ACTION PLAN MONITORING TOOL

Sector LGAS F- Negros Oriental 1
Team Audit Team No. 03
Agency Audited Basay, Negros Oriental
Audit Period CY 2024

Prepared by Frebe G. Duaban, Audit Team Leader **Date** #################

Reviewed by Katherine Z. Velez, Supervising Auditor **Date**

Reference	AAR Year	Audit Observation	Audit Recommendation	AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION							RESULTS OF COA VALIDATION				
				Target Implementation Date				Status of Implementation	Reason for Non-Implementation, if applicable	Action Taken/ Action to be Taken	Date of follow-up	Status of Implementation	Actual Implementation Date		Remarks
				Action Plan/ Remarks	Person/ Department Responsible	From	To						From	To	
AO No. 1, page 23	2024	Items of Property, Plant, and Equipment (PPE) with a total cost of ₱133,995,806.25 were not provided with depreciation contrary to Paragraph 26 of the International Public Sector Accounting Standard (IPSAS) 45, hence, the asset and equity accounts were overstated by the amount of depreciation that should have been applied to these assets.	The Municipal Treasurer, as the Property and Supplies Officer, verify the existence of these PPE items to determine whether to fully depreciate the	Verify the existence of these PPE items to determine whether to fully depreciate the PPE or not.	Municipal Treasurer	May-25	Dec-25	Implemented		Conducted physical count of properties	September 3, 2025	Implemented	May-25	Dec-25	
			The Municipal Accountant make the necessary adjusting entries to rectify the unrecorded depreciation expense of the subject PPE items.	Make the necessary adjusting entries to rectify the unrecorded depreciation expense of the subject PPE items.	Municipal Accountant	Sep-25	Dec-25	Unimplemented	Waiting for Inventory Report	Inventory Committee to complete physical count and prepare the necessary reports	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
			The Municipal Accountant recognize annual depreciation for all items of PPE in accordance with the IPSAS and COA issuances.	Recognize annual depreciation for all items of PPE in accordance with the IPSAS and COA issuances.	Municipal Accountant	Sep-25	Dec-25	Unimplemented	Waiting for Inventory Report	Inventory Committee to complete physical count and prepare the necessary reports	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
AO No. 2, page 25 AAR 2023, AO no. 1, page 22 AAR 2022, AO no. 6, page 32 AAR 2021, AO no. 1, page 21 and AAR 2018	2024, 2023, 2022, 2021, 2018	Due to overlapping workloads and non-compliance with the necessary property numbering system, the Municipal Government is unable to properly execute and complete the one-time PPE cleansing required by COA Circular No. 2020-006, thus, the accuracy of the reported balance of the PPE account at year end, totaling ₱439,554,040.51, which includes movable properties amounting to ₱66,016,501.17, could not be verified.	Management prioritize the completion of the one-time PPE cleansing in full compliance with COA Circular No. 2020-006 by assigning dedicated personnel and temporarily relieving the members of the Inventory Committee from their regular duties to ensure the timely execution of all required procedures and to immediately reconcile the results of the physical count with accounting and property records.	Conduct physical inventory	Inventory Committee	May-25	Dec-25	Implemented		Conducted physical count of properties	September 3, 2025	Unimplemented			The Inventory Committee has not completed the reports needed for the one-time cleansing thus amounts are not yet reconciled.
			Upon completion of the conduct of inventory and preparation of the reports, the Municipal Mayor file a request for authority to derecognize non-existing/missing PPEs to the audit team, and support its request with the certified lists required in Section 8.3 of COA Circular No. 2020-006, to take full advantage of the one-time cleansing privilege afforded by the Commission and establish accuracy of its PPE balances reported in the financial statements.	File a request for authority to derecognize non-existing/ missing PPEs	Mayor's Office	Sep-25	Dec-25	Unimplemented	Waiting for Inventory Report	Inventory Committee to complete physical count and prepare the necessary reports	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
			The Inventory Committee adopt the uniform numbering system for property numbers of PPE and require the Property Unit to update the property stickers based on the prescribed format and to include the required information under the said COA Circular.	Adopt the uniform numbering system	Inventory Committee	Sep-25	Dec-25	Unimplemented	Use of update property stickers is still for implementation	Inventory Committee has already started the numbering system for the newly acquired properties	September 3, 2025	Unimplemented			Inventory Committee has already started the numbering system for the newly acquired properties.
AO No. 3, page 27	2024	The absence of disclosures in the Notes to Financial Statements on the Road Networks account balance of ₱57,192,222.97 contravenes the faithful representation requirement set forth by the International Public Sector Accounting Standards (IPSAS) and the reporting guidelines under COA Circular No. 2015-008, dated November 23, 2015, thereby, depriving users of the financial statements of access to complete financial information that is crucial for informed decision-making and for the benefit of its constituents.	The Municipal Accountant, henceforth, include the required disclosures for the Road Network account as required under COA Circular No. 2015-008.	Disclose required data on Road Networks	Municipal Accountant, Municipal Engineer	Jan-26	Feb-26	Unimplemented	Required data is yet to be submitted by the Municipal Engineer	Consolidation of the required data for Road Networks	September 3, 2025	Unimplemented			Required data is yet to be submitted by the Municipal Engineer
AO No. 4, page 29	2024	Due to the non-submission of the Certified List of Taxpayers and Amounts Due and Collectible for the Year by the Municipal Treasurer to the Municipal Accountant, as mandated by Section 20 of the NGAS Manual, Volume I for LGUs, along with the lack of coordination between the two offices, no receivables for RPT and SET were reported in the financial statements, resulting in the understatement of receivables by ₱54,931,515.89.	The Municipal Accountant make the necessary adjusting entries to accurately reflect the correct amounts of RPT and SET receivables.	Make the necessary adjusting entries to accurately reflect the correct amounts of RPT and SET receivables.	Municipal Accountant	25-Dec	26-Jan	Unimplemented	No report from Treasurer yet	Treasurer to submit the Certified List	September 3, 2025	Unimplemented			Treasurer to submit the Certified List
			Henceforth, at the beginning of the year, the Municipal Treasurer ensure timely submission of the Certified List of Taxpayers, with corresponding amounts due and collectible for the period, so the Municipal Accountant can prepare the Journal Entry Voucher to record the debit to RPT Receivable/SET Receivable and credit the corresponding Deferred RPT Income/SET Income, which would be adjusted during the year, upon collection from taxpayers.	Submit Certified List of Taxpayers with corresponding amounts due and collectible	Municipal Treasurer	25-Oct	25-Dec	Unimplemented	Report to be submitted at the end of the year	Submit the Certified List of Taxpayers with corresponding amounts due and collectible	September 3, 2025	Unimplemented			Report to be submitted at the end of the year
AO No. 5, page 31	2024	Purchases of inventories totaling ₱14,179,441.45 were recognized as expense instead of inventory upon receipt contrary to Section 114 of the New Government Accounting System (NGAS) Manual for Local Government Units (LGUs), Volume I, thus, eliminating the required accounting of the receipt and utilization established through the use of Requisitions and Issue Slips (RIS) and Summary of Supplies and Materials Issued (SSMI), which could result in the misstatement of inventory and expense accounts at the end of the year.	Management install internal control mechanisms by using the RIS to request supplies and materials from stock and to consolidate them in the SSMI, which shall be submitted to the Municipal Accountant for recording in the appropriate expense accounts for the supplies consumed.	Use RIS to request supplies and materials from stock	End user	25-Jan	25-Aug	Implemented		Implemented the use of RIS to request supplies and materials from stock	September 3, 2025	Implemented	Jan-25	Aug-25	
			The Municipal Accountant stop the practice of recording purchases of supplies and materials directly to expense accounts and henceforth, record purchases and utilization of supplies and materials in accordance with Section 114 of the NGAS Manual for LGUs, Volume I and Section IV of COA Circular No. 2014-002 dated April 15, 2014, to fairly present the expense and inventory accounts in the financial statements.	Stop the practice of recording purchases of supplies and materials directly to expense accounts and henceforth, record purchases and utilization of supplies and materials to fairly present the expense and inventory accounts in the financial statements	Municipal Accountant	25-Jan	25-Aug	Implemented		Recorded purchases of supplies and materials in accordance with NGAS to fairly present the expense and inventory accounts.	September 3, 2025				For verification
AO No. 6, page 32	2024	Expenditures totaling ₱9,806,881.38 incurred for serving meals and snacks, honoraria, equipment and inventories were incorrectly classified as Other Maintenance and Operating Expenses (5-02-99-990), which is inconsistent with COA Circular No. 2015-009, dated December 1, 2015, and negatively impacts the effectiveness of financial information available for Management's decision-making.	The Municipal Accountant establish internal accounting policies to identify whether a particular expenditure pertains to Other Maintenance and Operating Expenses, Training Expenses, Extraordinary and Miscellaneous Expenses, etc.	Establish internal accounting policies to identify whether a particular expenditure pertains to Other Maintenance and Operating Expenses, Training Expenses, Extraordinary and Miscellaneous Expenses, etc.	Municipal Accountant	25-Jan	25-Aug	Implemented		Established internal accounting policies to identify whether a particular expenditure pertains to Other Maintenance and Operating Expenses, Training Expenses, Extraordinary and	September 3, 2025				For verification
			The Municipal Accountant, henceforth, strictly follow the Revised Chart of Accounts, as required in COA Circular No. 2015-009.	Follow the Revised Chart of Accounts	Municipal Accountant	25-Jan	25-Aug	Implemented		Followed the Revised Chart of Accounts	September 3, 2025				For verification
			The Municipal Budget Officer, in coordination with the Municipal Treasurer and Municipal Accountant, ensure that annual appropriation and disbursement of funds for discretionary purposes are within the statutory limit provided for in Section 325(h) of RA	Ensure that annual appropriation and disbursement of funds for discretionary purposes are within the statutory limit	Municipal Budget Officer	25-Jan	25-Aug	Implemented		Ensured that annual appropriation and disbursement of funds for discretionary purposes are within the statutory limit	September 3, 2025				For verification
AO No. 7, page 36	2024	The Cash in Bank – Local Currency Current Account (LCCA) balance reported in the financial statements as of December 31, 2024, totaling ₱60,137,598.45, includes unreconciled items amounting to ₱7,939,976.89 and ₱71,520.96, in the General Fund and Trust Fund, respectively, due to a lack of coordination between the Offices of the Municipal Accountant and Municipal Treasurer in the previous years, which is inconsistent with Section 3.0 of COA Circular No. 96-011, dated October 2, 1996, thus, the accuracy of the	The Municipal Accountant, in coordination with the Municipal Treasurer, trace the discrepancy in the General Fund to previous bank statements and credit/debit memos to identify appropriate reconciling items.	Trace the discrepancy in the General Fund to previous bank statements and credit/debit memos to identify appropriate reconciling items	Municipal Accountant	25-Jan	25-Aug	Implemented		Traced the discrepancy in the General Fund to previous bank statements and credit/debit memos to identify appropriate reconciling items	September 3, 2025				For verification
			The Municipal Accountant, with assistance from the Municipal Treasurer, secure the bank statement for Account No. 0292-0035-28, to reconcile the discrepancy in the Trust Fund.	Secure the bank statement for Account No. 0292-0035-28, to reconcile the discrepancy in the Trust Fund.	Municipal Accountant	25-Jan	25-Aug	Implemented		Secured the bank statement for Account No. 0292-0035-28, to reconcile the discrepancy in the Trust	September 3, 2025				For verification
AO No. 8, page 38 AAR 2022, AO no. 5,	2024, 2022, 2021, 2017	Cash advances totaling ₱3,379,262.99, of which ₱3,258,786.99 has been outstanding for over three years, remain unliquidated as of December 31, 2024, despite management's efforts to compel the concerned officials and employees to effect settlement as required under COA Circular	The Municipal Accountant issue final demand letters directing the individuals involved to immediately liquidate all outstanding cash advances.	Issue final demand letters directing the individuals involved to immediately liquidate all outstanding cash advances.	Municipal Accountant	25-Sep	25-Sep	Unimplemented		Issue final demand letters directing the individuals involved to immediately liquidate all outstanding cash advances.	September 3, 2025	Unimplemented			Municipal Accontant to issue final demand letters directing the individuals involved to immediately liquidate all outstanding cash advances.

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page 29, AAR 2021, AO no. 3, page 26, and AAR 2017, AO no. 3, page 25		No. 97-002, dated February 10, 1997, thus the related receivable and expense accounts in the financial statements are still not fairly presented. Moreover, the unutilized government funds in the possession of the accountable persons are exposed to the risk of loss or unauthorized use.	If no liquidation is made, the Municipal Accountant impose the sanction of withholding the salaries of those who still fail to settle their accounts after receiving notice.	Impose the sanction of withholding the salaries of those who still fail to settle their accounts after receiving notice.	Municipal Accountant	25-Sep	25-Dec	Unimplemented	Only applied to current cas advances. For previous advances, Management practiced to deduct any money due upon retirement/ resignation from their terminal pay/ last pay.	Impose the sanction of withholding the salaries of those who still fail to settle their accounts after receiving notice.	September 3, 2025	Unimplemented			Only applied to current cas advances. For previous advances, Management practiced to deduct any money due upon retirement/ resignation from their terminal pay/ last pay.
			Management take aggressive measures to compel all accountable officers to settle their accounts, including the filing of appropriate administrative proceedings, pursuant to CSC Memorandum Circular No. 12, s. 2012.	Take aggressive measures to compel all accountable officers to settle their accounts, including the filing of appropriate administrative proceedings	Accounting	25-Sep	25-Dec	Unimplemented	No sanctions are imposed to officials and employees.	Take aggressive measures to compel all accountable officers to settle their accounts, including the filing of appropriate administrative proceedings	September 3, 2025	Unimplemented			No sanctions are imposed to officials and employees.
AO No. 9, page 40	2024	Supplies and materials issued during the year were not recognized as expenses and still remained in the Other Supplies and Materials Inventory account amounting to ₱2,412,710.31 as of December 31, 2024, as the SSMI was not submitted by the Municipal Treasurer, which is inconsistent with Sec. 121 of the NGAS Manual for LGUs Vol. 1, which may result in the overstatement of the inventory balance and equity account, and understatement of related expense accounts.	The Municipal Treasurer strictly comply with Section 121 of the NGAS Manual for LGUs, Volume I, by ensuring the regular consolidation of the Requisition and Issue Slips (RIS) into the Summary of Supplies and Materials Issued (SSMI) and submitting the same to the Municipal Accountant in a timely manner.	Regular consolidation of the Requisition and Issue Slips (RIS) into the Summary of Supplies and Materials Issued (SSMI) and submitting the same to the Municipal Accountant in a timely manner.	Municipal Treasurer	25-Jul	25-Aug	Implemented		Regularly consolidate of the Requisition and Issue Slips (RIS) into the Summary of Supplies and Materials Issued (SSMI) and submitting the same to the Municipal Accountant in a timely manner.	September 3, 2025	Implemented	Jul-25	Aug-25	
			The Municipal Accountant conduct a thorough reconciliation of inventory balances and record the corresponding journal entries to reflect the correct financial position and performance.	Conduct a thorough reconciliation of inventory balances and record the corresponding journal entries to reflect the correct financial position and performance.	Municipal Accountant	25-Sep	25-Dec	Unimplemented		waiting for MTO's report	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
AO No. 10, page 42	2024	Purchases of semi-expendable properties totaling at least ₱223,127.04 were recorded under the Other Supplies and Materials Inventory account instead of the appropriate semi-expendable inventory account, contrary to COA Circular 2024-006, thus, eliminating the required accounting for the receipt and utilization established through the use of Inventory Custodian Slips and the Report on Semi-Expendable Property Issued, along with other reports and registries, which could result in the misstatements of semi-expendable inventories and corresponding expense accounts at the end of the year.	The Municipal Accountant ensure that semi-expendable properties are properly recorded under the appropriate Semi-Expendable Inventory accounts, rather than under Other Supplies and Materials Expenses. Proper accounting treatment must be observed by preparing the required Journal Entry Vouchers (JEVs) and utilizing the prescribed new accounts and illustrative entries found in Annexes B and C of COA Circular No. 2024-006.	Ensure that semi-expendable properties are properly recorded under the appropriate Semi-Expendable Inventory accounts, rather than under Other Supplies and Materials Expenses.	Municipal Accountant	25-Jul	25-Dec	Unimplemented		Trace back previously recorded purchases as inventory.	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
			The Property Unit must also maintain the complete set of prescribed forms, registries, and reports, such as the: - Registry of Semi-Expendable Property Issued (RegSPI) - Report of Semi-Expendable Property Issued (RSPI) - Semi-Expendable Property Card (SPC) - Semi-Expendable Property Ledger Card (SPLC) - And other related forms outlined in Section 4.7 of COA Circular No. 2022-004	Maintain the complete set of prescribed forms, registries, and reports, such as the: - Registry of Semi-Expendable Property Issued (RegSPI) - Report of Semi-Expendable Property Issued (RSPI) - Semi-Expendable Property Card (SPC) - Semi-Expendable Property Ledger Card (SPLC) - And other related forms outlined in Section 4.7 of COA Circular No. 2022-004	Municipal Treasurer	25-Sep	25-Dec	Unimplemented		The Municipal Treasurer has started to maintain the complete set of prescribed forms, registries, and reports, such as the: - Registry of Semi-Expendable Property Issued (RegSPI) - Report of Semi-Expendable Property Issued (RSPI) - Semi-Expendable Property Card (SPC) - Semi-Expendable Property Ledger Card (SPLC) - And other related forms outlined in Section 4.7 of COA Circular No. 2022-004	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
			The Municipal Treasurer and Property/Supply Office ensure that Inventory Custodian Slips (ICS) are issued to end users upon the receipt of semi-expendable items to establish accountability, as required under Section 3.4 of COA Circular No. 2024-006. The Property Unit must also maintain the complete set of prescribed forms, registries, and reports, such as the:	Inventory Custodian Slips (ICS) are issued to end users upon the receipt of semi-expendable items to establish accountability	Municipal Treasurer and Property/Supply Office	25-Jul	25-Aug	Implemented		Inventory Custodian Slips (ICS) are issued to end users upon the receipt of semi-expendable items to establish accountability	September 3, 2025	Implemented	Jul-25	Aug-25	
AO No. 11, page 45	2024	Management did not prepare the Report on Local Road Network (RLRN) and the Report on the Physical Count of the Road Network System (RPCRNS), as mandated under COA Circular No. 2015-008, dated November 23, 2015, thereby, the reported balance of the Road Networks account in the financial statements amounting to ₱57,192,222.97 could not be verified. Likewise, the absence of such reports could potentially affect Management decisions, possibly leading to delays in formulating policies for infrastructure development and maintenance.	The Inventory Committee prepare the RPCRNS and reconcile it with the records available in the Office of the Accountant.	Prepare the RPCRNS and reconcile it with the records available in the Office of the Accountant	Inventory Committee	25-Jul	25-Dec	Unimplemented		Prepare the RPCRNS and reconcile it with the records available in the Office of the Accountant	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
			The GSO or property custodian submit the Report on LRN as required under COA Circular No. 2015-008.	Submit the Report on LRN	Property custodian	25-Jul	25-Dec	Unimplemented		Prepare the Report on LRN	September 3, 2025	Unimplemented			Inventory Report still yet to be submitted by the Inventory Committee
AO No. 12, page 46	2024	Procurement contracts entered into by the Municipal Government, and disbursements related thereto, amounting to at least ₱3,456,340.65, were incurred without the required Certificate of Availability of Funds (CAF) from the Chief Accountant, contrary to Section 86 of Presidential Decree (PD) No. 1445, thereby rendering the validity and legality of the transactions questionable.	Management, henceforth, secure the Certificate of Availability of Funds (CAF) from the Municipal Accountant, prior to entering into any contract and before making any disbursement or obligations charged to any authorized appropriation, in accordance with Section 86 of PD No. 1445.	Secure the Certificate of Availability of Funds (CAF) from the Municipal Accountant, prior to entering into any contract and before making any disbursement or obligations charged to any authorized appropriation	Accounting	25-Sep	25-Dec	Unimplemented		Started to secure the CAF for disbursments procured through bidding. CAF for other disbursements for implementation.	September 3, 2025	Unimplemented			Started to secure the CAF for disbursments procured through bidding. CAF for other disbursements for implementation.
AO No. 13, page 47	2024	Procurement of various goods, materials, and supplies totaling ₱3,456,340.65 was not supported by appropriate and complete documentation contrary to Section 4(6) of the Presidential Decree (PD) No. 1445 and the Revised Implementing Rules and Regulations (IRR) of the Republic Act (R.A.) No. 9184, thus, the propriety and validity of the related disbursements could not be established.	Management, henceforth, ensure that all purchases are supported by the appropriate and complete documentation, pursuant to PD No. 1445 and the Revised IRR of RA No. 9184, as amended by RA 12009.	Ensure that all purchases are supported by the appropriate and complete documentation, pursuant to PD No. 1445 and the Revised IRR of RA No. 9184	BAC	25-Jul	25-Aug	Implemented		BAC has archived all bidding documents from suppliers. BAC has started to support the complete documentation for all disbursements.	September 3, 2025				For verification
AO No. 14, page 51	2024	The Municipal Government incurred costs for meals and snacks served during regular and administrative meetings, budget and public hearings, social pension payouts, courtesy calls, and similar events, totaling ₱1,164,842.50, and inappropriately charged these costs to Other Supplies and Materials Expenses, contrary to COA Circular No. 2012-003, dated October 29, 2012, leading to unnecessary expenditures and excessive disbursements beyond the allowable limit for discretionary spending.	Management, henceforth, ensure that annual appropriations and disbursements for discretionary purposes or those relating to Extraordinary and Miscellaneous Expenses do not exceed the statutory threshold as provided in Section 325(h) of the RA No. 7160.	Ensure that annual appropriations and disbursements for discretionary purposes or those relating to Extraordinary and Miscellaneous Expenses do not exceed the statutory threshold	Budget	25-Jul	25-Aug	Implemented		Ensured that annual appropriations and disbursements for discretionary purposes or those relating to Extraordinary and Miscellaneous Expenses do not exceed the statutory	September 3, 2025				For verification
			Management ensure that meals and snacks served during regular and administrative meetings of local officials and employees be charged to the appropriations for EME, to the extent of its threshold, and representation allowances of officials concerned.	Ensure that meals and snacks served during regular and administrative meetings of local officials and employees be charged to the appropriations for EME, to the extent of its threshold, and representation allowances of officials concerned.	Budget	25-Jul	25-Aug	Implemented		Ensured that meals and snacks served during regular and administrative meetings of local officials and employees be charged to the appropriations for EME, to the extent of its threshold, and representation allowances of officials concerned.	September 3, 2025				For verification
AO no. 9, page 34	2023	Management did not establish an Internal Audit Service (IAS) office in contravention of Administrative Order No. 70, s. 2003, thereby, impeding the optimal achievement of efficient and effective fiscal administration and performance of governmental functions.	The Municipal Mayor: Include in its annual budget the appropriation for the establishment of IAS; and	Include in its annual budget the appropriation for the establishment of IAS	Mayor			Unimplemented	Not priority yet due unavailability of budget.		September 3, 2025	Unimplemented			Not priority yet due unavailability of budget.
			Facilitate the creation of an IAS in the Municipality in accordance with AO No. 70 and RA No. 3456.	Facilitate the creation of an IAS	Mayor			Unimplemented	Not priority yet due unavailability of budget.		September 3, 2025	Unimplemented			Not priority yet due unavailability of budget.
			The IAS use the 2020 Revised PGIAM in the exercise of their internal audit functions.	Use the 2020 Revised PGIAM in the exercise of their internal audit functions.	IAS			Unimplemented	Not priority yet due unavailability of budget.		September 3, 2025	Unimplemented			Not priority yet due unavailability of budget.

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				Target Implementation Date				Status of Implementation	Reason for Non-Implementation, if applicable	Action Taken/ Action to be Taken	Date of follow-up	Status of Implementation	Actual Implementation Date		Remarks
				Action Plan/ Remarks	Person/ Department Responsible	From	To						From	To	
AO no. 10, page 36	2023	The Municipality did not undertake the GRRPA every three years because the Province did not enact an ordinance updating the Schedule of Market Values, contrary to Sections 212 and 219 of R.A. No. 7160 and DILG-DOF JMC No. 2010-01, hence precluding the Municipality from maximizing its revenue-raising power to generate additional funds to finance development projects beneficial to its constituents and to augment the special education fund.	Initiate the immediate conduct of a general revision of real property assessments after the enactment of the updated SMVs and ensure that this is done every three years as required under Section 219 of RA No. 7160 and DILG-DOF JMC No. 2010-001.	Conduct of a general revision of real property assessments after the enactment of the updated SMVs and ensure that this is done every three years	Municipal Assessor	26-Mar	26-Dec	Unimplemented	No ordinance from province yet		September 3, 2025	Unimplemented			No ordinance from province yet
AO no. 11, page 38	2023	Had the Municipal Mayor and Municipal Engineer considered all factors affecting the implementation of programs/projects/activities under the 20% Development Fund (DF), including the limited manpower and availability of equipment, among others, the Municipal Government could have completed not just eight of the 22 projects programmed under the 20% DF for CY 2023. This would have resulted in greater efficiency and effectiveness in providing basic facilities and services to its constituents, as mandated under Section 17 of R.A. No. 7160.	The Municipal Engineer, in coordination with the Municipal Planning and Development Coordinator, evaluate the feasibility and closely monitor the implementation of the various PPAs in accordance with the approved development plan as required under Section 476 (4) of R.A. No. 7160.	Evaluate the feasibility and closely monitor the implementation of the various PPAs	Municpal Engineer, Municipal Planning and Development Coordinator	25-Jan	25-Dec	Unimplemented	No deed of donations; lack of manpower; and availability of heavy equipment	Municipal Engineer requested additional manpower	September 3, 2025	Unimplemented			No deed of donations; lack of manpower; and availability of heavy equipment
AAR 2023, AO no. 12, page 40 and AAR 2022, AO no. 14, page 49	2023 and 2022	Out of the total budget of ₱13,038,848.13 appropriated for the LDRRMF Mitigation Fund, only 35.06 per cent or ₱4,571,981.75 was utilized in CY 2023, contrary to RA No. 10121 and the DILG MC No. 2012-73 dated April 17, 2012, thereby not optimally utilizing the LDRRM funds and compromising the Municipality's preparedness and resilience to disasters and calamities.	The LDRRM Council optimally utilize the 70 per cent budget allocation for disaster prevention, mitigation, and preparedness, to better prepare the Municipality for future calamities	Optimally utilize the 70 per cent budget allocation for disaster prevention, mitigation, and preparedness, to better prepare the Municipality for future calamities	LDRRM Council	24-Jan	24-Dec	Implemented		LDRRM Council was able to utilize 95% of the 70% budget allocation for disaster prevention, mitigation, and preparedness, to better prepare the Municipality for future calamities	September 3, 2025	Implemented	Jan-25	Dec-25	LDRRM Council was able to utilize 95% of the 70% budget allocation for disaster prevention, mitigation, and preparedness, to better prepare the Municipality for future calamities
AO no. 1, page 22	2023	Because of the lack of accounting personnel in handling manual recording and reporting of transactions, the Municipal Accountant was unable to submit the complete set of year-end trial balances (TB) and financial statements (FS) for the calendar year (CY) 2022 on time, contrary to Sections 70, 72, and 76 of the New Government Accounting System (NGAS) Manual for Local Government Units (LGUs), Volume I, and COA Circular No. 2016-004 dated September 30, 2016, thus precluding the LGU's local officials and constituents from being informed of the state of the municipality's finances.	The Municipal Mayor: enjoin the Sanggunian to set aside an appropriation for the installation of the electronic New Government Accounting System (e-NGAS), which is made available by the Commission, to hasten the work of the Office of the Municipal Accountant and minimize errors in accounting;	Enjoin the Sanggunian to set aside an appropriation for the installation of the electronic New Government Accounting System (e-NGAS), which is made available by the Commission, to hasten the work of the Office of the Municipal Accountant and minimize errors in accounting	Municipal Mayor	25-Sep	25-Dec	Unimplemented	Not priority yet due unavailability of budget.		September 3, 2025	Unimplemented			Not priority yet due unavailability of budget.
AO no. 7, page 34	2022	The Municipality was unable to fill up all the mandatory positions comprising the Local Disaster Risk Reduction and Management Office (LDRRMO) as of December 31, 2022, contrary to Section 12 (b) of Republic Act (RA) No. 10121 and Section 5.0 of the National Disaster Risk Reduction and Management Council (NDRRMC), Department of the Interior and Local Government (DILG), Department of Budget and Management (DBM), and Civil Service Commission (CSC) Joint Memorandum Circular (JMC) No. 2014-1 dated April 4, 2014, hence, plans, actions, and measures pertaining to disaster risk reduction and management may not be appropriately implemented.	The Municipal Mayor ensure the full institutionalization of the LDRRMO by: making representation with the Sanggunian for the allocation of the necessary budget and staffing, in accordance with the NDRRMC-DILG-DBM-CSC JMC No. 2014-1; and	Allocation of the necessary budget and staffing	Municipal Mayor	24-Jan	24-Dec	Implemented		Allocated of the necessary budget and staffing	September 3, 2025	Implemented	Jan-25	Dec-25	
			prioritizing the hiring of qualified personnel to fill in the vacant plantilla positions to assure the implementation of actions and measures related to disaster risk reduction and management.	Hiring of qualified personnel to fill in the vacant plantilla positions to assure the implementation of actions and measures related to disaster risk reduction and management	HR	25-Jan	25-Dec	Unimplemented	No appropriation		September 3, 2025	Unimplemented			No appropriation
AO no. 6, page 33	2021	Management was not able to develop a Public Service Continuity Plan (PSCP) as required under the National Disaster Risk Reduction and Management Council (NDRRMC) Memorandum Nos. 33, s. 2018 and 57, s. 2020, thereby preventing proper evaluation and documentation of whether the internal capacities, recovery requirements and strategies of the Local Government Unit (LGU) of Basay could continuously function and deliver essential services during an emergency or disaster.	The Local Chief Executive (LCE) institutionalize the PSCP by creating a working group that will perform the following activities:	Institutionalize the PSCP	Municipal Mayor	25-Dec	25-Dec	Unimplemented		Submitted the draft, awaiting for approval from LCE	September 3, 2025	Unimplemented			Submitted the draft, awaiting for approval from LCE
			conduct risk assessments considering new variables after the pandemic;	conduct risk assessments considering new variables after the pandemic;	PSCP	25-Jan	25-Dec	Implemented		Conducted risk assessments considering new variables after the pandemic;	September 3, 2025	Implemented	Jan-25	Dec-25	
			identify critical processes and functions;	identify critical processes and functions;	PSCP	25-Jan	25-Dec	Implemented		Identified critical processes and functions;	September 3, 2025	Implemented	Jan-25	Dec-25	
			determine scenarios that may disrupt normal operations;	determine scenarios that may disrupt normal operations;	PSCP	25-Jan	25-Dec	Implemented		Determined scenarios that may disrupt normal operations;	September 3, 2025	Implemented	Jan-25	Dec-25	
			conduct risk and impact analyses;	conduct risk and impact analyses;	PSCP	25-Jan	25-Dec	Implemented		Conducted risk and impact analyses;	September 3, 2025	Implemented	Jan-25	Dec-25	
			formulate the PSCP; and	formulate the PSCP; and	PSCP	25-Jan	25-Dec	Unimplemented	Submitted the draft, awaiting for approval from LCE		September 3, 2025	Unimplemented			Submitted the draft, awaiting for approval from LCE
			submit the plan to the LDRRMO for review, to the LCE for approval, and to the Sangguniang Bayan for the passage of a resolution to institutionalize the PSCP.	submit the plan to the LDRRMO for review, to the LCE for approval, and to the Sangguniang Bayan for the passage of a resolution to institutionalize the PSCP.	PSCP	25-Jan	25-Dec	Unimplemented	Submitted the draft, awaiting for approval from LCE		September 3, 2025	Unimplemented			Submitted the draft, awaiting for approval from LCE
AO no. 11, page 42	2021	Registration fees paid to the Philippine Councilor's League (PCL) totaling ₱300,000.00 for the attendance of the Sangguniang Bayan (SB) members of the annual convention and year-end evaluation/assessment were issued with personalized non-VAT Official Receipts (OR) registered with the Bureau of Internal Revenue (BIR), contrary to Section 4(6) of Presidential Decree (PD) No. 1445, which may result to the unaccounted collection and possible loss of government	The representative from the Office of the Municipal Treasurer submit the lacking ORs or documents to reconcile with the ₱20,000.00 discrepancy.	Submit the lacking ORs or documents to reconcile with the ₱20,000.00 discrepancy.	Accountable Officer	24-Jan	24-Dec	Implemented		Accountable Officer already submitted the lacking ORs or documents to reconcile with the ₱20,000.00 discrepancy.	September 3, 2025	Implemented	Jan-25	Dec-25	
AO no. 13, page 45	2021	The Municipality did not establish a GAD monitoring and evaluation (M&E) system to focus on tracking outcomes of gender-responsive policies, programs and projects, contrary to Sections 3.4 and 5.1 of PCW-DILG-DBM-NEDA Joint Memorandum Circular (JMC) No. 2013-1, as amended, hence, jeopardizing the effective and efficient implementation of GAD plans and programs.	The Local Chief Executive: establish an M&E System through the issuance of an Executive Order or Administrative Order;	Establish an M&E System through the issuance of an Executive Order or Administrative Order;	LCE	25-Jan	25-Dec	Implemented			September 3, 2025	Implemented	Jan-25	Dec-25	
			oblige the M&E Team, through its GFPS, to conduct an assessment and evaluation of all the gender-responsive or GAD-focused policies, programs, projects, accomplishments, and actual costs for the past three years during his administration;	Conduct an assessment and evaluation of all the gender-responsive or GAD-focused policies, programs, projects, accomplishments, and actual costs for the past three years during his administration	GFPS	25-Jan	25-Dec	Unimplemented			September 3, 2025	Unimplemented			
			task them to provide recommendations based on its assessment and evaluation, when necessary; and	Provide recommendations based on its assessment and evaluation, when necessary	GFPS	25-Jan	25-Dec	Unimplemented			September 3, 2025	Unimplemented			
			ensure that the M&E Team consolidate the results of the assessment and evaluation in a "GAD Evaluation Report."	Consolidate the results of the assessment and evaluation in a "GAD Evaluation Report.	GFPS	25-Jan	25-Dec	Unimplemented			September 3, 2025	Unimplemented			
AO no. 2, page 22	2019	The Municipality did not avail of the remedies provided under Sections 258 and 260 of Republic Act (R.A.) No. 7160 which contributed in the accumulation of delinquent real property taxes amounting to ₱33,242,578.07 as of December 31, 2019, thus, the Municipality stands to lose potential revenues which could have been used to finance development programs and projects.	Management direct the Municipal Treasurer to intensify collection of real property taxes and avail of the remedies provided under Sections 258 and 260 of the Local Government Code, especially for those with delinquent accounts of more than two years.	Intensify collection of real property taxes and avail of the remedies provided under Sections 258 and 260 of the Local Government Code, especially for those with delinquent accounts of more than two years.	MTO	24-Jan	24-Dec	Implemented		house to house campaign; increased collections in 2024 for 95%	September 3, 2025	Implemented	Jan-25	Dec-25	
AO no. 4, page 25	2019	The Municipal Disaster Risk Reduction and Management Officer (MDRRMO) used the Local Disaster Risk Reduction Management Fund (LDRRMF) to pay for expenditures amounting to ₱365,256.00 which are not allowed under Item Nos. 4.0 and 5.0 of NDRRMC, DBM and DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013, thus, funds to support disaster risk management activities were reduced by the same amount.	Management reimburse from the General Fund the LDRRMF for the amount of expenses not chargeable thereto.	Reimburse from the General Fund the LDRRMF for the amount of expenses not chargeable thereto.	Accounting	25-Sep	25-Sep	Unimplemented		Reimburse from the General Fund the LDRRMF for the amount of expenses not chargeable thereto.	September 3, 2025	Unimplemented			Reimburse from the General Fund the LDRRMF for the amount of expenses not chargeable thereto.

Reference	AAR Year	Audit Observation	Audit Recommendation	AGENCY ACTION PLAN and STATUS OF IMPLEMENTATION							RESULTS OF COA VALIDATION				
				Target Implementation Date				Status of Implementation	Reason for Non-Implementation, if applicable	Action Taken/ Action to be Taken	Date of follow-up	Status of Implementation	Actual Implementation Date		Remarks
				Action Plan/ Remarks	Person/ Department Responsible	From	To						From	To	
AO no. 7, page 30	2018	The gender gaps and/or differences within the locality could not be fully identified and analyzed because the Municipality did not maintain a Gender and Development (GAD) Database, contrary to Section 37(D), Rule VI of the Implementing Rules and Regulations (IRR) of Republic Act (R.A.) 9710 and Section 4.1.B(1) of PCW-DILG-DBM-NEDA Joint Memorandum Circular (JMC) No. 2013-1, thereby depriving the Municipality of a useful tool necessary for the proper formulation of its GAD programs, projects and activities.	The Municipal Planning and Development Officer (MPDO) establish the GAD database as storage of necessary information in aid of effective gender-responsive planning, programming and policy formulation in accordance with PCW-DILG-DBM-NEDA JMC No. 2013-1 to ensure that the PPAs are aligned with GAD-related undertakings so that the intended beneficiaries are assured of the services, protection, and other assistance that may be provided.	Establish the GAD database as storage of necessary information in aid of effective gender-responsive planning, programming and policy formulation	MPDO	25-Jan	25-Dec	Unimplemented		Establisment of GAD database is ongoing.	September 3, 2025	Unimplemented			Establisment of GAD database is ongoing.
AO no. 4, page 26 and AO no. 4, page 22	2017, 2012	Unpaid obligations in the General Fund amounting to ₱623,282.92 had been outstanding for more than two or three years already, contrary to Section 98 of Presidential Decree (P.D.) No. 1445 and Section 4 of Sthe Manual on the New Government Accounting System (NGAS) for Local Government Units (LGUs), Volume I.	The Municipal Accountant, in accordance with Section 98 of P.D.1445 validate available documents and revert those which had remained outstanding for more than two years for which no administrative or judicial claim had been filed.	Validate available documents and revert those which had remained outstanding for more than two years for which no administrative or judicial claim had been filed	Accounting	24-Jan	24-Dec	Implemented		Validated available documents and revert those which had remained outstanding for more than two years for which no administrative or judicial claim had been filed	September 3, 2025	Implemented	Jan-25	Dec-25	
AO no. 8, page 30	2017	The operation of market, slaughterhouse and waterworks system as local economic enterprises (LEEs) is not consistent with the Manual on the Setting Up and Operation of LEE (LEE Manual) as prescribed in Local Budget Circular No. 111 dated June 10, 2016, thus might affect the efficient and effective provision of basic services and facilities to the constituents.	Management prepare a 5-Year Business Plan and request the Sangguniang Bayan to pass an ordinance recognizing the continued operations of the existing LEEs in accordance with the LEE Manual as prescribed in Local Budget Circular No. 111 dated June 10, 2016 to ensure the efficient and effective provision of basic services and facilities to its constituents.	Prepare a 5-Year Business Plan and request the Sangguniang Bayan to pass an ordinance recognizing the continued operations of the existing LEEs	Treasurer	24-Jan	25-Dec	Unimplemented		Submitted for SB's approval	September 3, 2025	Unimplemented			Submitted for SB's approval
AO no. 2, page 23	2017	The Municipality is still operating an open dumpsite for solid waste at Barangay Cabalayongan, contrary to Sections 17 (h) and 37 of Republic Act (R.A.) No. 9003, hence continually exposing the inhabitants in the surrounding areas to health risks/hazards and the environment to further deterioration.	Management adopt measures to mitigate the effects of the current open dumpsite, concretize methods and procedures for the phaseout/eventual closure of the existing open dumpsite within a specific time frame and make robust its compliance with Republic Act 9003.	Adopt measures to mitigate the effects of the current open dumpsite, concretize methods and procedures for the phaseout/eventual closure of the existing open dumpsite within a specific time frame and make robust its compliance with Republic Act 9003	MENRO	24-Jan	24-Dec	Implemented		Stopped operating an open dumpsite and entered a contract with the City Government of Bayawan for solid wastes.	September 3, 2025	Implemented	Jan-25	Dec-25	Stopped operating an open dumpsite and entered a contract with the City Government of Bayawan for solid wastes.
AO no. 2 page 23	2016	The Municipality granted Collective Negotiation Agreement (CNA) incentive to its 99 officials and employees at ₱25,000.00 each even without a valid CNA agreement contrary to DBM Budget Circular No. 2016-7 dated December 1, 2016, resulting in irregular expenditures of ₱2,373,750.00.	The concerned officials and employees refund the amount paid as CNA incentive.	Refund the amount paid as CNA incentive.	Accounting	17-Jan	25-Dec	Unimplemented	Refund is still ongoing.		September 3, 2025	Unimplemented			Refund is still ongoing.
AO no. 3, page 25	2016	The Municipality granted ₱20,000.00 each or a total of ₱1,880,000.00 to its officials and employees Performance Based Bonus (PBB) without an appropriation ordinance and the Department of Interior and Local Government (DILG) guidelines on the grant of FY 2016 PBB for LGUs, rendering the payments questionable.	The concerned officials and employees refund the PBB paid to them.	Refund the PBB paid to them.	Accounting	17-Jan	25-Dec	Unimplemented	Refund is still ongoing.		September 3, 2025	Unimplemented			Refund is still ongoing.
AO no. 1, page 22	2015	The total Personal Services (PS) costs of the Municipality of Basay exceeded the 55% PS limitation provided under Section 325 of Republic Act No. 7160, resulting in illegal expenditures of ₱1,380,159.73.	The municipal officials and employees refund the excess PS amounting to ₱1,380,159.73 and,	Refund the excess PS amounting to ₱1,380,159.73	Accounting	17-Jan	25-Dec	Unimplemented	Refund is still ongoing.		September 3, 2025	Unimplemented			Refund is still ongoing.
AO no. 7, page 24	2014	Unserviceable motor vehicles and heavy equipment amounting to ₱2,188,024.00 still remained on the books of accounts, thereby overstating the assets of the Municipality.	The Municipal Engineer, in coordination with the Municipal Treasurer, dispose of the unserviceable motor vehicles and transportation equipment in accordance with Section 70 of PD 1445 and Section 125 of the NGAS, Volume I.	Dispose of the unserviceable motor vehicles and transportation equipment.	MEO MTO	25-Oct	25-Dec	Unimplemented	Refund is still ongoing.		September 3, 2025	Unimplemented			Refund is still ongoing.
AO no. 6, page 25	2013	The grant by LGU-Basay of Productivity Enhancement Incentive of ₱10,000.00 to each of its employees exceeded the amount allowed under Executive Order No. 80 dated July 20, 2012 as implemented by Budget Circular No. 2013-3 dated November 21, 2013 of ₱5,000.00, resulting to an overpayment of ₱518,500.00 for CY 2013.	Management require all employees concerned to refund the overpayment of Productivity Enhancement Incentive for CY 2013 and to henceforth observe strictly the applicable regulations on the grant of any fringe benefits.	Refund the overpayment of Productivity Enhancement Incentive for CY 2013 and to henceforth observe strictly the applicable regulations on the grant of any fringe benefits.	Accounting	17-Jan	25-Dec	Unimplemented	Refund is still ongoing.		September 3, 2025	Unimplemented			Refund is still ongoing.
AO no. 1, page 38	2012	Waterworks System among the income generating projects of the municipal government, was operating under a net loss of ₱1,593,265.51 during the year thus the objective of earning additional income as economic enterprise was not attained.	Management shall: Design/adopt measures and strategies to remedy the high expenditures in the operations of the Waterworks System; and	Design/adopt measures and strategies to remedy the high expenditures in the operations of the Waterworks System	Treasurer	23-Jan	24-Dec	Implemented		Designed measures and strategies to remedy the high expenditures in the operations of the Waterworks System.	September 3, 2025	Implemented	Jan-25	Dec-25	
			Review and revisit the Plans and Targets in the operations of these economic enterprises in order to address the areas where the municipal government can generate additional income and minimize costs/expenses.	Review and revisit the Plans and Targets in the operations of these economic enterprises in order to address the areas where the municipal government can generate additional income and minimize costs/expenses.	Treasurer	23-Jan	24-Dec	Implemented		Reviewed and revisited the Plans and Targets in the operations of these economic enterprises in order to address the areas where the municipal government can generate additional income and minimize costs/expenses.	September 3, 2025	Implemented	Jan-25	Dec-25	

Agency Sign-off:

Date