital • Administrative Officer • Budget Officer • DRRM Coordinator	3/1/18	4/30/18	Fully implemented		Issued Office Memo to the concerned employees.  Conducted meeting with the Administrative Officer, Budget Officer, DRRM Coordinators and the Accountant re: Plan of activities and the related funds.  Plan submitted.
DOH CAAR 2017 par. 339	Gender and Development (GAD)  Forty-three DOH agencies allocated five percent (5%), 19 failed to allocate at least five percent (5%) of their total appropriation for their GAD plans and others had no reported data on GAD budget. Moreover, lapses/deficiencies were noted relative to the implementation of GAD activities that hampered the full attainment of the GAD objectives.	We recommended and Management of the concerned DOH Offices agreed to:  a) implement strictly the allocation of at least five percent of its annual budget for GAD activities and mainstream the GAD program with the hospital's projects to maximize the budget allocation for the benefit not only of the	OSEC HPDPB	Issued guidelines on the preparation of GAD Plan and Budget and GAD Accomplishment Report whereby "Salient Points of the PCW Memorandum Circular 2017-03 was highlighted to include GAD Costing and GAD budget attribution  Issued memorandum re: Monitoring of 1st Semester	GAD TWG/Secretariat  GAD TWG/Secretariat	October 2017  June 2018	January 2018  July 2018	Fully Implemented -Issued and disseminated to concerned units and offices  Fully Implemented - Issued and disseminated to concerned units and offices		Department Memorandum No. 2017-0431 "Preparation and Online submission of FY 2019 Gender and Development (GAD) Plans and Budget and FY 2017 GAD Accomplishment Report" was issued and disseminated to all DOH Central Office units and 12 MMHs last October, 2017.  Memorandum dated 20 June 2018

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		<p>employees/personnel but also the clients being served;</p> <p>b) direct the GAD Focal Person to formulate and prepare the annual GAD Plan on activities that can address, provide and pursue the full equality and development of the Agencies' personnel (men/women) as well as the patients served/catered as mandated by the GAD Program;</p> <p>c) prepare a workable time-table in implementing the program of activities of the agency to ensure that the set-up GAD Plan's program, projects and activities for the year are implemented; and</p> <p>d) require the GFP to monitor the implementation of the Gender Issues identified in the GAD Plan and Budget.</p>		Implementation of 2018 GAD Plan and Budget						<p>re: Monitoring of 1st Semester Implementation 2018 GAD GAD Plan and Budget was issued and disseminated to concerned DOH units on June 22, 2018.</p> <p>*As stipulated in the DOH response to Commission on Audit (COA) Audit Observation Memorandum–AOM 18-101-10 dated February 8, 2018 (submitted to COA on February 19, 2018):</p> <p>The DOH was able to submit the 2017 GAD AR on January 31, 2018 through the Gender Mainstreaming Monitoring System (GMMS) in accordance with the guidelines of the Philippine Commission on Women. The review of the GAD AR is scheduled between January - March 2018 as specified in the PCW Memorandum Circular 2017-03 which states that following Section 1.3.6 of the PCW Memorandum Circular 2017-03 (Annex A) on the Preparation and Online Submission of FY2019 Gender and Development Plans and Budget and FY 2017 GAD Accomplishment Reports and Other Matters "PCW-reviewed GAD ARs shall be authenticated by the GMMS with a barcode. Concerned agencies shall print the final GAD AR for signature of their agency head and submit signed copies to PCW and their respective COA Audit Team according to the schedule set under PCW-DBM-NEDA JC 2012-01 and COA Circular 2014-001, respectively."</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Bureau of Quarantine	The management was able to allot at least 5 % of its Annual Budget for GAD activities to mainstream GAD.	GAD Committee	Jan 2018	Dec 2018	Partially implemented	Mainstreaming GAD, we were able to create a policy which states that there shall be inclusion of Sex Disaggregated data in the monthly Accomplishment Report. There was partial delay in carrying out of this policy because this is being implemented nationwide. There are some Quarantine Stations which were not able to conduct their activity due to some monitoring constraints.	<p>The GFPS Secretariat received the GMMS Notification for revision of the DOH 2017 GAD AR on 2 May 2018. To date, we are coordinating with the different DOH concerned units and Metro Manila Hospitals in enhancing the GAD AR based on comments and/or suggestions of the PCW reviewer.</p> <p>Implementing Gender Mainstreaming Evaluation Framework (GMEF); all members of GAD Focal Point Persons were given assigned BOQ station nationwide. Each member or partner members gave reports on their output of assigned areas. This actual inspection of area and by hand-on orientation and re-orientation/tutorial of GAD Policies and PPA's and further identification of existing problems or obstacles of planned activities to undertake.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Jose R. Reyes Memorial Medical Center					Fully implemented		A copy of Accomplishment Report 2017 report was submitted to DOH and COA. Awaiting endorsement from PCW. Please find attached: - FY 2019 GAD Plans & Budget / FY 2017 GAD Accomplishment Reports
			San Lazaro Hospital	1. Continuous follow up of the SLH CY 2017 GAD Plan and Budget and the GAD Accomplishment Report	GAD Focal Point Person	May 2018	onwards	Delayed	Awaiting PCW Approved GAD Plan and Budget for CY 2017	<p>The DOH Health Planning and Policy Development Bureau will have organized a meeting to finalize CY 2019 GAD Plan and Budget last May 11, 2018 with GAD Focal Point Person of the different DOH NCR Hospitals and the Philippine Commission on Women (PCW). SLH GAD Focal Point Person followed up status of approval of previously submitted reports. Compliance to COA Circular No. 2014-001 relative to the submission of the Annual GAD Plan and Budget will likewise be raised on the meeting.</p> <p>The GAD Focal Point Person through the Public Health Office will continuously follow up the approval of PCW of the SLH CY 2017 GAD Plan and Budget and the GAD Accomplishment Report. A report will be provided as soon as it will be approved by PCW.</p>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			National Center for Mental Health	CONTINUE TO ALLOCATE AT LEAST 5% OF TOTAL APPROPRIATION FOR GAD ACTIVITIES	Hyacinth C. Manood Focal Person, GAD	Mar. 2018	MONTHLY ROUTINE	Fully Implemented		May we draw your attention to Section 30 of Republic Act 10924, otherwise known as the General Appropriations Act for CY 2017, to quote "All agencies of the government shall formulate a Gender and Development (GAD) Plan designed to address issues within their concerned sectors or mandate and implement the applicable provisions under R.A. No. 9710 of the Magna Carta of Women. The GAD Plan shall be integrated in the regular activities of the agencies, which shall be at least five percent (5%) of their budgets." Therefore the excess is allowable because 5% is the minimum allocation.
			Rizal Medical Center	The Management shall strictly comply with the guidelines in the formulation and submission of annual GAD plans and budgets and GAD accomplishment reports prescribed under PCW-NEDA-DBM Joint Circular 2012-01 to implement the Programs/Projects related to GAD provided in the General Appropriations Act.  Reconstituted the GFPS Steering Committee on the second qtr. Of 2017 and the Technical Working Group on first quarter of 2018	GAD Committee	2018	2018	Fully implemented		Rizal Med Revised GAD Plan and Budget per PCW's comments submitted to DOH-Central Office on 4 May 2018  HPO No. 2018-0149 dated 22 February 2018 re Designation of Rizal Medical Center Officials and Technical Staff as Members of the Gender and Development Focal Point System (GFPS)
			National Children's Hospital					on-going		The management, with the newly reconstituted GFP and TWG last October 2017, shall ascertain strict implementation of the GAD activities in consonance with the submitted GAD plan and budget of

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										the present calendar year. To further ensure alignment of the activities and programs with the original GAD budget and plans, directives from the management in coordination with the GFPS shall be enforced. Key persons from the GFPS shall be identified for a more stringent monitoring of GAD activities. Monthly GFPS meetings shall also be conducted. In line, members of the GAD Focal Point System underwent training on "Gender Analysis and Mainstreaming and Planning Workshop" last January 3-5, 2018 to improve its preparation of the GPB. In addition, the GAD GFPS shall be in constant coordination with the DOH HPDPB and PCW for guidance and for proper conduct of GAD.
			Conner District Hospital	Mobilize more resources for GAD related activities  Incorporated in different hospital services	GAD Committee/Accounting/Budget	Sep 2018	Dec 2018	Partially Implemented	MOOE budget of the hospital is not sufficient to accommodate the 5% of the total GAA to GAD related activities.	The hospital are conducting programs related to GAD.  GAD focal point person to ensure completeness of data on the accomplishment report.
			Ilocos Training and Regional Medical Center	Gender and Development Plan are prepared annually and 5% of the total budget is provided for the GAD programs, activities and projects. The utilization of budget is being monitored to comply with the provisions of Joint Circular No. 2004-1	GAD Committee, Medical, Nursing, Administrative and Finance Divisions	Jan 2017	Dec 2017	Fully Implemented	N/A	The agency's fund allocation and utilization rate for GAD expenditure reached 8.62% for CY 2017 as reflected in the agency's Annual Gender and Development (GAD) Accomplishment Report for CY 2017 which is above the minimum required rate of 5%.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Veteran's Regional Hospital	We adhere to the audit recommendations.	GAD Focal Person	Jan. 1, 2018	Jan. 31, 2018	Fully Implemented	n/a	Accomplishment Report Submitted on January 24, 2018.
			Batangas Medical Center		Gender and Development and Medical Social Welfare Department (MSWD)			Fully Implemented	Not Applicable	Allocation is being monitored
			RO 4B					Fully Implemented		
			Bicol Medical Center	a) The GAD Point Person shall coordinate with Budget Section for budget utilization. b) Conduct regular monitoring of GAD Accomplishment based on GAD Plan and submit such report to Budget Section. c) The Budget Section shall ensure that activities funded under GAD should be properly monitored against plan.	GAD Point Person	April 2018		Partially implemented		Partial Accomplishment Report were submitted to COA on May 31, 2018.  Data generation from concerned sections is on-going.
			Bicol Sanitarium	1. Reconstitute GAD Committee to focus on GAD issued and concerns and assign a GAD Focal person  2. Send a representative to COA trainings on GAD to properly prepare and implement GAD Pla and Budget  3. Direct the GAD Committee to formulate and prepare annual GAD Plan	Gerovee B. San Andres / Head of Administrative Division	Jun 2018	Dec 2018	Ongoing	Resignation of members of the reconstituted GAD Committee becomes a challenge and requires another reconstitution	2 GAD Committee members were sent to attend the COA's training for GAD  The management is currently identifying who will be taking over the vacated slots in GAD Committee, the real gender related issues in the agency and the monitoring of GAD Plan and budget

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				and workable timetable  4. Monitor the implementation of GAD Plan and Budget						
			Labuan Public Hospital	Organize a Technical Working Group for GAD.  Provision of counseling space for concerned employees within LPH premises.  Possibility of having database and survey questionnaire where crucial questions will be asked related to GAD. The responses could serve as a tool to analyze the work performances, ethics, and behaviors of the concerned employees.	OIC-Chief of Hospital, Administrative Officer V, and GAD TWG	Jan 2018	December 2018	Partially Implemented	The Technical Working Group does not function as prescribed under PWC-NEDA-DBM Joint Circular 2012-01.	Thorough review of functions of the Technical Working Group in order for it to implement the GAD activities effectively.  Temporary rooms were provided for counseling on the 2nd floor near the Nursing Service Office.
			Amai Pakpak Medical Center	Regular monitoring in the implementation of GAD Activities and the required reporting of results by the GFPS.	Omaima M. Atar - Planning Officer Owaida M. Macud-Budget Officer Anna Najieva Bantuas-Lucman-Accountant IV	Jan 2018	Jun 2018	Fully Implemented		Purpose of GAD expenditure were specifically defined in the voucher for purposes of recording and monitoring. -Maintained a separate monitoring report and subsidiary/separate records of GAD activities at the Budget Office and Accounting Office, respectively.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Cotabato Regional and Medical Center	1. undergone GAD Training 2. Have sought assistance from PCW through coaching 3. Awill furnish copy of GAR to COA audit team on time	Top Management	3/9/18Jan. 2018	3/10/18Dec. 2018	Partially Implemented Ongoing	CRMC GAD documents still PCW. Waiting for endorsement	GAD GPBs will be submitted to Audit team upon approval by the PCW Will submit said report on time
DOH CAAR 2017 par. 345	<p><b>Compliance with Insurance of Government Property with GSIS under Republic Act (RA) No. 656, otherwise known as the "Property Insurance Law"</b></p> <p>Forty one DOH agencies have complied the Property Insurance Law while 32 agencies disclosed their payment of premiums to GSIS amounting to ₱57.397 million, thus compensation in case of damage or loss of their properties are assured. However, 11 agencies reported lapses in the implementation of GSIS Property Insurance Law.</p>	<p>We recommended and Management of the concerned DOH Offices agreed to:</p> <p>a) facilitate the insurance of the identified insurable properties of the agencies under DOH by allotting an additional fund in their budget to finance the required cost of insurance to be able to be compensated or indemnified against any loss or damage suffered by its property due to theft, fire or any fortuitous event pursuant to the provisions of COA Circular No. 92-390 dated November 17, 1992 and RA No. 656.</p> <p>b) instruct the Supply Officer/ Budget Officer to properly coordinate with the GSIS for the necessary requirements in the insurance of these property and equipment.</p>	TRC Dagupan	Insurance application with GSIS all uninsured assets	Supply Section	Feb.2018	Feb.2018	Fully Implemented	Not Applicable	Promptly insured all insurable assets effective Feb. 19,2018
			TRC Isabela	Fund for the insurance fee already included in the Working Financial Plan 2019, it is to be coordinated for the assessment and eventual insurance with the GSIS	Supply Section	Annually		Partially Implemented	No allotment for 2018	Activity for the insurance of the properties with the GSIS is already included in the WFP for 2019
			TRC Camarines Sur	Confer and coordinate with General Service about the flow/procedure in insuring PPEs of the center.	Engr. Francis L. Tipanero	March 2018	On-Going Implementation			Coordinated with the Materials Management Supply Section in identification of the properties of the Center.
			Dr. Jose Fabella Memorial Hospital	Insurance of all Insurable properties of DJFMH for the period 2017 to 2018 were already paid.	Budget Office/ Procurement Service	Jan.,2017	Aug., 2018	Fully Implemented		Insurance of all insurable properties were paid.
			RO NCR	Properties and Equipment's are to be insured after classifying and determining its value.	Supply Section	March 2018	Dec 2018	Partially Implemented		<ul style="list-style-type: none"> <li>- Motor vehicles and cold chain equipment insured.</li> <li>- Classification of equipment are on-going in preparation for processing of insurance by Supply Section</li> <li>- Coordination with DOH-Central Office regarding ownership and insurance of NCRO building by Supply Section to be done. To date, no proper turn-over yet has been done by DOH-Central Office to NCRO.</li> </ul>

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Baguio General Hospital and Medical Center	Insure all properties of the hospital	Finance Services and HOPSS	2017	2018	FULLY IMPLEMENTED		Insured subject properties by check no. 60816712 dated June 04, 2018
			Ospital ng Palawan	Facilitation of corrective measures to be compliant with the provisions of Republic Act No.656 otherwise known as the "Property Insurance Law" as amended by Presidential Decree No. 245 dated July 13, 1973.	MMS SAO	Mar	Jun	Fully-Implemented	-	<ol style="list-style-type: none"> <li>1. Coordinated with GSIS on appropriate course of action to be taken.</li> <li>2. Convened all responsible Section Heads (Materials Mgmt., Accounting &amp; Budget) last March and discussed the action steps to be carried-out in the next four months (March-June)</li> <li>3. Updated/completed inventory of PPEs;</li> <li>4. Reconciled valuation of insurable PPEs based on the updated net book value indicated on the property ledger of the Accounting Section.</li> <li>5. Submitted Property Insurance Application with the GSIS last March 27 for insurable PPEs not included in the Dec 22, 2017 to Dec 22, 2018 property insurance.</li> <li>6. Paid the insurance premiums based on the submitted Fire Insurance billing by GSIS for the period May 2, 2018 to May 2, 2019</li> <li>7. Formalized request to GSIS, as follows: <ul style="list-style-type: none"> <li>• re-computation of insurance premiums based on the updated net book value of insured PPEs for the period December 22, 2017-December 22, 2018;</li> <li>• Pro-rated computation of premiums for the December 2017-December 2018 insured PPEs to cover the period December 23, 2018 to May 1, 2019 for simultaneous renewal of all issued</li> </ul> </li> </ol>
				Inclusion of insurance premium expenses in the annual appropriation for each fiscal year.	Budget	Mar	Jun	Fully-Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										<p>PPEs by May 2, 2019.</p> <p>8. Issued administrative issuance to the Materials Management Section on the conduct of inventory based on the prescribed timeline.</p> <p>Submitted the Cluster Deliberation (CD) Form 2, MOOE Tier 2 Proposal FY 2019 for insurance premium expenses (PhP 2.5 Million)</p>
			Culion Sanitarium and General Hospital	Submission of application for insurance to GSIS	Property and Supply Unit			Partial/ On-going Implementation		Documents required for the application of insurance is for completion Submission of the said documents to GSIS is scheduled on Sept. 21, 2018.
			Bicol Medical Center	Insurance coverage for CY 2018 was increased for the acquisition of PPE for CY 2017. Insurance coverage for the ensuing years will be adjusted based on the actual physical count of PPE being conducted by Materials Management Section (MMS) which will also serve as basis for the reconciliation of accounts between	VICENTE O. BIEN, AO III, MMS	3rdQ, CY 2018		Not yet implemented	On-going assessment of PPE (as functionality and value) for inclusion in the insurance coverage	To conduct actual physical count of inventories.
									P1.357 billion includes Motor Vehicle, CIP and semi-expendable inventories not yet reclassified.	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Western Visayas Sanitarium	The agency is currently undergoing inventory assessment of all insurable items (e.i., land, buildings, etc.) since the determined items cannot be validated and is not supported by documents. Though savings may have been derived from it, rest assured that a budget will be allocated to insure the items after inventory assessment as discussed during training sponsored by the DOH on the National Asset Registry System.	Budget/Supply Officer	1/1/18	12/31/18	Partially Implemented	Previous Assessed value of insurable items (e.i., land, buildings, etc.) in CY 2013 cannot be validated and is not supported by documents at hand.	Currently undergoing the assessment of inventoriable items (e.i., land, PPE, etc.) for proper valuation to coincide with the books of accounts and allotment of budget for the insurance for the said items in accordance with the Property Insurance Law
			Southern Philippines Medical Center	We will apply for insurance coverage for various buildings and/or facilities of the hospital.	Dr. Leopoldo Vega/ Medical Center Chief; Mr. Ricardo SD Justol/ Chief Administrative Officer; Ms. Barbara Cezar/ Chief Finance Officer	Mar 2018	Dec 2018	On-going implementation	GSIS will further evaluate the insurance coverage of various buildings and/or facilities of the hospital.	Letter of the application of insurance coverage was made and received by GSIS last March 8, 2018. We will just wait for their evaluation and quotation to make the necessary payments.
DOH CAAR 2017 par. 353	<b>Compliance with Tax laws, rules and regulations</b>  Twenty DOH Agencies failed to comply to tax rules and regulations as provided under BIR-RR No. 2-98, as amended by RR No. 10-2013, dated May 2, 2013, 10-2008 dated July 8, 2008, as amended and RR No. 14-2013 dated September 20, 2013.	We recommended and Management of the concerned DOH Offices agreed to:  a) religiously remit to BIR all taxes withheld within the prescribed period to avoid penalties;  b) continue tracing back the nature and details of	TRC Bicutan	The Agency is currently tracing the back the prior year reconciling items and remitting all the withheld taxes accordingly.	Accounting Section	Jun. 2018	Dec. 2018	a. Fully Implemented b and c. On going d. Fully Implemented	Issue on lack of manpower which we've already communicated with the Management.	Prioritize reconciliation of Due to BIR accounts especially 2017 transactions.
			Bureau of Quarantine		Accounting Section	Jan 2018	Dec 2018	Partially implemented		The reconciliation of the account is still on-going.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

		the prior years' balances and investigate/ verify the source/ existence of the negative/ unreconciled/ over remittance and abnormal debit balances which reduced the year-end balance of the account Due to BIR and effect the appropriate adjusting entries immediately in the ensuing year if warranted;	East Avenue Medical Center	For Compliance	Accounting Section	6/1/18	12/31/18	On-going		The management instructed the accounting section to reconcile balances affecting BIR Taxes
		c) Accounting staff in-charge on the remittance of taxes to BIR, to trace and verify the over-remittance specifically those on Individual Tax and adjust accordingly; and	Research Institute for Tropical Medicine					ONGOING		Effective June 2018, accounting staff in-charge on BIR remittance and bookkeeper conducts reconciliation prior to filing of tax returns. Further, a new JO was hired in July 2018 and was assigned to reconcile tax remittances from CY 2017 onwards. On the other hand, unremitted taxes prior to CY 2017 will be part of the reconciliation procedures to be undertaken after the installation of the e-NGAS and creation of a more stable financial reporting section of the Accounting department.
		d) comply with applicable provisions under Tax Reform for Acceleration and Inclusion (TRAIN) Law to ensure that appropriate taxes are withheld and remitted promptly to avoid loss of government funds.	Rizal Medical Center	Not applicable						
			Quirino Memorial Medical Center		Manilyn Umandap/Accounting Section	Sept 2018	Dec 2018	Partially Implemented	Retrieval of documents ongoing.	a-d) Reconciliation of 2014 transactions currently being done.
			Amang Rodriguez Memorial Medical Center	To reconcile the due to BIR and ensure that all withheld are remitted	Accounting Section	Jan 2018	Apr 2018	Fully Implemented		We have already reconciled the due to bir account and the related amount has been accounted for and remitted and recorded in the books.
			RO NCR	Accounting Section to check and reconcile the available data to properly address the said audit observation.	Accounting Section	March 2018	Dec 2018	On-going		Reconciliation of Due to BIR are on-going.
			Las Piñas General Hospital and Satellite Trauma Center	Management directed the Accounting Section to conduct reconciliation of account and remit any deficiencies to BIR	Accounting Section	January 2018	June 2018	Fully implemented		Analysis by the Accounting Section of the account revealed that the unreconciled balance entered for 2017 represents balances of prior year which were duly remitted by the hospital yet not reflected accordingly in the books of

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										accounts until the setting up of balances in the e-NGAS. Likewise, the abnormal balance of P360,095.12 represents prior year transactions whose withholding taxes were remitted in 2017 but no corresponding set up in the beginning balance. Included also is the said balance is the difference in the rounding of decimal point by the BIR system against the e-NGAS system and the duplication of the subsidiary ledgers in the e-NGAS system. Necessary adjustments were reflected in the e-NGAS system to correct such errors. Balances of the account Due to BIR eventually reflect withholding taxes for the month of December 2017 which are duly remitted the succeeding month.
			San Lorenzo Ruiz Women's Hospital	Due to BIR Accounts pertain to amounts withheld from employees' salary for the month of December 2017. Same amount were remitted on time to the pertinent Agencies on the following year.	Accounting Unit	2018	2018	On-going		All Inter-agency payables for 2017 have been remitted on 2018.  SL for inter-agency payables are being reconstructed
			Conner District Hospital	The management had required the accountant to analyze the balances of the Due to BIR account and ensure remittance of all withheld taxes.	Accounting	October 2018	December 2018	Partially Implemented	Problem with PY balances is traceability of documents. High turnover of accountant	
			Zamboanga City Medical Center	Not found in ZCMC Management Letter CY2017						
			Labuan Public Hospital	The Accounting and HR shall:	Chief of Hospital; Accountant;	Mar 2018	Jun 2018	Fully implemented	N/A	The Accounting and HR adhered to existing tax laws, rules and regulations and ensure that

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				<p>a) Recomputed its employees' Withholding Tax on Compensation for the current year for conformity with the RA No. 10963 Tax Reformation for Acceleration and Inclusion (TRAIN LAW);</p> <p>b) Apply the Monthly Tax Table for semi-monthly payroll period;</p> <p>c) Properly exempt taxes that fall under De Minimis Benefits, and</p> <p>d) Strictly adhere to existing tax laws, rules and regulations and ensure that appropriate taxes are withheld and remitted promptly to avoid loss of government funds.</p>	and HR Officer					appropriate taxes are withheld and remitted promptly.
			RO 12					Fully Implemented		The accounting section has already computed the tax based on the recommendations of this findings. The adjustment to tax of the employees is effective March of this year.
			RO 13	<p>a) BIR taxes withheld shall be religiously remitted</p> <p>b) verification of the existence of unreconciled balance shall be reconciled</p> <p>c) strict compliance to TRAIN law shall be continuously implemented</p>	Accountant III/Accountant II/Personnel	Jan. 2018	Continuous Implementation	On-going implementation		BIR Taxes have been religiously withheld and remitted to the BIR and TRAIN las have been strictly implemented
			CARAGA Regional Hospital	not found in ML						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken	
						From	To				
DOH CAAR 2017 par. 362	<b>Compliance with GSIS Act of 1997</b> The withheld employees' premium contribution of the 31 DOH Agencies totaling ₱22,298,495.57 were not remitted to the GSIS within the prescribed period, thus, exposing the DOH to penalties and most importantly jeopardizing the privileges and benefits accorded to its member-employees.	We recommended and Management of the concerned DOH Offices agreed to require their Accountants to:  a) deduct the correct GSIS contributions/ premiums of its officials and employees including employer's share of life & retirement premiums and remit the same to the GSIS;  b) exert extra effort to ascertain and locate the supporting documents pertaining to unremitted GSIS deductions of personnel on prior years, analyze and reconcile the accounts, and effect remittance, if warranted; and  c) comply strictly with GSIS Regulations on the withholding and remittance of deductions on employees' and employer's share of life and retirement premiums.	OSEC HHRDB-PAD	a. To deduct the correct GSIS contribution of officials and employees of DOH-Central Office  b. To coordinate with Accounting Division through meeting relative to the supporting documents of remittances on prior years.	AS-PAD	Aug. 18		Fully Implemented		a. Conducted reconciliation of previous account vis-a'-vis remitted amount  b. Remit to GSIS the reconciled amount taken	
			TRC Bicutan	We will comply.	Accounting Section & Human Resource Management Section	Jan. 2018	Nov. 2018	a. Fully Implemented b. Not yet Implemented	b. Lack of manpower.	Current year already reconciled. However, prior year balances is still for recon until November 2018.	
			TRC CARAGA	Not applicable							
			Food and Drug Administration						Full Implementation		As per CAAR CY 2016 only the amount of P136,632.18 was not remitted to the GSIS. Part of the amount is the unremitted balance at the end of the year. This has been partially reconciled together with the balances of Due to PAG-IBIG and Due to PHILHEALTH.
			Bureau of Quarantine		Accounting, Personnel Section	Jan 2018	Dec 2018	Partially implemented			The reconciliation of the account is still on-going.
			Dr. Jose Fabella Memorial Hospital	The Management had instructed the concerned department to correctly deduct and properly remit GSIS	Accounting Department/ HOPPS - Payroll Unit Accounting	Jan., 2017 Jan., 2017	Jan., 2017 Jan., 2017	On-Going On-Going			The concerned departments implemented the correct deductions for GSIS premiums and contributions and timely remittance is being observed.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				contributions/premiums of its officials and employees. The Accounting Department is currently updating the prior years unremitted GSIS deductions as of the current date. The Accounting Department complies strictly with GSIS Regulations on the withholding and remittance of deductions on employees' and employer's share of life and retirement premiums.	Department/ HOPPS - Payroll Unit Accounting Department/ HOPPS - Payroll Unit					The Accounting Department had already reconciled the unremitted GSIS Contributions. The remaining unpaid balances are still in the process of review. The accounting Department strictly adhered to GSIS Regulations thus correct amount and timely remittance is being observed.
			Rizal Medical Center	Not applicable						
			Quirino Memorial Medical Center		Miramar Hilomen			Fully implemented		Correct GSIS contributions/premiums already reflected in payroll; required withholding and remittance of deductions made according to the GSIS billing schedule.
			Amang Rodriguez Memorial Medical Center	To ensure that correct contribution of premiums are deducted and remitted to GSIS	Accounting Section	Jan 2018	Sep 2018	Ongoing		the premiums before 2017 are still being looked into and is reconciled. Rest assured though that Sept 2017 onwards remittances has been reconciled and all are remitted to GSIS.
			National Children's Hospital							Reconciliation is being done by HRMS with the Statement of Account from GSIS. Any, unpaid validated shall be paid.
			RO NCR	To remit the exact amount of contributions to GSIS and deduct to employees the exact amount of billings received from GSIS.	Personnel and Accounting Section	March 2018	Dec 2018	Implemented		1. Upon thorough analysis was done and observed, total contributions of officers and employees are fully remitted. Hence, no interest nor penalties are to be implied. Reference JEV Nos. 2017-01-000285; 2017-02-000791; 2017-04-001745; 2017-02-000791.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Las Piñas General Hospital and Satellite Trauma Center	Management directed the Accountant to seek clarifications from the GSIS regarding the unpaid government shares and determine the adjusted/correct balance thereof.	Accounting Section	January 2018	June 2018	Fully implemented		Management directed the Accountant to seek clarifications from the GSIS regarding the unpaid government shares and determine the adjusted/correct balance thereof. Management had paid already the outstanding balance applied to Government Share. A Memorandum of Agreement for the settlement of the Personal Share is for approval between the hospital and GSIS.
			Dr. Jose N. Rodriguez Memorial Hospital	The unremitted portion of GSIS deductions amounting to Php112,568.77 as of December 31, 2017 represent deductions from the first salaries and salary differential of newly hired and promoted employees of this office. This was remitted in the ensuing month.	Accountant IV	Jan-18	Jan-18	Fully Implemented		Remittance in the ensuing month.
			San Lorenzo Ruiz Women's Hospital	Due to GSIS Accounts pertain to amounts withheld from employees' salary for the month of December 2017. Same amount were remitted on time to the pertinent Agencies on the following year.	Accounting Unit	2018	2018	On-going		All Inter-agency payables for 2017 have been remitted on 2018.  SL for inter-agency payables are being reconstructed
			Valenzuela Medical Center		Accountant/H RMO Head			Fully Implemented		We are remitting GSIS premium Contributions on time. No history of penalty charges due to delayed remittances.
			Baguio General Hospital and Medical Center	Remit all premium contribution	Finance Services and HOPSS	2017	2018	FULLY IMPLEMENTED		Remitted all Premium Contributions

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Ilocos Training and Regional Medical Center	To strictly comply with the provisions prescribed in the IRR for GSIS Act of 1997.	Human Resource and Accounting Office	Jan 2017	Dec 2017	Fully Implemented	N/A	Remittances for GSIS contributions and loans were done monthly and within the set deadline. Moreover, the Accounting Office is doing a monthly reconciliation of all remittances in close coordination with the Human Resource Department. The Accounting and Human Resource Department are working together to monitor all the remittances.
			Batanes General Hospital	a) Mandatory enrollment of membership numbers for newly hired employees before their assumption to duty.  b) Non-inclusion to General payroll unless Membership number is identified	HR	Jan	Dec	Partially Implemented		Remitted 2017 GSIS pending remittances.
			RO 3	not applicable - NO AOM issued						
			Bicol Regional Training and Teaching Hospital	1. To conduct reconciliation of accounts. 2. To remit the unremitted premiums and amortizations. 3. To issue a policy for the timely remittance of premiums and amortizations on or before the 5th day of the following month.	Ma. Luisa Bagnes, Jezza Mae S. Luna, Jayson R. Prades, Maya Mirafuentes, Teresita M. Millena	April 1, 2018	Dec. 31, 2018	On Going	The bulk of the reconciliation is composed of prior years and the needed documents./records cannot be easily acquired.	1. To ask CIOA for the records that is necessary in the reconciliation.
			Corazon Locsin Montelibano Memorial Regional Hospital	1) Review thoroughly the GSIS monthly deductions and remittance. (2) Exert extra effort to locate the supporting documents to establish the remaining balance of Due to GSIS Account.	Accountant	01/01/2018	12/31/2019	Partial	Lack of supporting documents on hand needed to establish the unremitted ₱527,648.78 Due to GSIS.	Back track data in existing accounting records. Trace the year of where discrepancy started. Locate supporting documents in the warehouse.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Western Visayas Sanitarium	It will be checked, reconciled and corrected by the Accountant this year and make sure accuracy of reporting and remittance thereafter.	Accounting	1/1/18	12/31/18	Partially Implemented	non-submission of accounting records and documents for the last quarter of CY 2017 and no proper endorsement was made by the previous OIC Accountant	Verify the amounts with the available accounting records and make necessary adjusting/correcting entries should erroneous entries were made by the previous OIC Accountant
			Governor Celestino Gallares Memorial Hospital	To remit the deducted contributions and reconcile the prior year balance	Serelyn Lamigo, Thea Isi-os ,Leah Aurora Bongalos/Accounting section	Jan. 27, 2018	Dec. 31, 2018	Partially Implemented	Remitted the deductions already except for one (1) without clearance due to delinquent charts.	Contacted the resigned personnel to submit clearance for last salary. Completion of charts will be assisted by the department concerned.
			RO 9	a. enroll in GSIS electronic billing and collection system (ebcs) to gain access on the online portal remittances for downloading billings to serve as basis for payroll deductions b. remit premiums on time.	Domingo E. Lusaya CAO / GSIS AAO Iris A. Sanson Accountant III / ERF Handler Sotero Al C. Dela Rosa AOV (HRMO) Cecilia S. Salcedo Payroll Master	Jan. 1, 2018	Dec. 31, 2018	Fully Implemented		Enrolled in GSIS and met the 100% threshold for every remittance before the 10th of the month following the end of the reporting period.
			Zamboanga City Medical Center	Not found in ZCMC Management Letter CY2017						
			Basilan General Hospital	· Request from GSIS list of employees with under remittance in order to identify specific breakdown of ₱97,612.38 (as of 2016	Marilyne G. Ibarra (GSIS AAO) and Eduard D. Sumergido	Aug. 31, 2018		Ongoing	No notice of under remittance received	Accounting is in the process of determining the employees affected by under remittance

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
				and first quarter of 2017) · Accounting to process determination of the employees affected by under remittance	(Accountant III)					
			Northern Mindanao Medical Center	No such Audit Observation in the CY 2017 NMMC Management Letter						
			Mayor Hilarion A. Ramiro Sr. Regional Training and Teaching Hospital	1. Close coordination between Payroll Maker and SL in Charge should be made for the earlier reconciliation of employees' GSIS Remittance. 2. To enforce strict monitoring of remittances to GSIS.	Payroll Maker, SL In charge, Accountant	Jun 2018	Dec 2018	Fully implemented		Necessary adjusting entries were already done to reconciling items found in the subsidiary ledger of Due to GSIS account. Disbursement vouchers were also prepared for balances found to be unremitted as of Dec. 31, 2017.
			RO 13	a) GSIS contributions/premiums shall be continuously deducted from the salaries of officials and employees' b) Continuous reconciliation of accounts should be done with ENGAS records; c) withholding and remittance of deductions on employees' and employer's share shall be strictly complied	a) Personnel  b) Accountant III/Accountant II  c) Cashier	Jan. 2018	Continuous Implementation	On-going implementation		GSIS contributions/premiums have been continuously deducted and remitted to the GSIS.
			CARAGA Regional Hospital	not found in ML						
			Adela Serra Ty Memorial Medical Center	The unremitted amount found in the FS as of December 31, 2017 was the withheld contribution for the month of December,	Accounting Section	Jan 1, 2018	Jan. 31, 2018	Fully Implemented		

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken	
						From	To				
				2017 which was ultimately remitted in January 2018.							
DOH CAAR 2017 par. 369	<b>Compliance with R.A. No. 7875 (Philhealth Law)</b>  Withheld PhilHealth premium contributions of the 17 DOH Agencies totaling ₱2,137,369.22 were not remitted to PhilHealth, thus, the non-remittance of employees' contributions could hamper the members' privilege to avail of the benefits that PhilHealth offers. Moreover, two DOH agencies made an over-remittances of P118,012.50.	We recommended and Management of the concerned DOH Offices agreed to:  a) instruct the Personnel Officer to follow strictly the prescribed/ updated guidelines in computing the deductions due to avoid over remittance of Philhealth share of the concerned employees;  b) require the Accountant to exert extra efforts to locate the documents/ records and review, analyze and reconcile the Due to PhilHealth account and remit the balances, if warranted; and  c) ensure the timely and correct remittances of the payments to concerned government offices to be able to maximize the benefits afforded to members and to avoid any inconveniences as consequences of delayed remittances; and that submitted remittances, summary reports, RCIs and other supporting documents be submitted correctly and completely to	TRC Bicutan	We will comply.	Accounting Section & Human Resource Management Section	Apr. 2018	Oct. 2018	a. On going b. On going c. Fully Implemented	b. Philhealth has already approved the request for offsetting of the overpayment amounting to P 30,950 to be applied for August 2018 premium remittances of concerned personnel.	a. Coordinate with PHIC this October what to do with the difference in computation (system vs DBM approved premium). b. Monitor posting of adjustment.	
			Food and Drug Administration						Full Implementation		The balance that occur under the Due to PHILHEALTH account is the unremitted balance at the end of the year.
			Bureau of Quarantine		Personnel and Accounting	Jan 2018	Dec 2018	Partially implemented			The reconciliation of the account is still on-going.
			Dr. Jose Fabella Memorial Hospital	The Payroll Unit and the Accounting Department strictly adhered in the prescribed /updated guidelines in computing the deductions due to concerned employees to avoid any discrepancies in the remittance.  The Accounting Department is currently updating the unremitted Philhealth Premiums as of the current date. (Out of P 244,550.00 of CY 2017 Unremitted	Accounting Department/ HOPPS - Payroll Unit  Accounting Department/ Payroll Unit	Jan., 2017  Jan., 2017  Jan., 2017	Dec., 2018  Dec.,2018  Dec.,2018	On-Going  On-Going  On-Going			The concerned department strictly adhered to Philhealth Regulations thus correct amount and timely remittance is being observed.  The Accounting Department had already reconciled the unremitted Philhealth Contributions and proper adjustments were made. The remaining unpaid balances are still in the process of review.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		the COA office, to facilitate timely conduct of audit on said accounts.		Premiums, only P128,912.50 remains unpaid.)  The Accounting Department and Payroll Unit is exerting all effort to timely remit the correct amount of remittances due to employees and to submit the said documents/reports to COA office for Audit.	Accounting Department/  Payroll Unit					Correct and timely remittance of contributions is strictly followed to avoid any discrepancies and updates are being coordinated.
			Jose R. Reyes Memorial Medical Center					Fully implemented		Balance as of December 31, 2017 were remitted the following month. a. The Payrolling Unit has using the updated computation of the Philhealth. Balance as of December 31, 2017 were remitted the following month. Please find attached: -Philhealth Advisory No. 2017-0054 Adjustment in the Premium Contributions of the Employed Sector program to Sustain the National Health Insurance Program (NHIP) -DBM Annex A of Circular Letter 2017-3 dtd 1/3/2017
			Research Institute for Tropical Medicine					ONGOING		A new JO was hired in May 2018 and was assigned to facilitate remittances from CY 2018 onwards. On the other hand, unremitted taxes prior to CY 2018 will be part of the reconciliation procedures to be undertaken by the permanent Accounting staff in-charge.
			Quirino Memorial Medical Center		Miramar Hilomen/Accounting Section			Fully Implemented		Updated remittance of required contributions/premiums.





REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Dr. Jose N. Rodriguez Memorial Hospital	The unremitted portion of Philhealth deductions amounting to Php11,962.50 as of December 31, 2017 represent deductions from the first salaries and salary differential of newly hired and promoted employees of this office. This was remitted in the ensuing month.	Accountant IV	Jan-18	Jan-18	Fully Implemented		Remittance in the ensuing month.
			San Lorenzo Ruiz Women's Hospital	Due to Philhealth Accounts pertain to amounts withheld from employees' salary for the month of December 2017. Same amount were remitted on time to the pertinent Agencies on the following year.	Accounting Unit	2018	2018	On-going		All Inter-agency payables for 2017 have been remitted on 2018.  SL for inter-agency payables are being reconstructed starting with the SL for due to BIR
			Conner District Hospital	The Previous accountant analyze the balances and made some reconciliation but still there are amount cannot be traced	Accountant, Payroll officer	October 2018	December 2018	Partially Implemented	Unremitted pertains to PY adjustment which cannot be traced	Require the new accountant to analyze balances and ensure all withholdings are remitted
			Ospital ng Palawan	ONP has been compliant with the prescribed/updated guidelines in computing the monthly deduction and remittance of the Philhealth premium contributions of its personnel since its effectivity on January 2018. For the past two years, ONP has been commended by its COA Team for the correct collection and timely remittance of all mandatory premium contributions of its personnel.						

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			RO 5	Check and review the list of unremitted premium contribution and remit immediately to Philhealth.	Resty D. Daep/Sandra Punzalan	Apr-18	May-18	Fully Implemented		Remitted as of May 2018.
			Bicol Regional Training and Teaching Hospital	1. To conduct reconciliation of accounts. 2. To remit the unremitted premiums and amortizations. 3. To issue a policy for the timely remittance of premiums and amortizations on or before the 5th day of the following month.	Ma. Luisa Bagnes, Jezza Mae S. Luna, Jayson R. Prades, Maya Mirafuentes, Teresita M. Millena	April 1, 2018	Dec. 31, 2018	On Going	The bulk of the reconciliation is composed of prior years and the needed documents./records cannot be easily acquired.	1. To ask CIOA for the records that is necessary in the reconciliation.
			Governor Celestino Gallares Memorial Hospital	To remit the deducted contributions.	Serelyn Lamigo, Thea Isi-os ,Leah Aurora Bongalos/Accounting section	Jan. 30, 2018	Apr. 27, 2018	Fully Implemented		
			RO 8	not applicable						
DOH CAAR 2017 par. 376	<b>Compliance with HDMF Circular No. 275 dated Jan. 22, 2010 under RA 9679</b>  Withheld employees' premium contributions of 11 DOH agencies amounting to ₱.325 million were not remitted to the HDMF within the prescribed period, thus, there is a risk that a penalty will be imposed to DOH. Moreover, two DOH agencies and one TRC	We recommended and Management of the concerned DOH Offices agreed to:  a) direct the Accountant to remit the exact amount of contributions to HDMF/ Pag-IBIG in accordance with Section 5 of the IRR of RA 7742 to avoid penalties;	OSEC HHRDB-PAD	a. PAD is already deducting and remitting the exact amount of contribution to HDMF  b. To coordinate through with Accounting Division re. unreconciled balance/net  c. Automatic enrollment to Pag-ibig, GSIS and Philhealth of newly hired employees	AS-PAD	1st week of August 2018  July 2018	Onwards	Fully Implemented		Disbursement Vouchers of HDMF remittances withheld from the salaries of employees paid through vouchers are timely prepared.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
	reported a net abnormal balance of ₱.013 million	<p>b) require the Accountant to analyze and reconcile the prior year's unreconciled balance and the net abnormal balance of P 13,231.19, and effect the necessary adjustments on the affected account/s to attain correct and reliable balance of the account; and</p> <p>c) include as one of the pre-employment requirements is the enrollment of newly-hired employees with the Pag-IBIG, GSIS and PhilHealth systems in order that membership/ policy control numbers are readily available for the remittance of the mandatory deductions and employer's shares.</p>	TRC Bicutan	We will comply.	Accounting Section & Human Resource Section			a. Fully Implemented b. On going c. Fully Implemented	Lack of manpower.	Reconciliation will be done on the 4th Quarter of the year before December 15. Note that current year is already updated.
			Research Institute for Tropical Medicine					ONGOING		A new JO was hired in May 2018 and was assigned to facilitate remittances from CY 2018 onwards and meetings are continuously held together with Human Resources Department to improve interface and streamlining of requirements for newly-hired employees. On the other hand, unremitted taxes prior to CY 2018 will be part of the reconciliation procedures to be undertaken by the permanent Accounting staff in-charge.
			Quirino Memorial Medical Center		Miramar Hilomen/Accounting Section			Fully Implemented		Updated remittance of required contributions/premiums.
			Amang Rodriguez Memorial Medical Center	Continue reconciliation of the HDMF account.	Accounting Section	Apr 2018	Sep 2018	Ongoing		All the premiums have been remitted however, as to the prior year's premiums there seems to be an error in recording that is still being worked on. Continued reconciliation is ongoing.
			RO NCR	Exact amount of contributions are being remitted to HDMF and Rest assured that the DOH-NCRO did not incur any penalty in remitting the	Accounting Section	March 2018	March 2018	Implemented		The unremitted contributions amounting to 300.00 was included in the remittance for the month of March 2018 per DV 2018-04-732 JEV 2018-04-001527. The remaining balance amounting to 200.00 will be subject for refund as

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			

				HDMF employees contribution.						the retired personnel has already settled their dues in HDMF personally.
			Las Piñas General Hospital and Satellite Trauma Center	Management directed the Accounting Section to conduct reconciliation of account and remit any deficiencies to HDMF.	Accounting Section	January 2018	June 2018	Fully implemented		Analysis by the Accounting Section of the account revealed that the unreconciled balance entered for 2017 represents balances of prior year which were duly remitted by the hospital yet not reflected accordingly in the books of accounts until the setting up of balances in the e-NGAS. Likewise, the abnormal balance of P1,900.00 represents 2016 transactions that were remitted in 2017. The e-NGAS required details of subsidiary ledgers of those remittances, hence, such abnormal balance occurred. Necessary adjustments were reflected in the e-NGAS system to correct such errors. Balances of the account Due to PagIBIG will eventually reflect deductions of contributions/loan amortizations for the month of December 2017 which are duly remitted the succeeding month.
			San Lorenzo Ruiz Women's Hospital	Due to Pag-ibig Accounts pertain to amounts withheld from employees' salary for the month of December 2017. Same amount were remitted on time to the pertinent Agencies on the following year.	Accounting Unit	2018	2018	On-going		All Inter-agency payables for 2017 have been remitted on 2018.  SL for inter-agency payables are being reconstructed.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Conner District Hospital	The Previous accountant analyze the balances and made some reconciliation but still there are amount cannot be traced	Accountant, Payroll officer	October 2018	December 2018	Partially Implemented	Unremitted pertains to PY adjustment which cannot be traced	Require the new accountant to analyze balances and ensure all withholdings are remitted
			Batanes General Hospital	a) Mandatory enrollment of membership numbers for newly hired employees before their assumption to duty.  b) Non-inclusion to General payroll unless Membership number is identified	HR	Jan	Dec	Partially Implemented		Remitted 2017 GSIS pending remittances.
DOH CAAR 2017 par. 381	<b>Implementation of programs/ project/ activities for Senior Citizens and Differently-Abled Persons</b>  Forty (40) DOH agencies provided budget for Senior Citizens and Differently-Abled Persons of which seven DOH agency allocated at least one percent of their total budget as required under Section 31 of the General Provisions of the GAA of 2017.	We commended Management in complying with the budgetary provisions of the GAA and other relevant laws for the benefits of SCs and PWDs.	Ospital ng Palawan	Integration of plans, programs and projects for Senior Citizens and Persons with Disability to ONP functions and regular activities as mandated by pertinent laws (RA Nos 10645 & 10754) and PhilHealth, DOH and DSWD policies, rules and regulations	Medical Social Work  Budget  Billing & Claims Unit	Jan	Dec	On-going		Provided priority sitting for SCs and PWDs.  Implemented mandatory discounts with partner agencies/ private sectors through Memorandum of Agreement  Provided mandatory PhilHealth coverage and discounts with 1595 patients for a total of Php8.4M  Facilitated availment of Medical Assistance Program and PCSO Grant Assistance  Continued provision of Quantified Free Services for Senior Citizens and Persons with Disability which was charged to Trust Fund.  Design and implementation of hospital buildings included provisions for access by Senior Citizens and PWDs  Convened meeting with concerned units to identify existing programs or activities and brainstorm on new projects for

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
										elderly and handicapped.  Revise 2018 PPA to integrate new programs for PWDs and activities in Nutrition Month specially for Senior Citizens.
DOH CAAR 2017 par. 389	<b>Compliance with programs and projects related to Youth Development Plan</b>  Twelve (12) DOH agencies provided program related to Youth Development Plan, eight (8) DOH Agencies spent at least ₱ 9,208,750.10 and 74 DOH Agencies did not disclosed information relating compliance with the program.	We reiterated our recommendation and the DOH Secretary agreed to direct the Heads of concerned agencies to formulate plans to be integrated in its regular programs/ projects/ activities and allocate funds in its appropriations for the concerns of the Youth.	Jose R. Reyes Memorial Medical Center					On going		<i>Please find attached: -Action Plan CY 2018</i>
			Mariano Marcos Memorial Hospital and Medical Center	To formulate plans to be integrated in its regular programs/ projects/ activities and allocate funds in its appropriations for the concerns of the Youth.	Adolescent Health Youth & Development Program Coordinators	2018	onwards	Fully implemented		Plans have already been formulated in 2017 and Budget have been allocated in 2018.  In 2017, advocacy lectures were already conducted in Batac Junior College, Immaculate Concepcion Academy, and Burgos National High School. Advocacy lectures were also scheduled in 2018 for other different schools.  For 2018, there is already an allocation intended for the activities and projects for Adolescent Health Youth and Development Program (see attached). This is in Accordance with Sec. 32 of 2018 GAA within the framework of the Philippine Youth Development Plan pursuant to Section 37 of GAA 2016.
			Bicol Regional Training and Teaching Hospital	to establish area for teen pregnancy.	Dr. Salvacion S. Macinas, Mary Nathalie M. Cadag	Sep. 1, 2018	Dec. 31, 2018	On going	Lack of funds.	To include in the plans and programs of the hospital byb 2019 and allocate funds for its implementation.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
DOH CAAR 2017 par. 393	<b>Hiring of Job Orders (JOs) Personnel</b> Seventy Nine (79) DOH agencies reported to have hired a total of 16,558 JOs that provided an additional workforce as of December 31, 2017 and 12 agencies had not disclosed information. The payments of their services amounted to ₱1,446,861,370.42.	We reiterated our recommendation and Management agreed to direct the Head of concerned agencies to direct its officials to continuously observe the rules on hiring JOs, if still authorized to hire, subject to availability of funds.	All agencies Concerned							Agency officials continuously observe the rules on hiring of Job Order personnel, if still authorized to hire, subject to availability of funds. Hiring of retired personnel as JOs should be avoided.
DOH CAAR 2017 par. 397	<b>Enforcement of Settlement of Accounts</b> Only ₱224.445 million or 11 percent of the current and prior years' audit suspensions, disallowances, and charges of ₱2,116.899 million was settled in CY 2017; thereby, leaving an unsettled balance of ₱1,892.454 million.	We recommended and Heads of concerned DOH Agencies agreed to strictly enforce the collection of disallowances, to send demand letters and withhold salaries in compliance to COA Circular No. 2009-006 dated September 15, 2009. Moreover, to request authority from COA to settle disallowances by installment as required in COA Resolution No 2015-031 dated August 20, 2015 as amended by COA Resolution No. 2017-021 dated November 3, 2017.	OSEC Accounting					Partially Implemented		Disallowances are currently being settled by concerned employees thru monthly deduction from salaries of payroll, and for the resigning/retiring employees, thru deduction from last salary or terminal leave benefits.
DOH CAAR 2017 par. 397	<b>Enforcement of Settlement of Accounts</b> Only ₱224.445 million or 11 percent of the current and prior years' audit suspensions, disallowances, and charges of ₱2,116.899 million was settled in CY 2017; thereby, leaving an unsettled balance of ₱1,892.454 million.	We recommended and Heads of concerned DOH Agencies agreed to strictly enforce the collection of disallowances, to send demand letters and withhold salaries in compliance to COA Circular No. 2009-006 dated September 15, 2009. Moreover, to request authority from COA to settle disallowances by	Research Institute for Tropical Medicine					FULLY IMPLEMENTED		Demand Letters sent out as of June 2018
			Rizal Medical Center	10.066 million out of 12.745 million of suspension and allowances was settled as of 31 August 2018	Accounting Department	2018	2018	Fully implemented		
			Quirino Memorial Medical Center		Miramar Hilomen/Accounting Section				Partially Implemented	

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
		installment as required in COA Resolution No 2015-031 dated August 20, 2015 as amended by COA Resolution No. 2017-021 dated November 3, 2017.	Amang Rodriguez Memorial Medical Center	To continue enforcing collection of disallowances and reconciliation of records and updating COA by actions taken like sending of demand letters.	Accounting Section	Apr 2018	Sep 2018	Ongoing		Ongoing recompilation of records between COA and the Accounting Section. Also, demand letters has been sent.
			Valenzuela Medical Center	a) Human Resources Management Office send demand letters to employees who are no longer connected with the hospital. b) Some employees agreed to deduct higher amount from their benefits like year-end bonus and from other remunerations.	HRMO Head/ Accountant			On Going	Deductions are made on staggered basis.	We are currently deducting prior year's audit disallowances from employees concern on a monthly basis
			Region 1 Medical Center	Complied with audit recommendations	Accounting and HR Staff, Finance and Chief Administrative Officer	May 1, 2018	Dec. 31, 2018	Fully Implemented		Enforced collection of disallowances thru payroll deduction
			Batanes General Hospital	Inform and demand the responsible officer / supplier for the lacking documents.		Jan	Sep	Partially Implemented		We had settled total amount of Php 561,897.07 for the year. Had written a letter to demand OR from the supplier.
			Mariveles Mental Hospital	Not Included in MMH's AOM or Agency Action Plan CY 2017.	N/A	N/A	N/A	N/A	N/A	N/A
			Batangas Medical Center		Accounting and Human Resource Management Office		Dec. 2018	Partially Implemented	Demand Letter is not yet sent	Letter of request sent to COA on Mar 23, 2018. Unmoving disallowances were identified and justification reason provided. Disallowance of active employees are deducted from their monthly salary. Demand Letters were sent to inactive employees with disallowances.



REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Ospital ng Palawan					Fully implemented		Disallowances refund were almost complete with only one month of installment payment to end in July.
			Don Jose S. Monfort Medical Center Extension Hospital			Jan-18	Dec-18	Implemented		Collection thru salary deduction
			Vicente Sotto Sr. Memorial Medical Center		Chief Administrative Office  Finance Management Office  Human Resource Office			Partially Implemented		Talked and discussed with COA resident auditors on the matter of extensions that we have to move forward and consider existing situation and assure that the next projects shall consider all recommendations of COA to be adopted and be monitored.  Meeting conducted for the concerned officers to strictly comply with the provision of COA Circular No. 2012-001, RA No. 9184 and its Revised IRR, and the new target completion date of VSMMC projects.  Office for Strategic Management shall monitor compliance thereof.
			Zamboanga City Medical Center	To strictly comply with the COA recommendations to deduct the ND's with finality among ZCMC employees  Some ND's are currently on appeal with the COA through the Adjudication and Settlement Board.  Other ND's are LIFTED	Medical Center Chief Legal Accounting Human-Resource-Payroll Section	January 2018	Onwards	Ongoing		Settlement is on-going through monthly salary for ND's with finality  Awaiting for the decision on some ND's the are on appeal.

REF.	Audit Observations	Audit Recommendations	Office Concerned	Agency Action Plan	Person/ Office Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-implementation, if applicable	Action Taken / Action to be Taken
						From	To			
			Mayor Hilarion A. Ramiro Sr. Regional Training and Teaching Hospital	The management will coordinate with its lawyer and closely monitor the preparation in the sending of collection letter to liable persons for the settlement of the said disallowance	Chief Accountant	Mar 2018	Dec 2018	partially Implemented	Preparation of collection letter still in process.	To send collection letters to liable accountable officers/ persons.
			RO 13	Disallowances to be settled by not collecting Collective Negotiation Agreement (CNA) incentives at the end of the year	Accountant III/Accountant II/Personnel	Dec 2017	Dec 2018	On-going implementation		Collective Negotiation Agreement incentive of concerned personnel was not collected and instead applied to outstanding disallowances.
			CARAGA Regional Hospital	Not found in ML						