

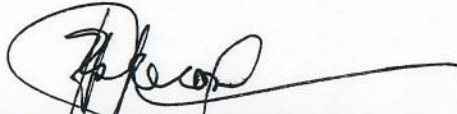
**NATIONAL SECURITY COUNCIL**  
**AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION**  
**Audit Observations and Recommendations**  
**For the Calendar Year 2016**  
**As of December 15, 2017**

OFFICE OF THE AUDITOR  
NSC  
**RECEIVED**  
BY: Jan.  
DATE: 12/28/2017  
TIME: \_\_\_\_\_

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			
	<p>1. Liquidation reports for cash advances granted to Officers and Employees totalling P314,192.54 for local travels were not supported with Certificates of Appearance, Travel Completed and Travel Authority, while refunds of unused cash advances and submission of liquidation reports were made beyond 30 days from return to personnel's workstation as required under Section 25 (b0 and 26(b), Chapter 6 of GAM for NGAs, Volume I.</p>	<p>We recommend management to:</p> <p>a) apprise the designated AOs on the rules and regulations regarding liquidation of cash advances, and</p> <p>b) require the Accountant to review the completeness of the supporting documents of the liquidation reports submitted by the AOs, including the officials receipts of the unused cash advances, if any.</p>		FSS / Accounting Unit	Mar 2017	Onwards	Fully Implemented		<p>The NSA/DG issued Memorandum to officials and employees dated March 9, 2017 to immediately submit the necessary documentary requirements of their respective liquidation reports in compliance with Audit Observation Memorandum No.2017-001 (2016) dated Feb 2, 2017 issued by Resident COA Auditor.</p>

	<p>2. The NSC did not formulate plans, programs and projects for the Senior Citizens and Differently-Abled Persons for CY 2016 required in Section 36 of the General Provisions of RA No. 7277, the GAA for FY 2016.</p>	<p>We recommended Management to formulate plans, programs and projects that would address the concerns of Senior Citizens and Differently-Abled Persons consistent with its mandate in compliance with Section 36 of the GAA.</p>		HRDS	Jan. 2018	Onwards	To be implemented in 2018		<p>The HRDS is being tasked by the management to prepare the plans, programs and projects for the Senior Citizens and Differently-Abled Persons.</p>
	<p>3. Insurable assets and properties of NSC with carrying amount totalling to P95,036,250.12 were not covered with insurance with the GIF of the GSIS, contrary to the provisions of Section 5 of RA No. 656, known as the "Property Insurance Law", as amended by PD No. 245 dated July 13, 1973 and Section 1.1.2 of COA Circular No. 92-390 dated November 17, 1992, thus, in case of damage to or loss of assets and properties due to fortuitous event, the government will not be indemnified.</p>	<p>We recommended Management to:</p> <p>a) Require the Property Officer to submit an updated inventory of all insurable properties to the GIF using the form prescribed by the GSIS for determination and approval of appropriate insurance coverage;</p> <p>b) Prioritize to secure adequate insurance coverage for the insurable assets and properties with the GIF of the GSIS in compliance with RA No. 656; and</p>		GASO/ Property Unit	Aug 10, 2017	Dec 2017	Fully Implemented		<p>The GSIS issued Equipment Policy Insurance No. F1-NM-GSISHO-0027983 covered date Oct 25, 2017 to Oct 25, 2018.</p>

		<p>c) Make representation with the GSIS official that such a request for assessment was in compliance with RA No. 656 prescribing the agency to insure their insurable assets so that in case of damage to or loss of assets and properties due to fortuitous event, the government will be indemnified. In addition, this is to avoid similar audit observation in the future.</p>							
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**SEC. HERMOGENES C. ESPERON, JR**  
National Security Adviser and  
Director General

**DEC 27 2017**

**Date**