

FORM A
PERFORMANCE TARGETS & ACCOMPLISHMENT REPORT
FY 2019

LWD NAME: **CARCAR WATER DISTRICT**

MFOs AND PERFORMANCE INDICATORS (1)	FY 2018 ACTUAL ACCOMPLISHMENT (2)	FY 2019 TARGET (3)	RESPONSIBLE OFFICE/UNIT (4)	FY 2019 ACTUAL ACCOMPLISHMENT (5)	ACCOMPLISHMENT RATE (6)	REMARKS (7)
A. Water Facility Service Management						
2019 Budget:						
PI 1 (Quantity) access to potable water	Percentage of households with access to potable water against the total number of households within the coverage of the LWD	15 out of 15 brgys or 100% of brgys have access to potable water	80% of 23,933 19,146 households have access to potable water	Operations & Maintenance	81% of 23,933 19,379 HH have access to potable water	100%
PI 2 (Quality) reliability of the service	Percentage of household connections receiving 24/7 supply of water	17,832 active HH or 100%	100% of active 19,379 HH	Operations & Maintenance	100% of active HH	100%
PI 3 (Timeliness) Adequacy (should not be less than 1.2:1)	Source of Capacity of LWD to meet demands for 24/7 supply of water To compute adequacy, use formula below: <u>Rated Capacity of Sources(cu.m/yr)</u> Demand(cu.m/yr) Demand = No. of Active Connections x 5 (average household size) x 100-130 (Liters per capita per day) x 365 days x 1L/1000	<u>6,706,022</u> 3,905,208 2 :1	<u>7,578,101</u> 4,244,001 2 :1	Operations & Maintenance	<u>7,578,101</u> 4,244,001 2 :1	100%
B. Water Distribution Service Management						
2019 Budget:						
PI 1 (Quantity) NRW: NRW should not	Percentage of unbilled water to water production	17.68%	20.00%	Operations & Maintenance	19.97%	100.00%
PI 2 (Quality) Potability	Daily chlorine residual requirement should be at least 0.3ppm at the farthest point. In case the LWD is using chlorine dioxide, the allowable level should be at least 0.2 to 0.4 ppm.	.77 ppm	0.30-1.50 ppm	Operations & Maintenance	.71 ppm	100%

Longer pipelines
located in remote and
hinterland barangays

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MFOs AND PERFORMANCE INDICATORS (1)		FY 2018 ACTUAL ACCOMPLISHMENT (2)	FY 2019 TARGET (3)	RESPONSIBLE OFFICE/UNIT (4)	FY 2019 ACTUAL ACCOMPLISHMENT (5)	ACCOMPLISHMENT RATE (6)	REMARKS (7)
PI 3 (Timeliness) Adequacy/reaability of service	Average response time to restore service (major and minor repair) when there are interruptions due to line breaks and/or production equipment or facility breakdown as reflected in the CSC-approved Citizen's Charter of the WD	Major Repair - 2 Hrs. Minor Repair - 1 Hr.	Major Repair - 3 Hrs. Minor Repair - 1 Hr.	Operations & Maintenance	Major Repair 1 Hrs & 45 mins Minor Repair 42 mins	100%	
Support to Operation (STO)							
2019 Budget:							
PI1 Staff Productivity Index	Categories A, B, C = 1 staff for every one hundred twenty(120) service connections. Category D = 1 staff for every one hundred (100) service connections.	120: 1	190: 1	Admin	215: 1	100%	
PI 2 Affordability	LWUA approved water rates	1.10% of average income of LIG <u>146</u> 1.095% 13,333	1.1% of LIG per latest data from PSA <u>146</u> 1.095% 13,333	Finance	1.1% of LIG per latest data from PSA <u>146</u> 1.095% 13,333	100%	

LWD NAME: **CARCAR WATER DISTRICT**

MFOs AND PERFORMANCE INDICATORS (1)		FY 2018 ACTUAL ACCOMPLISHMENT (2)	FY 2019 TARGET (3)	RESPONSIBLE OFFICE/UNIT (4)	FY 2019 ACTUAL ACCOMPLISHMENT (5)	ACCOMPLISHMENT RATE (6)	REMARKS (7)
PI 3 Customer Satisfaction	¹ 1. Ease of Doing Business - compliance to CSC Memo No. 14-2016.	NA	Compliant	Admin/Commercial	Certificate of Compliance posted in website last Aug 1, 2019	100%	
	2. Percentage of Customer Complaints acted upon against received complaints. <ul style="list-style-type: none"> •Complaints through hotline #8888 acted upon within 72 hours. •Complaints received through the WD customer service unit within the period prescribed by ARTA and other issuances. 	1,511 complaints received and acted upon - 100%	100% of complaints received acted upon	Commercial/Operations and Maintenance	1,786 complaints received and acted upon - 100%	100%	

¹Certificate from HR Manager & GM on the compliance to CSC Memo # 14- 2016

LWD NAME: **CARCAR WATER DISTRICT**

MFOs AND PERFORMANCE INDICATORS (1)	FY 2018 ACTUAL ACCOMPLISHMENT (2)	FY 2019 TARGET (3)	RESPONSIBLE OFFICE/UNIT (4)	FY 2019 ACTUAL ACCOMPLISHMENT (5)	ACCOMPLISHMENT RATE (6)	REMARKS (7)	
General Administration and Support Services (GASS)							
2019 Budget:							
PI 1 Financial Viability and Sustainability	<ul style="list-style-type: none"> •Collection efficiency ≥ 90%; ²•Positive Net Balance in the Average Net Income for twelve (12) months; •Current Ratio > 1.5:1 	Collection Efficiency 90%	Collection Efficiency 90%	Finance	Collection Efficiency 96%	100%	Commencement of the loan payment to DBP
		Average Net Income for 12 mos 1,600,707	Positive Average Net Income for 12 mos		Average Net Income for 12 mos 1,037,258		
		Current Ratio >1.50:1	Current Ratio 2.00		Current Ratio 2.20		
PI 2 a) Compliance with COA reporting requirements	In accordance with the prescribed content and period of submission (Submission of five financial reports, i.e. Balance Sheet, Statement of Income and Expenses, Statement of Cash Flows, Statement of Government Equity, Notes to Financial Statement, Report on Ageing of Cash Advance)	100% Complaint	100% Complaint	Finance	100% Complaint	100%	
b) Compliance with LWUA reporting requirements in accordance to content and period submission	b. Compliance with LWUA reporting requirements in accordance to content and period of submission i.e. Monthly Data Sheet, Balance Sheet, Income Statement, Cash Flow Statement, Microbiological/Physical/ Chemical/Chlorine residual report, Approved WD budget w/ Annual Procurement Plan, Annual Report	100% Complaint	100% Complaint	Finance	100% Complaint	100%	

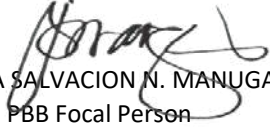
²Average Positive Net Income - EO 181-2015; LWUA MC 007-15; DBM-BC #007-2016

LWD NAME: **CARCAR WATER DISTRICT**

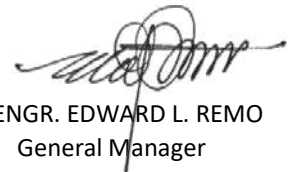
MFOs AND PERFORMANCE INDICATORS (1)		FY 2018 ACTUAL ACCOMPLISHMENT (2)	FY 2019 TARGET (3)	RESPONSIBLE OFFICE/UNIT (4)	FY 2019 ACTUAL ACCOMPLISHMENT (5)	ACCOMPLISHMENT RATE (6)	REMARKS (7)
PI 3 Compliance to COA AOM	3 Resolve at least 30% of COA findings stated in the AOM issued to the Agency for prior years as of December 31, 2019	6 out of 16 (37.5%) AOMs for CY 2015 and prior years have been implemented	At least 30% of AOMs for CY 2019 and prior years resolved	Finance	7 out of 16 (43.75%) AOMs for CY 2019 and prior years have been implemented	100%	
PI 4 Budget Utilization Rate (BUR)	Actual Disbursement on CAPEX versus Approved CAPEX budget for the current year should not be less than 85%.	Total Obligations 47.2M/ Total Capex Budget 54.7M or 86%	85-90% of Capex Budget amounting to 32.7 M	Finance	Total Obligations 27.9M/ Total Capex Budget 32.7M or 85%	100%	

³ Management Report (signed by GM) on resolved COA Findings

Prepared by:


JOSEFA SALVACION N. MANUGAS
PBB Focal Person

Approved by:


ENGR. EDWARD L. REMO
General Manager

Form A-1
 DETAILS OF DELIVERY/OFFICE PERFORMANCE INDICATORS AND TARGETS
 2019

LWD: CARCAR WATER DISTRICT

Major Final Outputs/ Responsible Division	Performance Indicator 1	FY 2019 Target for Performance Indicator 1	FY 2019 Accomplishment for Performance Indicator 1	Performance Indicator 2	FY 2019 Target for Performance Indicator 2	FY 2019 Accomplishment for Performance Indicator 2	Performance Indicator 3	FY 2019 Target for Performance Indicator 3	FY 2019 Accomplishment for Performance Indicator 3	Remarks
A. Water Facility Service Management										
Operations & Maintenance	(Quantity) access to potable water	19,146	19,379	(Quality) reliability of service	19,379	19,379	(Timeliness) Adequacy	<u>7,578,101</u> 4,244,001	<u>7,578,101</u> 4,244,001	
	Percentage of households with access to potable water against the total number of households within the coverage of the LWD	80% of 23,933 households have access to potable water	81% of 23,933 HH have access to potable water	Percentage of Household connections receiving 24/7 supply of water	100% of active HH	100% of active HH	Source Capacity of WD to meet demands for 24/7 supply	2 :1	2 :1	

LWD: CARCAR WATER DISTRICT

Major Final Outputs/ Responsible Division	Performance Indicator 1	FY 2019 Target for Performance Indicator 1	FY 2019 Accomplishment for Performance Indicator 1	Performance Indicator 2	FY 2019 Target for Performance Indicator 2	FY 2019 Accomplishment for Performance Indicator 2	Performance Indicator 3	FY 2019 Target for Performance Indicator 3	FY 2019 Accomplishment for Performance Indicator 3	Remarks
B. Water Distribution Service Management										
Operations & Maintenance	(Quantity) NRW: NRW should be ≤ 30% Percentage of unbilled water to water production	20%	19.97%	(Quality) Potability *Daily Chlorine residual requirement should be at least 0.3ppm at the farthest point * Chlorine Dioxide residual requirement should be at least .2ppm	0.30-1.50 ppm	.71 ppm	(Timeliness) adequacy/ reliability of service Average response time to restore service when there are interruptions due to line breaks and/or production equipment or facility breakdown as reflected in the CSC-approved Citizen's Charter of WD	Major Repair - 3 Hrs. Minor Repair - 1 Hr.	Major Repair Minor Repair	1 Hrs & 45 mins 42 mins

LWD: CARCAR WATER DISTRICT

Major Final Outputs/ Responsible Division	Performance Indicator 1	FY 2019 Target for Performance Indicator 1	FY 2019 Accomplishment for Performance Indicator 1	Performance Indicator 2	FY 2019 Target for Performance Indicator 2	FY 2019 Accomplishment for Performance Indicator 2	Performance Indicator 3	FY 2019 Target for Performance Indicator 3	FY 2019 Accomplishment for Performance Indicator 3	Remarks
C. Support to Operations (STO)										
Admin Finance Commercial	Staff Productivity Index Cat A,B,C = 1:120 Cat D = 1:100	1: 190	1: 215	Affordability Must be LWUA-approved Water Rate	1.1% of LIG per latest data from PSA 1.10% <u>146</u> 13,333	1.1% of LIG per latest data from PSA 1.10% <u>146</u> 13,333	1. Ease of Doing Business - compliance to CSC Memo No. 14-2016. 2. Percentage of Customer Complaints acted upon against received complaints. •Complaints through hotline #8888 acted upon within 72 hours. •Complaints received through the WD customer service unit within the period prescribed by ARTA and other issuances.	Compliant 100% of complaints received acted upon	Certificate of Compliance posted in website last Aug 1, 2019 1,786 complaints received and acted upon - 100%	

LWD: CARCAR WATER DISTRICT

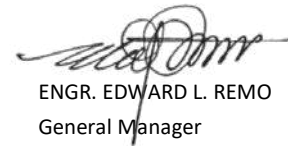
Major Final Outputs/ Responsible Division	Performance Indicator 1	FY 2019 Target for Performance Indicator 1	FY 2019 Accomplishment for Performance Indicator 1	Performance Indicator 2	FY 2019 Target for Performance Indicator 2	FY 2019 Accomplishment for Performance Indicator 2	Performance Indicator 3	FY 2019 Target for Performance Indicator 3	FY 2019 Accomplishment for Performance Indicator 3	Remarks
D. General Administration and Support Services (GASS)										
Finance	Financial Viability & sustainability Collection Efficiency ≥ 90% Positive Net Income Balance Current Ratio ≥ 1.5:1	Collection Efficiency Positive Average Net Income for 12 mos Current Ratio 2.00	90% 1,037,258 2.20	96% Compliance to COA reporting requirements Compliance to LWUA reporting requirements	Compliant	Compliant	Budget Utilization Rate (BUR) Actual Disbursement on approved CAPEX budget for the current year should be at least 85% to 90%	85-90% of Capex Budget amounting to 32.7 M	Total Obligations 27.9M/ Total Capex Budget 32.7M or 85%	

Prepared by:



JOSEFA SALVACION N. MANUGAS
PBB Focal Person

Approved by:



ENGR. EDWARD L. REMO
General Manager



CARCAR WATER DISTRICT

San Vicente St., Pob. I, Carcar City, Cebu, Philippines
Tel. No. 487-8525/487-9141/487-8500
www.carcarwaterdistrict.gov.ph



Management System
ISO 9001:2015



www.tuv.com
ID 9108633697

CERTIFICATE OF COMPLIANCE

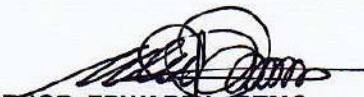
Pursuant to Republic Act No. 11032: An Act Promoting Ease of Doing Business and Efficient Delivery of Government Services, amending for the purpose Republic Act No. 9485, otherwise known as the Anti-Red Tape Act of 2007, and for Other Purposes

I, **ENGR. EDWARD L. REMO**, Filipino, of legal age, *General Manager of the Carcar Water District*, the person responsible and accountable in ensuring compliance with Section 6 of the Ease of Doing Business and Efficient Government Service Delivery Act of 2018, hereby declare and certify the following facts:

- 1) The *Carcar Water District* has established its service standards known as the Citizen's Charter that enumerates the following:
 - a. Vision and mission of the agency;
 - b. Government services offered;
 - i. Comprehensive and uniform checklist of requirements for each type of application or request;
 - ii. Step-by-step procedure to obtain a particular service;
 - iii. Person responsible for each step;
 - iii. Maximum time needed to conclude the process;
 - iv. Document/s to be presented by the applicant or requesting party, if necessary;
 - v. Amount of fees, if necessary; and
 - c. Procedure for filing complaints.
- 2) The Citizen's Charter is posted as an information billboard through interactive information kiosks, electronic billboards, posters, tarpaulins standees, or any other readable materials that could be easily understood by the public.
- 3) The Citizen's Charter is posted at the main entrance of the office or at the most conspicuous place of all the said service offices.
- 4) The Citizen's Charter is written either in English, Filipino, and/or in the local dialect and published as an information material.
- 5) The Citizen's Charter is uploaded on the agency's website through a tab or link specifically for the Citizen's Charter, located at the most visible space or area of the website, or as a link under the Transparency Seal.
- 6) There is an established Client Satisfaction Measurement per service in the respective offices.

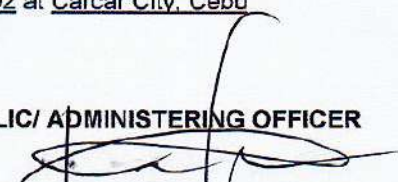
This certification is being issued to attest to the accuracy of all the foregoing based on available records and information that can be verified.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of December, 2019 in Carcar City, Cebu, Philippines.


ENGR. EDWARD L. REMO
General Manager
Carcar Water District

SUBSCRIBED AND SWORN to before me this _____ of _____ 2019 in Carcar City, Cebu, Philippines, with affiant exhibiting to me his/her CWD ID issued on 01/04/2002 at Carcar City, Cebu

NOTARY PUBLIC/ ADMINISTERING OFFICER



ATTY. RA SOLOMON A. ENRIQUEZ
NOTARY PUBLIC
VALID UNTIL DEC. 31, 2019
NOTARIAL COMMISSION NO. 126-16
PTR NO. 1516433 JAN. 3, 2019 CARCAR CITY
IBP LIFETIME MEMBER NO. 015460 CEBU CHAPTER
205 P. NELLAS ST., POB. III, CARCAR
CITY, CEBU 6019 PHILS.
ROLL OF ATTORNEY NO. 05194

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Book No. 07
Series of 2019


2019 NET INCOME VALIDATION SHEET CARCAR WATER DISTRICT

DATE	NET INCOME
January	2,380,897.59
February	719,362.22
March	1,171,898.79
April	1,542,761.64
May	2,473,640.04
June	2,423,459.03
July	(268,524.73)
August	1,474,687.55
September	393,353.96
October	177,656.89
November	1,708,998.95
December	(1,751,101.24)
TOTAL	12,447,090.69
AVERAGE NET INCOME	1,037,257.56

Prepared by:


 EDDIES C. INOT
 Finance Division Manager (OIC)

Checked by:


 JOSEFA S.N. MANUGAS
 Department Manager B

Approved by:


 ENGR. EDWARD L. REMO
 General Manager

CARCAR WATER DISTRICT
STATUS OF IMPLEMENTATION OF AOMs
As of December 31, 2019

AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION

#	Ref.	Audit Observations	Audit Recommendations	Agency Action Plan			Status of Implementation	Reason for Partial/ Delay/ Non-Implementation, if applicable	Action Taken/ Action to be Taken	
				Action Plan	Person/Dept. Responsible	Target Implementation Date				
						From				To
1	AOM 16-002 (CWD-15):	The variances between the results of the physical inventory count and the balances appearing in the Stock Cards (SC), Supplies Ledger Cards (SLC) and GL for the three inventory accounts were not explained/ resolved at year end, which condition affects the reliability of the account balance and indicative of a breakdown in the internal controls over inventories. A difference of ₱646,298.35 was noted between the GL balance and the physical count.	We recommended that management require the Accounting Division and the Property Unit to reconcile at the end of each month, the balances appearing in the GL, SL and PC to facilitate the identification of the causes for variances, if any. Thereafter, effect the necessary adjustments to correct either record.	Monthly reconciliation of accounting and warehouse receipts and issuances Reconciliation of 2016 transactions between accounting and warehouse records	Finance/Warehouse	Jun-17	Jun-18	Partially Implemented	Involved persons will have to work back on prior years' transactions	
2	AOM 16-006 (CWD-15):	A parcel of land acquired in 2015 with an area of 100 square meters was paid even if the disbursement voucher was not supported with the necessary documentary requirements as enumerated under Sections 13.1 and 13.2 of COA Circular No. 2012-001. This circumstance is not only a violation of Section 4(6) of PD 1445 but may also lead to delay in the titling of the land in the name of the Water District. B. Four donated lots with a total land area of 282 square meters have not yet been recorded in the books of accounts because of lack of valuation. C. Ownership of sixteen parcels of land which were either donated to or purchased by the Water District with a total approximate land area of 1,621.5 square meters has not yet been absolutely established as these properties are still not titled in the name of the Water District.	We recommend that management secure the required documents to validate the purchase transaction, which papers will simultaneously fast track the titling of the acquired lot in the name of the Water District. We recommend that management request the Cebu Provincial Appraisal Committee to appraise all the donated lots so that the Water District will have a reliable basis for the costing and recording of the transactions in the books of accounts. We reiterate our previous years' audit recommendation for management to closely monitor the titling of the lots donated and/or purchased by the Water District to certainly establish ownership.	Assign a personnel to focus on the processing of the documents for the transfer/titling of subject lots.	Admin			On-going	The process of titling/transfer of real estate takes a long time considering the various agencies involved. But progress has been made on some properties pertaining to securing the necessary documents and conduct of actual survey	
3	AOM 18-006 (17):	Disbursements which were charged against the funds allocated for advertisements were not in conformity with the conditions set forth in Section 408(c) of the Government Accounting and Auditing Manual (GAAM) Volume 1 and COA Circular No. 2012-003, thus, the water district incurred an irregular expenditure aggregating P359,059.75.	We recommend that Management strictly comply with the existing government rules and regulations as set forth in Section 408 (c) of the GAAM, Volume I and as reiterated in COA Circular No. 2012-003 relative to the expenses to be charged against the funds allocated for the advertisements of the water district.						Management believes that these subject expenditures will foster goodwill with the community. These are also part of the GAD programs of the water district as it aims to promote the local talents among the youth in Carcar City.	

AGENCY ACTION PLAN and STATUS of IMPLEMENTATION

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						From				To
4	AOM 15-002 (CWD-14):	Abnormal and dormant balances including one erroneous subsidiary account balance which was the outcome of the inappropriate accounting treatment of the covering transactions still formed part of the year-end account balance of various asset and liability accounts, a condition which may mislead users of the financial statements in making sound economic decisions. This situation also suggests that the Finance Services Department has not regularly monitored the disposal of these cases that resulted in the carry-over of the above-mentioned balances in the next accounting period.	We recommend that Management require the Finance Services Department to set a timetable for the re-verification/analysis of the abnormal and dormant account balances including the errors noted with a deadline for drawing the adjustments on these deficiencies. We also reiterate our previous years' audit recommendation requiring a semestral review of the composition/details of account balances so that dormant items/abnormal balances contained therein can immediately be acted upon.	Review accounts which have abnormal or dormant balances and make the necessary accounting treatment	Finance	December 10, 2019				
5	AOM 15-007(CWD-14):	The misstatement in the Construction in Progress account remained unresolved as the account still carried the costs of completed projects and transactions for adjustments which totaled P7.862 million or approximately 82.15% of the year-end balance of P9.571 million. The delay in the transfer of the completed projects which totaled P6.881 million to the appropriate PPE accounts has consequently misstated the balances of the Plant (UPIS) and Buildings and Structures accounts and their corresponding accumulated depreciation as well as the depreciation expense for the year. Hence, until corrected, this circumstance will repeatedly overstate the reported income at the end of the year.	We reiterate the following audit recommendations, with minor revisions, to ensure the reliability of the Construction in Progress (CIP) account balance in the ensuing year: <ul style="list-style-type: none"> • Direct the Department Manager B - Finance Services Department to draw the Journal Entry Vouchers (JEVs) for the transfer of the completed projects from the CIP accounts to the appropriate PPE accounts. Thereafter, require the computation of the monthly depreciation expense using as reference the guidelines set forth in COA Circular No. 2004-003 dated October 4, 2004. • Improve the coordination between the Finance Services Department (FSD) and the Operations and Maintenance (O&M) Division with regards to the Construction in Progress transactions. As an initial step, require the O&M Division to furnish FSD all the papers pertaining to completed projects within one (1) month after the date of completion to regularly adjust the CIP account particularly on projects undertaken during the year. • Review the year-end schedules supporting the CIP accounts so that the needed adjustments can be effected before the closing of the books of accounts. 				Partially implemented	Only one (1) completed project has not been closed pending the completion of the as-built plan		
6	AOM No. 13-011 (CWD):	The Board of Directors was granted in CY 2011 a Year-End Financial Assistance and Cash Gift without approval from the President as required under Section 8 (d) of Executive Order No. 24 dated February 10, 2011. We recommend that management require the members of the Board of Directors to refund the Year-End Financial Assistance and Cash Gift granted in CY 2011.	We further recommend that management strictly comply with the instructions contained in Section 3 of Executive Order No. 65 dated January 2, 2012 when granting allowances and other benefits to the members of the Board of Directors.					The Financial Assistance given to the members of the Board of Directors were given prior to the receipt of the Memorandum which provided for the cancellation of such benefit. Financial benefits for the members of the Board of Directors aside from Per Diems have been suspended since January 2012 up to the present.		

AGENCY ACTION PLAN and STATUS of IMPLEMENTATION

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						From				To
7	AOM 19-008 (CWD 18):	The reported Service and Business Income in CY 2018 was overstated by P139,337.10 due to the inclusion of erroneous water consumption billed to one concessionaire in December 2018. Thus, affecting the fair presentation of the financial statements of the Water District.	We recommend that Management implement a review mechanism on the Billing Proof List so as to detect any erroneous meter reading and effect the necessary corrections /adjustments, if any, before the closing of the books at the end of the reporting period to ensure the fair presentation of the accounts in the financial statements.					This account has been adjusted under BAM No.19-01-001		
8	AOM 19-001 (CWD 18):	The balance of Accounts Payable account included an obligation amounting to P63,333.36 which had been outstanding for over three (3) years as at December 31, 2018. This condition is not in keeping with the provisions in Sections 98 and 99 of P.D. 1445 on the reversion of unliquidated balances of accounts payable and transfer of unexpended balances to the general fund	We recommend that Management require the Accountant to review the validity of the claim against the Water District which were booked under the Accounts Payable account, otherwise, effect the necessary reversal of the obligation to comply with the provisions set in Sections 98 and 99 of P.D. 1445.	This issue will be taken up together with the review of dormant and abnormal accounts.		December 10, 2019		Not yet implemented		
9	AOM 19-002 (CWD 18):	Several transactions were not recorded to their appropriate accounts, thus not in conformity with the Revised Chart of Accounts for Government Corporations as prescribed under Annex A of COA Circular No. 2015-010.	We recommend that Management direct the concerned personnel at the Accounting Section to make the necessary adjusting entry to record the retention fee and accrual of leave benefits to their appropriate accounts and henceforth, use the proper account code/title in recording the transactions in accordance with COA Circular No. 2015-010 on the Revised Chart of Accounts for Government Corporations.							
10	AOM 19-003 (18):	The correctness, existence and valuation of the recorded balance of the Property, Plant and Equipment (PPE) accounts totaling P158.041 million (excluding Land and Construction in Progress) with net carrying amount of P90.964 million as at December 31, 2018 could not be ascertained due to: a) discrepancy between the balances as presented in the Statement of Financial Position and the supporting General Ledger; b.) unaccounted properties which were included in the CY 2018 Report on Physical Count of Property, Plant and Equipment (RPCPPE); c.) no impairment loss was recognized on the affected asset accounts although indications of impairment existed.	We recommend that Management require the OIC Division Manager-Finance to account for the discrepancies in the beginning balance of the affected PPE accounts and ensure that the balances appearing in the Financial Statements are consistent with the supporting GLs.		Finance				The records have been reconciled. Any discrepancy was due to some entries that will have to be drawn as an effect of the conversion to PFRS.	The accounts will be analyzed and the necessary adjustments will be made
11	AOM 19-004 (CWD 18):	Payments of wages to Job Order personnel totaling P6,938,342.15 in CY 2018 were not supported with duly verified Accomplishment Reports contrary to Section 4(6) of Presidential Decree (PD) No. 1445 and Section 1.2.1 of COA Circular No 2012-001 thus, the validity and propriety of the transactions could not be ascertained.	We recommend that Management require the concerned Job Order personnel to submit their individual Accomplishment Reports duly verified and signed by their immediate supervisors before processing the payment of their wages to ensure that the amounts paid are based on the services actually rendered in accordance with their scope of work or assigned tasks. We further recommend that Management prudently assess the necessity of hiring JOs especially in various events such as Team Building activities, CWD Anniversary, GAD activities, and the like.					Implemented		

AGENCY ACTION PLAN and STATUS of IMPLEMENTATION

#	Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/ Delay/ Non-Implementation, if applicable	Action Taken/ Action to be Taken
				Action Plan	Person/Dept. Responsible	Target Implementation Date				
						From	To			
12	AOM 19-005 (CWD 18):	The Cash in Bank balance aggregating P8,156,729.36 as at December 31, 2018 cannot be relied upon due to the unreconciled variance in the balance per bank amounting P2,341.13 and the various additional reconciling items in the Bank Reconciliation Statement totaling P127,404.66 which were not adjusted in the Water District's books of accounts, contrary to the requirement of Chapter 21, Volume I of the Government Accounting Manual (GAM).	We recommend that Management require the OIC Division Manager-Finance to trace the unreconciled variance of P2,341.13 in the BRS as of December 31, 2018 to ensure the accuracy of the reported Cash in Bank balance in the Statement of Financial Position. We further recommend that the OIC Division Manager-Finance thoroughly review the monthly BRS and make sure that JEV is prepared to recognize all reconciling items that require adjustment and correction in the Water District's books of accounts.	A staff of the Finance Division has been assigned to work back on the bank reconciliation statement from December 2018 to September 2018.	Finance	June 17, 2019	July 15, 2019	Reconciled		
13	AOM 19-001 006 (CWD 18)	The balance of the Advances to Offices and Employees account amounting to P20,319.58 cannot be relied upon due to the following: A. The reported balance in the Trial Balance and Statement of Financial Position was understated by P102,903.84 as compared to the general ledger balance, contrary to Sections 111 and 121 (2) of Presidential Decree (PD) No. 1445. B. Some liquidation of Cash Advances were taken up in the books of accounts even if the liquidation reports and the supporting documents have not yet been submitted by the accountable officers to the Finance Division, a practice which is not in conformance with Section 5 of the COA Circular No. 97-002 dated February 10, 1997.	We recommend that Management require the OIC Division Manager-Finance to strictly comply with the provisions of COA Circular No. 97-002 dated February 10, 1997 specifically to ensure that all liquidations are submitted to the finance division with the complete and appropriate liquidation documents prior to the recording in the Water District's books of accounts.	For immediate implementation	Finance	Jun-19	Onwards	Implemented		
14	AOM 19-007 (CWD 18):	Some concessionaires were charged with water rate for residential category instead of commercial, thus depriving the Water District of additional income in 2018 totaling P496,827.40. This practice, if continued, is grossly disadvantageous to the Water District.	We recommend that Management reassess the water rate applied to the aforementioned concessionaires according to its correct classification under LWUA approved water rates. Henceforth, we recommend that Management ensure that correct rates are appropriately imposed corresponding to the concessionaire's type of service connection.	Letters were sent to the concerned concessionaires and the accounts were reclassified accordingly	Commercial			Implemented		
15	AOM 19-008 (CWD 18)	Principal loan amortizations paid in CY 2018 totaling P4,399,125.29 was not included in the Corporate Operating Budget (COB), thus, payment was without appropriation, a violation of Section 4(1) of PD 1445.	We thus, recommend that Management submit authority from the governing board of the Water District for the release of funds appertaining to the payment of monthly principal loan amortizations for CY 2018 and obtain a post facto approval from the DBM, if warranted. Henceforth, ensure that all expenditures are covered with approved appropriations pursuant to Section 4(1) of PD 1445.	Seek approval from the BOD for the appropriation for the payment of the loan amortization with DBP. Approved under Board Res. No. 11, s. 2019 dtd May 30, 2019	Finance			Implemented		

AGENCY ACTION PLAN and STATUS of IMPLEMENTATION

#	Ref.	Audit Observations	Audit Recommendations	Agency Action Plan			Status of Implementation	Reason for Partial/ Delay/ Non-Implementation, if applicable	Action Taken/ Action to be Taken	
				Action Plan	Person/Dept. Responsible	Target Implementation Date				
						From				To
16	AOM 19-008 (CWD 18):	The reported Service and Business Income in CY 2018 was overstated by P139,337.10 due to the inclusion of erroneous water consumption billed to one concessionaire in December 2018. Thus, affecting the fair presentation of the financial statements of the Water District.	We recommend that Management implement a review mechanism on the Billing Proof List so as to detect any erroneous meter reading and effect the necessary corrections /adjustments, if any, before the closing of the books at the end of the reporting period to ensure the fair presentation of the accounts in the financial statements.	This account has been adjusted under BAM No.19-01-001			Implemented			


---Nothing follows---

Seven (7) out of sixteen (16) AOMs have been implemented, equivalent to 43.75%.

Prepared by:


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01.15.2020


ENGR. EDWARD L. REMO
General Manager

01.17.2020
Date