

EXECUTIVE SUMMARY

A. Introduction

The House of Representatives (HRep or the House) was created as a constitutional body and vested with legislative powers, as provided for under Section I, Article VI of the 1987 Constitution of the Republic of the Philippines.

The major mandated functions of the House are as follows:

- Enact laws for the rationalization, unification and clarification of policies and programs of the National Government;
- Provide a forum for the citizenry where they can, through their representatives, ventilate their views on national and integral issues, as well as their opinions on the manner of administering government affairs; and
- Guide the government through legislation and oversee the execution of the laws of the land in its daily activities.

Similarly known as the Lower House of Congress, it is composed of the House Proper and its support unit, the Secretariat. At present, the House Proper consists of 242 duly elected district representatives and 60 party-list delegates. The House Speaker, the Honorable Alan Peter S. Cayetano, acts as the political and administrative head of the House, and is responsible for the overall management of its proceedings, activities, resources, facilities and employees.

On the other hand, the Secretariat is a corps of professional public servants mandated to provide the necessary legislative, strategic, ethical, citizen-friendly, environmentally-responsible and other essential support services to the House Proper. It is headed by Secretary General Jose Luis G. Montales. He exercises administrative and operational supervision over activities, resources and facilities of the Secretariat. At present, the officials of the Secretariat are as follows:

Position	Number
Secretary General	1
Deputy Secretaries General	11
Sergeant-At-Arms	1
Director V	18
Director IV	10
Director III	1
Director II	48
Director II (secondment)	2
SLSO III (OIC/Acting Director II)	4
SLSO II (OIC/Acting Director II)	4
Total	100

Total manpower complement for CY 2019 is 7,197 composed of the following:

Position	No. of Personnel
Congressional Staff	1,893
Secretariats	
Permanent	1,348
Co-terminus	107
Contractual	453
Consultants	3,384
Temporary Employees	12
Total	7,197

B. Financial Highlights

The financial position and sources and application of funds for calendar year CY 2019 are presented below (with corresponding CY 2018 figures):

Particulars	2019	2018	Increase/ (Decrease)
<i>(In Philippine Peso)</i>			
Financial Condition			
Assets	6,887,704,583.28	6,755,411,671.06	132,292,912.22
Liabilities	343,752,580.07	199,147,042.91	144,605,537.16
Net Assets/Equity	6,543,952,003.21	6,556,264,628.15	(12,312,624.94)
Sources and Application of Funds			
Allotments	15,548,469,434.00	13,077,187,000.00	2,471,282,434.00
Obligations Incurred	14,253,643,238.07	11,390,906,050.92	2,862,737,187.15
Unexpended Balance	1,294,826,195.93	1,686,280,949.08	(391,454,753.15)

The Statement of Appropriations, Allotments, Obligations, Disbursements and Balances for CY 2019 is presented in *Annex A*.

C. Operational Highlights

The House reported the following accomplishments for CY 2019:

	Jan-June	July-Dec	Total
No. of House Bills Filed	406	5,912	6,318
No. of Resolutions Filed			
• House Resolutions	219	637	856
• House Joint Resolutions	2	27	29
• House Concurrent Resolutions	1	5	6

	Jan-June	July-Dec	Total
• Resolutions of Both Houses	1	4	5
Total Measures Filed	629	6,585	7,214
No. of Committee Reports Filed	297	187	484
No. of House Bills Referred to Various Committees	416	5,882	6,298
No. of Resolutions Referred to Various Committees			
• House Resolutions	234	634	868
• House Joint Resolutions	2	27	29
• House Concurrent Resolutions	1	5	6
• Resolutions of Both Houses	1	4	5
Total Measures Referred	654	6,552	7,206
Republic Acts			
• National	76	3	79
• Local	104	0	104
• Joint Resolution	1	0	1
Vetoed	6	0	6
Approved on Third Reading			
• National	74	40	114
• Local	176	58	234
• Joint Resolution	0	1	1
Adopted Resolutions			
• House Resolutions			
▪ Regular Resolutions	45	27	72
▪ Resolutions on Inquiries	11	0	11
• House Concurrent Resolutions	1	3	4
Total Measures Approved	494	132	626
Privilege/Other Speeches Delivered	22	155	177

Among the important measures enacted or passed into law during the period under review are as follows:

- a. RA No. 11213 - An Act Enhancing Revenue Administration and Collection by Granting an Amnesty on All Unpaid Internal Revenue Taxes Imposed by the National Government for Taxable Year 2017 and Prior Years with Respect to Estate Tax, Other Internal Revenue Taxes, and Tax on Delinquencies;

- b. RA No. 11201 - An Act Creating the Department of Human Settlements and Urban Development, Defining Its Mandate, Powers and Functions, and Appropriating Funds Therefor;
- c. RA No. 11199 - An Act Rationalizing and Expanding the Powers and Duties of the Social Security Commission to Ensure the Long-Term Viability of the Social Security System, Repealing for the Purpose RA No. 1161, as Amended by RA No. 8282, Otherwise Known as the “Social Security Act of 1997”;
- d. RA No. 11223 - An Act Instituting Universal Health Care for All Filipinos, Prescribing Reforms in the Health Care System, and Appropriating Funds Therefor;
- e. RA No. 11207 - An Act Providing for Reasonable Rates for Political Advertisements, Amending for the Purpose Section 11 of RA No. 9006, Otherwise Known as the “Fair Election Act”;
- f. RA No. 11203 - An Act Liberalizing the Importation, Exportation and Trading of Rice, Lifting for the Purpose the Quantitative Import Restriction on Rice, and for Other Purposes;
- g. RA No. 11232 - An Act Providing for the Revised Corporation Code of the Philippines (RCC);
- h. RA No. 11362 – An Act Authorizing the Court to Require Community Service in Lieu of Imprisonment for the Penalty of *Arresto Menor*;
- i. RA No. 11462 - An Act Postponing the May 2020 *Barangay and Sangguniang Kabataan* Elections, and
- j. RA No. 11463 - An Act Establishing *Malasakit Centers* in All Department of Health (DOH) Hospitals in the Country and in the General Philippine Hospital (PGH).

Significant events/activities during CY 2019 are:

- a. Opening of the First Regular Session of the 18th Congress and the State of the Nation Address (SONA) of the President held on July 22, 2019;
- b. Sending of delegations to several inter-parliamentary and international conferences participated in by House Members and assisted by selected Secretariat officials and personnel, to wit:

Conference/Meeting	Date	Venue
4 th International Renewable Energy (IRENA) Legislators Forum	January 10	Abu, Dhabi, UAE
27 th Annual Meeting of the Asia-Pacific Parliamentary Forum (APPF)	January 14-17	Siem Reap, Cambodia
ASEAN-ASEANSAI-AIPA Joint Seminar on Laying the Foundation for Future Cooperation in Promoting Accountability and Transparency in ASEAN	February 26	Jakarta, Indonesia
2 nd AIPA Advisory Council on Dangerous Drugs (AIPACODD)	March 12-15	Chiang Mai, Thailand
2019 Global Parliamentary Conference	April 8-9	Washington, D.C., USA
Meeting of the Asian Parliamentary Assembly (APA) Standing Committee on Economic and Sustainable Development	April 18-21	Naryan-Mar, Russian Federation
23 rd St. Petersburg International Economic Forum	June 6-8	St. Petersburg, Russian Federation
108 th Session of the International Labour Organization (ILO) Conference	June 10-21	Geneva, Switzerland
S. Raharatnam School of International Studies (RSIS) – World Trade Organization (WTO) Parliamentarian Work-shop on International Trade 2019	June 11-13	Singapore
10 th ASEAN Inter-Parliamentary Assembly (AIPA) Caucus	June 16-19	Kuala Lumpur, Malaysia
ASEAN-AIPA Leaders' Interface	June 21-22	Bangkok, Thailand
Women Political Leaders (WPL) Summit	June 25-37	Tokyo, Japan
Asia-Pacific Parliamentarian Forum on Global health	August 20-22	Nadi, Fiji
40 th AIPA General Assembly	August 30-31	Bangkok, Thailand
4 th Meeting of Speakers of the Eurasian Countries' Parliament	Sept. 23-24	Astana, Kazakhstan
141 st Inter-Parliamentary Union (IPU) General Assembly and Related Meetings	Oct. 13-17	Belgrade, Serbia
41 st Annual Forum of Parliamentarians for Global Action (PGA)	Nov. 21-22	Cape Verde, Praia
2 nd Executive Council Meeting and 12 th Plenary Session of AIPA	Dec. 13-18	Antalya, Turkey

- c. Selected officials/employees of the Secretariat were participants to multiple international conferences/meetings and events, as follows:

Conference/Meeting	Date	Venue
AIPA Writeshop for Secretariat Personnel	January 14-18	Jakarta, Indonesia
6 th Intake of the Parliamentary Institute of Cambodia (PIC) Regional Fellowship Program in Parliamentary Research Training	March 4 – Sept. 4	Phnom Penh, Cambodia
PIC Regional Fellowship Program on Parliamentary Diplomacy – 1 st Intake	April 1-30	Phnom Penh, Cambodia
Workshop on Organizational Matters of AIPA	April 22-26	Bali, Indonesia
Ad Hoc Working Group Meeting on the Guidelines of AIPA Engagement with Guest, Observer and Dialogue Partner	April 26-29	Bali, Indonesia
First Technical Working Group (TWG) Meeting in Preparation for the Senior Officials Conference on Gender Mainstreaming in ASEAN Political Security (APSC) Sectoral Bodies	June 14	Quezon City, Philippines
PIC Training of Trainers (TOT) Program on Parliamentary Research – 2 nd Intake	Sept. 10-21	Phnom Penh, Cambodia
PIC Training Seminar on Parliamentary Responsibilities	Oct. 7-11	Siem Reap, Cambodia
Association of Secretaries General of Parliaments (ASGP) Meeting	Oct. 14-16	Belgrade, Serbia
10 th International Seminar for Parliamentary Research Services (NARS)	Nov. 6-8	Seoul, Korea
Training on Writing AIPA Resolutions (Part 2)	Nov. 26-28	Bangkok, Thailand

- d. In collaboration with counterpart government agencies, non-government organizations and private entities, the House embarked on special events to further strengthen rapport and coordination with stakeholders and experts who enriched deliberations on important reform proposals. The various fora, workshops, exhibits and training programs forged closer relationships with the public and encouraged their participation in the legislative process. These included, among others, the following:

- Training program, “Negosyo Caravan”, of the Department of Trade and Industry (DTI) Negosyo Centers sponsored by the Committee on Micro, Small

and Medium Enterprises Development in Zamboanga City held on January 24, 2019, in Zamboanga del Sur on January 26, 2019, and in Sta. Mesa, Manila on February 6-11;

- Legislative Forum, “Greening Mine-Out Areas of the Philippines”, sponsored by the Committee on Science and Technology, held on February 7, 2019;
- “2019 Women’s Month Celebration” activities, sponsored by the Committee on Women and Gender Equality on March 2019:
 - Launching of the breast-feeding room;
 - Conduct of an All-Women Session on March 4, 2019;
 - Holding of “Sabay-sabay, Pantay-pantay, sa Pag-unlad ng mga Kababaihang may Kapansanan” featuring skills training for women with disabilities; and,
 - Talent search dubbed as “GOT Talent of Women with Disabilities”, held on March 28, 2019 in Taguig City;
- Knowledge-sharing on “Framework on Food Security and Nutrition”, a joint activity with Food and Agricultural Organization (FAO) Legislative Advisory Group, held on May 6, 2019;
- Knowledge-sharing forum on “Assessment of the Rice Tariffication Law (RA No.11203)” and “Free Irrigation Service Fee Act (RA No. 10969), organized in coordination with PIDS;
- Knowledge-sharing entitled, “Lens Sharing: as Dialogue Towards an Include and Consultative Legislative Agenda” jointly sponsored by the Institute for Climate and Sustainable Cities (ICSC), held on June 6, 2019;
- Exhibit on “Filipino Ito“ showcasing Philippine languages and culture held in celebration of the Buwan ng Wikang Pambansa 2019, sponsored by the Committee on Basic Education and Culture in cooperation with the Komisyon ng Wikang Filipino (KWF), held from August 14 to September 12, 2019;
- Knowledge-sharing on “Brown Bag Session on LGU Expenditure Forecasting , held in partnership with the Bureau of Local Government and Finance on October 22, 2019;
- Knowledge-sharing on “Brown Bag Session on “Revenue Forecasting at the National Level” held in partnership with the National Tax Research Center on October 27, 2019;
- Exhibit on ‘Energy Efficiency Services and Technologies”, sponsored by the Committee on Energy and held on November 11-14, 2019;
- Exhibit entitled, “Leading Frontier Research for the Filipinos and the ASEAN” on basic researches and projects funded by the national Research Council of the Philippines (NCRP), sponsored by the Committee on Science and Technology in partnership with the NCRP and held on September 26, 2019;

- Dialogue entitled, “Philippine Health Situation: Viewpoints from the Grassroots” sponsored by the Committee on Health, held on November 27, 2019;
 - Interactive exhibit entitled “Girl Defenders: Creating Spaces Together to End Violence Against Women and Girls” sponsored by the Committee on Women and Gender Equality in partnership with the Philippine Legislators’ Committee on Population and Development held on December 2-5’ 2019; and
 - “Joint Briefing on US-Indo Pacific Strategy” and “UNCLOS and the West Philippine Sea”, conducted by the US Embassy for the members of the Committees on Foreign Affairs, National Defense and Security, sponsored by the Committee on Women and Gender Equality in cooperation with the Special Committee on West Philippine Sea held at the Fullbright Commission Office in Makati City on December 10, 2019.
- e. Engaged in hearings/discussions regarding pressing issues such as:
- Amending certain sections of National Internal Revenue Code which seeks to increase excise rates to discourage consumption of alcohol and tobacco products;
 - Salary schedule for civilian government personnel and authorizing the grant of additional benefits to ensure that their salaries will remain at par with those in the private sector;
 - Establishing a coconut farmer and industry development trust fund;
 - Restoring the death penalty for plunder, heinous crimes related to drugs;
 - Legalization of same sex marriages;
 - Granting additional benefits to solo parents;
 - Prohibiting anti-ethnic, racial and religious discrimination;
 - Creating the Commission on Immigration; and
 - Salary Standardization Law of 2019.
- f. One of the highlight of House’s accomplishment was the release of the much awaited 17th Congress commemorative book, “The Cornerstone of the Nation”;
- g. The House Visitors Program (HVP) are the tours conducted by the House with brief lecture on the history and present status of Congress, the mechanics of the legislative process, and a short video on the HRep’s buildings and facilities, aside from a walking tour of certain areas of the HRep complex and viewing of the Plenary Hall when Congress is in session. For the year 2019, the House received 105 groups from different schools, government and private entities with a total number of 3,373 guests;
- h. With respect to their clients, the House undertook enhancements and improvements to its existing services some of which are:
- The Committee Bill Monitoring System is a local area network (LAN) based system has added provision for information on the specific actions taken by the Committees on Appropriations, Ways and Means, and Rules, as well as actions by the Conference Committees, aside from the updated status on

- measures and processing steps, preparation of committee reports, and status of the plenary processing of these committee reports;
- For faster on-line retrieval, access and/or distribution of information, various Secretariat offices digitized relevant legislative information and institutional publications and set-up their system in standardized format and styles in keeping with global trends and may be accessed using the House website or requested from the Secretariat offices;
 - The House enhanced the HRep Website for simpler and faster monitoring of measures. It has a bill tracker facility, simplified home page layout to include only the latest photos and press releases, and a link to the LEGIS and video streaming, committee meetings calendar, downloadable documents and links to other pages;
 - The Legislative Information System or LEGIS is a searchable platform which provides information on Republic Acts, resolutions, bills, history and status of legislative measures, committee reports, attendance and voting records of House Members, roll calls and other legislative information; and
 - Aside from the HRep website and official Facebook page, video streams of Plenary and special committee meetings can now be accessed and viewed via Android mobile application.
- i. In coordination with the Department of Foreign Affairs, the House conducted the Passport on Wheels (POW) program wherein House Members and their immediate family members were able to apply for diplomatic/official passports, while HRep employees and their immediate family members/dependents applied for new or renewed their regular passports;
 - j. The License To Own and Possess Firearms (LTOPF) Caravan was brought to the House in partnership with the PNP Firearms and Explosives Office, where gun owners of the HRep community were able to apply for Firearms Registration and Permit to Carry Firearms Outside of Residence (PTCFOR). Moreover, other services such as NBI Clearance, Drug Test, Gun Safety Seminar, Police Clearance, and Neuro-Psychiatric Test were also made available.
 - k. Incorporated the use of Green Building and sustainable development practices such as: use of sustainable materials in non-toxic paint, energy-saving LED lights, application of solid waste management practices such as segregation and recycling, and regular preventive maintenance of equipment such as elevators, chillers and cooling towers and other engineering equipment and acquisition of modern and efficient equipment;
 - l. Rehabilitated and enhanced the accessibility facilities for senior citizens and physically-challenged persons with disability and constructed more ramps and handrails in the premises of the House of Representatives Complex in coordination with the Department of Public Works and Highways

m. Noteworthy/special occasions:

- Change in the leadership of the House of Representatives during the First Regular Session of the 18th Congress;
- Tribute to the House Members of the 17th Congress (*Pagpupugay sa mga Kinatawan ng Ika-17 Kongreso*) was held prior to the *sine die* adjournment of the Third Regular Session of the 17th Congress;
- Holding of the HRep Month Celebration to recognize the invaluable and steady service rendered by the House Secretariat and Congressional Staff;
- Third Congressional Sports Invitational Tournament between the HRep and the Senate of the Philippines held at the Philippine Army grounds at Taguig City;
- Women’s Month Celebration;
- Retirees from various Secretariat offices were acknowledged through the “Mabuhay, Salamat” program where they were given plaques of recognition;
- Trick or Treat Halloween event, “Expedition to the HRep Pride Land”, participated in by children of House employees;
- An exhibiton, “HREP@112: The History of the House of the People in Sights and Sounds”, mounted by the Legislative Information Resources Management Department, where significant moments in Philippine legislative history came alive in text, photos, videos, artifacts and audio clips;
- Holding of necrological services to honor deceased House Members (Hon. Rodel M. Baotcabe, Hon. Speaker Prospero C. Nograles, Hon. Joel Virador and Hon. Rodolfo B. Albano) at the Plenary Hall. Audio-video presentations were provided to commemorate their lives and contributions to Congress; and
- Annual Team Building activities of various offices on different locales for House organic employees.

D. Scope of Audit

The audit covered the accounts and operations of the HRep for CY 2019. 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’s improvement opportunities; c) determine the propriety of transactions as well as the extent of compliance with pertinent laws, rules and regulations; and d) determine the extent of implementation of prior year’s audit recommendations.

E. Independent Auditor's Report on the Financial Statements

The Auditor rendered an unmodified opinion on the fairness of presentation of the HRep's financial statements.

F. Audit Observations and Recommendations

The following are the significant observations and recommendations which are discussed in detail in Part II of this report:

1. The CY 2018 corresponding figures presented in the CY 2019 financial statements were not restated to reflect prior year errors and adjustments of negative ₱306,272,553.73, which is not in compliance with Sections 42 (b) and 43, Chapter 19 of the Government Accounting Manual (GAM), Volume I. (*Paragraph No. 1*)

We recommended that Management require the Accounting Service to properly present prior period corrections/adjustments by restating prior year balances of affected accounts shown as corresponding figures for the current year FS in compliance with the requirements of Section 42 (b) and 43, Chapter 19 of the GAM Volume I.

2. Budget and Financial Accountability Reports (BFARs) were not submitted in accordance with the timelines prescribed by Commission on Audit (COA)-Department of Budget and Management (DBM) Joint Circular No. 2019-1, thus adversely affecting the ability of both oversight agencies to effectively monitor and evaluate its performance. (*Paragraph No. 7*)

We recommended that Management strictly comply with the provisions of COA-DBM Joint Circular No. 2019-1 particularly on the submission timelines required for the various BFARs to facilitate evaluation of the agency's performance and accomplishments.

3. Financial and other related documents/reports including their supporting documents were not submitted to the COA Auditor's Office within the deadlines set by existing auditing rules and regulations. (*Paragraph No. 14*)

We reiterated our previous audit recommendation for Management to issue the appropriate directive to all concerned Finance personnel to regularly and promptly comply with the submission of required reports within the prescribed deadlines as stated in the regulations.

4. Damaged and valueless records which are not subject of investigations, complaints and/or legal cases continue to be kept in custody beyond their required ten-year retention periods, thereby risking other documents that are in good condition to harmful elements. (*Paragraph No. 23*)

We recommended and Management agreed that the pertinent provisions of NAP General Circular Nos. 2 and 4 bearing on the preparation of the Records Disposition Schedule and other disposal procedures of valueless records be implemented soonest to adequately preserve documents that are still required to be retained and to make available a substantial depository area.

5. The establishment of a GAD Focal Point System (GFPS) as required by Section 36 (b) of RA 9710, otherwise known as the Magna Carta for Women, was not implemented by the House, thereby depriving the intended beneficiaries of said legislation the gains that could have been available had the GFPS been operational. (*Paragraph No. 30*)

We recommended that Management comply with the pertinent provisions of RA 9710 on the creation of the GFPS and formulation of the agency-wide GPB with a budget of at least five percent of the HREP's total appropriation as provided for in the GAA, as well as the preparation and submission of the corresponding accomplishment report as set forth in the policy guidelines of Joint Circular No. 2012-01 of the Department of Budget and Management, National Economic Development Authority, and Philippine Commission on Women.

The above observations and recommendations contained in the report were discussed with the concerned officials of the HRep during the exit conference held on June 25, 2020. Management comments were considered in the report, where appropriate.

G. Status of Implementation of Prior Year's Audit Recommendations

Of the seven prior years' audit recommendations, two were implemented and five were not implemented.