



Republic of the Philippines
Department of Environment and Natural Resources
Visayas Avenue, Diliman, 1106 Quezon City
☎ (632) 929-6626 to 29; 929-6252; 929-6633 to 35; 929-7041 to 43
E-mail: web@denr.gov.ph; Website: www.denr.gov.ph

MEMORANDUM

FOR : **LORMELYN E. CLAUDIO, CESO IV**
Regional Executive Director
Region 4B - MIMAROPA

FROM : OIC Director, Internal Audit Service

SUBJECT : **REQUEST STATUS ON THE IMPLEMENTATION OF AUDIT RECOMMENDATIONS RE PERFORMANCE AUDIT ON THE NATIONAL GREENING PROGRAM**

DATE : **JUN 10 2022**

This is with reference to the audit engagement re Performance Audit on the National Greening Program in Region 4B - MIMAROPA conducted by the Operations Audit Division (OAD), Internal Audit Service last year.

As part of the audit process, implementation of audit recommendations stated in the memorandum of then Secretary Roy A. Cimatu dated 02 December 2021 (*copy attached*) will be monitored by the Audit Team. This is also in preparation for the Audit Follow-up which is targeted tentatively in the 2nd semester of CY 2022 in order to close the audit.

In this regard, it is requested that status on the implementation of audit recommendations be submitted to this Office on or before 17 June 2022 using the attached format.

Further, we would like to request the assistance of the Regional Internal Audit Focal Persons to coordinate with concerned office/s and facilitate the submission of documents.

For further inquiries, you may contact Ms. Emmylou S. Puerta of OAD at 926-8067 or 09472723780.

For your information and consideration.

VICENTE B. TUDDAO, JR., Ph.D., CESO IV

Cc: Head Executive Assistant
Usec. - Field Operations – Luzon, Visayas and Mindanao



Republic of the Philippines
Department of Environment and Natural Resources
Visayas Avenue, Diliman, 1106 Quezon City
☎ (632) 929-6626 to 29; 929-6252; 929-6633 to 35; 929-7041 to 43
E-mail: web@denr.gov.ph; Website: www.denr.gov.ph

MEMORANDUM FROM THE SECRETARY

TO : RED MARIA LOURDES G. FERRER, *CESO III*
DENR Region 4B – MIMAROPA

SUBJECT : IMPLEMENTATION OF AUDIT RECOMMENDATIONS
ON THE PERFORMANCE AUDIT ON NATIONAL
GREENING PROGRAM (NGP)

DATE : DEC 02 2021

This refers to the Performance Audit on National Greening Program (NGP) conducted in Region 4B – MIMAROPA, and PENROs Marinduque, Occidental Mindoro and Oriental Mindoro by the Operations Audit Division, Internal Audit Service.

As stated in the Audit Report, the assessment identified nonconformities to the technical and financial aspects on the implementation of NGP, particularly the site identification, seedling production, site development, maintenance and protection, and recording of NGP sites in the books of accounts.

Hence, the following audit recommendations should be undertaken in order to further improve the operational performance of the concerned offices on NGP:

1. Maintain compliance with DENR Administrative Order No. 2017-03 on the conduct of Survey, Mapping and Planning (SMP) prior to the plantation establishment in order to provide recommendations for effective implementation of NGP.
 - Coordination and consultation with stakeholders concerned, and enhanced information, education, and communication (IEC) campaign.
 - Conduct of actual assessment of the planting site as well as site-species matching to determine the appropriate species that will best grow under the existing biological condition as well as the trait or characteristics of the identified planting site.
2. NGP Coordinators and Forest Extension Officers should strengthen the conduct of monitoring on all activities of the NGP:
 - Ensure adherence of the Partners to the provisions in the Contract.
 - Modifications in the Contract or Work and Financial Plan of the Partner as well as rectification of maps should be properly documented and approved by the Regional Executive Director.
 - Compliance with FMB Technical Bulletin No. 10-A on the proper spacing of seedlings planted to ensure growth and productivity.
 - Ensure that all NGP sites have respective Site Codes and signage.
 - Close coordination with Finance Division/Section on the recording of NGP sites in the Books of Accounts.

3. Intensify the monitoring and patrolling of graduated NGP sites through LAWIN Forest and Biodiversity Protection System.
4. Compliance with DENR Administrative Order No. 2021-20 on the identification of NGP sites, which are still untenured, to be placed under any appropriate tenure instrument or management arrangement in order to ensure the sustainable management of NGP sites and resources therein.
5. Strengthen the internal control on the following processes:
 - Preparation of Inspection Reports in order to establish reliability and validity of financial transactions.
 - Inspection should be conducted by the designated Inspection Committee members.
 - Adhere to the protocol on the signatories of the Inspection Reports.
 - Inspection Reports should include details and accomplishments as required in the Contract, Work and Financial Plan and/or Terms of Reference, e.g., species, number, and quality of seedlings produced by the Partner, and its compliance with the standard.
 - Payments to the Partners based on the provisions in the Contract.
 - Records management system and proper turn-over of documents.
6. Finance Division/Section to comply with Sections 32 to 34 of Government Accounting Manual (Volume I):
 - Ensure that all reforestation projects are recorded in the books of accounts of the office concerned in the appropriate Construction in Progress-Land Improvements Ledger Cards maintained for Reforestation Projects for each contractor. After the turn-over of Reforestation Projects, the "Construction in Progress" account shall be transferred to account "Land Improvements, Reforestation Projects" based on the Final Inspection Report submitted by the Partner and duly accepted by the office concerned.
 - Fast track the reconciliation and updating of Subsidiary Ledgers to ensure accurate reporting of Reforestation Projects in the Books of Accounts.

Further, it is directed that a report including action plan or actions taken be submitted to this Office within ten (10) days upon receipt of this Memorandum for monitoring purposes.


ROY A. CIMATU



AUDIT ENGAGEMENT: _____

REGION: _____

STATUS ON THE IMPLEMENTATION OF AUDIT RECOMMENDATIONS

AUDIT RECOMMENDATIONS	STATUS (Implemented/Partially Implemented/Not Implemented)	ACTIONS TAKEN

PREPARED BY:

NOTED BY: