

OVERSEAS WORKERS WELFARE ADMINISTRATION
MATRIX OF AUDIT OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT COMMENTS
For Calendar Year Ending December 2010

COMMENTS AND OBSERVATIONS	COA RECOMMENDATIONS	MANAGEMENT COMMENT
<p>1. Collections from various foreign posts amounting to \$421,259 and €53,428 or a total of P21, 587,560 remained unremitted for a long period of time.</p>	<p>Recommend that management :</p> <p>a. Demand the immediate remittance of the full amount from the concerned collecting officers;</p> <p>b. Withhold the payment of any money due the collecting officer and apply the same to his accountability; and</p> <p>c. Exert effort to contact those who have absconded and demand also the settlement of their accountability for unremitted collections.</p>	<p style="text-align: center;">Implemented</p> <p style="text-align: center;">Implemented</p> <p style="text-align: center;">Implemented</p>
<p>2. The cash accountability of some Welfare Officers who were already recalled to Home Office could not be determined due to non submission of Report of Collections (ROCs).</p>	<p>Recommend that management instruct the Overseas Operations Coordination Services to:</p> <p>a. Require the Welfare Officers with unsubmitted report of collections to submit the same;</p> <p>b. Ensure that prior to deployment, all Welfare Officers and Administrative</p>	<p style="text-align: center;">Implemented</p> <p style="text-align: center;">Implemented</p>

	<p>Staffs are cleared from money and property accountabilities; and</p> <p>c. Stop the practice of allowing the execution of undertaking to settle any accountability by deducting the same to salaries or other benefits for the purpose of securing clearance for deployment.</p>	Implemented
<p>3. Cash advances totaling P107, 911, 391 were not liquidated at the end of the year.</p>	<p>Recommend that management exert more effort to remind the accountable officers to liquidate their cash advances within the prescribed period.</p>	Implemented
<p>4. The cost of office supplies consumed by RWO VIII in the amount of P366,774 were not recognized as expenses in the books of accounts resulting in the overstatement of inventories account and understatement of expenses by the same amount.</p>	<p>Recommend that;</p> <p>a. Property Officers of RWO VIII prepare and submit to the Accounting Division copies of RSMI.</p> <p>b. Accounting Division of RWO VIII record all issuances of supplies and materials based on the RSMI.</p>	<p>Implemented</p> <p>Implemented</p>

<p>property custodianship could not be ascertained.</p>	<p>c. Submit to the Auditor the consolidated physical inventory and reconciliation reports.</p>	<p>Implemented</p>
<p>7. The amount of disposed property at RWO CAR totaling P485,447 had not yet been derecognized in the books of accounts resulting in the overstatement of Property, Plant and Equipment (PPE) and the Accumulated Depreciation accounts by the same amount.</p>	<p>Recommend that the Accounting Division of RWO CAR effect the necessary accounting entries to derecognize from the books of accounts the amount of the property disposed, and its accumulated depreciation, in order that the overstatement of the affected accounts can be corrected</p>	<p>Implemented</p>
<p>8. There were differences between the reciprocal accounts Due From RWO and Due To HO and Subsidy To RWO and Subsidy from HO in the amount of P22,309,641 and P5,529,258 due to errors in recording inter office transactions resulting in a net understatement of reported equity by P16,780,383.</p>	<p>Recommend that:</p> <p>a. The Accountants of the HO and the RWOs ensure that all accounting entries affecting reciprocal accounts are based on the entry stated in the Debit/Credit Memorandum (DM/CM). The DM/CM should be prepared by the office that initiated the transaction;</p> <p>b. The Head of Regional Operations Coordinating Services instruct all Accountants at the RWOs to prepare reconciliation statement of reciprocal accounts and furnish the Head Office Accounting Division before</p>	<p>Implemented</p> <p>Implemented</p>

	<p>preparing their financial statement ; and</p> <p>c. The Accountants of both the HO and RWO make the necessary adjusting entries for reconciling items identified in the reconciliation process.</p>	<p>Implemented</p>
<p>9. Deficiencies were noted in the maintenance of leave cards of OWWA employees, thus, the correctness of the balance of leave credits and the claimed monetization of leave credits of several employees were doubtful.</p>	<p>Recommend that:</p> <p>a. The Head of Human Resources Management and Development Division cause the review and recomputation of leave credits of all agency personnel.</p> <p>b. All employees who claimed monetization of leave credits, refund the same if after the review and recomputation, said employees are found not entitled to it.</p> <p>c. The Head of HRMDD at Head Office review the duties and responsibilities of the personnel assigned at the Leave Section and ensure that enough time is allotted to the maintenance of employees' leave cards so that the same can be updated and leave credits correctly computed.</p>	<p>95% updated</p> <p>Not yet implemented</p> <p>Not yet implemented</p>