

AAPSI CY 2018 Annex D

Office/Unit	Audit Observations	Laws, Rules and/or Regulations Not Observed	Management Action
HPA	Delayed submission of TBs, financial statements/reports, Journal Entry Vouchers, disbursement vouchers, liquidation reports of cash advances and supporting documents to the DVs/LRs	Sections 6.03; 6.04 and 6.05 of COA Circular No. 95-006 dated 18 May 1995; COA Circular 2015-002 dated 09 March 2015; COA Circular No. 2012-001 dated 14 June 2012; COA Circular No. 2009-006 dated 15 September 2009; Section 39 (1) (3) of PD No. 1445; Sections 5 and 7, Chapter 21, GAM Volume 1; and Article 218, Revised Penal Code	On the delayed submission of financial documents, the Accounting Service, PA (ASPA) informed that there's lack of personnel to handle the voluminous transactions in the Headquarters Philippine Army (HPA). Existing personnel were obliged to perform multi-tasks to cope with the demands of the unit. Certain accounting positions in ASPA were left unfilled due to low salary rate not commensurate with the required competency of each position; hence, recruitment and hiring of personnel to fill up the vacant positions proved difficult. HPA further informed that the ASPA currently has 16 vacant positions to be filled-up. In the Staffing Modification (Rationalization Plan II) which will be submitted to CSAFP, SND, and DBM, there are 42 positions created for ASPA in addition to the current plantilla positions. Any move to create or activate additional FAU originating from ASPA thru position paper and submitted to OG5, PA will be deliberated upon by FRODC and PA TOE Board.
2 <sup>nd</sup> ID			
HPA	Nine out of the 31 Contracts exceeded the maximum allowed period of 136-calendar days from Pre-Procurement Conference to the date of issuance of Notice to Proceed (Observation 5, pp. 63-66)	Annex C, 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184	
HPA	Delayed submission of bank reconciliation statements covering 27 bank accounts	Sections 5 and 7, Chapter 21, GAM Volume 1	

HPA			
2nd ID	Late/Non-submission of Purchase Orders / Contracts	Sections 3.1.1 and 3.2.1 of COA Circular No. 2009-001 dated 12 February 2009	
52nd EBde			1. Written explanation was already submitted to concerned COA office. 2. 111th CO had been submitting the Purchase Orders/Contracts with supporting documents on timely basis since acknowledgement of this findings.
HPA	Non-submission of Notices of Delivery to COA within 24 hours from acceptance of such delivery	Item A.2 of COA Circular No. 96-010	
4th ID	Non-submission of List of all on-going government projects, programs and activities at the beginning of the year and those to be implemented during the year	Section 2.1 of COA Circular No. 2013-004 dated 30 January 2013	The Command already submitted the list of all on-going government projects, programs and activities to COA on 21 March 2019. approval of 4ID Annual Plan and Budget, OG4 immediately furnished COA the required data. Furthermore, all compliances based on the recommendations were acted upon.
52nd			The command had already submitted to supervising auditor the list of PPA's that are to be implemented for CY 2019. Further, the concerned offices specially the 111th CO were already informing the Office of the Auditor within ten (10) days after the award of infrastructure project.
7th ID	Hiring legal retainer without securing the written conformity and acquiescence of the Solicitor General and concurrence of the Commission on Audit	Section 3, Rule VIII of the 2009 Revised Rules of Procedures	A letter of motion for reconsideration on the disallowance of the disbursed fund to COA was already forwarded last 27 March 2019. Furthermore, the legal retainer that was discussed already conformed with the said compliance

7th ID	Disbursement vouchers not properly documented	COA Circular 2012-001 dated 14 June 2012; and Section 4 (6) of PD No. 1445	As the action taken by the Civilian Personnel Office (CPO), a letter of motion for reconsideration on the disallowance of the disbursed fund to the Commission on Audit (COA) was already forwarded last 27 March 2019. Furthermore, the legal retainer that was discussed already conformed with the said compliance.
51st EBde			
10th ID	Checks remained outstanding for more than six (6) months	Section 44, Chapter 6, Volume I of the GAM	<p>The management already directed the Chief Accountant and stated that upon completion and submission of Bank Reconciliation Statement to COA, their office also submits a List of Outstanding Checks to 11FSFO for it to be acted upon.</p> <p>The Chief Accountant assures that whenever their office received the stale check and request for replacement and corresponding Accounts Payable they will make necessary adjustments on the entries.</p>
HPA 51st EBde	Grant of additional cash advances (CAs) to AOs with unsettled CAs	Section 4.1.2 of COA Circular No. 97-002 dated 10 February 1997	
52nd EBde	Additional CAs granted without Certification from the Accountant that the previous CA had already been liquidated.	Section 36, Chapter 6, GAM Volume I; and COA Circular No. 2012-001 dated 14 June 2012	SDO/DOs were already required to secure Certification from the Accountant that previous cash advances has been liquidated before granting additional cash advances.
52nd EBde	Contracts not dated and not supported with complete documentation	COA Circular 2009-001 dated 12 February 2009 and IRR of RA 9184	Previous transactions did not require submission of said documents nor any advice regarding this matter, however, 111CO already accomplished the documentary attachments and had been submitted said documents to supervising auditor.
51st EBde	Non-maintenance/improper maintenance of supplies ledger card and stock card for Fuel, Oil and Lubricants	Section 17, Chapter 8, GAM Volume I	
HPA			Awaiting availability of personnel from COA to conduct trouble shooting on eNGAS of the PA

HPA			
54th EBde	Delayed submission of approved Request and Issue Slips (RISs) / Report of Supplies and Materials Issued (RSMI)	Section 17, Chapter 8, GAM, Volume I	FOL Inventory already liquidated. For reference, here are the JEVs issued: JEV# 87 & 88 dtd 7 Mar 2019, JEV#110 dtd 15 Mar 2019, JEV#185 dtd 23 Apr 2019 & JEV# 186 dtd 23 Apr 2019
51st EBde	Failure to conduct physical count of inventories	Section 13, Chapter 8, GAM Volume I	
4th ID			4ID - OG4 has submitted the CY 2018 Monthly Report of Fuel Consumption, together with the duly approved and properly accomplished trip tickets. Further, 4ID shall submit said requirements on a monthly basis.
52nd EBde	Non-submission of Monthly Report of Fuel Consumption and other documents supporting fuel issuances/consumption	COA Circular No. 77-61 dated 26 September 1977	The Command had already submitted most of the liquidation reports of Fuel, Oil and Lubricants to FPAO, however, there are still few that were yet to be submitted due to lacking supporting documents. This Command and 10th FPAO had committed to submit the whole package of Monthly Report of Fuel Consumption once completed. This Command also commits to submit on a regular basis the said report with complete supporting documents in order to avoid recurrences of said audit findings in the future.
7th ID	Non- maintenance of PPE Ledger Card by the Accounting Unit	Sec. 42, Chapter 10, GAM, Volume I	This office is already maintaining PPE Ledger Card since October 2018 and will continue to update the PPELC to strengthen the reliability of PPE accounts and to facilitate verification and hasten reconciliation with the records of 3FPAO.
MID-TRADOC	Property Acknowledgement Receipts (PAR) for motor vehicles in the name of the Responsible Supply Officers (RSOs) instead of the actual end-users	Section 21, GAM Volume 1	
10th ID	Non-preparation and submission of the Monthly RAAF	Section 17(k), Chapter 8, GAM Volume I	The management requires the Accountable Officer and immediately prepared his RAAF and submitted it to COA.
53rd EBde	Supporting documents not stamped "PAID" by the disbursing officer after payments were made	Sec. 2(q), COA Circular No. 92-389 dated 03 November 1992	All supporting documents to transactions were already stamped "PAID" by 7FSFO

3rd ID	Non-provision of depreciation	Section 27, Chapter 10, GAM Volume I	<p>The 6FAU cannot derecognized the 895 pieces of FAs amounting to P5,990,169.00 turned to FSSUs and PAO, GS because they were not recorded in the accounting records.</p> <p>The 6FAU is on process of computing and recording the depreciation expense of the various firearms recorded under military, Police and Security Equipment.</p>
HPA	Non-preparation/submission of RAAF for Delivery Advice (DA) of FOL products	Appendix 67, GAM, Volume II	<p>In the case of non-preparation/submission of Report of Accountability for Accountable Forms (RAAF) for Delivery Advice (DA) of FOL products, HPA pointed out that the inclusion of the DAs in the RAAF is inapplicable because they are pre-numbered documents provided by Petron Corporation which is a private company. Used DAs are filled-up with the corresponding approved FOL allocations and money value which serves as the reference documents of Petron Corporation to deliver the FOL products to PA end-user units.</p> <p>Based on the use of the DA described in the foregoing comment, it is clear that the DA is an accountable form that should be tracked and reported in the RAAF. The source of an accountable form has no bearing in tracking accountable forms. The DA is not much different from the blank checks provided by the banks.</p>
7th ID,			

9th ID,	Non-derecognition of unserviceable PPE	Section 40, Chapter 10, GAM Volume I	<p>9ID- As of this date, P3,796,356.13 remains unliquidated due to on process at 5FSSU Last 28 March 2019, liquidation documents amounting to P12,607,877.16 were submitted by 5FPAO, APAO, of which P5,845,103.68 was recognized per JEV No 2019-03-209 dated 29 March 2019 amounting to P2,609,656.31 and JEV No 2019-03-210 dated 29 March 2019 amounting to P3,235,447.37, respectively. The amount of P6,762,773.48 was recognized per JEV No 2019-04-238 dated 15 April 2019 amounting to P3,618,309.23 and JEV No 2019-04-239 dated 15 April 2019 amounting to P3,144,464.24, respectively.</p> <p>Attached are the following documents for your perusal:</p> <ul style="list-style-type: none"> <li>a. JEV No 2019-03-209 dated 29 March 2019</li> <li>b. JEV No 2019-03-210 dated 29 March 2019</li> <li>c. JEV No 2019-04-238 dated 15 April 2019</li> <li>d. JEV No 2019-04-239 dated 15 April 2019</li> </ul>
10th ID			The Management through OG4 directed concerned battalions and Chief, 11 FPAO to submit actions taken on said findings and report all properties in RLSDDP and submit to 11 FAU. (Annex A )
51st EBde	Non-reclassification of completed projects to its proper PPE accounts	Item e, Section 8, Chapter 10, GAM, Volume I	
54th EBde			
51st EBde	Purchase contracts between the suppliers and Chief, 112th Contracting Office, AFPPS of the Brigade prior to the Certification of the Availability of Funds (CAF)	Section 36(c), GAM Volume I	
52nd EBde	Non-submission of copy of Advice of Allotment/Sub-advice of Allotment	Sections 4 and 39, PD 1445	10th Field Accounting Unit, with the assistance of this Bde, had already submitted report to support the correctness of the total income of PhP107,615,818.05. The Command had already submitted the Advices of Sub-allotment received from CY2018 to present, and had been submitting received ASA's on quarterly basis.

54th EBde	Accountable Officer not adequately bonded	Section 101.1 and 101.2, PD 1445	
5th ID			5ID- The amount of Php353,152.07 was already paid with GSIS dated 21 November 2018.
8th ID	Government property not insured with the Property Insurance Fund of the Government Service Insurance System (GSIS)	Republic Act 656	<p>8ID- Be informed that this Command through the Assistant Chief of Staff for Logistics, G4 sent a letter to GSIS requesting for the quotation as listed in our Report on the Physical Count of Property, Plant and Equipment (RPCPPE) as basis for the request of additional fund support to Higher Headquarters of additional fund support to Higher Headquarters intended for insurance of equipment.</p> <p>Furthermore, per verification and inquiry made to GSIS Catbalogan City, Samar, the equipment integral and/or integrated to the insured building/facilities are already covered with the insurance from GSIS. with regards to the Construction and Heavy equipment and Sea/Watercrafts, this Command is still waiting for the policy or directive from Higher Headquarters whether these properties are required to be covered with insurance. Thus, in absence of such policy or directive, we are hoping that this finding be considered fully implemented.</p>
4th ID	Non-submission of Calendar Year 2018 Roster of Civilian Active Auxiliary; and documents to support validity of full payment of subsistence allowance	COA Circular No. 2009-006 dated 15 September 2009; Section 39 (1) (3), PD No. 1445; Paragraph C, Chapter IV, CAFGU Cadre Handbook; Section 39, PD1445	4 <sup>th</sup> ID- The Command through the office of the Chief of Staff for Operations have submitted the required documents. Reply to Management Letter with attachments received 19 February 2019. Furthermore, as recommended, 4ID has already taken action on complying the completeness of the required documents and will be submitted immediately upon completion.
10th ID	AOs not provided with safety vault or equivalent	Sections 123 and 124, PD 1445	The management through the MFO provided one (1) safe or vault to the Accountable Officer in order to safeguard government funds against possible losses/misappropriations.