

19 December 2019

SOFIA C. GEMORA

Director IV

NGS Cluster 1, Commission on Audit
Commonwealth Avenue, Quezon City

Thru: **Ms. Nenita C. Rendon**
Supervising Auditor

Ms. Benilda L. Mercado
State Auditor III / Audit Team Leader

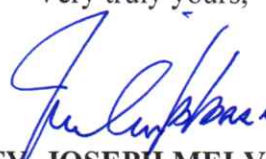
Dear **Director Gemora**:

We are pleased to submit the Philippine Competition Commission Report on Status of Prior Years' (Calendar Year 2017-2018) Recommendations in the Annual Audit Report.

We hope you find our submission in order.

Thank you very much.

Very truly yours,



ATTY. JOSEPH MELVIN B. BASAS

Director IV

Finance, Planning and Management Office

Attachment: As stated

**REPORT ON STATUS OF IMPLEMENTATION
OF PRIOR YEARS' AUDIT RECOMMENDATIONS IN THE
ANNUAL AUDIT REPORT
For Calendar Year 2017 and 2018
As of 17 December 2019**

On CY 2017 Audit Report

As of December 2018, out of the six (6) audit recommendations embodied in the Annual Audit Report for Calendar Year 2017, five (5) or 83.33% were fully implemented and one (1) was partially implemented.¹ As of December 2019, **100%** (6/6) of the audit recommendations were **fully implemented**.

No.	Ref.	Audit Observations	Audit Recommendations	Status of Implementation and Actions Taken
1	COA AAR FY 2017, pp. 28- 29	<p><u>Unliquidated balance of fund transferred to Development Academy of the Philippines (DAP)</u></p> <p>Due from GOCCs of ₱2,262,571.87 representing the fund transferred to the DAP remained unliquidated as of December 31, 2017 despite the completion and end of the duration of the project, which is inconsistent with COA Circular No. 94-013 dated December 13, 1994, due to non-submission of the Report of Disbursement (RD) that serves as a basis for the recognition in the books of the agency the related expenses, thus, reliability of the account balance could not be established.</p>	<p>Recommended and Management agreed to instruct the Accounting Office to send a demand letter to DAP on the liquidation of the remaining balance of the transferred funds; and if such was unutilized, to return the same to the Source Agency (PCC) consistent with COA Circular No. 94-013 dated December 13, 1994.</p>	<p><u>FULLY IMPLEMENTED</u></p> <ul style="list-style-type: none"> The unutilized balance was refunded by DAP on 20 August 2019. Subsequently, DAP submitted to PCC the final Report of Disbursement in September 2019 to close the account. It was recorded in the books of account on 30 September 2019.

¹ This pertains to unliquidated balance of fund transferred to DAP.

On CY 2018 Audit Report

As of December 2019, **100%** (1/1) of the audit recommendation was **fully implemented**.

No.	Ref.	Audit Observations	Audit Recommendations	Status of Implementation and Actions Taken
1	COA AAR FY 2018, pp. 37-39	<p><u>Gender and Development (GAD) Plan Implementation</u></p> <p>The Commission failed to comply with the mandatory requirement of allocating at least five percent of the total appropriation for GAD programs, projects and activities contrary to Section 30 of the General Provisions of the General Appropriations Act (GAA) for FY 2018, thus the opportunity to address gender related issues and concerns was not fully taken. Likewise, while there were activities programmed/accomplished, no GAD issues and concerns were identified/accomplished, thus the reason for the inclusion of the activities in the GAD Plan and Budget (GPB) cannot be assessed.</p>	<p>Recommended and Management agreed that the GAD Focal Persons:</p> <p>a. In coordination with the Budget and Planning Officers, allocate an amount of at least five percent of the agency budget for the implementation of GAD plans; and</p> <p>b. Identify the GAD issues and concerns that are to be addressed by the activities included in the GPB and indicate whether these were addressed with the implementation of the activities.</p>	<p><u>FULLY IMPLEMENTED</u></p> <ul style="list-style-type: none"> ▪ The PCC has engaged the services of a GAD consultant for the conduct of the gender mainstreaming project which has started in March 2019. ▪ The recalibrated FY 2019 GPB was endorsed by the Philippine Commission on Women on 09 July 2019. ▪ The PCC has consistently used prescribed templates for GPB and AR. Identification of gender issues and mandate is one of the areas being evaluated by the PCW.

Note: Status of implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially Implemented, or (e) Delayed.

Agency Sign-off:


KENNETH V. TANATE, PhD
 Executive Director