

Audit Observations/ Recommendations	Ref.	Management Comments/ Action Taken	Status of Implementation	Results of Validation
liquidation documents for the immediate recording of liquidations in the books.				
<i>Monitoring and reporting of KC-NCDDP Projects</i>				
<p>2. For CY 2018, the implementation of the KC-NCDDP registered a 95.63 percent financial accomplishment which exceeded the targeted threshold of 83.09 percent per KC-NCDDP Operations Manual; however, overall accomplishment for the four-year period recorded only 77.54 percent which is below the target threshold. Moreover, a huge unutilized amount of ₱1,250,362,272.69 remained in the bank as of December 31, 2018, thus depriving the community of the immediate benefits due them.</p>	<p>2018 ML Pages 24 – 35</p>			
<p><i>a) Percentage of financial implementation/downloading of community grants for CY 2018 marked a 95.63 percent accomplishment as against the 83.09 percent target per KC-NCDDP Operations Manual, while overall accomplishment recorded a shortfall of 77.54 percent.</i></p>				
<p><i>b) Unutilized accumulated balance of cash in bank of ₱1,250,362,272.69, thus the projects were not made available to the intended beneficiaries at the most opportune time.</i></p>				

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to services and infrastructure and participating in more inclusive Management planning, budgeting and implementation.				
<p>We commend the DSWD PMO for the increased accomplishment, however for the uncompleted SPs, we recommended that the Management require the concerned ACTs and RPMOs personnel to:</p> <p>a. regularly monitor the on-going and unimplemented SPs especially those at the far-flung areas and fast track the completion of the SPs;</p>		<p>Concerned offices are monitoring the completion of the SPs.</p>	<p>Implemented</p>	<p>Fund released increased during the year to fast track the completion of the projects.</p>
<p>b. seek assistance from the local government in the acquisition of project sites;</p> <p>c. make representation with the concerned government agencies for the immediate release of clearances and permits needed for the projects;</p> <p>d. enjoin the community to work within the timeline of the project implementation;</p> <p>e. furnish the BSPMCs with the list of good standing contractors and suppliers and blacklist erring contractors and suppliers.</p>		<p>Coordinated with other agencies to fast track the completion of the projects</p> <p>The concerned officers are encouraging the community to be enjoined in the implementation.</p> <p>Concerned officers are blacklisting erring contractors and suppliers</p>	<p>Implemented</p> <p>Implemented</p> <p>Implemented</p> <p>Implemented</p>	<p>The local government are well coordinated in the assistance to acquire project sites. They even make proposals to where the project be built.</p> <p>Other agencies concerned release clearance as necessary.</p> <p>Other Communities used “Bayanihan” for</p>

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				the completion of the SPs. Erring contractors and supplier are blacklisted.
<p><i>Sub-projects (SPs) with deficiencies</i></p> <p>4. Seven-three SPs costing PhP62.155 million validated by the DSWD-OSEC Teams and Regional Auditors were found to have deficiencies/issues, due to failure of RPMO/SRPMO as well as project proponents to monitor and resolve project issues, thus, may compromise the efficient and effective use of the facility and not in keeping with KC-NCDDP Community Empowerment Activity Cycle and Monitoring and Evaluation Sub-Manual for Program Implementer.</p>	<p>2018 CAAR Paras. 119-124 pages 103-105 (2018 ML Pages 47 – 54)</p>			
<p>We recommended and Management agreed to require the ACT/RPMO personnel to:</p> <p>a. closely monitor, supervise and provide technical assistance to the BSPMC during project implementation and immediately correct the defects/deficiencies noted for the full continuity and functionality of the SPs for the benefits of the intended beneficiaries;</p>		<p>Management to continue to monitor and provide technical assistance.</p>	<p>Implemented</p>	<p>Majority of the regions complied upon validation.</p>

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<p>b. conduct regular coordination with other infrastructure government agencies to avoid overlapping of projects to the extent that completed KC projects are inadvertently removed to make way for other agency's (DPWH) infra projects; and</p> <p>c. institute necessary action against the RPMO/ACT/ BSPMC who will be found remiss in the monitoring and evaluation of the SPs.</p>		<p>Coordinated with different government agencies</p> <p>All RPMO/ ACT/ BSPMC participated in the monitoring and evaluation of SPs.</p>	<p>Implemented</p> <p>Implementation</p>	<p>Majority of the regions complied upon validation.</p> <p>Majority of the regions complied upon validation</p>
<p><i>Delays in the implementation of classrooms for Indigenous Peoples (IPs)</i></p>				
<p>5. The objective of the Program “Establishment of New Public Schools for Indigenous Peoples in Mindanao” to facilitate the construction of 605 classrooms in 251 sites for the new public schools for Indigenous People to be established in Mindanao, through the DSWD KC-NCDDP was not attained due to DSWD’s inability and lack of expertise to implement infrastructure projects as manifested in the status of implementation of 397 classrooms (CLs), showing 40 percent or 157 completed CLs; 50 percent or 200 CLs on-going; and 10 percent or 40 CLs not yet started, an unmet target of 208</p>	<p>2018 CAAR paras. 135- 150 Pages 107- 113</p>			

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CLs. Moreover, of the funds transferred of PhP522.301 million, the balance of PhP187.762 million or 35.95 percent remained unliquidated as of December 31, 2018 (CO)				
<p>Management agreed to require the:</p> <p>a. KC-NCDDP National Project Monitoring Team/ Regional Project Monitoring Team to establish close coordination with BLGUs to fast track the implementation of the project to ensure that the beneficiaries are not deprived from the benefits thereof, and to facilitate liquidation of fund transfer;</p>		The NPMO continues to provide guidance and technical assistance through constant monitoring and coordination with the Regional Offices, as well as regular visits o the communities to ensure that the challenges encountered by the program are well addressed	Implemented	Reiterated in Part II of 2019 CAAR, pages 112 to 124, with revised or updated information; and paragraphs 73 - 97 of this Report
<p>b. Program Manager to evaluate and assess the viability of the remaining projects, identify flaws and problems in the implementation, and consider returning the unutilized funds to DepEd to free DSWD from obligation; and</p>			Implemented	Reiterated in Part II of 2019 CAAR, pages 112 to 124, with revised or updated information.
<p>c. Moving forward, ensure that DSWD review its capacity to implement projects before entering into agreements to ensure that project objectives are achieved.</p>			Implemented	Reiterated in Part II of 2019 CAAR, pages 112 to 124, with revised or updated information.