



Republika ng Pilipinas
PANGASIWAAN NG TUBIG AT ALKANTARILYA SA KALAKHANG MAYNILA
Metropolitan Waterworks and Sewerage System
REGULATORY OFFICE
Katipunan Road, Balara, Quezon City 1105, Philippines

Receiving copy

28 July 2016

RUFINA S. LAQUINDANUM
Director IV, Cluster 3 – Public Utilities
Corporate Governance Sector
Commission On Audit
Commonwealth Avenue, Quezon City

**Subject: AGENCY ACTION PLAN and
STATUS of IMPLEMENTATION (AAPSI)**

Dear Director Laquindanum:

We respectfully submit the MWSS Regulatory Office's updates and compliances on the various audit observations and recommendations contained in the Annual Audit Report of CY2015 in the herein attached COA-prescribed format "AGENCY ACTION PLAN and STATUS of IMPLEMENTATION".

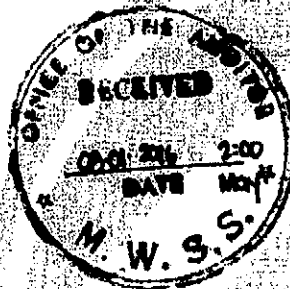
Should you have further inquiries or clarifications on the actions taken by the MWSS Regulatory Office, please coordinate with the Administration Department at telephone Nos. 435-88-98 or 435-88-99.

Thank you very much.

Very truly yours,

Joel C. Yu
JOEL C. YU
Chief Regulator

Copy to: Auditor Eyren M. Yulde
OIC-Supervising Auditor
MWSS-COA Office



**FREE-CLUSTER 3
RECEIVED**
[Signature]
28/7/16

Office of the Chief Regulator 435-8900
Administration and Legal Affairs 435-8902
Customer Service Regulation 435-8903
Financial Regulation 435-8901
Technical Regulation 435-8904

RECEIVED

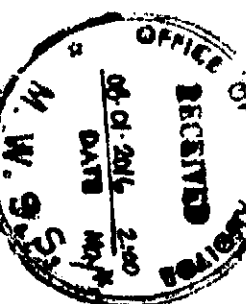
MWSS RO

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION

Audit Observations and Recommendations

For Calendar Year 2015

As of: July 15, 2016



Ref	Audit Observation	Audit Recommendation	Agency Action Plan					Reasons for Partial/Delay/No Implementation, if applicable	Action Taken/Actions to be Taken	
			Action Plan	Person/Dept Responsible	Target Implementation Date		Status of Implementation			
					From	To				
A.2 CURRENT YEAR'S AUDIT OBSERVATIONS AND RECOMMENDATIONS										
MWSS - REGULATORY OFFICE										
A.2.1 (COA AAR CY 2015) pp. 67-72	Cash amounting to P317.410 million remained idle in the regular current account earning minimal interest of P1,080 million per annum rather than investing it in other high yielding investment in government securities as authorized under Sec. 2 of Administrative Order No. 173 and Sec. 17 of DOF Department Order No. 141-95, as amended.	COA recommended and Management agreed to consider investing its excess or idle cash balance in government issued securities offering high yielding interest rate pursuant to Sec. 2 of Administrative Order No. 173, Sec. 17 of DOF Department Order No. 141-95, as amended and Sec. 3.2.1 of DOF Circular No. 1-06.	The MWSS RO shall prepare a Cash Position Report to monitor the level of idle cash in the regular current accounts. The RO shall correspondingly adjust the placements to optimize interest yield without sacrificing the liquidity requirements of MWSS RO.	Admin. Dept.- Treasury	Feb 2016	July 2016	Fully implemented		MWSS RO replied to AOM No. RO-15-01 on 11 March 2016. As of today, the MWSS RO maximized placements of idle cash balance in the current account with the Land Bank of the Philippines (LBP).	
A.2.2 (COA AAR CY 2015) pp. 67-72	MWSS RO maintained bank accounts with the Philippine National Bank (PNB), a non-government depository bank, contrary to Sec. 5.2 of DOF Department Circular No. 001-2015 dated 1 June 2015, as amended.	COA recommended and Management agreed to: a. Transfer government funds from PNB to authorized government banks strictly within the transitory period		Admin. Dept.- Treasury	Jan 2016	March 2016	Fully implemented		MWSS RO replied to AOM No. RO-15-02 on 11 March 2016. All of the deposits were transferred from PNB to LBP. The accounts with PNB were already closed.	

Ref	Audit Observation	Audit Recommendation	Agency Action Plan					Reasons for Partial/Delay/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date		Status of Implementation		
					From	To			
		allowed under Sec. 6 of DOF Department Circular No. 002-2015; and		Admin. Dept. Treasury	March 2016	Dec 2016	Partially Implemented	The reconciliation of the said Unaccounted Difference as of 31 July 2016 amounting to P1,363M would require substantial man-hours, on top of the regular workload of the lone Treasury staff, to do the analysis of the PNB transactions covering the period from 2000 to 2008 vis-a-vis the voluminous records which were already transmitted to the MWSS-COA Office, such as, statement of accounts, checks, transmittals, DV, check vouchers, JVs, ledgers and supporting documents.	Partial adjusting entries for those identified reconciling items were already posted as per JV No. 06-16-039 for the month of June 2016.
		Unaccounted Differences from 2000 to 2008 for PNB account No. 388332100027 before transfer of the fund to other government depository bank.	The Admin. Dept. Treasury shall continually pursue the on-going search for the records needed in the reconciliation of the unaccounted difference from 2000 to 2008 to finally close the remaining book balance of the PNB current account. Should we need to trace back from the original source documents, we will request from MWSS-COA office for records as references.						The MWSS RO also wrote a letter to PNB requesting assistance to provide statement of accounts and debit memo for the reconciling items.

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/Deferred Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date From To	Status of Implementation		
A.2.3 AAR (COA AAR CY 2015) pp. 67-72	Payment of the Collective Negotiation Agreement (CNA) Incentive of FY 2015 was erroneously recorded to the Retained Earnings account instead of "Collective Negotiation Agreement Incentive Civilian" or "Other Benefits", as provided under Sec. 4.4.4 of DBM Budget Circular No. 2015-02.	COA recommended and Management agreed to ensure that, henceforth, Accounting will record CNA payments to the account specified in the specific DBM Circular authorizing the grant of CNA.	Moving forward, the MWSS RO shall record payments of CNA incentives in accordance with the provisions of Section 4.4.4 of DBM Budget Circular No. 2015-2 dated November 23, 2015 authorizing the grant of CNA Incentive.	Admin. Dept- Accounting	March 2016 March 2016	Fully Implemented		The MWSS RO replied to AOM No. RO-15-05 on 11 March 2016. The MWSS RO created 'GL Code No. 749-3 OTHER PERSONNEL BENEFITS - CNA' which will be used in recording said payments.
A.2.4 (COA AAR CY 2015) pp. 67-72	Relevant provisions of the Revised Implementing Rules and Regulations (IRR) of RA 9184 were not complied with in the procurement of goods, to wit: (1) the issuance of a written invitation to three observers in various stages of the bidding process; (2) the posting of the Notice of Award (NOA) and Notice to Proceed (NTP) in the agency website; and (3) the submission of certification by the BAC	COA recommended and Management agreed to henceforth: a. invite as observers representatives from the Non-Government Organizations (NGOs) and duly recognized private sector representative to witness the various stages in procurement procedures, in addition to COA, in compliance with Sec. 13.1 of the IRR of RA 9184;	In future procurements, the BAC and the BAC Secretariat shall be consistent in inviting observers from NGOs, based on the list from the Government Procurement Policy Board through the following: a. An omnibus invitation letter providing details on the	RO BAC	Apr 2016 Dec 2016	Fully Implemented		MWSS RO replied to AOM No. RO-15-06 on 13 April 2016. The BAC has instructed the Head of the Secretariat to review the submissions to ensure their completeness.

Ref	Audit Observation	Audit Recommendation	Agency Action Plan					Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date		Status of Implementation		
	Secretariat on the posting of the NOA at a conspicuous place.	b. Post in the MWSS RO website and in conspicuous places the NOA and NTP, as required under Sections 37.1.6 and 37.4.2 of the IRR; and	procurement milestone schedule of each procurement and b. Facsimile messages on the Notice of	RO BAC	Apr 2016	Dec 2016	Fully Implemented		
		c. Henceforth, include in the contract documents submitted to COA, the certification from the BAC Secretariat that the NOA was posted in conspicuous places in MWSS premises.	The BAC and its Secretariat, in coordination with the Administration Department of the MWSS-RO, commit to abide by the requirements of COA for the review of contracts. The BAC Secretariat shall assign a specific member to complete the documents.	RO BAC	Apr 2016	Dec 2016	Fully Implemented		

Ref	Audit Observation	Audit Recommendation	Agency Action Plan					Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken	
			Action Plan	Person/Dept Responsible	Target Implementation Date		Status of Implementation			
					From	To				
A.3 CURRENT YEAR'S AUDIT OBSERVATIONS AND RECOMMENDATIONS COMMON TO MMWSS CO & RO										
A.3.1. (COA AAR CY 2015) pp. 72-77	Documentation for requirements for Janitorial and Security Services provided under COA Circular No. 2012-001, dated 14 June 2012 were not complied with, to wit: Accomplishment Report and Proof of remittance to concerned government agency and/or GOCCs (BIR/Social Security System (SSS/Pag-ibig), before any payment for Janitorial and Security totalling P793,037.20 and P962,636.58, respectively.	COA recommended and MMWSS CO and RO Management agreed to: a. Immediately require the submission by the Janitorial and security service providers of the Accomplished Reports and the Report and Proof of remittance to the concerned government agency and/or GOCCs (BIR/Social Security System (SSS/Pag-ibig), before any payment for the payments made and the affidavit to operate/claim for the period January to March 2015 and submit the same to MMWSS CO and RO for audit, otherwise, a Notice of Suspension shall be issued; and b. Henceforth, ensure that the disbursements for Janitorial and security	Prospectively, the MMWSS Regulatory Office (RO) shall require the submission of the Accomplishment Reports and the Report and Proof of Remittance to the concerned agency and/or GOCC's (BIR/SSS/Pag-ibig) for the payments made and submit the same to your office for audit. The said documents shall be made as pre-requisite to the payment of their monthly billings.	Admin. Dept- Accounting	March 2016	Apr 2016	Fully Implemented		MMWSS RO replied to AOM No. RO-15-06 on 22 April 2016. The RO has sent letters to the Security and the Janitorial Agency on 21 April 2016 requiring the submission of the said reports/documents in their respective Monthly Billing Statement The MMWSS RO shall ensure that all future transactions involving Janitorial & Security Services will be supported by all the necessary documents enumerated under the COA Circular No. 2012-001. The MMWSS-RO has submitted to the COA, the Accomplishment Reports and the Report and Proof of Remittances to the BIR, SSS and Pag-ibig the payments made by the Janitorial and Security Service providers for the period January 2015 --	

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/Deferral/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date From To	Status of Implementation		
		services are supported with complete documents required under COA Circular 2012-001.						December 2015.
A.3.2 (COA AAR CY 2015) pp. 72-77	Posting errors to the employees' leave cards, erroneous computation of earned leave balances per leave cards, non-compliance with the provision under Section 22 of the Omnibus rules on Leave requiring five days minimum VL balance prior to the monetization were the deficiencies noted in the monetization of leave balances.	COA recommended AND MWSS CO and RO Management agreed to: a. Immediately re-compute and reflect the correct leave credit balances of employees who availed of the monetization for CY 2015, and if necessary, retroactively, of all other employees who availed of the previous year's monetization. b. Ensure that deduction of leave credits from monetization, addition from leave credits earned and the accumulated leave balances are accurately reflected in the individual leave cards of the employees. c. Institute periodic audit of all employee's	The MWSS RO shall institute measures in the processing of Leave Benefits to ensure accuracy in the recording and computation of leave credits.	Admin. Dept - Personnel	Apr 2016 July 2016	Fully Implemented		The MWSS RO replied to AGM No. RO-15-11 on 21 April 2016. The MWSS RO discussed and explained with the COA-Audit Team Leader re-computations and corrections that were made on the Leave Cards of the concerned personnel.
				Admin. Dept Personnel	Apr 2016 Jul 2016	Fully Implemented		

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/Delayed Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Dates		Status of Implementation	
					From	To		
		accumulated leave prior to approval and payment of their respective monetized leave credits and terminal leave benefits; and						
		d. Require the Administration Dept. to, henceforth, strictly observe to the provisions of Sec. 2 of the CSC-DBM Joint Circular No. 2-97 Sec. 22 of the Omnibus Rules on Leave CSC Resolution No. 98-3142 and CSC Resolution No. 000034 on the granting and approval of monetization of leave credits.		Admin. Dept. Personnel	Apr 2016	Jul 2016	Fully Implemented	
B2 REITERATION OF PRIOR YEAR'S AUDIT FINDINGS & RECOMMENDATIONS								
MMWS - REGULATORY OFFICE								
B2.1. COA AAR CY 2015) pp. 156-162	The validity of PPE accounts costing P147,590 million (exclusive of Building costing P2,815 million) as of 31 Dec 2015 remained doubtful mainly due to:	COA recommended and Management agreed to:		Admin. Dept.- Accounting	Apr 2016	May 2016	Fully Implemented	MMWS RO replied to AOM No. RO-15-12 on 19 April 2016.
	(a) Exclusion of assets related to the PAWS Project totalling to	a. Include the IT Equipment in the Inventory Report with information on the current condition e.g. Serviceable or Unserviceable, and the location of the asset.						

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date	Status of Implementation		
	P119,359 million in the Physical Inventory Report;	b. Reclassify all unserviceable assets to the Other Assets account;	The MWSS RO shall convene the Disposal Committee to process the disposal of the unserviceable assets.	Admin. Dept.- Accounting	Oct 2016 From To	Dec 2016 Fully Implemented		The MWSS RO has recorded those identified unserviceable assets to the Other Assets account per JV No. 07-16-040 for the month of July 2016.
	(b) Non-reclassification of unserviceable assets in the amount of P 777,722 from the PPE accounts to Other Assets account and non-recognition of impairment loss as provided for in PAS 36 on Impairment of Assets; and	c. Facilitate the immediate disposal of the unserviceable assets in accordance with the Manual of Disposal of Government Property; and		Admin. Dept.- Accounting	July 2016 From To	Dec 2016 On-going		The Admin. Dept-
	(c) Improperly accomplished Inventory Reports as there was no certification from the in-charge of the Inventory Committee and no approval by the Agency Head.	d. Submit properly the Physical Inventory Report pursuant to COA Circular No. 80-124, dated 18 Jan 1980.	MWSS RO shall use the Inventory Count form as prescribed in the COA Circular No. 18-124. The same shall be signed by the committee in charge thereof, noted by the Auditor and approved by the head of agency for future compliance.	Admin. Dept.- Accounting	Apr 2016 From To	Onwards Fully Implemented		Property started retrieving unserviceable assets from the accountable personnel who are in possession of the items for disposal.

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/Delay/No Implementation, if applicable	Action Taken/Actions to be Taken	
			Action Plan	Person/Dept Responsible	Target Implementation Date	Status of Implementation			
B.2.2. (COA AAR CY 2015) pp. 156-162	The Accounts Payable balance totaling P91,577 million was unreliable due to the: a. Inclusion of amounts due to officers and employees of P48,420 million without supporting documents and negative account balance of P3,281 million which reduced the ending balance to P45,139 million; b. Accrual of expenses totaling P22,460 million for goods not yet delivered and services not rendered at year end including expenses of P1,960 million already paid.	COA recommended that Management require the Finance Department to: a. Determine the validity of the undocumented Due to Officers and Employees account - claims, analyze the abnormal balance and effect the necessary adjusting entry, if warranted; b. Substantiate the accrued expenses with valid and complete supporting documents to support the validity of the recorded liabilities; Revert immediately those invalid and non-existing payables; c. Ensure that only liabilities for which goods have been delivered and services are rendered are recognized in the books; and d. Prepare the necessary adjusting	The Admin. Dept. Accounting staff are continually conducting analysis of the accounts and searching for the records needed in the reconciliation to finally establish the accuracy of the said accounts. Should we need to trace back from the original source documents, we will request from MWSS-COA office for records as references.	Admin Dept. Accounting	Jan 2016	May 2016	Fully Implemented		The MWSS RO has made the necessary adjusting entries to reverse the accrued expense under JV No. 01-16-003 for the month of January 2016.
			In the recent budget call for CY2017 of the DBM, the use of two (2) tier budget process was introduced for multi-year projects and programs, which RO plans to	Admin Dept. Accounting	Jan 2016	Onwards	Fully Implemented		MWSS RO's position was explained to Dr. Rufina Laguidanum during our Exit Conference with COA on 19 April 2016, wherein Dr. Laguidanum promised to explore how the national government treats on-going projects and how said treatment can be
				Admin Dept. Accounting	Oct 2016	Dec 2016	Partially Implemented		MWSS RO replied to AOM No. RO-15-07 on 02 May 2016. The MWSS RO has made adjusting entries in some of the accounts under JV No. 07-16-041 for the month of July 2016.

Ref	Audit Observation	Audit Recommendation	Agency Action Plan					Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date		Status of Implementation		
					From	To			
B.2.3. COA AAR CY 2015 pp. 156-162	Outstanding advances to UP National Engineering Center (NEC) in the amount of P5,967 million as at year end for the Public Assessment of Water Services Projects (PAWS) remained unfunded by UP to MWSS RO although the project was completed in CY 2011.	COA recommended that Management provide firm bound action plan to settle the issue with UP-NEC for the return/refund of the outstanding balance from the PAWS project.	MWSS RO shall continue to closely monitor and make follow-ups with the office of the Chancellor of UP Diliman and the PAWS Project Director, Dra. Matias of UP-NEC.	ALALegal	Jan 2016	Dec 2016	On-going	The UP-NEC Paws Project Director made several appeal and letters to the MWSS RO and the ARMC of the MWSS BOT for the requested realignment which was previously denied on Feb 6, 2012.	MWSS RO replied to AOM No. RO-15-10 on 22 April 2016. On 14 March 2016, the RO sent its final and inextensible demand for the refund of the P5,967M advances to UP-NEC in connection with the implementation of the PAWS Project. A copy of the said demand letter was furnished to the Office of the UP Chancellor, Diliman, Quezon City. RO reported the foregoing developments to the BOT-Audit and Risk Management Committee (ARRMC) last 11 April 2016. On 12 July 2016, the PAWS Project Director Dra. Matias submitted the Final Financial Report of the PAWS Project to the Resident COA Auditor of UP Diliman indicating a

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date	Status of Implementation		
					From To			
B2.4. (COA AAR CY 2015) pp. 156-162	Due to GSIS, PAG-IBIG, PhilHealth and other Funds carried negative balances totaling P100,314.00 and P686,846.00, respectively, indicating over – remittances to the concerned agencies and/or errors in the computation of amount dues.	COA reiterated their prior audit recommendation and Management agreed to analyze the accounts with abnormal balances and effect/correcting entries, if warranted.	The Admin. Dept.- Accounting has continuously been conducting the analysis and reconciliation of the above mentioned accounts to establish accuracy of balances and to post the adjusting entries upon determination of the correct entries.	Admin. Dept Accounting	Apr 2016 Dec 2016	Partially Implemented	Historical transactions earlier than 2010.	MMWS RO replied to AOM No. RO-15-13 on 22 April 2016. As of today, the abnormal balance has substantially been reduced with the recorded adjusting entries on the Due to BIR account through JV No. 02-16-014 for the month of February 2016 and other related accounts.
								The actual refund of the remaining advances can only be remitted by UP Diliman to the Regulatory Office once the Final Financial Report is signed by the Resident COA Auditor of UP-Diliman.
								remaining balance of advances to UP-NEC amounting to P2,070M. This balance was previously reported by Dra. Melias during her presentation in one of the BOT ARMC meetings.

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date	Status of Implementation		
					From To			An analysis and reconciliation of the accounts with abnormal balances are on-going to establish the correct balances and post the necessary adjusting entries.

**B.3 REITERATION OF PRIOR YEARS AUDIT OBSERVATIONS & RECOMMENDATIONS
COMMON TO MWSS CO AND RO**

B.3.1 COA AAR (CY 2015) pp. 163-175	The collection efficiency of Due from Officers and Employees and Loans Receivable -- Others with year-end balances totaling P43,221 million remained low due to the Management's decision of allowing loan payment at the debtor's discretion and not on the agreed monthly amortization; the inaction of Management to recover the receivables from debtors no longer connected with MWSS; and non-collection of the P25 million seed money granted to MWSS Multi-Purpose Cooperative.	Since this is a reiteration of prior years' audit recommendation, the COA strongly recommended that	a. Reconsider its decision allowing the payment of loans at debtor's discretion. Instead, enforce collection of monthly amortization such that he loans are fully paid within the period stipulated in the contract; and b. Initiate legal action to recover the unpaid receivables from employees no longer connected with MWSS RO.	MWSS RO shall closely monitor the car loans that will be insufficiently secured until the CPCS implementation. Loans with insufficient security will be asked to provide additional security, accelerate payments and settle their loans by way of their cars.	Admin/ALA	Jan 2016	Dec 2016	On-going	Awaiting the CPCS implementation	MWSS RO shall evaluate the paying capacity of concerned employees once the new Compensation and Position classification for GOCCs under Executive Order 203 s.2016 is implemented to the MWSS RO.
				Legal/ALA	Jan 2016	Jul 2016	Fully implemented			MWSS RO has initiated legal action by sending demand collection letters to the concerned officers and employees no longer connected with MWSS RO.

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/Delay/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date From To	Status of Implementation		
B.3.2 (COA AAR CY 2015) pp. 163-175	Deficiencies in the handling, utilization, recording and monitoring of cash accountabilities of the Collecting and Special Disbursing Officers were found in audit.	COA recommended that Management require SDOs to: a. Disburse funds in accordance with the nature/purpose and scope provided in MMSS Office Order authorizing the establishment of petty cash funds; b. Comply with the following COA regulations: COA Circular No. 97-002 on the grant, utilization and liquidation of the cash advance; COA Circular No. 2012-001 particularly Section 1.1.2 thereof, on the documentary requirements in the liquidation of cash advances/petty cash fund and; COA Circular No. 92-		Admin Dept Treasury	Jan 2016	Onwards	Fully Implemented	MMSS RO shall continuously ensure compliance with the COA Circular No. 97-002 in handling of petty cash fund.

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date	Status of Implementation		
		368 on the requirement that all vouchers and supporting documents should be stamped "paid"		Admin Dept Treasury	Jan 2016	Onwards	Fully Implemented	
		c. Reduce the amount of the PCF of the AOs to such amount necessary to cover petty expenses for one month as provided in Section 4.3 of COA Circulars No. 97-002		Admin Dept Treasury	Jan 2016	Onwards	Fully Implemented	
		d. Require adequate bonding of all Accountable Officers in accordance with COA Circular No. 2006-5 and Treasury Circular No. 02-009.		Admin Dept Treasury	Jan 2016	Onwards	Fully Implemented	
8.3.3 (COA AAR CY 2015) pp. 163-175	MMWSS had no approved plans and programs for GAD for CY 2015 required under E.O. 273 to address GAD issues in the workplace.	COA recommended and Management agreed to comply with the provisions of E.O. 273 on the institutionalization of the GAD plans and programs in MMWSS.	In the absence of a full time personnel to handle the requirements in complying with the requirements under the E.O. 273, the MMWSS RO shall continue utilizing personnel assigned with the GAD Committee	GAD Committee/ Admin. Dept	Jan 2016	Dec 2016	Partially Implemented	On 12 May 2015, the RO made an effort to submit the hard copy of its 2015 GAD Plan to PCW, but the latter declined to accept the hard-copy submission because of its new guidelines of requiring the submission by all government agencies through GMAAS. On that even date, it enrolled RO

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Reasons for Partial/No Implementation, if applicable	Action Taken/Actions to be Taken
			Action Plan	Person/Dept Responsible	Target Implementation Date		Status of Implementation	
	P 142,556 million arising from: a. Non-settlement of the issue on the unrented share of MWSS RO in the	CO and MWSS RO. b. Require the Finance Department to periodically reconcile and analyze the	The periodic reconciliation of the reciprocal accounts shall be conducted in coordination with the CO to comply with your recommendation.	Admin. Dept Accounting	Jan 2016	Onwards	Fully Implemented	The adjusting entries to correct the reciprocal accounts, electricity expense and reversal of the accrued payable were effected through JV-12-15-089. We have
	Concession Fees for CY 2014 in the amount of P 142,009 million; and b. The non-accrual of expenses by the MWSS RO which was paid by MWSS CO totaling P0,547 million.	reciprocal accounts to preclude any discrepancy and ensure proper elimination in the consolidated financial statements.						Reverse taken-up the adjustments in the Restated Comparative Financial Statement for CY2015 & CY2014.

Agency Sign-off:

JOEL C. YU
JOEL C. YU
Chief Regulator
MWSS Regulatory Office