



Republic of the Philippines
COMMISSION ON AUDIT
National Government Sector
Cluster 5 – Education and Employment
Regional Office No. IV-B
Commonwealth Avenue, Quezon City

February 21, 2020

ALBERT E. GUTIB
OIC-Regional Director
Department of Labor and Employment
Regional Office - MIMAROPA
Lumbangbayan, Calapan City, Oriental Mindoro

Dear **Director Gutib**:

**Management Letter (ML) on the Audit of the
Department of Labor and Employment
For the Calendar Year 2019**

1. Pursuant to Section 2, Article IX-D of the Constitution of the Philippines and Section 43 of the Government Auditing Code of the Philippines (PD 1445), we have audited the accounts and operations of the Department of Labor and Employment (DOLE) Regional Office No. IV-B (MIMAROPA) for the period ended December 31, 2019. The audit was conducted in accordance with applicable laws, rules and regulations and the Philippine Public Sector Standards on Auditing (PPSSA). Those standards require that we plan and perform the audit to obtain a reasonable basis for our conclusions.
2. The audit was conducted to (a) verify the level of assurance that may be placed on Management's assertions on the financial statements; (b) recommend agency improvement opportunities; and (c) determine the extent of implementation of prior year's audit recommendations.
3. The audit observations with the recommended courses of actions are discussed in detail in this ML prepared by **Ms. Myrna B. Lunario**, State Auditor IV, Audit Team Leader under the supervision of **Ms. Josefina R. Ponciano**, State Auditor V, Regional Supervising Auditor.

4. The Agency's financial conditions and results of operations and cash flows as of December 31, 2019 are shown in the attached audited financial statements (**Annexes A-G**).

5. Deficiencies observed in the course of the audit were earlier communicated through the Audit Observation Memoranda (AOM) and discussed with officials and employees in an exit conference conducted on **February 14, 2019**. Their comments were incorporated in this ML, where appropriate. The significant audit observations and the recommendations shall be incorporated in the Consolidated Annual Audit Report (CAAR) of the Department of Labor and Employment for CY 2019.

A. INTRODUCTION

6. DOLE is the national government agency mandated to formulate policies, implement programs and serve as the policy-coordinating arm of the Executive Branch in the field of labor and employment.

7. Consistent with the national development plan, its vision is the attainment of full decent and productive employment for every Filipino worker. It is mandated to promote gainful employment opportunities, develop human resources, protect workers and promote their welfare and maintain industrial peace.

8. DOLE RO IV-B (MIMAROPA), is one of the 16 DOLE Regional Offices which serves as the frontline office or implementing unit of the Department in MIMAROPA Region.

9. As of December 31, 2019, this Region is under the leadership of Director **Albert E. Gutib**. He assumed Office by virtue of DOLE Administrative Order No. 41-B dated October 25, 2019, and supported by Assistant Regional Director **Bernardino P. Toriano**.

10. The DOLE RO - MIMAROPA has an approved plantilla of 46 positions, in which 43 are filled-up. To augment its manpower, 70 contractual personnel were hired/outsourced in CY 2019.

11. During the Calendar Year (CY) 2019, DOLE RO - MIMAROPA has reported, among others, the following major accomplishments vis-a-vis their targets:

Major Thrusts/Activities	Targets	Accomplishments	Percentage of Accomplishments
OUTCOME 1: EMPLOYABILITY OF WORKERS AND COMPETITIVENESS OF MSMEs ENHANCED			
Special Program for Employment of Students (SPES)	1,881 youth beneficiaries	2,345 youth beneficiaries	124.67%
Public Employment Service (PES)	48,095 qualified jobseekers referred for job placement	71,730 qualified jobseekers referred for job placement	149.14%
Labor Market Information	56,629 individuals reached	103,582 individuals reached	182.91%
National Skills Registry Program (NSRP)	7 LGUs trained/re-oriented on NSRP	7 LGUs re-oriented on NSRP	100.00%
Productivity Training Program	750 MSMEs provided with training/orientation services	781 MSMEs provided with training/orientation services	104.13%
OUTCOME 2: PROTECTION OF WORKER'S RIGHT AND MAINTENANCE OF INDUSTRIAL PEACE ENSURED			
Labor Inspection Program	1,593 establishments in priority sectors inspected	2,301 establishments in priority sectors inspected	144.44%
Workers Organization and Development Program (WODP)	200 number of union members/worker's association members participated in the trainings	406 number of union members/worker's association members participated in the trainings	203.00%
	10 individuals provided with scholarship grants	10 scholars provided with scholarship grants, 1 graduated	100.00%
Labor and Employment Education Program	10,661 workers, employers and students	26,376 workers, employers and students	247.41%
OUTCOME 3: SOCIAL PROTECTION FOR VULNERABLE WORKERS STRENGTHENED			
DOLE Integrated Livelihood Program (DILP)	860 beneficiaries provided with livelihood assistance	1,665 beneficiaries provided with livelihood assistance	193.60%
	86 parents of child laborers were provided with livelihood assistance	96 parents of child laborers were provided with livelihood assistance	111.63%
GIP/TUPAD	2,556 GIP beneficiaries assisted	2,556 GIP beneficiaries assisted	100.00%
	20,056 TUPAD beneficiaries provided with temporary wage	20,056 TUPAD beneficiaries provided with temporary wage	100.00%