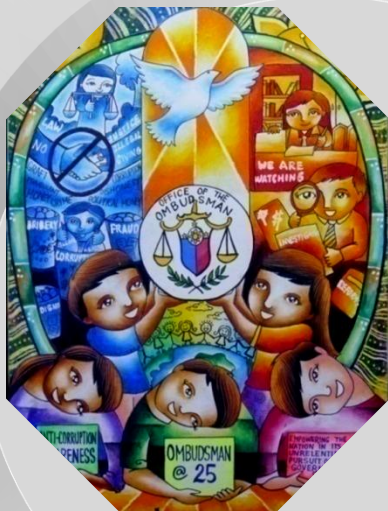




25 Years

Empowering the Nation in its
Unrelenting Pursuit of Good Governance



2013
ANNUAL REPORT



Republic of the Philippines
Office of the Ombudsman
Agham Road, Diliman, Quezon City 1104

www.ombudsman.gov.ph



About the Cover

In celebration of the 25th Anniversary of the Office of the Ombudsman, the Integrity Caravan was launched in sync with the 8-Point Strategy of the Office. The aim---to build a broad-based strategic partnership of all anticorruption stakeholders, including an untapped target ---the Youth.

But the challenge was how to bring to life a big word as "integrity" in a manner that is relevant, truthful, and meaningful to them. Through the Integrity Development Contest, the Office of the Ombudsman was able to abridge that challenge by encouraging them to display the radiance of their pure creativity and pristine talents---thus, the 8 finalists of the Integrity Development Poster Making Contest.

^{1st} Place (center) – Edward G. Sadama III, 16 yrs. old, Ilocos Norte National High School, Laoag City, Ilocos Norte; ^{2nd} Place (left)–Jamia Mei Tolentino, 15 yrs. old, St. Stephen's High School, Manila; ^{3rd} Place (right)- Kimbert S. Bongbonga, 15 yrs. old, Jose P. Laurel High School, Project 4, Quezon City

MISSION

As protectors of the people, we shall endeavor, in cooperation with all sectors of Filipino society, to promote integrity and efficiency and high ethical standards in public service through proactive approaches in graft prevention and public assistance, prompt investigation of complaints, and aggressive prosecution of cases against erring government officials and employees.



VISION

A truly independent Office run by God-fearing men and women with the highest degree of competence, honesty and integrity, and effectively serving as watchdog, mobilizer, official critic, and dispenser of justice for the people it is constitutionally mandated to protect.

MESSAGE FROM THE OMBUDSMAN

The Philippines saw in 2013 a series of natural calamities and social catastrophes that rocked the entire nation. The residual effects of super typhoon “Yolanda” and super exposé “PDAF” have yet to settle, as they put to test two respective qualities: the resilience of the Filipino spirit and the vigilance of the Filipino people.

The nation was confronted by the wrath of nature which spelled misfortunes in people's lives and properties. The nation was likewise confronted by the rage of people who slammed the misuse of people's money. While “Yolanda” has gained infamy as the strongest typhoon to hit any country, the “PDAF” controversy has been tagged as the grandest corruption case thus far handled by the Office.

These adversities and complexities notwithstanding, the Office in 2013 achieved a considerable mileage in terms of case disposition. It was able to resolve 39% of the criminal case load despite a 17% increase in the workload, and 42% of the administrative case load despite a 10% increase in the workload. In 188 administrative cases, the Office imposed the penalty of dismissal from the service upon erring public officials. The Office also filed 961 criminal cases with the Sandiganbayan, more than double the number in 2012 and the highest in the last 18 years.

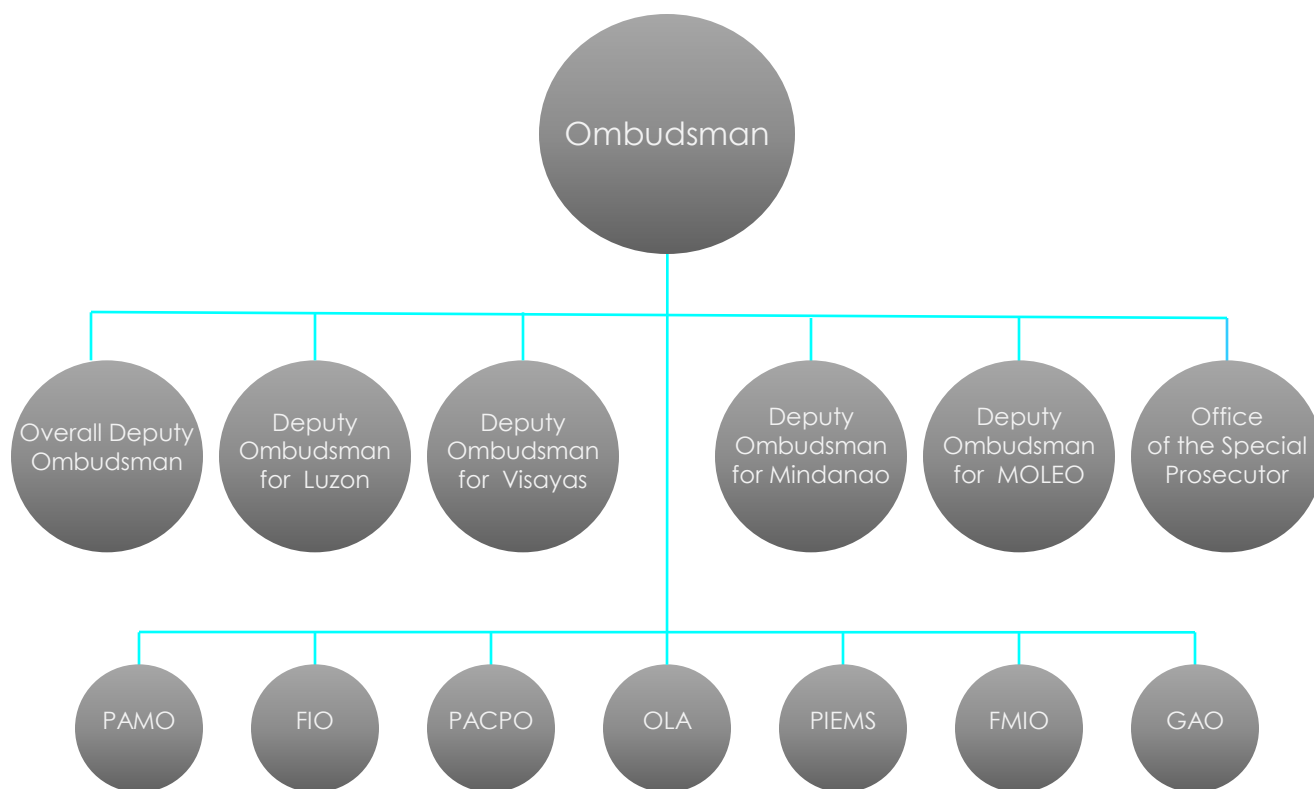
As part of the year-long anniversary celebration, the Office launched the “Integrity Caravan” project to build a broad-based strategic partnership with all anti-corruption stakeholders through the conduct of public governance fora, integrity lecture series, university tours, barangay integrity seminars, and integrity development contests.

Incidents of corruption, indeed, need to be uncovered and unmasked. Any surge in exposed scams, all the more, deepens the Office's resolve to intensify the war against corruption. With the strong commitment of Ombudsman officials/employees and with the help of anti-corruption partners, the Office of the Ombudsman shall surely rise up to the challenge. This country shall emerge triumphant as the wheels of rehabilitation and the wheels of justice turn for the common good.




CONCHITA CARPIO MORALES
Ombudsman

ORGANIZATIONAL STRUCTURE



HON. CONCHITA CARPIO MORALES
Ombudsman

MELCHOR ARTHUR H. CARANDANG
Overall Deputy Ombudsman

GERARD A. MOSQUERA
Deputy Ombudsman for Luzon

RODOLFO M. ELMAN
Deputy Ombudsman for Mindanao

PELAGIO S. APOSTOL
Deputy Ombudsman for Visayas

CYRIL E. RAMOS
Deputy Ombudsman for the Military
and Other Law Enforcement Offices (MOLEO)

PAMO - Preliminary Investigation, Administrative and Monitoring Office
FIO - Field Investigation Office
PACPO - Public Assistance and Corruption Prevention Office
OLA - Office of Legal Affairs
PIEMS - Prosecution, Information, Evaluation and Monitoring Services
FMIO - Finance and Management Information Office
GAO - General Administration Office

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THE 8-POINT STRATEGY



When Justice Conchita Carpio Morales assumed as the 5th Ombudsman of the Republic of the Philippines, she immediately realized the magnitude of the problems that beset the Office. In order to set new directions and to chart a 7-year roadmap, a comprehensive strategic planning was initiated that steered towards the adoption of the policy thrust for CY2011-2018.

Policy Thrust:

To enhance efficiency, effectiveness, transparency, accountability, credibility and responsiveness in the performance of the mandate and functions of the Office towards the improvement of corruption prevention and control.

Along this thrust, the Office vigorously pursues the following eight-point priorities:

1. Prioritized disposition of complaints and cases involving high-ranking officials, large sums of money, grand corruption, and celebrated cases;
2. Zero-backlog;
3. Improved survival of fact-finding cases;
4. Enforced monitoring of referred cases;
5. Improved responsiveness of public assistance;
6. Improved anti-corruption policy and programme coordination among sectors;
7. Rationalized functional structure; and
8. Improved transparency and credibility of the Office of the Ombudsman.

1 Prioritized Disposition of High-Profile Cases

Under the law, the Ombudsman shall give priority to complaints filed against high-ranking government officials and/or those occupying supervisory positions, complaints involving grave offenses as well as complaints involving large sums of money and/or properties. As the lead anti-corruption agency, the Ombudsman gives the highest priority to the disposition of cases of grand corruption, as distinguished from petty or bureaucratic corruption, and those which are highly publicized.

Considering the limited resources of the Office, the Ombudsman concentrates on the disposition of these complaints and cases by effectively reducing the volume of non-priority complaints and cases (i.e., non-corruption cases, cases that are trivial or frivolous, and those which can be referred to other fora) in its workload. To be more responsive in the discharge of its mandate, priority complaints and cases are being disposed expeditiously within the timeframes prescribed under the rules.

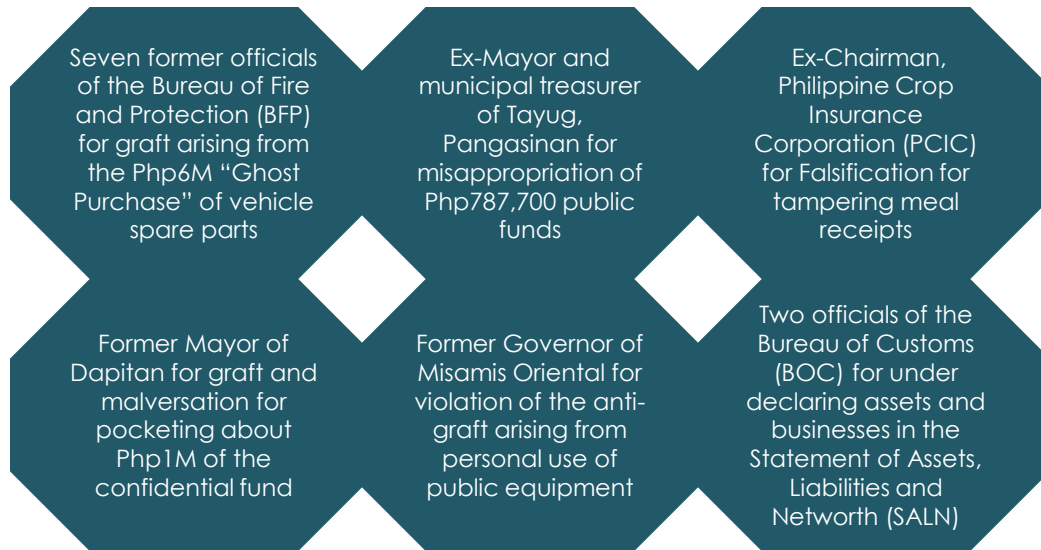




Cases filed with the Sandiganbayan against High-Ranking Government Officials



Convicted High-Ranking Government Officials



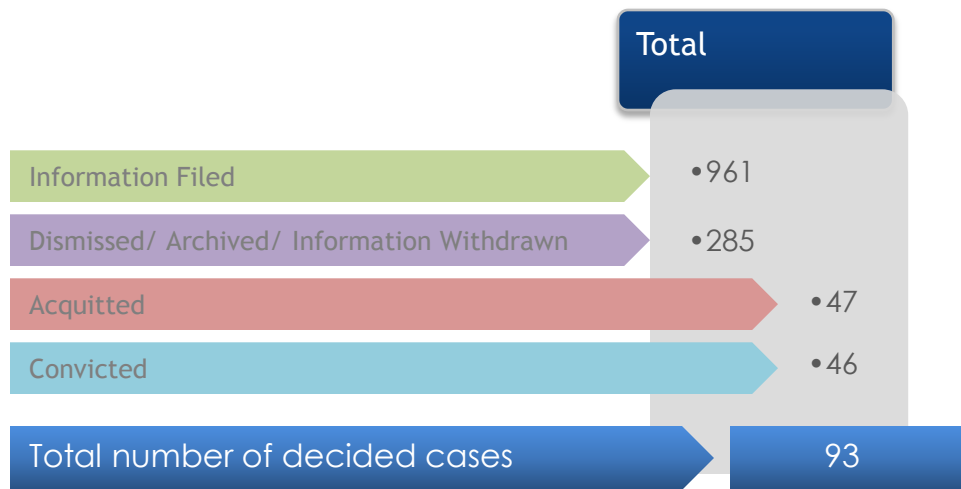
High-Ranking Government Officials Dismissed from the Service



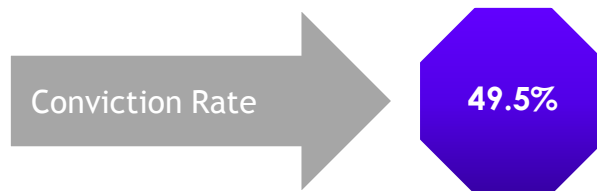
Number of Cases against Government Officials Filed before the Sandiganbayan

City and Municipal Mayors	•357
OIC-Director General, DPWH	•118
Project Manager, DPWH	•118
Undersecretary, DOF	•98
CEO, PAGCOR	•39
General Manager, People's Television Network, Inc.	•28
AFP General	•18
Governor	•13
Provincial Prosecutor	•8
Chief, PNP	•6
City Councilor	•6
Director General, TESDA	•6
City Treasurer	•4
Director, PNP	•4

Sandiganbayan Decided/ Disposed Cases



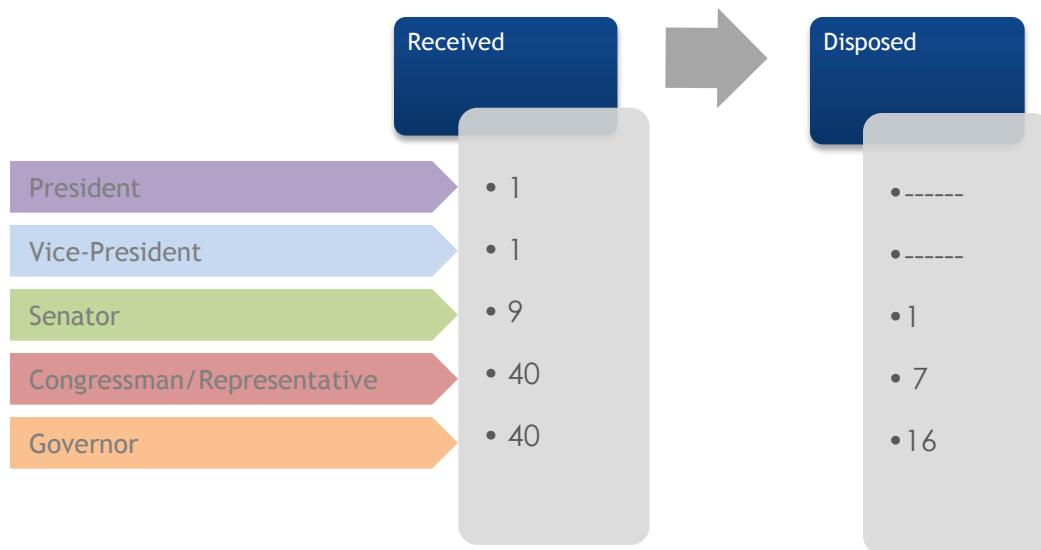
Formula: number of convictions divided by the number of decided cases multiply by 100%



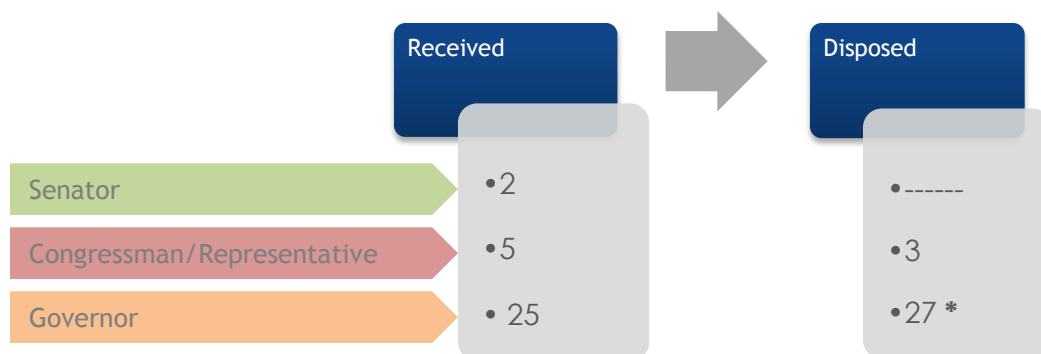
Docketed Cases by Rank



Criminal Cases filed against High-Ranking Elective Officials



Administrative Cases filed against High-Ranking Elective Officials



* number includes carry-over from previous year

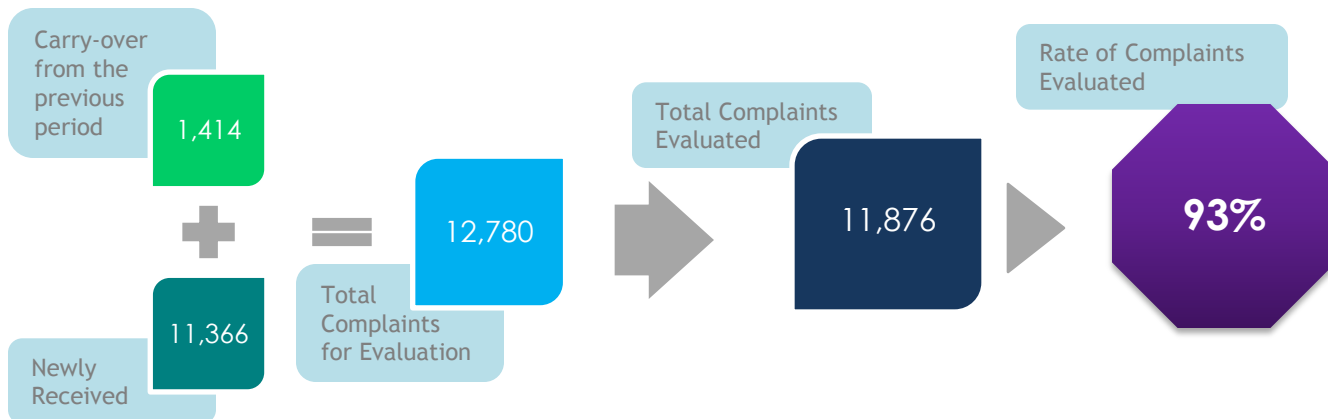
2 Zero-Backlog Program

The Ombudsman efficiently discharges the mandate to investigate reports of official wrongdoing and to act on all requests for assistance from the public. It is ensuring zero backlog in the investigation of criminal cases, adjudication of administrative cases, and disposition of all grievances and requests for assistance.

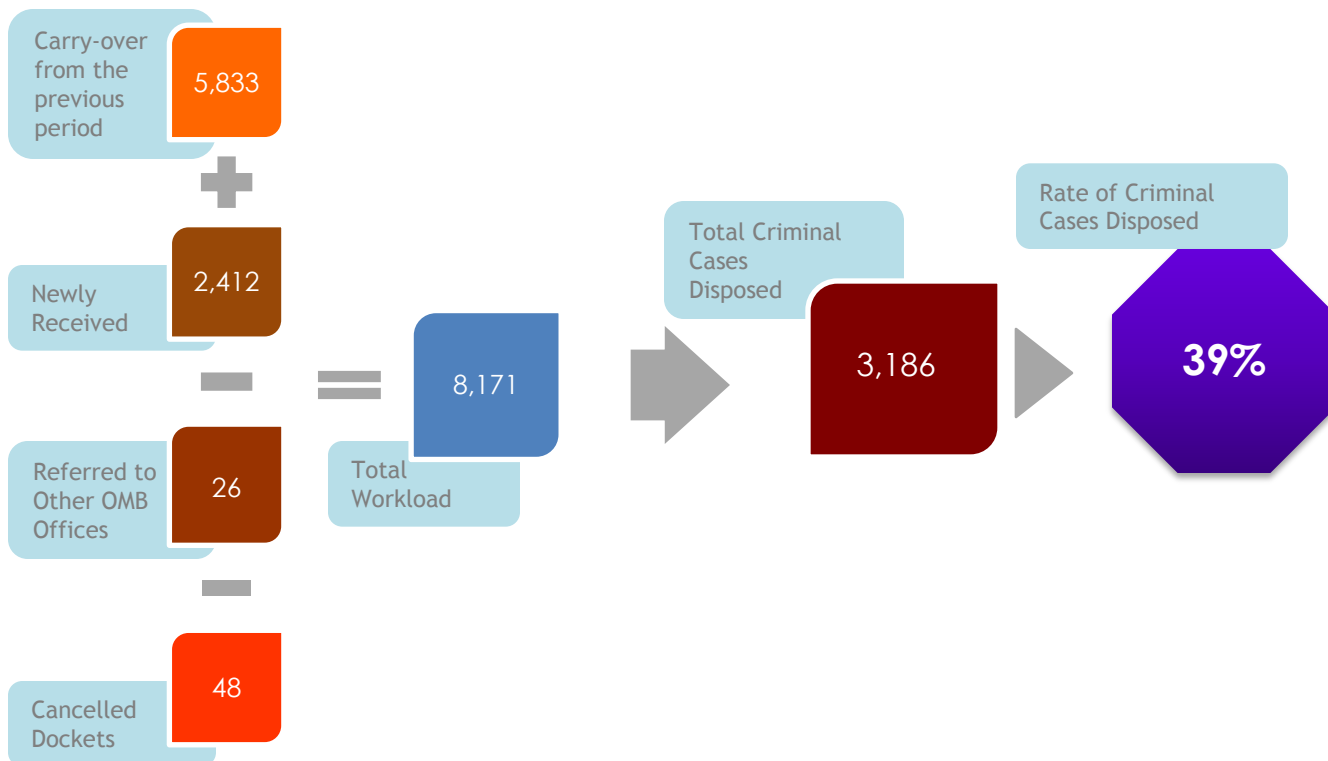
Zero backlog depends on the collective efficiency of the entire manpower of the Ombudsman. It involves not only speeding up the disposition of complaints or cases but also maintaining efficiency, effectiveness, diligence, and integrity of all personnel who are accountable in every step of the internal processes of the Ombudsman. Zero backlog seeks to end a culture of delay that erodes public trust and credibility of the Ombudsman process.



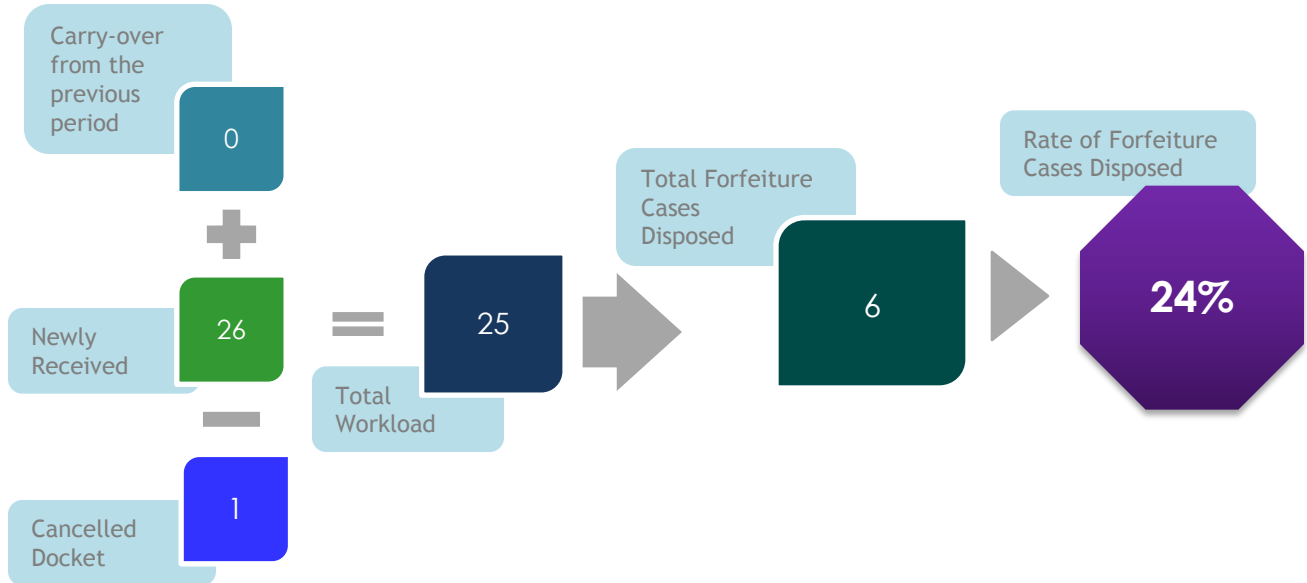
Complaints Received for Evaluation



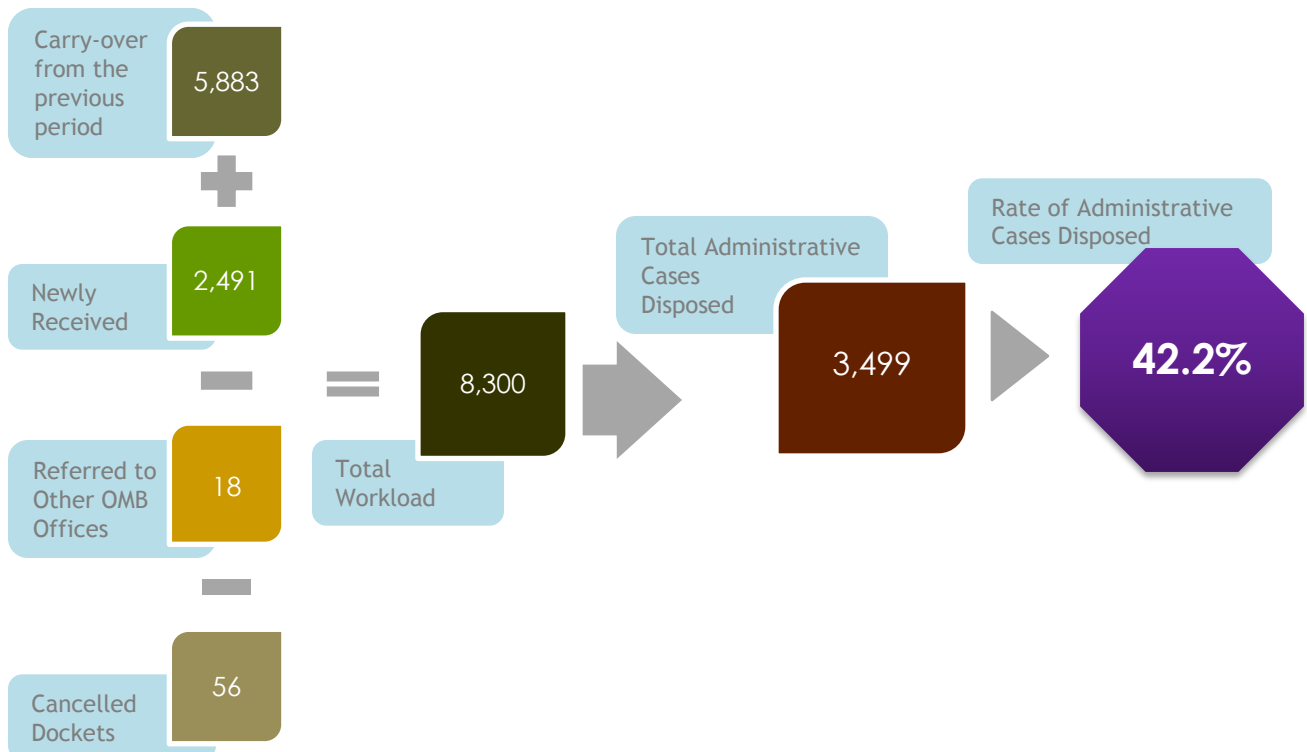
Statistics on Criminal Cases



Statistics on Forfeiture Cases



Statistics on Administrative Cases



3 Improved Survival Rate of Fact-finding

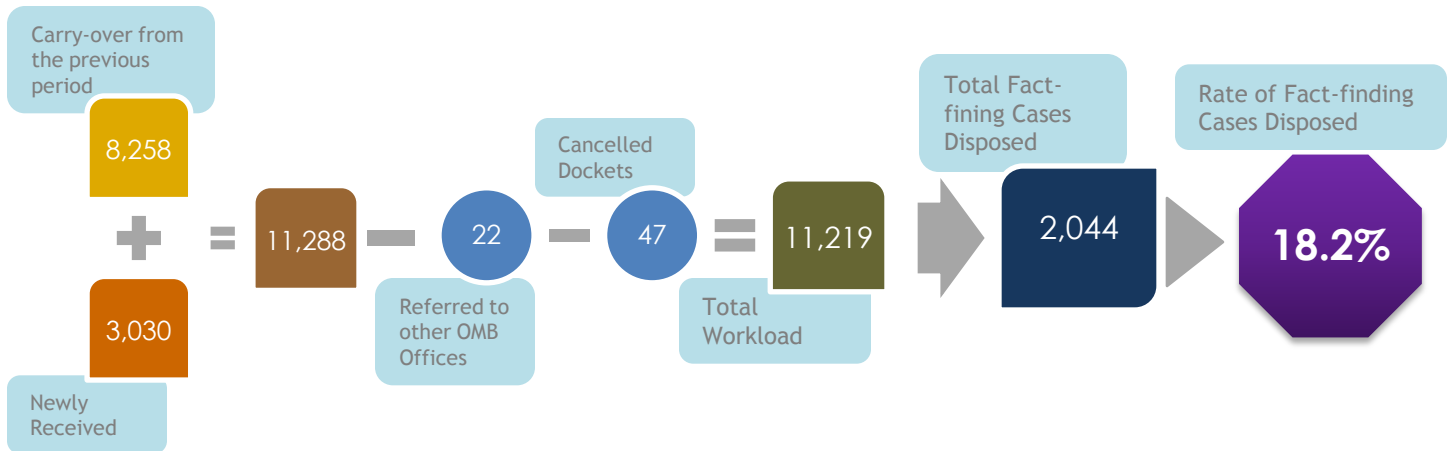
The quality of fact-finding investigation in terms of evidence gathering follows the standards of fairness, impartiality, and expediency in the pursuit of justice. The deterrent effect of investigations on corruption incidence in government can be maximized if official abuse is punished accordingly.

All completed fact-finding investigations which recommend the filing of criminal charges against erring public officials and employees should ensure that resulting cases filed in court shall not be dismissed.

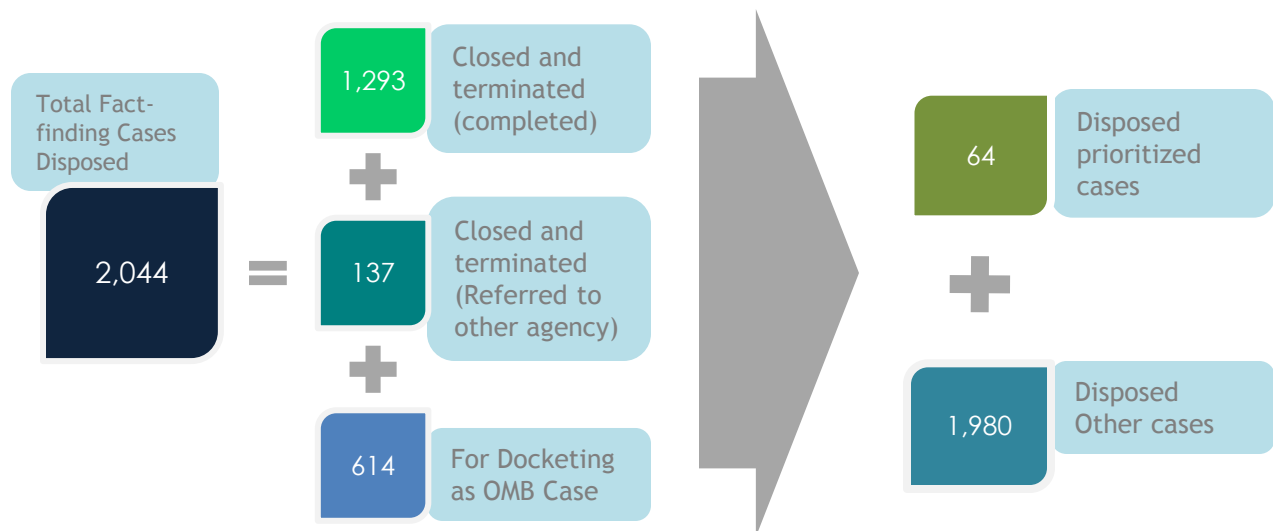
Those which recommend the administrative indictment of erring public officials and employees should ascertain their conviction. The Field Investigation Office and counterpart bureaus in area/sectoral offices are being strengthened in the conduct of investigations utilizing specialized techniques such as forensic engineering, accounting and auditing.

Fairness
Impartiality
Expediency

Statistics on Fact-finding Cases



Statistics on disposed Fact-finding Cases

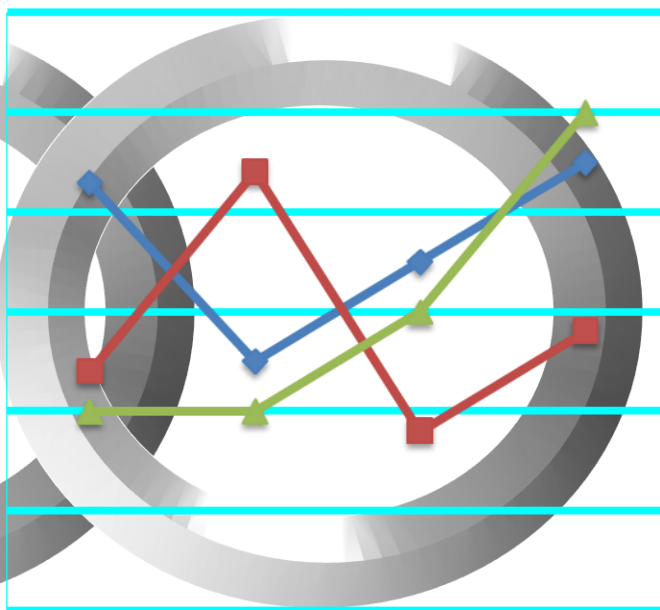


4 Enforced Monitoring of Referred Cases

The Office exercises prudence in conducting investigations. Complaints and cases that are denominated as non-corruption and/or those cognizable by other fora are being referred to the proper forum for appropriate action. A system for monitoring these referred complaints and cases is being established to avoid unjustified delays in the termination of the appropriate administrative proceedings.

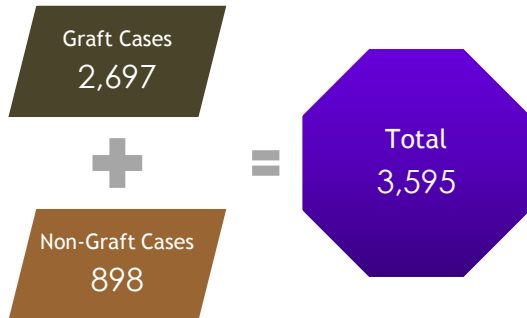
Criminal cases referred to the National Prosecution Service of the Department of Justice for prosecution in the regular trial courts are monitored until their final disposition in court. Ombudsman decisions in administrative cases indorsed to the heads of concerned agencies for implementation of the penalty are being strictly monitored to ensure compliance.

Ensure
Compliance
Avoid
Delays



Statistics on Cases Decided in Regular Courts

Total Number of Criminal Cases Prosecuted



Total Number of Criminal Cases Decided/Resolved



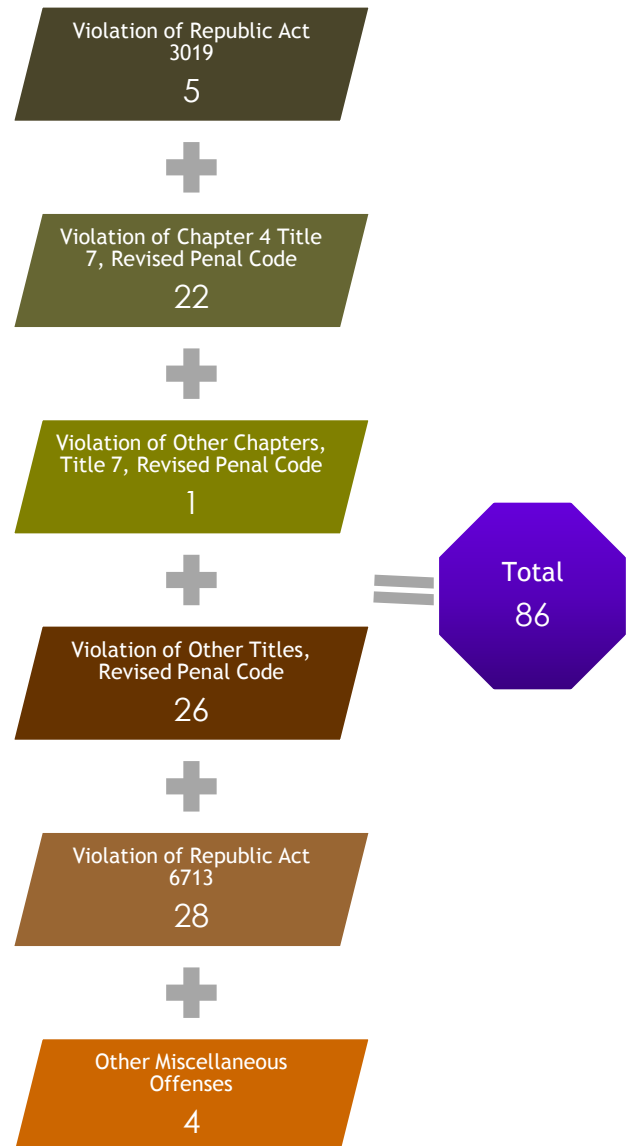
Total Number of Criminal Cases Withdrawn / Archived



Total Number of Forfeiture Cases Litigated



Total Number of Decided/Resolved Criminal Cases Resulting in Conviction of at least one (1) Accused



Cases Decided by the Supreme Court and Court of Appeals: Appeals from Office of the Ombudsman Resolutions / Orders

Overall Appellate Court Success Rate : Supreme Court and Court of Appeals



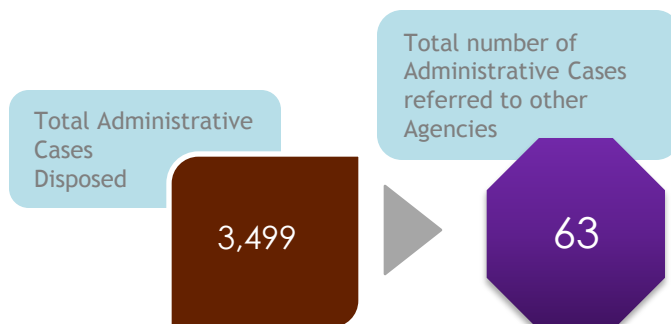
Appellate Court Success Rate : Supreme Court



Appellate Court Success Rate : Court of Appeals



Number of Administrative Cases referred to other Agencies / Fora



5 Improved Responsiveness of Public Assistance

The Office of the Ombudsman strives to render meaningful, responsive, and relevant public assistance. All frontline service units should be extending prompt, courteous and adequate service to the public. Efforts are being made to meet, if not exceed, the reasonable expectations of the public. A system for active handling of customer feedback and redress of grievance, including integration into the performance evaluation of the concerned action officer, is being established to ensure compliance with the standard of public service delivery.

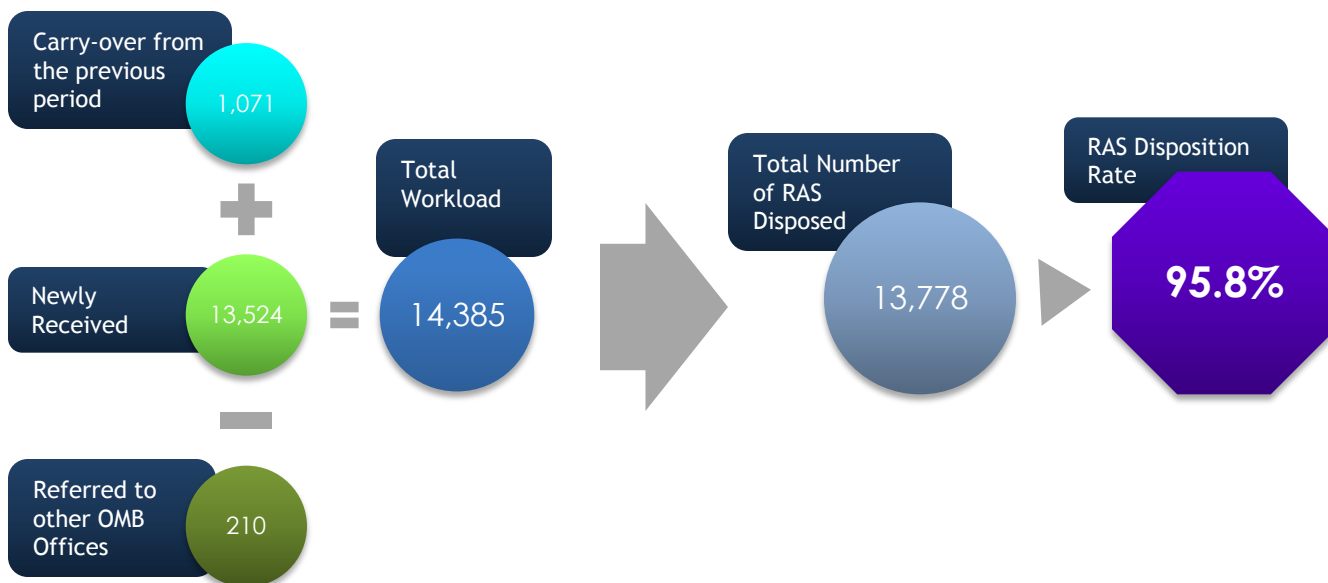
Requests for Assistance (RAS) and cases referred for mediation are being disposed expeditiously. The concerned action officer should take sufficient actions under the law to address the request or grievance.



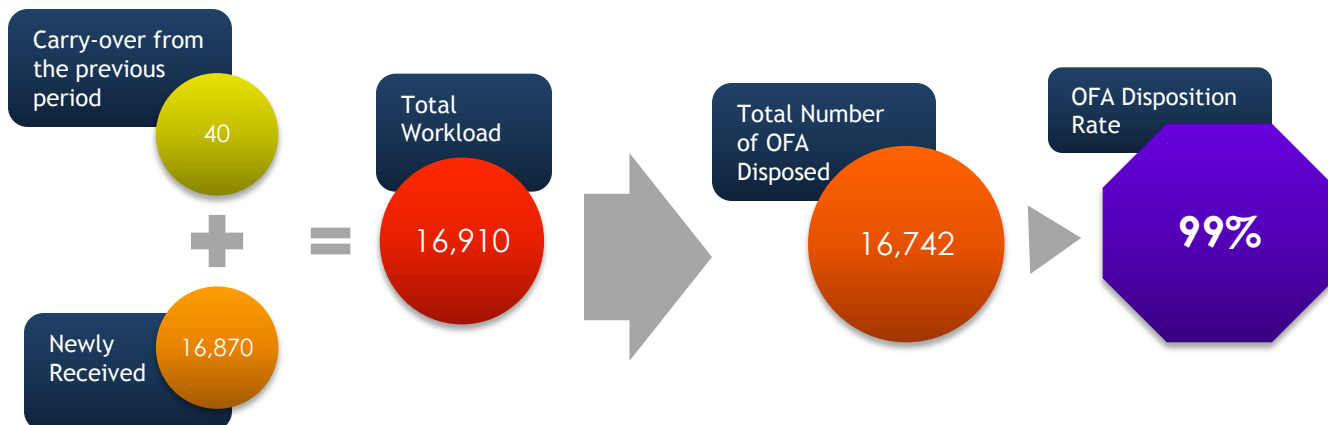
Prompt
Courteous
Adequate
Service

The graphic features two interlocking grey gears. A dark blue chevron points from the text on the left towards the gears. The right gear contains a colorful illustration of a group of people in purple and blue, with a yellow sun or light source in the background.

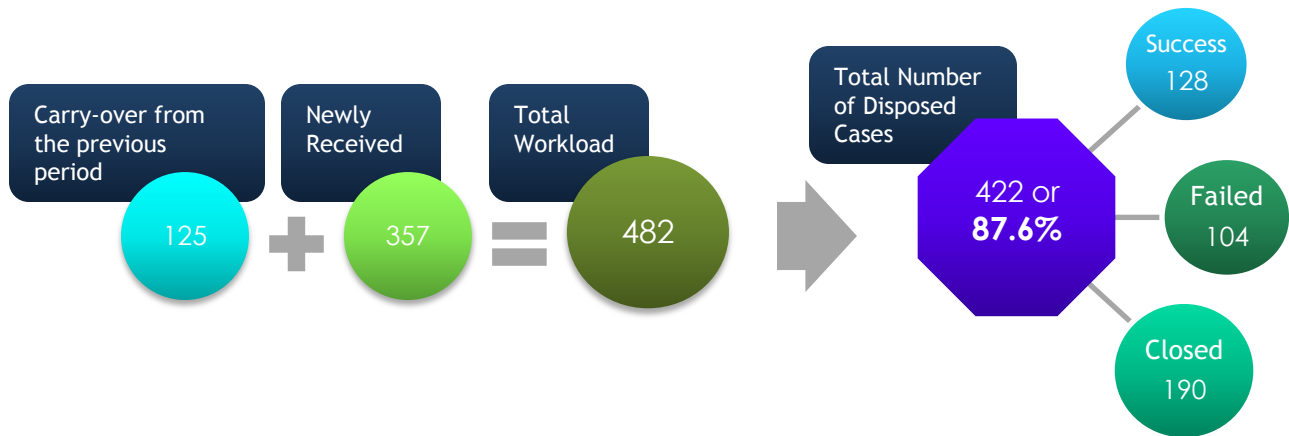
Request for Assistance (RAS)



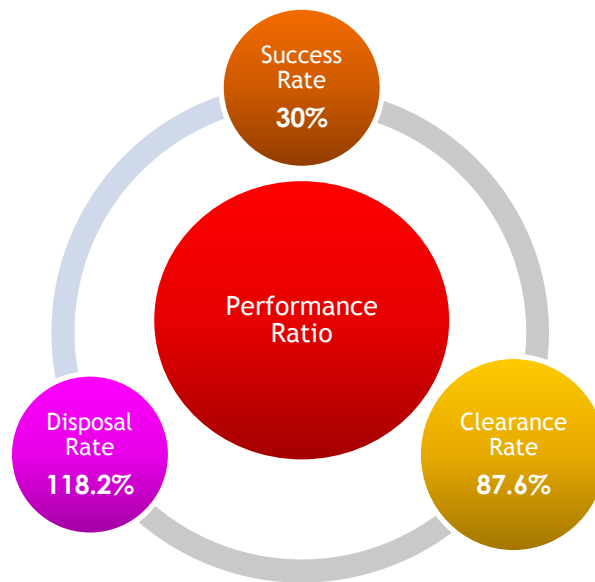
Other Forms of Assistance (OFA)



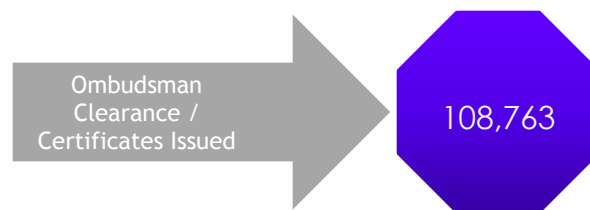
Mediation Cases



Mediation Cases Performance Ratios



Issuance of Ombudsman Clearance / Certificates



6 Improved Anti-Corruption Policy and Programme Coordination among Sectors

A more effective corruption prevention policy is being formulated to improve public perception ratings and contribute to improving the national competitiveness ranking. Toward this end, all existing anti-corruption programs and projects are being evaluated for effectiveness and strategic alignment with medium-term plans and international commitments.

A multi-sectoral strategy is being devised to mobilize the support of all stakeholders for a more coherent anti-corruption program. The Ombudsman is ensuring dynamic and productive policy and program coordination among the different sectors.



Development of Programs and Projects



The development of the programs and projects of the Office of the Ombudsman is guided by national and international framework on good governance and anticorruption. It includes the Philippine Development Plan (PDP) 2011 – 2016 and the United Nations Convention Against Corruption (UNCAC), where the country is a signatory.

Within the ambit of national development, an efficient and effective delivery of its services will serve as building blocks to a corruption intolerant society, thus restoring public trust and confidence in government. This, in turn, will lead to a socio-economic environment that is stable and predictable, which are the basic prerequisites for more domestic and foreign investments in the country.

Year 2013 Programs and Projects

The Ombudsman Integrity Caravan



Aimed to communicate and engage the public and private sectors on the various programs and projects of the Office of the Ombudsman to further build a broad-based strategic partnership of all anticorruption stakeholders.

The Ombudsman Integrity Caravan is a flagship initiative of the Office of the Ombudsman which was launched as part of its 25th Anniversary celebration. It specifically involved key government agencies, local government units (LGUs), private institutions, academic institutions, the business sector, development partners, peoples' organizations (POs), civil service organizations (CSOs), non-governmental organizations (NGOs), and the general public. The Caravan was implemented within a period of one year after its launch on a nationwide scale. It is composed of the following initial activities: Public Governance Fora, The Ombudsman Integrity Lecture Series, University Integrity Tour, Barangay Integrity Fora, and the Integrity Development Contest

Australia Awards Leadership Program



Australian Government
AusAID

Aimed to improve the human capital of the Philippines to drive economic and social development.

The Australian Embassy invited the Office to nominate candidates who demonstrate the highest potential to drive development for the Australia Awards Leadership Program, specifically, the AusAIDs Awards Scholarships 2014.



British Embassy
Manila

Rapid Assessment of the 8-Point Agenda and Intensive Seminar on Case Analysis & Legal Draftsmanship Project

To increase by 25% the case disposition rate of the Office of the Ombudsman by 2015 leading to a zero case backlog by 2018

A partnership activity forged between the Office of the Ombudsman and the British Embassy Manila to support and further enhance the functions and services of the Office. It was anchored on a strategic Roadmap for Action (2013 to 2018) supported by an enhanced Monitoring and Evaluation (M&E) System that will provide relevant and timely information to key decision makers. Project outputs include the Intensive Seminar on Case Analysis & Legal Draftsmanship, Ombudsman Stylebook, Rapid Assessment of the Policy Thrust & 8 Point Agenda and the Enhanced Monitoring and Evaluation System

Integrity for Investments Initiative (i3) Project



i3 will contribute to inclusive growth by reducing the costs of corruption to investments and trade, thereby promoting open and fair competition.

The Integrity for Investments Initiative (i3) is a USAID activity under the broader Partnership for Growth (PFG), a White House signature initiative that elevates bilateral engagement between the Government of the Philippines and the U.S. Government to address the most serious constraints to economic growth and development in the Philippines.



Empowered lives.
Resilient nations.

Developing Corruption-Intolerant Society Project

Strengthen the mechanism, policies and partnerships for effective multi-stakeholders engagement against corruption.

The Office of the Ombudsman was designated as an implementing partner of the "Developing Corruption-Intolerant Society Project," under the United Nations Development Programme funds grant, supporting various programs on anti-corruption and good governance.



Knowledge Sharing & Exchange with US DOJ Counterparts

Enhance the prosecutorial mandate of the Office by engaging fellow anti-corruption prosecutors, investigators and lawyers from the US DOJ.

An invitation of the Office of Overseas Prosecutorial Development Assistance and Training (OPDAT) of the United States (U.S.) Department of Justice to the Hon. Ombudsman to send its counterparts for a study visit to the U.S.



Enhancing the Income and Asset Declaration System (IADS) Project

Improve efficiency, effectiveness & credibility of the IADS to combat corruption & promote accountability & ethical standards in the public service.

A World Bank grant agreement for the enhancement of the Income and Asset Declaration System. The project also entailed a collaborative and complementation effort between the World Bank and USAID i3 Program as its respective project has components that focuses on improving the Statement of Asset and Liabilities.



Corruption and Development Forum

Discussion on how corruption and intransparency can be effectively addressed including how anticorruption efforts can be integrated into development measures to ensure sustainable development and inclusive growth.

The GLZ, in collaboration with the Hills Program on Governance of the Asian Institute of Management held a forum on Corruption and Development entitled "How can Anti-corruption be Integrated into Development Measures to Ensure Sustainable Development and Inclusive Growth". The forum was participated by stakeholders from government, development partners, private sector and civil society who share a common interest towards good governance and anti-corruption that will assist the Philippines in achieving the objectives of economic development, while ensuring ecological integrity, and social acceptance.

Domestic and International Partnerships

- A principal corruption-prevention education program of the Office of the Ombudsman that aims to refocus the attention of public sector participants into character and integrity development and understanding their accountabilities under the law, as a way of becoming corruption-resistant public officers

Integrity,
Transparency,
Accountability in
Public Service (ITAPS)
Seminars

Number of
Participants
1,708

- The Campus Integrity Crusaders (CIC) program aims to engage the youth sector in promoting a culture of integrity through various collaborative anti-corruption activities and programs

Number of Members : **349**

Campus Integrity
Crusaders (CIC)



- A Memorandum of Agreement between the GCG and the Office of the Ombudsman to strengthen the appointment process in Government Owned and Controlled Corporations (GOCC)

Governance
Commission for
GOCCs



- The Office of the Ombudsman, as lead agency, undertakes to ensure speedy execution of measures against graft and corruption, full force of the law upon public officials who commit grave offenses and strong deterrence effect of anti-corruption measures

Inter-Agency Anti-
Graft Coordinating
Council (IAAGCC)



- The Office of the Ombudsman, as focal agency for the UNCAC implementation review, conducted a Multi-Sectoral National Dialogue and Action Planning to ascertain continuous institutional cooperation to carry out and implement the UNCAC and the 21 Point Action Plan.

United Nations
Convention Against
Corruption (UNCAC)

**United Nations
Convention
against
Corruption**

- An official visit of the Government Inspectorate of Vietnam delegation as part of collaborative activities in preventing and combating corruption both in Vietnam and the Philippines.

Government
Inspectorate of
Vietnam



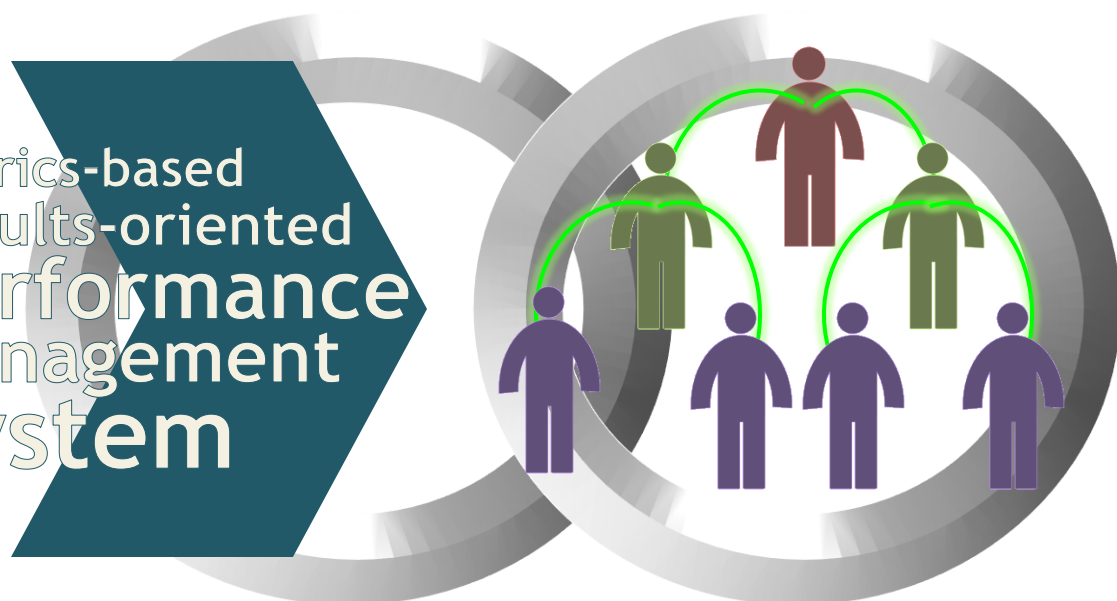
7 Rationalized Functional Structure of the Office

The existing functional structure of the Office of the Ombudsman is being reviewed to identify gaps and overlaps in the discharge of various functions. An accounting of personnel and other resources is being made to rationalize task assignment and division of work processes and remove redundancy. All issues and concerns affecting personnel are being sufficiently addressed subject to legal and resource restrictions.

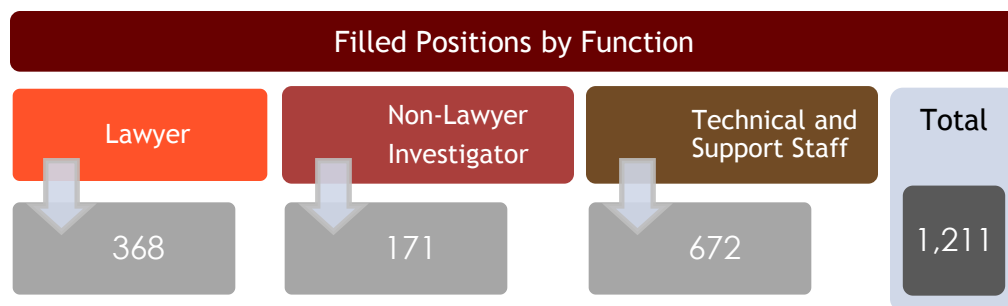
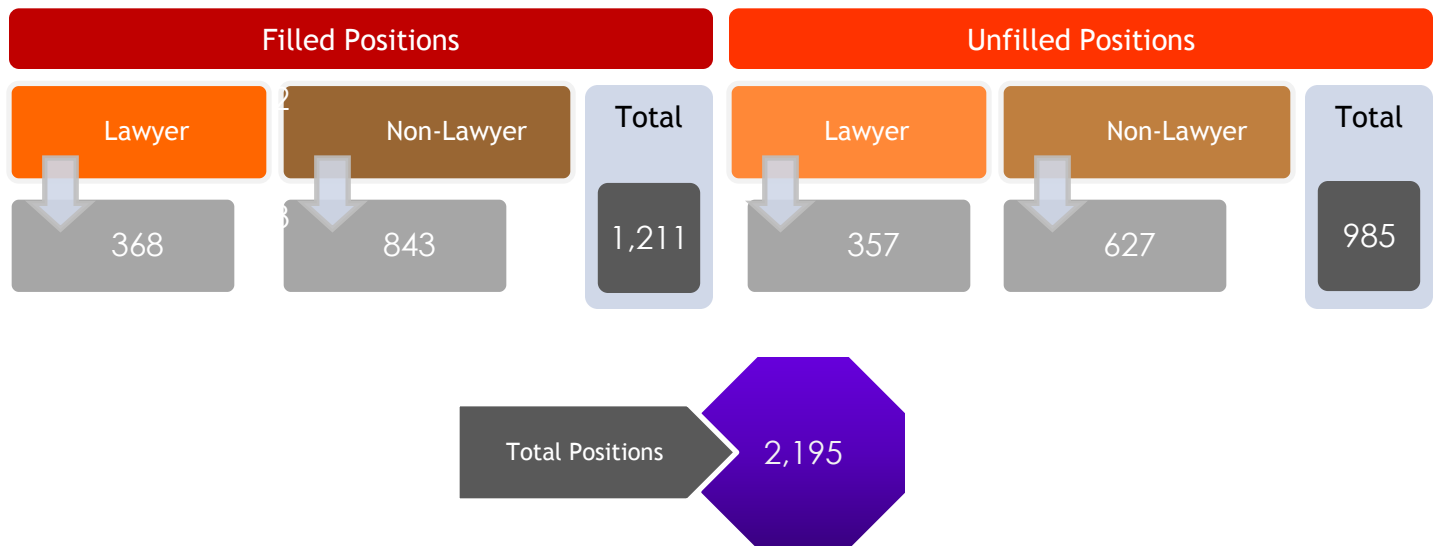
Procedures, systems, rules, and administrative policies are also being assessed for cost-efficiency and/or compliance with the Anti-Red Tape Act. The Ombudsman in adopting such structure, staffing pattern, systems, and procedures that are uniform in its central and area/sectoral offices.

A metrics-based results-oriented performance management system is being adopted as an accountability and incentive mechanism for officials and employees. The present performance appraisal system is being revisited to reflect desired performance outcomes. A similar system for measuring the performance outcomes. A similar system for measuring the performance of managerial employees up to the level of Assistant Ombudsman or Deputy Special Prosecutor or even the Ombudsman is in place. Appropriate management action shall be taken against all non-performing officials and personnel.

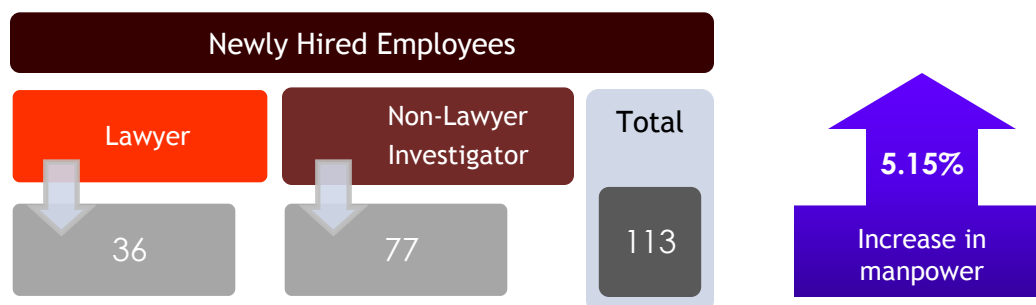
Metrics-based
Results-oriented
Performance
Management
System



Filled and Unfilled Positions : Lawyers and Non-Lawyers



Newly Hired Employees: Lawyers and Non-Lawyers



Organizational Development: Domestic Training / Seminar / Convention

Training / Seminar / Convention	Conducted / Sponsored by	No. of Participants
14 th National Convention of Lawyers (OMB Mindanao)	Integrated Bar of the Philippines	19
29 th Pre-Judicature Program	Philippine Judicial Academy	3
105 th Philippine Dental Association	Philippine Dental Association	1
30 th Pre-Judicature Program	Philippine Judicial Academy	4
18 th Executive Course on National Security	National Defense College of the Philippines	1
Attendance to the CFE 2 nd General Meeting	Certified Fraud Examiners	5
3 rd Luzon Convention of Human Resource Management Practitioners	Civil Service Commission	2
Civil Service Commission Fun Run	Civil Service Commission	63
Specialized Training Enhancement (SPECTRE)	British Embassy Manila	93
Intensive Seminar on Case Analysis and Legal Draftsmanship (ISCALD)	British Embassy Manila	82

8 Enhanced Transparency and Credibility

The Ombudsman observes transparency in all public dealings. The existing policy on sharing of information regarding the cases being investigated or prosecuted by the Ombudsman is being reviewed. Policies regulating the disclosure of information on recruitment, promotion, and personnel action; procurement and use of funds and resources; and the discharge of other functions, are already being revisited.

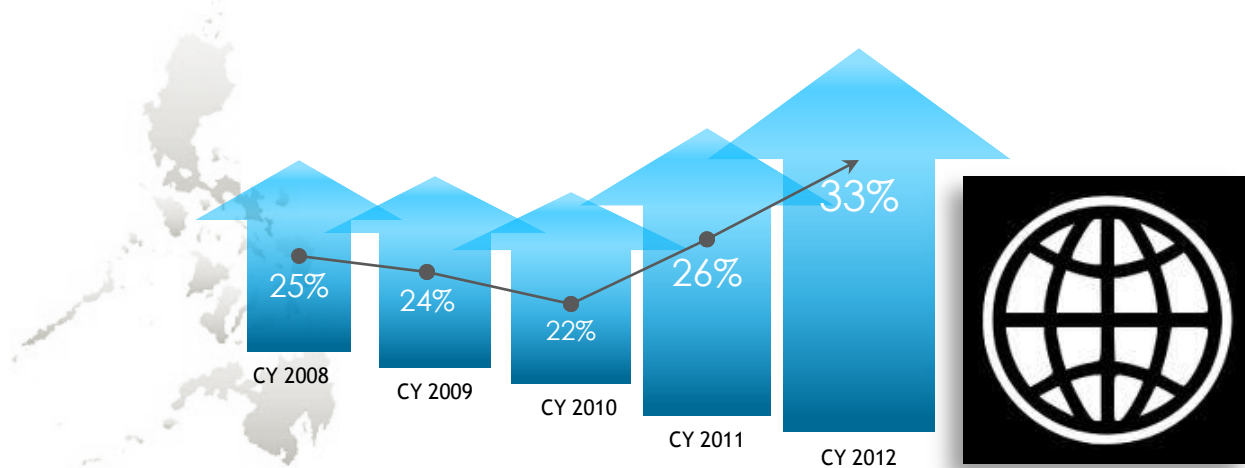
The Ombudsman enhances credibility by adopting such strategies and measures to improve public perception reflected in surveys and media reports.



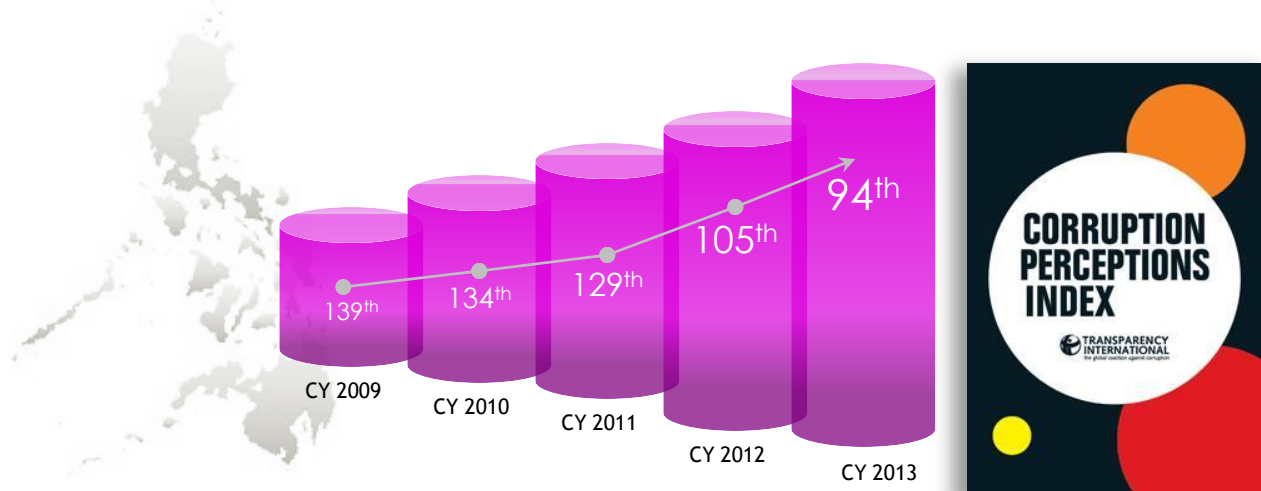
Social Weather Stations: 2013 Survey of Enterprises on Corruption



World Bank Worldwide Governance Indicators : Control of Corruption



Transparency International - Corruption Perception Index



Government Agencies with the Most Number of Cases Filed



Statistics of Ombudsman Cases by Cluster



Number of Filed Cases before the Sandiganbayan classified according to Nature of the Offense

•Violation of Sec. 3(e) of R.A. 3019	318
•Estafa through Falsification of Official/Public Document	165
•Malversation of Public Funds	93
•Violation of P.D. 1445 Sec. 89	79
•Violation of Sec. 52(g) in relation to Sec. 6(b) of R.A. 8291	51
•Violation of Sec. 5(c) in relation to Sec. 52 par. (c) of R.A. 8291	48
•Malversation of Public Funds through Falsification of Public Documents	27
•Violation of Sec. 5 in relation to Sec. 23 of P.D. No. 1752	15
•Perjury	11
•Violation of Sec. 3(g) of R.A. 3019	9
•Estafa	5
•Falsification of Official / Public Document	4
•Perjury, Article 183 of the Revised Penal Code (R.P.C.)	4
•Violation of Article 217 in relation to Article 171(par. 4) of the R.P.C.)	4
•Violation of Sec. 65(b)(4), R.A. 9184	4



Empowering the Nation in its



Unrelenting Pursuit of Good Governance







FINANCIAL STATEMENTS



BASIS OF FINANCIAL STATEMENTS PRESENTATION :

The statements have been prepared in accordance with generally accepted state accounting principles and standards.

SIGNIFICANT ACCOUNTING POLICIES :

- The Office of the Ombudsman (OMB) uses the accrual basis of accounting. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate. Income is on accrual basis, except for transactions where accrual basis is impractical or when law requires other methods.
- Notice of Cash Allocation is recorded in the books, as well as those income or receipts which the agency is authorized to use.
- The costs of ending inventory of office supplies and materials and other inventory items are based on Moving Average Method.
- *Petty Cash Fund (PCF)* account is maintained under the Imprest System. All replenishments are directly charged to the expense account and the petty cash fund is not used to purchase regular inventory items for stock.
- *Property, Plant and Equipment (PPE)* are carried at cost less accumulated depreciation. The straight line method of depreciation is used in depreciating the PPE with estimated useful lives ranging from 5 to 30 years. A residual value computed at 10 percent of the cost of assets is set and depreciation starts on the following month after purchase.
- Accounts were classified to conform to the new Chart of Accounts prescribed under the New Government Accounting System (NGAS) per COA Circular No. 2004-008 dated September 20, 2004.
- Payable accounts are recognized and recorded in the books of accounts only upon acceptance of the goods/inventory/other assets and rendition of services to the agency.
- Financial Expenses such as bank charges are separately classified from MOOE.

OFFICE OF THE OMBUDSMAN
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2013
(With Comparative Figures for CY 2012)

	<u>2013</u>	<u>2012</u>
Cash Flow from Operating Activities:		
<i>Cash Inflows:</i>		
Receipt of Notice of Cash Allocation	P 1,730,112,147.00	P 1,345,072,334.00
Receipt of Subsidy from Central Office	520,870,895.22	449,505,254.48
Receipt of Fund from Regional Office	22,710,981.86	899,151.99
Receipt of unreleased funding checks for 2012	16,037.63	
Receipt of Cash Dividends from Welfare Fund	-	777,805.11
Fund Transferred from CFAG Account	1,176,000.00	-
Fund Transferred from Payroll Fund Account	17,451.02	101,590.64
Cancellation of Lost/Stale Check (issued during the year)	1,207,554.33	233,230.13
Collection of Other Income	139,870.73	439,534.25
Refund of Cash Advance	327,577.67	360,538.87
Receipt of Erroneous Deposit	613,100.65	2,230.00
Receipt of Funds from Other Account	1,415,132,370.61	-
Receivable from Other Funds	1,000.00	368,362.78
Collection of Performance/Bidders/Bail Bonds	782,244.03	738,817.06
Collection of Bidding Fees/Bidding Documents	378,891.00	439,508.12
Collection of Certification Fees and Production Cost	-	-
Deposit of Cash Refunds previously deposited to other funds	-	-
Collection of Overpayment of Personal Services Deducted Unbilled	646,529.12	276,311.72
Interest earned for the Year	108,938.27	117,705.68
Miscellaneous Income	26,822.12	58,085.72
Restoration of Cash Due to Unreleased Checks at Year-End	674,023.05	5,641,828.86
Collection of Intra-Agency Receivables	-	1,690.75
Deposit of collections with AGDB	-	52,524,085.94
Deposit of Funding Check for Regular Operating Requirements	-	20,000.00
Receipts of cash as Responsible Party	2,105,385.20	1,291,020.26
Establishment of Petty Cash Fund	4,900.00	4,900.00
Refund of Guarantee Deposits	-	6,285.28
Receipt of Funds for Implementation of Projects	63,938.23	
Total Cash Inflows	<u>3,697,116,657.74</u>	<u>1,858,880,271.64</u>



(cont')

	2013	2012
Total Cash Inflows	3,697,116,657.74	1,858,880,271.64
Less: Cash Outflows:		
Cash Payment of Personal Expenses	797,004,299.08	540,208,894.02
Cash Payment of Operating Expenses	391,882,753.49	358,763,585.48
Cash Payment of Payables	26,035,017.83	26,073,009.82
Cash Payment of Financial Expenses	-	0.00
Cash Purchase of Inventories	4,521,337.43	4,515,214.53
Granting of Cash Advance /Petty Cash Fund	68,363,969.21	54,309,000.75
Remittance to GSIS/HDMF/Philhealth/NHMFC & Other Payables	220,919,936.07	243,736,204.15
Remittance of Interest to the National Treasury	50,041.53	147,685.76
Payment to Other Funds	1,261,878.84	545,872.50
Release of Funds to Regional Offices	516,795,470.82	430,104,217.48
Cash Advances Granted to NGAs	853,609.61	1,011,301.97
Payment for First/Final Progress Billing of Contractor	153,563,145.95	4,360,967.08
Payment for Mobilization Fee to Contractors	-	74,818,333.33
Payment of Consultancy fee chargeable to the Project	-	0.00
Payment of Bank Charges	11,200.00	4,200.00
Reversion of Unused Notice of Cash Allocation	-	39,255,563.16
Reversing entry for prior year's unreleased checks	5,641,828.86	1,934,238.24
Cash Payment of Dividends from Welfare Fund	-	777,805.11
Cash Payments of Other Payables	10,909,401.37	72,552.98
Payment of Intra - Agency Payable	1,197,348.68	282,155.20
Remittance of Other NGAs/GOCCs Payables	-	62,252.88
Reversion of Unused Notice of Cash Allocation	19,358,362.77	
Refund of Performance/Bidder's/ Bail Bonds Payable	716,695.00	672,079.15
Total Cash Outflows	2,219,086,296.54	1,781,655,133.59
Cash Provided by Operating Activities	1,478,030,361.20	77,225,138.05
Cash Flow from Investing Activities:		
Less: Cash Outflows:		
Payment for Other Maintenance and Other Operating Expenses	-	-
Replenishment of Expenses from Petty Cash Fund	-	-
Granting of Cash Advance /Petty Cash Fund	-	-
Cash Purchase of Property, Plant and Equipment	9,005,694.68	9,915,422.46
Total Cash Outflows	9,005,694.68	9,915,422.46
Cash Provided by Investing Activities	(9,005,694.68)	(9,915,422.46)
Cash Flow from Financing Activities:		
Less: Cash Outflows:		
Payment of Long-Term Liabilities	16,122,146.19	7,792,200.00
Cash Provided by Financing Activities	(16,122,146.19)	(7,792,200.00)
Total Cash Provided by Operating, Investing and Financing Activities	1,452,902,520.33	59,517,515.59
Add: Cash Balance, Beginning January 1	90,975,853.36	31,428,337.97
Cash Balance, Ending December 31	P 1,543,878,373.69	P 90,945,853.56

OFFICE OF THE OMBUDSMAN
Consolidated Statement of Income and Expenses
For the Year Ended December 31, 2013
(With Comparative Figures for CY 2012)
(In Philippine Peso)

	<u>2013</u>	<u>2012</u>
INCOME		
Subsidy Income		
Subsidy Income from National Government	1,894,362,893.74	1,476,684,717.62
<i>Less:</i> Subsidy to Regional Offices	519,493,991.09	491,142,552.87
Subsidy to Operating Units	25,395,959.10	-
Subsidy to Other Funds	131,999.57	102,498.25
Reversion of Unused Cash Allocation	19,358,362.77	39,255,563.16
<i>Subsidy Income-Net</i>	1,329,982,581.21	946,184,103.34
Subsidy from Central Office	519,586,831.09	491,060,496.67
Subsidy from Regional Office	28,553,969.91	82,056.20
Subsidy from Other Funds	-	300,231.00
<i>Total Subsidy Income</i>	<u>1,878,123,382.21</u>	<u>1,437,626,887.21</u>
Other Income		
Interest Income	30,788.91	31,180.45
Miscellaneous Income	5,166.32	34,551.88
Other Fines and Penalties	730,260.78	27,189.10
Gain on Sale of Disposed Assets	160,499.95	-
<i>Total Other Income</i>	<u>926,715.96</u>	<u>92,921.43</u>
Total Income	<u>1,879,050,098.17</u>	<u>1,437,719,808.64</u>
LESS: EXPENSES		
Personal Services		
Salaries and Wages - Regular	527,062,352.12	715,903,839.37
Personnel Economic Relief Allowance	27,890,762.24	34,466,319.97
Representation Allowance (RA)	39,298,503.75	36,479,966.38
Transportation Allowance (TA)	37,845,174.80	35,367,541.57
Clothing/Uniform Allowance	6,195,000.00	-
Productivity Incentive Allowance	2,077,000.00	2,398,000.00
Other Bonuses and Allowances	34,115,083.53	37,397,523.15
Honoraria	85,948.59	357,633.47
Hazard Pay	316,821.50	259,897.00
Longevity Pay	70,000.00	85,000.00
Overtime and Night Pay	3,285,755.42	3,824,168.77
Cash Gift	5,912,385.71	6,756,750.00
Year End Bonus	43,614,173.26	53,993,840.83
Life and Retirement Insurance Contributions	63,820,363.66	61,343,977.46
PAG-IBIG Contributions	1,496,500.00	1,426,390.06
PHILHEALTH Contributions	4,635,843.44	4,332,305.50
ECC Contributions	1,421,112.96	1,488,040.33
Pensions Benefits - Civilian	16,197,438.00	15,731,478.00
Retirement Benefits - Civilian	9,613,501.04	5,491,141.54
Terminal Leave Benefits	13,417,215.69	8,438,605.78
Other Personnel Benefits	592,553,725.63	166,381,137.89
<i>Total Personal Services</i>	<u>1,430,924,661.34</u>	<u>1,191,923,557.07</u>



(cont')

Maintenance and Other Operating Expenses

Traveling Expenses - Local	8,251,998.35	8,081,795.89
Traveling Expenses - Foreign	5,114,913.19	4,367,114.57
Training Expenses	1,410,940.75	2,471,765.16
Scholarship Expenses	20,000.00	29,000.00
Office Supplies Expenses	12,504,317.52	12,714,655.44
Accountable Forms Expenses	531,834.50	238,050.00
Drugs and Medicines Expenses	387,064.66	389,413.09
Medical, Dental and Laboratory Supplies Expenses	490,828.47	538,236.20
Gasoline, Oil and Lubricants Expenses	4,570,579.06	4,781,405.57
Textbooks and Instructional Materials Expenses	170,420.00	-
Other Supplies Expenses	1,162,049.45	1,494,552.59
Water Expenses	4,885,819.64	4,173,965.08
Electricity Expenses	31,897,668.74	34,795,164.36
Postage and Deliveries	953,153.92	813,066.21
Telephone Expenses - Landline	4,192,768.83	4,461,931.72
Telephone Expenses - Mobile	2,516,463.27	2,596,660.51
Internet Expenses	1,899,646.70	1,014,485.92
Cable, Satellite, Telegraph and Radio Expenses	32,544.46	19,010.48
Advertising Expenses	172,771.20	187,851.60
Printing and Binding Expenses	407,041.04	294,694.27
Rent Expenses	9,309,579.76	7,501,714.20
Representation Expenses	1,322,029.76	1,709,252.29
Transportation Expenses	112,632.85	37,282.00
Subscriptions Expenses	931,676.40	1,331,984.86
Auditing Services	258,040.16	162,837.95
Consultancy Services	2,530,000.00	5,355,000.00
Environment/Sanitary Services	-	4,480.00
General Services	11,509,091.96	10,207,369.48
Janitorial Services	10,240,598.82	9,970,720.05
Security Services	29,970,312.33	24,467,132.32
Other Professional Services	20,500.00	20,400.00
Repairs and Maintenance - Office Buildings	619,945.30	865,645.00
Repairs and Maintenance - Office Equipment	77,590.00	128,210.00
Repairs and Maintenance - Furniture and Fixtures	9,427.60	54,891.10
Repairs and Maintenance - IT Equipment and Software	31,217.85	92,230.75
Repairs and Maintenance - Communication Equipment	1,598.50	20,000.00
Repairs and Maintenance - Medical, Dental and Laboratory Equipment	-	2,650.00
Repairs and Maintenance - Other Machinery & Equipment	1,200.00	-
Repairs and Maintenance - Motor Vehicles	2,890,340.86	2,866,653.36
Repairs & Maintenance - Other Property, Plant & Equipment	183,681.00	43,360.77
Donations	299,000.00	200,000.00
Confidential Expenses	41,639.02	25,000.00
Intelligence Expenses	-	25,000.00
Extraordinary Expenses	3,550,749.38	3,348,633.69
Miscellaneous Expenses	4,320,948.19	4,092,209.09
Taxes, Duties and Licenses	124,048.40	115,461.11
Fidelity Bond Premiums	1,215,507.16	1,007,555.93
Insurance Expenses	2,577,201.64	2,285,409.70

(cont')

Maintenance and Other Operating Expenses

Depreciation - Office Buildings	22,423,175.55	19,228,842.94
Depreciation - Other Structures	53,657.45	53,657.44
Depreciation - Office Equipment	1,691,144.18	1,492,660.83
Depreciation - Furniture and Fixtures	1,910,464.37	1,880,001.66
Depreciation - IT Equipment	8,877,857.40	9,661,101.06
Depreciation - Library Books	244,101.45	255,779.80
Depreciation - Communication Equipment	669,498.36	552,961.54
Depreciation - Medical, Dental & Laboratory Equipment	185,489.88	172,501.68
Depreciation - Sports Equipment	30,785.46	25,524.96
Depreciation - Other Machineries and Equipment	21,729.40	18,132.55
Depreciation - Motor Vehicles	6,756,220.28	6,588,617.09
Depreciation - Other Property, Plant and Equipment	774,537.93	755,493.68
Tax Refunds	39,232.02	42,534.09
Other Maintenance and Operating Expenses	1,806,517.97	2,310,328.81
Total MOOE	209,205,792.39	202,442,040.44

Financial Expenses

Bank Charges	27,109.00	18,580.00
Interest Expenses	8,710,870.95	8,979,801.14
Total Financial Expenses	8,737,979.95	8,998,381.14

Total Expenses

1,648,868,433.68	1,403,363,978.65
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EXCESS OF INCOME OVER EXPENSES

230,181,664.49	P 34,355,829.99
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OFFICE OF THE OMBUDSMAN
Consolidated Balance Sheet
As of December 31, 2013
(With Comparative Figures for CY 2012)
(In Philippine Peso)

	<u>2013</u>	<u>2012</u>
ASSETS		
Current Assets		
Cash		
Cash - Collecting Officers	7,553.60	0.20
Cash - Disbursing Officers	-	8,027.10
Petty Cash Fund	64,860.70	81,658.13
Payroll Fund	57,050.00	-
Cash - National Treasury, MDS	494,395.84	5,616,514.11
Cash in Bank- Local Currency, Current Account	1,543,254,513.55	84,780,088.20
Cash in Bank- Local Currency, Savings Account	-	459,565.82
	<u>1,543,878,373.69</u>	<u>90,945,853.56</u>
Receivables		
Due from Officers and Employees	16,547.35	31,252.73
Due from National Treasury	9,035.00	-
Due from NGAs	142,948.31	236,104.15
Due from Central Office	2,256,641.41	2,535,030.87
Due from Regional Offices	257,319.34	739,022.55
Due from Other Funds	943,422.47	1,027,156.25
Receivables - Disallowances/Charges	93,913.83	94,350.82
Advances to Officers and Employees	3,899,337.77	564,269.31
Other Receivables	1,378,445.20	34,021.06
	<u>8,997,610.68</u>	<u>5,261,207.74</u>
Inventories		
Office Supplies Inventory	7,790,752.18	10,137,515.15
Accountable Forms Inventory	333,556.20	171,550.00
Drugs and Medicines Inventory	406,825.16	225,356.70
Other Supplies Inventory	1,402,915.30	1,153,292.62
	<u>9,934,048.84</u>	<u>11,687,714.47</u>
Prepaid Expenses		
Prepaid Rent	44,000.00	-
Prepaid Insurance	1,961,852.21	1,574,251.99
Prepaid Interest	2,111,545.62	2,376,234.00
Advances to Contractors	41,313,646.95	74,818,333.33
Other Prepaid Expenses	98,259.28	427,027.87
	<u>45,529,304.06</u>	<u>79,195,847.19</u>
Other Current Assets		
Guaranty Deposits	1,812,602.00	856,139.00
Total Current Assets	<u>1,610,151,939.27</u>	<u>187,946,761.96</u>
Investments		
Investments in Stocks	258,190.00	258,190.00
Property, Plant and Equipment		
Land	245,580,000.00	245,580,000.00
Office Buildings	756,640,917.50	738,975,688.98
Other Structures	1,788,581.50	1,788,581.50
Office Equipment	31,647,162.21	28,360,415.31
Furniture and Fixtures	37,160,209.79	32,128,614.04

(cont')

IT Equipment and Software	121,767,406.61	115,383,678.17
Library Books	7,797,260.50	7,643,458.76
Communication Equipment	8,453,685.09	8,399,467.34
Medical, Dental and Laboratory Equipment	2,079,705.00	1,918,585.00
Sports Equipment	370,161.00	285,261.00
Other Machineries and Equipment	651,827.46	440,089.14
Motor Vehicles	73,430,699.43	73,488,755.66
Other Property, Plant and Equipment	13,580,548.03	12,820,063.95
Arts, Archeological Specimen and Other Exhibits	9,818.82	9,818.82
Construction in Progress - Agency Assets	227,064,275.91	19,628,791.28
Total Property, Plant and Equipment	1,528,022,258.85	1,286,851,268.95
Less: Accumulated Depreciation	427,746,741.46	409,354,410.52
Property, Plant and Equipment - Net	1,100,275,517.39	877,496,858.43
Other Assets		
Items in Transit	3,500.00	0.00
Other Assets	9,414,029.88	6,735,168.38
TOTAL ASSETS	2,720,103,176.54	1,072,436,978.77
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	40,071,909.50	13,477,146.51
Due to Officers and Employees	779,566,641.36	1,895,003.10
Due to National Treasury	54,697,589.50	52,974,240.62
Due to BIR	22,235,636.61	22,166,227.66
Due to GSIS	4,491,708.00	3,484,691.50
Due to PAG-IBIG	728,400.94	840,454.97
Due to PHILHEALTH	236,614.22	299,651.57
Due to Other National Government Agencies	3,744,857.97	3,811,249.20
Due to Other GOCCs	4,500.00	5,604,317.87
Due to Regional Offices/Staff/Bureaus	0.00	2,298,952.30
Due to Other Funds	2,574,768.46	1,683,728.17
Performance/Bidders/Bail Bonds Payable	1,060,950.08	989,469.63
Tax Refund Payable	397,882.73	283,570.89
Other Payables	646,655,948.12	12,066,136.76
Total Current Liabilities	1,556,467,407.49	121,874,840.75
Long-term Liabilities		
Loans Payable, Domestic	45,112,677.43	52,788,641.05
Deferred Credits		
Other Deferred Credits	71,753.02	71,800.00
Total Liabilities	1,601,651,837.94	174,735,281.80
Equity		
Government Equity, Beginning January 1	897,701,696.97	944,708,494.75
Retained Operating Surplus		
Current Operations	230,181,664.49	34,355,829.99
Prior Year's Adjustments	9,432,022.86	81,362,627.77
Total Retained Operating Surplus	220,749,641.63	(47,006,797.78)
Government Equity, Ending December 31	1,118,451,338.60	897,701,696.97
TOTAL LIABILITIES AND EQUITY	2,720,103,176.54	1,072,436,978.77

2013 ANNUAL REPORT COMMITTEE

Chairman: Weomark Ryan G. Layson
Assistant Ombudsman

Members: Acting Director Alan R. Cañares
Acting Director Rhodora F. Galicia
Manolette B. Eugenio
Maximo C. Sta. Maria III
Joyce Wyne T. Nomil