ACTION PLAN MONITORING TOOL

Sector : LGAS-E, Negros Oriental 1
Team : R7-05
Agency Audited : Municipality of Zamboanguita
AAR Date : June 27, 2025

Prepared by : T. V. Jan Q. Bustillo — Date :
Reviewed by : Janice Veriña Sarita — Date :
Approved by : Katherine Z. Velez — Date :

Ref.	Audit Observation and Recommendation	Agency Action Plan			COA Monitoring				
		Action Plan/ Remarks	Person/Dept. Responsible	Target Implem. Date	Date of follow-up	Implem. Status (Full, Partial, Ongoing, Non-implementation	Actual Implem. Date	Reason for Delay/ Non-implementation (if applicable)	Comments/ Action Taken
AAR 2024	1. Semi-expendable properties acquired and issued prior to CY 2024, with a total carrying amount of ₱3,199,594.81, were not reclassified in accordance with the provisions of COA Circular No. 2024-006 dated March 14, 2024, thereby overstating the Property, Plant, and Equipment (PPE) accounts and the Equity account by the same amount, and compromising the accuracy and reliability of the financial statements as of December 31, 2024. We recommended and the Municipal Accountant agreed to thoroughly review all PPE items with individual acquisition costs below		Accounting			Ongoing		Adjustments have yet to be made as validation is still ongoing.	Validation by Accounting is still ongoing .

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	₱50,000.00 that were acquired and issued prior to CY 2024, and effect the required retrospective reclassification and adjustments. This includes transferring the carrying amounts to Prior Period Adjustment and restating the affected comparative figures in the financial statements, in compliance with Sections 4.2 and 4.6 of COA Circular No. 2022-004, as supplemented by COA Circular No. 2024-006. We further recommended and the Municipal Accountant agreed to implement the prescribed accounting treatments and documentation protocols moving forward, including the proper use of Inventory Custodian Slips (ICS) for applicable semi-expendable items, and ensure timely and accurate recording based on the guidelines set forth in COA Circular No. 2024-006 and its annexes.								

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AAR 2024	2. The Accounts Payable balance of ₱4,479,781.22 was not fairly presented due to the inclusion of ₱428,893.60 which remained outstanding for more than two years and was not reverted to the unappropriated surplus, contrary to Section 98 of Presidential Decree No. 1445, thus, may no longer represent valid claims. We recommended and the Municipal Accountant agreed to coordinate with the Municipal Budget Officer and the Municipal Treasurer to determine whether the Accounts Payable totaling ₱428,893.60, aged from over two to 10 years, are still valid claims and to ensure the accuracy of the liability account presented in the financial statements.	Management to validate the claims.	Accounting			Not Implemented		Management had yet to validate the claims to see if they should be reverted to surplus or not.	

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AAR 2024	3. Property, Plant and Equipment (PPE) acquired in CY 2024 totaling ₱408,532.00 was erroneously recognized in the books of accounts as Other Supplies and Materials Inventory instead of the appropriate PPE accounts, hence, both the asset accounts and the related depreciation expense accounts were overstated and understated, respectively, as of December 31, 2024. We recommended that the Municipal Accountant prepare the necessary accounting entries to correct the recording of the PPE items totaling ₱408,532.00, and adjust the corresponding depreciation expense accounts. We further recommended that the Municipal Accountant, henceforth, refer to the description of accounts as a	Management will formulate the budget for 2026 with the capital threshold integrated to properly classify semi-expendable equipment.	Accounting			Not Implemented		Management still to apply the recommendation.	

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	guide for recording expenses in accordance with COA Circular No. 2015-009 dated December 1, 2015, to avoid making erroneous accounting entries in the books of accounts.								
AAR 2024	4. Tangible items acquired in CY 2024 with a total cost of ₱627,373.00 were incorrectly classified under "Other Supplies and Materials Inventory" instead of under the appropriate semi-expendable property accounts. Furthermore, these items were neither expensed upon issuance nor supported by the complete set of prescribed forms and records, contrary to COA Circular No. 2024-006 dated March 14, 2024. These lapses may result in misstatements of semi-expendable property and expense accounts, thereby affecting the accuracy and reliability of the financial statements at year-end. We recommended and the	Management to validate if the semi-expendable items had already been issued to the end user before doing the adjustments.				Not Implemented		Management had yet to validate the issuance of the semi-expendable items to be used as basis of preparing the adjusting entries.	

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	Municipal Accountant agreed to strictly adhere to the accounting and reporting guidelines prescribed under COA Circular No. 2024-006. Specifically, tangible items costing below ₱50,000.00 and meeting the definition of semi-expendable property should be: Recorded under the appropriate semi-expendable inventory accounts upon acquisition, and Recognized as expense upon issuance to end-users, with proper accounting entries reflected in the books of accounts. We further recommended and the Municipal Treasurer, Municipal Accountant, and all accountable officers agreed to ensure the preparation, maintenance, and use of all required forms, registries, and reports for the proper tracking, issuance, transfer, return, and disposal of semi-expendable properties, as enumerated in Section 4.7 of COA Circular								

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	No. 2024-006.								
AAR 2024	5. The cost of 1,500 sacks of rice, amounting to ₱4,116,000.00, charged to the previous years' unexpended LDRRMF was recognized as credit to Subsidy from Other Funds instead of closing the recorded Welfare Goods Expenses account to the Trust Fund Liabilities-DRRMF account. This treatment is inconsistent with COA Circular Nos. 2012-002 and 2015-009 dated September 12, 2012 and December 1, 2015, respectively, thus, proper accounting was not assured. We recommended and the Municipal Accountant agreed to strictly adhere to the illustrative accounting entries prescribed under COA Circular Nos. 2012-002 and 2015-009 in		Accounting			Ongoing			Entries for the year to be substantially evaluated to determine compliance,

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	recording the utilization of the unspent LDRRMF to ensure proper accounting and accurate financial reporting of trust fund transactions.								
AAR 2024	6. Inconsistent with Section 127 of Philippine Public Sector Accounting Standards (PPSAS) No. 1, the Notes to Financial Statements (FS) for CY 2024 did not correctly present the current appropriation for the Local Disaster Risk Reduction and Management Fund (LDRRMF), resulting in the incomplete disclosure of vital information in the financial statements. We recommended that, henceforth, the Municipal Accountant take into account the budget revisions made during the year to ensure that the current year appropriations for the LDRRMF are accurately disclosed in the Notes to FS as of December 31.		Accounting			Ongoing			The Notes to FS for the year still needs to be examined to determine compliance.

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AAR 2024	7. Delinquent Real Property Taxes (RPT) and Special Education Taxes (SET), including penalties accruing thereon that have accumulated to ₱18,159,182.68, remained uncollected as of December 31, 2024, thus, depriving the Municipality of a substantial amount of income that could have been utilized to finance the implementation of various development projects or other major programs/projects/activities (PPAs). We recommended and the Municipal Treasurer agreed to strengthen efforts to collect delinquent real property taxes by conducting intensive tax campaigns in each barangay and sending Notices of Delinquency to all delinquent taxpayers regardless of the amount due, to ensure fair enforcement and maximize revenue collection.	Treasurer to maximize collection of RPT and to comply with the posting and amnesty requirements.	Treasurer			Ongoing	Not Implemented	Management still to coordinate with the other departments to enforce collection of the taxes.	

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	We further recommended and the Municipal Treasurer agreed to ensure full compliance with the posting and publication requirements prescribed under Section 254 of R.A. No. 7160. Lastly, we recommended and Management agreed to consider applying the remedies for the collection of real property taxes, in accordance with the pertinent provisions of R.A. No. 7160.								
AAR 2024	8. The Municipality inappropriately invested a total of ₱16,623,828.41 in time deposits without proper compliance with COA Circular No. 92-382, as the funds under the General Fund (GF) did not qualify as idle and documentary support was lacking, thereby rendering its propriety doubtful. We recommended and Management agreed to: Cease the placement of funds in	Management to close the account.	Treasurer			Not Implemented		The account had yet to be closed.	

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	time deposits unless properly supported by a detailed computation showing excess funds beyond the Municipality's normal operating and financial requirements, in accordance with Sections 21 and 22 of COA Circular No. 92-382; and Instruct the Municipal Treasurer to retrieve and submit complete supporting documents for the existing time deposit account to validate the legality and appropriateness of such investments.								
AAR 2024	9. Disbursements for the project Installation of Multi-Hazard Monitoring Device, with a contract cost of ₱3,378,422.82 and funded under the LDRRMF, procured through Negotiated Procurement (Two Failed Biddings), were processed despite lacking essential supporting documents required under the Revised IRR of RA No. 9184. Thus, the contractor's technical,	Capacitate the BAC members on the latest provisions to ensure compliance.	BAC			Not Implemented			Transactions for the year still need to be substantially examined to determine compliance.

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	legal, and financial qualifications, as well as the Municipality's compliance with procurement law and standards of transparency and fairness, could not be properly validated. We recommended that Management ensure strict adherence to the procurement procedures prescribed under the Revised IRR of RA No. 9184, especially for Negotiated Procurement under the "Two Failed Biddings" modality. This includes requiring and retaining all mandated supporting documents, such as: -Updated Certificate of PhilGEPS Registration, -BAC recommendation to the Head of the Procuring Entity (HOPE), -HOPE's approval of the award, and -Proof of posting of the Notice of Award, Contract/PO, and Notice to Proceed. We further recommended that								

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	Management ensure that all disbursements for the project titled Civil Works for the Installation of Multi-Hazard Monitoring Device (Closed-Circuit Television & Command Center), costing ₱3,378,422.82, are supported by the required documents. Lastly, we recommended that Management investigate the apparent irregularity of supplier quotations predating the procurement notices to determine whether there was prior disclosure or manipulation of procurement timelines. Appropriate accountability measures should be implemented if impropriety is confirmed.								
AAR 2024	10. The infrastructure project titled Concreting of Barangay Road, with a total contract cost of ₱3,044,820.36, was reported as 100% complete and fully paid in CY 2023. However, an inspection by a COA Technical Audit Specialist disclosed that the project		Engineer			Not Implemented		Management still to communicate with the contractor about the inspected issues.	

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	was only 97.22% complete, resulting in an overpayment of ₱84,575.18. We recommended and the Municipal Mayor and the Municipal Engineer agreed to inform the contractor of the deficiencies noted and require them to either perform the needed remedy works or refund the amount corresponding to the deficiency noted, totaling ₱84,575.18.								
AAR 2024	11. The fabrication of a rescue boat costing ₱1,592,703.00 and funded through the LDRRMF was awarded to a contractor whose license and business scope is limited to building construction, contrary to the requirements of the 2016 Revised IRR of R.A. No. 9184, thereby casting doubt on the contractor's eligibility and Management's compliance with procurement laws. We recommended that		BAC MDRRMO			Not Implemented		Management still to communicate with the contractor for additional documents showing additional certifications or licenses.	

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	Management: Ensure that future contractors for specialized projects such as rescue boat fabrication hold a PCAB license and business registration specifically covering marine or mechanical works. Require the BAC to thoroughly assess the technical and legal eligibility of bidders before awarding contracts, including verification of appropriate license classifications. Obtain technical certification or clearance from relevant regulatory agencies such as MARINA or the Bureau of Fire Protection (BFP) to validate project specifications and contractor capability.								
AAR 2024	12. The infrastructure project titled Improvement of Municipal Hall (Phase I), with a total contract cost of ₱1,200,000.00, was reported as 100% complete and fully paid in CY 2023. However,		Mayor Engineer			Not Implemented		Management to evaluate whether a refund will need to be issued.	Management had communicated with the contractor on the subject issue.

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	an inspection by a COA Technical Audit Specialist disclosed that the project was only 87.76% complete, resulting in an overpayment of ₱146,864.77. We recommended and the Municipal Mayor and the Municipal Engineer agreed to inform the contractor of the deficiencies noted and require them to either perform the needed remedy works or refund the amount corresponding to the deficiency noted, totaling ₱146,864.77.								
AAR 2024	13. The Municipality's Local Disaster Risk Reduction and Management Council (LDRRMC) and the LDRRM Officer (LDRRMO) did not include in the CY 2024 LDRRM Fund Investment Plan (LDRRMFIP) the list of projects and activities to be funded by the unexpended LDRRMF from prior years amounting to ₱12,143,559.77, which is	Management to formulate the LDRRMFIP with the recommendations.	MDDRMO			Not Implemented			LDRRMFIP for the year still needs to be substantially examined to determine compliance.

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	inconsistent with COA Circular No. 2012-002 dated September 12, 2012, thereby risking delays in fund utilization during the year due to the absence of prior appropriation and approval. We recommended and the LDRRMC and LDRRMO agreed to review and update the LDRRMFIP annually to include projects and activities chargeable to prior years' unexpended LDRRMF in accordance with COA Circular No. 2012-002 dated September 12, 2012, to ensure the availability of funds for the timely implementation of LDRRM programs, projects, and activities.								
AAR 2024	14. The GAD Plan and Budget (GPB) and GAD Accomplishment Report (AR) were not submitted to the PPDO, DILG Provincial Office, and the concerned Audit Team within the prescribed period, for the alignment of the		GAD Focal Person			Not Implemented			Submission of the GAD Plan and Budget for the year still needs to be substantially examined to determine compliance.

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	Municipality's GAD PPAs with the Province's priorities and for review and endorsement, respectively, contrary to Section 4.0 of the PCW, DILG, DBM and NEDA JMC No. 2016-01 dated January 12, 2016 and COA Circular No. 2014-001 dated March 18, 2014, thus, gender responsiveness of the programs and activities was not assured. We recommended and Management agreed to submit the GPB and AR to the PPDO and DILG Provincial Office within the prescribed period in accordance with Section 4.0 of PCW-DBM-DILG-NEDA JMC No. 2016-01 dated February 12, 2016. We also recommended and Management agreed to strictly adhere to Item V of COA Circular No. 2014-001 dated March 18, 2014, for the timely submission of the said reports to the COA Audit Team.								

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	We further recommended and Management agreed to ensure that the GAD AR is accompanied by the required reports listed under Section C.8 (5) of the PCW-DILG-DBM-NEDA JMC No. 2013-01.								
AAR 2024	15. The Local School Board (LSB) has not fully complied with the required posting and submission of the Quarterly SEF Utilization Reports to DepEd and other relevant authorities, as stipulated in Item 6.1 of the DepEd-DBM-DILG JC No. 1, s. 2017 dated January 19, 2017, thus hindering effective monitoring, transparency, and accountability in the allocation and utilization of the SEF. We recommended that the Municipal Accountant, in coordination with the LSB, ensure the prompt and regular posting of the quarterly and	Verify with the LSB counterpart on the submission and posting to ensure compliance.	Accountant District Supervisor			Partially Implemented		Management to coordinate with the LSB counterpart to ensure compliance with submission.	Management had already started posting regularly.

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	annual SEF Utilization Reports in at least three conspicuous places. Additionally, these reports should be submitted to the DepEd Central Office, the Sangguniang Bayan, and the DBM and DILG Regional Offices as mandated by the same Circular. We further recommended that the LSB implement a monitoring system to track the timely submission of required reports to avoid future delays.								
AAR 2023	16. The Municipality did not take advantage of the one-time cleansing of Property, Plant, and Equipment (PPE) due to non-compliance with the guidelines and procedures of COA Circular No. 2020-006 dated January 31, 2020, thus adversely affecting the fairness of the presentation of the PPE accounts with a net book value of ₱363,404,238.82 as of December 31, 2023, and may deprive Management of reliable and useful	The Municipality will create the Inventory Committee to facilitate the conduct of one-time cleansing as well as train personnel to conduct it.	Mayor's Office Treasurer/ Property Custodian			Not Implemented		The volume and documentation needed requires considerable time and trained personnel to implement the process.	

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	information in decision-making and accountability for these assets. We recommended that Management prioritize the implementation of the one-time cleansing of PPE accounts by strictly following the guidelines and procedures provided in COA Circular No. 2020-006 dated January 31, 2020, to have reliable PPE balances that are verifiable as to existence, condition, and accountability.								
AAR 2023	17. The Municipality paid honoraria amounting to ₱1,305,890.00 to the members of the KALAHI-CIDSS-NCDDP Municipal Coordinating Team (MCT) and Municipal Inter-Agency Committee (MIAC) without strictly complying with the guidelines set forth under Department of Budget and Management (DBM) Budget Circular No. 2007-2 dated October 1, 2007 and COA	The payment of Honorarium to Members of the KALAHI-CIDSS-NCDDP MCT and MIAC was based on the following contentions: 1. It is a special Project that requires the concerned members of the Team to render work in addition to or over and	MCT MIAC Members			Partially Implemented		Review of the documents submitted showed that there were tasks done during regular office hours and could not be considered overtime.	Management had already submitted some of the documents to support the claims.

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	18. Circular No. 2012-001 dated June 14, 2012, thus the propriety and legality of the disbursements could not be established. We recommended that Management submit the following documents to support the payment of honoraria to the members of the MCT and MIAC: a. Performance evaluation plan formulated by project management used as a basis for rating the performance of the members of the MCT and MIAC; b. Special Project Plan; c. Certificate of completion of project deliverables; d. Certificate of acceptance by the agency head of the deliverables per project component; e. Documentary evidence showing the following: i. number of man-hours each member of the MCT	above their regular workload and 2, Adherence to the documentary requirements which were attached every payroll to support the claim							

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	and MIAC spent on the project beyond their regular working hours; ii. nature of the member's work assignments and the level of difficulty of the duties and responsibilities assigned; iii. extent of their productivity and quality of performance measured in terms of completed and accepted deliverables in accordance with the timeframes set; and iv. performance rating given by the project management; and f. Computation of the honoraria paid to the payees. We also recommended that, henceforth, Management strictly comply with all the conditions stipulated under DBM Budget Circular No. 2007-2 dated October 1, 2007, before honoraria of personnel are granted due to assignment in special government projects.								

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AAR 2023	19. The Disbursing Officer (DO) was allowed to draw multiple cash advances in a single day to make payments for social pensions, allowances, gratuity pay, honoraria, and other similar payments, going against Section 4.1.2 of COA Circular No. 97-002 dated February 10, 1997. This led to overlapping cash advances, unnecessarily exposing government funds to risk of loss through misapplication. We reiterated our recommendation that the Municipal Mayor appoint or designate an additional DO to avoid granting multiple cash advances to the incumbent DO. We also recommended that no additional cash advances be granted to the DO unless the previous cash advance is settled or properly accounted for.		Treasurer Mayor's Office			Partially Implemented			Management had already appointed additional DOs. Cash Advances for the year still need to be substantially examined to determine compliance.

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AAR 2023	20. Management has not yet taken tangible and substantial steps toward compliance with the pertinent provisions of CSC-COA-DBM JC No. 1, s. of 2017 as amended by CSC-COA-DBM JC No. 1, s. of 2018, COA-DBM JC No. 2, s. of 2020, and COA-DBM JC No. 2, s. of 2022 on a review of the agency functions, systems and procedures, organizational structure, and staffing pattern to identify any needs and gaps and determine the appropriate human resource complement for the Municipality's PPAs. Moreover, payment of wages to COS/JOs equivalent to salary of comparable government positions and up to 20% premium had not been implemented, as required in the aforesaid JC. We recommended that Management review the	The Municipality is committed towards the well-being of the workers regardless of status. Due to the scarcity of the budget there is difficulty in providing the desired wages even if the workers are willing to accept it. The Municipality will review the human resource complement.	Mayor's Office HRMO Personnel Selection Board			Not Implemented		The Municipality through its HRMO and Personnel Selection Board will still convene and consider the necessary steps in order to adhere to the provisions recommended and provide comparable wages if funds are available.	

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	Municipality's functions, systems and procedures, organizational structure, and staffing pattern to address any needs and gaps in the human resource complement. We also recommended that Management comply with all the provisions of the CSC-COA-DBM JC No. 1, s. of 2017, as amended, and provide for wages of COs/JOs at a rate equivalent to a comparable position in the government plus premium if funds are available.								
AAR 2023	21. Pakyaw labor contracts amounting to ₱598,400.00 engaged by the Municipality for its infrastructure projects implemented "By Administration" under the LDRRMF were not in accordance with the pertinent provisions of RA No. 9184 and its 2016 Revised IRR, and the payments thereof were not	The Pakyaw Labor System has been identified by the LGU as an effective scheme in acquiring the labor component of some projects implemented "By Administration". Although the APP shows that the mode of procurement is Competitive/ Public	BAC Engineer			Not Implemented			Projects for the year still need to be substantially evaluated for compliance.

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	supported with adequate documentation which is inconsistent with Section 4.6 of PD No. 1445, rendering the propriety and legality of the disbursements questionable. We recommended that Management submit the following: a) The BAC resolution justifying and recommending the change in the mode of procurement or the updated APP approved by the Municipal Mayor; b) Name of the Project Facilitator per project and the related documents that would prove his/her appointment as such, duly approved by the Municipal Mayor; c) Relevant documents for the formation of the Pakyaw Group showing that the barangay leaders and the community were actively	Bidding, the municipality's position on that mode of procurement pertains to the material component of the project. The Labor component was made through Pakyaw Labor Contract which also goes through publication inviting all potential Pakyaw groups to submit their bids/proposals for evaluation towards identification of the lowest calculated and responsive pakyaw group. Given this observation, the Municipality will adhere strictly to the guidelines set in implementing projects "By Administration".							

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	involved; and d) Detailed information for each individual/worker member of each Pakyaw Group for each Pakyaw Contract. We also recommended that the payment for the work output of the pakyaw workers be disbursed using a payroll system. We furthermore recommended that henceforth, Management ensure strict compliance with the guidelines and provisions of R.A. No. 9184 and its Revised IRR in implementing infrastructure projects by the administration.								
AAR 2022	22. The accuracy and reliability of the Road Networks account totaling ₱92,691,269.07 could not be ascertained due to (a) non-conduct of inventory of local roads and non-		Inventory Committee			Not Implemented		Management had yet to conduct a physical inventory count of the road networks and prepare the report due to	

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	preparation of the Report of the Local Road Network (RLRN) and Report on the Physical Count of Local Road Network (RPCLRN); (b) non-segregation of the cost of each road component of the local road projects in the books of accounts; (c) non-provision of depreciation for LRN items; (d) non-maintenance of the Local Road Network Ledger Card (LRNLC) by the Municipal Accountant and Local Road Inventory and Road Map and Local Road Network Property Card (LRNPC) by the Property Officer; and (e) non-disclosure of the total road networks in the Notes to the Financial Statements (FS), contrary to COA Circular No. 2015-008 dated November 23, 2015, thereby, affecting the fair presentation of the account in the financial statements. We recommended that Management strictly comply							unavailability of records for older and existing roads.	

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	with the accounting and reporting guidelines on the local roads asset management system and earnestly perform their respective duties and responsibilities set forth under COA Circular No. 2015-008 dated October 23, 2015. We further recommended that, henceforth, the Inventory Committee conduct an annual physical count of all its Local Road Networks and the results thereof reported in the RPCLRN to be submitted to the Auditor and Accounting Unit not later than January 31 of each year. The RPCLRN shall be reconciled with the accounting records, and the necessary adjusting entries be prepared before the statement date.								
AAR 2022	23. The cashbooks maintained by the accountable officers were neither updated and		Treasurer Accountant			Ongoing		Updating of Books is still ongoing. The	

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	balanced daily, ruled and footed, nor closed at the end of each month, while the required certifications were not accomplished either, contrary to the pertinent provisions of the New Government Accounting System (NGAS) Manual for Local Government Units (LGUs), Volume II, resulting in the non-reconciliation with the accounting records in violation of the pertinent provisions of the Local Treasury Operations Manual (LTOM), 2nd Edition. Thus, early detection of errors and corrections thereof could not be made, affecting the reliability and accuracy of the cash and cash equivalent account balances amounting to ₱76,787,692.63 as of December 31, 2022. We recommended that the Local Chief Executive require the Municipal Treasurer to promptly update, balance, and certify							Financial Report has been updated awaiting reconciliation with the Books maintained by the Treasurer.	

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	the collections, deposits, and disbursements on the cashbooks, ensure the correctness and accuracy of entries recorded therein, and henceforth adhere to the existing regulations on the handling, custody, and disposition of the cashbooks. We further recommended that the Municipal Accountant and the Municipal Treasurer closely coordinate and regularly reconcile their respective records for the early detection and correction of errors to ensure the fairness of the presentation of the cash and cash equivalent account balances in the financial statements.								
AAR 2022	24. Cash advances amounting to ₱1,478,000.00, for aiding individuals affected by Typhoon Odette in December 2021, were incorrectly recorded under the account Advances for		Accountant			Partially Implemented			The Accountant had already made the adjustment in JEV No. (AOM) 300-23-07-01 dated July 3, 2023.

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	Payroll (1-03-05-020) instead of account Advances to Special Disbursing Officer (1-03-05-030), contrary to COA Circular No. 2015-009 dated December 1, 2015, resulting in an overstatement of the Advances for Payroll account and an understatement of the Advances to Special Disbursing Officer account. Moreover, the liquidation of ₱900,000.00 related to these cash advances was inaccurately recorded under the account Other Maintenance and Operating Expenses (5-02-99-990) instead of the account Donations (5-02-99-080), hence, the accounts were overstated and understated, respectively, as of December 31, 2022. We recommended that the Municipal Accountant reclassify the amount of cash advances recorded to the asset account Advances								Entries for the year still need to be validated.

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	for Payroll (1-03-05-020) to the proper account Advances to Special Disbursing Officer (1-03-05-030), by making the following adjusting entry: Advances to Special Disbursing Officer (1-03-05-030) ₱1,478,000.00 Advances for Payroll (1-03-05-020) ₱1,478,000.00 We further recommended that the corresponding liquidation of the cash advances that were previously credited to the account Advances for Payroll (1-03-05-020) be rectified. We furthermore recommended that, henceforth, Management refer to the description of accounts as a guide in recording expenses in the books of accounts pursuant to COA Circular No. 2015-009 dated December 1,								

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	2015, to avoid erroneous entries.								
AAR 2022 AAR 2019	25. Various cash advances remained unliquidated even if the purpose for which these were given had already been served, while other receivables remained unsettled as of December 31, 2022, of which ₱340,876.96 had already aged over 10 years, contrary to pertinent provisions of COA Circular No. 97-002 dated February 10, 1997, thereby rendering the total receivables as at year-end doubtful and possibly overstating the assets and understating the related expense accounts of the Municipality, while exposing government funds to possible loss should these individuals/entities fail to liquidate/settle. We recommended that the Municipal personnel who are still employed in the		Accountant Treasurer			Not Implemented		Concerned personnel with outstanding unliquidated CAs were no longer active in government service.	

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	Municipality be required to immediately liquidate their outstanding cash advances, otherwise, the sanction of withholding of honoraria provided under existing COA rules and regulations will have to be imposed. We further recommended that the Municipal Mayor, through the Municipal Accountant, issue a demand letter to the persons who had already retired from the government service and require them to immediately settle their unliquidated cash advances. We furthermore recommended that the Municipal Accountant exert extra effort to locate the documents supporting the receivables for overpayment to suppliers and other government agencies, make representation with these entities for the furnishing of documents that could aid in the verification of the								

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	receivables, and prepare the demand for collection or the necessary adjusting entries in the books of accounts, if warranted.								
AAR 2022	26. A loan from the National Electrification Administration (NEA) amounting to ₱196,828.22, which has been outstanding for at least 10 years, remained in the books, thereby affecting the reliability of the Loans Payable account balance as of December 31, 2022. Moreover, the Notes to FS did not adequately disclose sufficient and relevant financial information on the details pertaining to the long-term liabilities, contrary to Section 127 of the Philippine Public Sector Accounting Standards (PPSAS) No. 1, thus users of the report may be misled by the lack of information that may affect decision-making.	Send a letter to NEA to inquire about the validity and existence of the loan.	Accountant Treasurer			Not Implemented		Management had not yet reconciled this loan with NEA. Also, they had not received any demand letters from NEA.	

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	We recommended that Management direct the Municipal Accountant to analyze the Loans Payable-Domestic account and coordinate with NEA to reconcile and update records maintained by both parties. Discrepancies noted should be reconciled, and the necessary adjustments effected, to ensure a fair presentation of the account in the financial statements. We further recommended that the Municipal Accountant disclose in the Notes to FS the details of the Loans Payable pursuant to paragraph 127 of PPSAS No. 1.								
AAR 2022	27. An emergency rescue vehicle of the Municipality used as a Patient Transport Vehicle was not registered with the Health Facilities and Services Regulatory Bureau (HFSRB) as required under DOH Administrative Order (AO)		RHU					There was no designated focal person for the registration/ accreditation of the vehicle.	

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	No. 2018-0001 dated January 26, 2018. Thus, there is the possibility that the vehicle may be used for purposes not in accordance with its proper usage as authorized by the HFSRB. We recommended that Management take immediate action to register the emergency rescue vehicle with the HFSRB pursuant to DOH AO No. 2018-001 dated January 28, 2018, to enable the Municipality to rectify the existing non-compliance and ensure that the vehicle be exclusively used for response and rescue/relief activities.								
AAR 2022	28. Advance payments to contractors representing 15% mobilization fees of the projects implemented under the 20% Development Fund (DF) amounting to ₱1,202,590.45 were recorded to the account Other Prepayments (1-05-		Accountant			Partially Implemented			The recommended adjustment had been made per JEV No. (AOM) 100-23-07-02 dated July 10, 2023. Entries for the

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	01-990) instead of Advances to Contractors (1-05-01-010), as provided under COA Circular No. 2015-009 dated December 1, 2015, thus, overstating and understating the accounts Other Prepayments and Advances to Contractors, respectively, by ₱1,202,590.45 as at December 31, 2022. We recommended that the Municipal Accountant reclassify the amounts of mobilization fees recorded to the account Other Prepayments (1-05-01-990) to the proper account Advances to Contractors (1-05-01-010) by making the following adjusting entry: Advances to Contractors (1-05-01-010) ₱1,202,590.45 Other Prepayments (1-05-01-990) ₱1,202,590.45 We furthermore								year still need to be validated.

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	recommended that, henceforth, Management refer to the description of accounts as a guide in recording expenses in the books of accounts pursuant to COA Circular No. 2015-009 dated December 1, 2015, to avoid erroneous entries.								
AAR 2022	29. Local Disaster Risk Reduction and Management (LDRRM) motor vehicles were used for purposes other than disaster/calamity response and rescue/relief operations, contrary to Section 5.2.1.1.1 of the Department of the Interior and Local Government (DILG) Memorandum Circular (MC) No. 2021-004 dated January 18, 2021, subjecting the motor vehicles to wear and tear which could result in their unavailability during an actual calamity or disaster, thereby negating the purpose for which the vehicles were purchased.		MDRRMO			Not Implemented			Trip Tickets for the year still need to be substantially validated.

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	We recommended that Management ensure that the LDRRM motor vehicles be exclusively used for disaster/calamity response and rescue/relief operations in conformity with DILG MC No. 2021-004 dated January 18, 2021.								
AAR 2022	30. The Drivers' Trip Tickets supporting the usage of the LDRRM motor vehicles were not properly accomplished contrary to the pertinent provisions of COA Circular No. 77-61 dated September 26, 1977, thus, the reasonableness of fuel consumption and the necessity of the trips undertaken could not be determined. We recommended that the MDRRMO and the Property Officer require the drivers of the LDRRM vehicles to accomplish properly the prescribed form for the Driver's Trip Tickets to	The Municipality requires the trip tickets to be fully accomplished. Implemented the "No presentation of accurate Trip tickets for previous trip, no value for fuel of new scheduled trip.	MDRRMO			Not Implemented		Some drivers still had not provided adequate information about their trips.	Trip Tickets for the year still need to be substantially validated.

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	ensure that all the data needed to determine the reasonableness of fuel consumed for the period and the necessity of the trips undertaken are provided.								
AAR 2021	31. Disbursements amounting to at least ₱1,161,552.03 for repairs and maintenance of motor vehicles were not supported with pre-repair inspection and post-inspection reports, report of waste materials, copy of documents indicating the history of repair, and other documentary requirements enumerated under Section 9.1.3.4 of COA Circular No. 2012-001 dated June 14, 2012, thus, it could not be ascertained whether the extent of the damage and necessity of repair were determined, the scope of work specified in the Job Order was completed, and the required replacement of parts was undertaken, while effective and efficient monitoring of the periodic		Accountant			Not Implemented		The inspection reports had not been fully filled-up or numbered. There had also been no history of repair attached to the disbursements covering payment of repairs and maintenance of motor vehicles.	The supporting documents for the disbursements for the repairs and maintenance of motor vehicles still need to be substantially validated.

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	repairs and preventive maintenance of all motor vehicles owned by the Municipality may not be achieved. We recommended that before any repairs and maintenance of motor vehicles are undertaken, the personnel in charge shall be required to prepare the following reports, namely: a) pre-repair evaluation report and approved detailed plans showing in sufficient detail the scope of work/extent of repair to be done, b) report of waste materials, and c) document indicating the history of repair. We further recommended that the Municipal Accountant ensure that disbursements for the repairs and maintenance of motor vehicles are supported with the foregoing required documents plus a post-								

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	inspection report as required under Section 9.1.3.4 of COA Circular No. 2012-001.								
AAR 2021	32. The Municipality failed to provide sufficient and vital information such as specific boundaries, stationing, landmarks, and symbols in the Programs of Work (POWs), plans, and drawings for various projects of road concreting and electrification of municipal streets under the 20% Development Fund, an indication that the detailed engineering activities provided under Annex A of the Revised Implementing Rules and Regulations (RIRR) of Republic Act (RA) No. 9184 were not strictly complied with, thus, overlapping stations, double listed road sections, and any gaps or duplications that might exist may go undetected or unidentified while effective and efficient monitoring of the completed		Engineer			Not Implemented		The Municipal Engineer had submitted a justification which states that due to lack of personnel and budget, they were unable to complete the needed details.	

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	projects may not be established or strengthened. We recommended that the Municipal Engineer see to it that sufficient and vital information such as specific boundaries, stationing, landmarks, and symbols are provided in the Programs of Work, plans, and drawings for projects of road concreting and electrification of municipal streets. We further recommended that, henceforth, Management unfailingly ensure strict compliance to the required detailed engineering activities in accordance with the provisions under Annex A of the RIRR of RA 9184, giving utmost consideration to the deficiencies discussed above.								
AAR 2021	33. The Municipality spent ₱407,129.00 out of the CY 2021 appropriations for	The GPB had already been approved so the Municipality is	GAD Focal			Not Implemented		Due to the lack of a GAD Database, gender gaps	

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	Gender and Development (GAD) for expenses that did not address specific gender issues, such as the purchase of various supplies used for COVID-19 activities, thereby reducing the funds available for the implementation of more appropriate programs, projects and activities that would address gender issues and concerns outlined under Joint Memorandum Circular (JMC) No. 2013-01 dated July 18, 2013 of the Philippine Commission on Women (PCW), Department of the Interior and Local Government (DILG), Department of Budget and Management (DBM), and National Economic and Development Authority (NEDA). We recommended that Management properly identify the GAD issues and concerns and use the Fund in order to implement programs, projects, and	confident that the PPAs are compliant.						and/or differences within the locality could not be fully identified and analyzed, defeating the purpose of having GAD-responsive Programs/ Projects/ Activities (PPAs).	

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	activities that would address specific gender gaps and are aligned with PCW, DILG, DBM, and NEDA Joint Memorandum Circular No. 2013-01 dated July 18, 2013.								
AAR 2020	34. The propriety and validity of disbursements amounting to at least ₱13,416,000.00 under the Social Amelioration Program (SAP) of the Department of Social Welfare and Development (DSWD) were rendered doubtful due to the inclusion of deceased individuals and personnel under job order (JO) or contract of service and incomplete documentary requirements prescribed under DSWD Memorandum Circular No. 09 series of 2020. We recommended that the Municipality, through the MSWDO, apprise the DSWD, RO No. VII of the		MSWDO			Not Implemented		Possible replacements for the deceased beneficiaries had yet to be recommended. Management is also hoping for reconsideration for the JO Workers since they belong to indigent families as well and the contract with the Municipality does not create an employer-employee relationship.	

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	beneficiaries listed under the UCT program who were already deceased, and recommend for possible replacement from among the eligible family members of the deceased. We also recommended that Management ensure systematic procedures while strictly adhering to existing guidelines set forth under DSWD Memorandum Circular No. 09 series of 2020 in the implementation of SAP.								
AAR 2020	35. The price reasonableness of medical supplies and welfare goods procured out of the Bayanihan Grant to Cities and Municipalities (BGCM) and Local Disaster Risk Reduction and Management Fund (LDRRMF) amounting to ₱8,593,687.00 and ₱6,991,850.43, respectively, could not be ascertained because the complete detailed specifications and		BAC			Not Implemented			POs for the year still needs to be substantially validated.

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	brand names of the items were not indicated in the Purchase Orders (POs) contrary to Item B of COA Circular No. 96-010 dated August 15, 1996, hence purchase prices could not be compared with the prevailing market price and compliance with Section 5 of the Government Procurement Policy Board (GPPB) Circular No. 01-2020 dated April 6, 2020 could neither be established. We recommended that Management require the personnel concerned or the end-user duly authorized by the Head of the Procuring Entity to completely and properly fill-up the relevant and required information in the PO pursuant to Item B of COA Circular No. 96-010 dated August 15, 1996.								
AAR 2020	36. The Municipality paid at least ₱2,134,984.00 for purchases of goods and services from various	Close coordination with the BAC for proper documentary requirements.	BAC			Partially Implemented			Management had already submitted the Mayor's/ Business Permit,

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	suppliers in response to the COVID-19 pandemic despite the lack of required supporting documents contrary to GPPB Circular No. 01-2020 dated April 6, 2020, GPPB Resolution No. 18-2020 dated September 16, 2020 and Section 4(6) of Presidential Decree (PD) No. 1445, thus, it could not be established whether the suppliers were legally, technically and financially capable and whether the subject goods and services were procured at the most advantageous prices. We recommended that: a. Management submit to the Auditor copy of the Mayor's/Business Permit, original OSS of the supplier, duly notarized, using the form prescribed under RA No. 11469 and RA No. 11494, and PE certification stating that it exerted all efforts to secure the most advantageous								the Original OSS of the suppliers, and the PE Certification that it exerted all efforts to secure the most advantageous price to the government. Documentary requirements of the transactions for the year still need to be substantially evaluated.

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	price to the government; and b. That the Municipal Accountant ensure that the documentary requirements are satisfactorily complied with in accordance with GPPB Resolution No. 18-2020 dated September 16, 2020 and GPPB Circular No. 01-2020 dated April 6, 2020 and that the DVs are duly supported with complete documents pursuant to Section 4(6) of PD No. 1445.								
AAR 2020	37. The Municipality granted COVID-19 Hazard Pay to its 290 personnel who physically reported for work at their respective offices or work stations during the implementation of the Enhanced Community Quarantine (ECQ) in the total amount of ₱1,212,427.25 without the supporting documents necessary to determine compliance with the		Mayor's Office			Partially Implemented		There had still been no IATF Resolution on the Risk Certification in the workplace submitted.	Management had already submitted the following documents as required: Authority for the entitlement of allowance, Certificate of attendance during the ECQ period, and Individual approved DTRs of some of the

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	pertinent provisions of DBM Budget Circular No. 2020-1 dated March 24, 2020. Thus, the propriety and regularity of the grant could not be ascertained. We recommended that the following documents be immediately submitted to the Auditor to determine compliance with the conditions on the grant of COVID-19 Hazard Pay set forth in Paragraph 4 of DBM Budget Circular No. 2020-01 dated March 24, 2020, to wit: a. Authority for the entitlement of the allowance; b. Certificate of attendance during the ECQ period; and c. IATF Resolution of the Risk Certification in the workplace Likewise, we recommended that Management submit (a) Individual approved daily time record or daily report								personnel who physically reported for work.

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	of attendance of the 290 Municipal personnel paid with COVID-19 Hazard Pay showing the official dates and hours they physically reported for work at their respective offices or work stations during the implementation of the ECQ period; and (b) Copy of the approved contracts of personnel under COS and JO scheme.								
AAR 2020	38. The payroll covering the payment of COVID-19 Special Risk Allowance (SRA) to ten public health workers (PHWs) in the total amount of ₱79,042.25 was not substantially supported with complete documents contrary to Section 4(6) of Presidential Decree (PD) No. 1445, hence, the propriety and regularity of the grant during the period of the implementation of the Enhanced Community Quarantine (ECQ) could not be ascertained.		MHO			Partially Implemented		However, there had been no IATF Resolution on the Risk Certification in the workplace submitted. Also, there had been no DTRs attached to the DVs covering the payment of Hazard Pay because only the payroll was attached. Information regarding the prescribed official	Management had submitted the authority from the head of agency/ office to render service during the ECQ period, as well as some payroll documents pertaining to Hazard Pay.

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	We recommended that the OIC-Municipal Health Officer submit to the Auditor the following documents to substantiate the grant of SRA to the ten PHWs: a. Inter-Agency Task Force for the Management of Emerging Infectious Diseases Resolution of the Risk Certification in the workplace; b. Authority from the head of agency/office to render service during the period of the ECQ stating the prescribed official working hours as well as the entitlement of the SRA; c. Individual approved daily time record or daily report of attendance indicating the dates and time they physically reported for work; and d. Daily status/monitoring report on COVID-19 patients, PUIs or PUMs quarantined in the Municipality's COVID-19 facility, in the homes, and in other isolation facilities							working hours, as well as entitlement of the SRA, was not mentioned in the authority issued by the head of agency/office. Also, the documents submitted had lacked the Daily status/ monitoring report on COVID-19 patients, PUIs, or PUMs quarantined in the Municipality.	

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	covering the same period of the ECQ.								
AAR 2020	39. The fees collected from clients for the airing of advertisements through its Project Nutri-skwela Community Radio Station were not acknowledged by official receipts (ORs) and neither were the financial report prepared for the receipts and expenses of the Station, in violation of pertinent provisions of Presidential Decree (PD) No. 1445 and the Manual on the New Government Accounting System (NGAS), Volume I, thereby, eliminating accounting thereof as government funds and audit by the Commission on Audit (COA). We recommended that Management: a. Instruct the Station Manager to require all clients of the Radyo		Radio Manager			Partially Implemented		Management had not yet submitted the explanation for the deficiencies noted.	Current collection for subscriptions and/or paid advertisements had already been acknowledged with the required AF 51.

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	Kaigsoonan to pay the required fees at the Municipal Treasurer's Office and present the OR (AF 51) at the Station before airing any advertisements to ensure that these are recorded as government funds and subjected to government accounting and auditing rules and regulations; b. Make all payment of expenses for the operation of the Station by check except for petty expenses which should be charged against the Petty Cash Fund; c. Submit to the Auditor the following: (i) Latest annual reports submitted to NNC with proof of receipt by the NNC; and (ii) List of clients/subscribers together with the corresponding contract, if there is any; and d. Submit an explanation on the deficiencies noted.								

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AAR 2020	40. The Municipal Engineer did not conduct a complete detailed engineering works prior to the preparation and subsequent approval of program of work (POW) contrary to Section 17.6 of the Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, causing prolonged suspension of work in project implementation and unnecessary delay in the delivery of desired benefits to the targeted end-users of the projects. We recommended that Management: a. Require the Municipal Engineer to conduct the complete detailed engineering activities before any POW is prepared and subsequently approved to ensure that projects are completed on schedule, the desired		Engineer			Not Implemented		The Municipal Engineering Office had lacked a skilled operator for Autocad; hence they were unable to complete the needed details.	

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	benefits are immediately enjoyed by the intended beneficiaries; b. Closely monitor project implementation so that any unnecessary delays may be avoided; and c. Immediately submit the suspension orders and resumption orders issued relative to the project Construction of Water Supply System at Sitio Bato, Barangay Basak together with the contractor's requests for extension and justification, and the Municipal Engineer's investigation reports used as basis in approving the request for suspensions.								
AAR 2019	41. The Municipality paid registration and term membership fees/dues to the Vice Mayors' League of the Philippines (VMLP), Inc. and Philippine Councilors League (PCL), Inc.-Negros Oriental Federation totaling		Mayor's Office			Not Implemented			Official Receipt of the payment for the year still needs to be validated.

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	₱118,500.00 but were issued only customized printed receipts instead of official receipts (Accountable Form No. 51) as required under Section 42, Chapter 7, Title I (B), Book V of the Administrative Code of 1987, hence, the propriety and accuracy of the transactions made could not be ascertained. We recommended that the Municipal Treasurer require the issuance of ORs (AF No. 51) from the–VMLP, Inc. and PCL, Inc. - Negros Oriental Federation for the payments made for membership dues/fees in CY 2019. We further recommended that the Municipality withhold future payments until the leagues comply with this requirement.								
AAR 2019	42. The LDRRM Officer failed to prepare and submit to the Auditor the Monthly Report on Sources and Utilization		MDRRMO			Not Implemented		Management had not submitted the monthly report on the Sources and	

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	of Disaster Risk Reduction and Management Fund (DRRMF) for CY 2019 duly certified correct by the Municipal Accountant, contrary to Section 5.1.5 of COA Circular No. 2012-002 dated September 12, 2012, depriving the stakeholders and the public of relevant and vital information while precluding the Auditor from conducting timely review and evaluation of the utilization of the Local DRRMF. We recommended that, henceforth, the LDRRM Officer prepare the Monthly Report on Sources and Utilization of DRRMF duly reconciled with the accounting records and certified correct by the Municipal Accountant and submit the report to the Auditor on or before the 15th day after the end of each month.							Utilization of DRRM Fund due to lack of personnel to handle and monitor the reportorial requirements.	

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AAR 2018 AAR 2012	43. The balance of accounts Real Property Tax (RPT) Receivable and Special Education Tax (SET) Receivable as of December 31, 2018 per records of the Municipal Accountant's Office (MAO) and Municipal Treasurer's Office (MTO) showed a difference of ₱4,263,515.17 because the accounts were not established based on the Real Property Tax Account Register/Taxpayer's index card and no subsidiary ledgers were maintained by the MAO, contrary to Section 20 of the Manual on the New Government Accounting System (NGAS), Volume I, and Section 10, Volume II of the same Manual, thus, RPT Receivable/SET Receivable and Deferred RPT Income/Deferred SET Income accounts might not have been fairly presented in the financial statements.		Treasurer Assessor Accountant			Not Implemented		The system had not been fully utilized as intended because no personnel of the Municipality was comprehensively trained to man the iTax System.	Management had already asked assistance from the iTax System personnel who was expected to maintain and eventually generate reports needed.

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	We recommended that: a. The Municipal Accountant and Municipal Treasurer reconcile the difference between the RPT and SET balances totaling ₱4,263,515.17 and, henceforth, conduct, together with the Municipal Assessor, a periodic reconciliation of the balances of Basic and Special Education Tax dues and RPT Receivable and SET Receivable accounts to avoid accumulation of unreconciled items; b. The Municipal Assessor prepare and submit to the Municipal Treasurer an assessment roll containing a list of all persons whose real properties have been newly assessed or reassessed and the values of such properties, on or before the thirty-first (31st) day of December each year; c. The Municipal Treasurer furnish the Municipal								

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	Accountant a duly certified list of taxpayers with the amount due and collectible for the current year as basis for recording the RPT Receivable and SET Receivable accounts in compliance with Section 20 of the NGAS Manual for LGUs, Volume I; and d. The Municipal Accountant maintain SLs for control accounts RPT Receivable and SET Receivable in accordance with Section 10 of the NGAS Manual for LGUs, Volume 1I.								
AAR 2017	44. Out of the total expenses of ₱474,823.13 of the Local Council for the Protection of Children (LCPC) in CY 2017, only ₱252,048.13 or 26.52% was expended for child protection services while ₱222,775.00 or 23.44% was given as Aid to Individuals in Crisis Situation (AICS), disregarding the primary purpose of the fund as contemplated under RA No.		LCPC MSWDO			Not Implemented			Transactions using this fund still need to be substantially validated.

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	9344. We recommended that Management prioritize the implementation of PPAs which are responsive to the objective of providing protection to children against abuse, neglect, exploitation and violence and promotion of their rights and welfare as envisioned under RA No. 9344.								
AAR 2017	45. The Municipality continued to practice indiscriminate disposal of solid waste in an open dump site and allowed dump site scavenging in violation of Republic Act No. 9003, thereby posing major public health threat and environmental risks. We recommended that Management prioritize the establishment and operation of a sanitary landfill in accordance with Sections 40 and 41 of RA No. 9003 and meantime, take action to convert the existing open		MENRO			Ongoing		Proposed project for the Construction of Sanitary Landfill is still underway.	

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	dump site into a controlled dump and hasten its closure within a specific time frame. We further recommended that all barangays be involved in the implementation of waste reduction and segregation at source in accordance with RA No. 9003.								
AAR 2016	46. Monthly reports of collections and disbursements together with the corresponding official receipts, disbursement vouchers and supporting documents were not submitted to the Auditor within the reglementary period contrary to Section 6.05 of COA Circular No. 95-006 dated May 18, 1995, adversely affecting the timely audit of accounts and the reporting of the results thereon necessary for management in the decision making. We recommended that Management adhere strictly		Treasurer Accountant			Not Implemented		Management still lacked capable personnel to handle the task. Also, the preparation of the reports was done manually which added to the cause of delay.	

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	with the prescribed time frame on the submission of accounts to the Office of the Auditor pursuant to Section 6.05 of COA Circular No. 95-006.								
AAR 2016	47. The former OIC-District Supervisor of Zamboanguita District Office did not turn over the equipment issued to him as evidenced by copies of several uncancelled Acknowledgment Receipts for Equipment/ Property Acknowledgment Receipts (AREs/PARs) contrary to Section 490.d of the Government Accounting and Auditing Manual, Volume 1, which could possibly result to loss of government properties. We recommended that the OIC-Municipal Treasurer require the former OIC-District Supervisor to return the properties listed in Annex 16, including the one (1) unit 4WD, E-rider Recon Suzuki, otherwise, the latter	Coordinate with the concerned accountable officer to exert effort to finding the items.	District Supervisor			Not Implemented		The return of the properties other than the one (1) unit 4WD, E-rider Recon Suzuki had not been supported by any documents. Other PPE could not be located as majority were semi-expendable items.	One (1) unit 4WD, E-rider Recon Suzuki had been left at the district, as per letter response submitted by Management. There was no cancelled Acknowledgment Receipt (ARE) considering that when the property was assigned to DepEd Zamboanguita, it was only assigned generally to DepEd in the Original ARE.

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	should be required to pay the money value of these properties.								
AAR 2015	48. The Local Chief Executive granted scholarship to constituents of other municipalities funded from the Development Acceleration Program (DAP) received by the Municipality from the Department of Budget and Management contrary to DBM NCA No. 388670-2, thus rendering the grant irregular. Moreover, the disbursement vouchers were not supported with the basic supporting documents required under Sections 9, 10 and 12 of Local Executive Order No. 14 dated November 12, 2012, thus the validity of the disbursements could not be determined. We recommended that Management adhere to the specific purpose contained in the NCA in the		Mayor's Office			Not Implemented		Majority of the scholars could not be located as they were residing outside the Municipality also due to passage of time so their whereabouts are uncertain.	The scholarship program had been stopped but the previous disbursements for the scholarships were still not supported by the required supporting documents. Management requested for reconsideration on the supporting documents considering it is no longer possible for them to provide the necessary documentation after a lapse of seven years.

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	disbursement of funds. We further recommended that the Scholarship Committee require the applicants to submit the required report cards in 4th Year or previously completed year in tertiary level, proof of residency and the LGU to also require the submission of certificates of eligibility duly signed by the Chairman of the Committee pursuant to Sections 9, 10 and 12 of the Local Executive Order No. 14.								
AAR 2015	49. Gasoline expenses amounting to ₱73,169.94 could not be accounted and verified because trip tickets were not properly accomplished, and Fuel Consumption Reports and Monthly Report of Official Travels were neither prepared as required in COA Circular No. 77-61 dated September 26. 1977. We recommended that Management comply with		Treasurer			Not Implemented			Trip tickets for the year still need to be substantially evaluated as to accomplishment.

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	the provisions of COA Circular No. 77-61 on the preparation and submission of the duly accomplished Trip Ticket and Monthly Reports of Fuel Consumption and Official Travels so that the reasonableness of the consumption of fuel and the use of municipal vehicle can be easily established.								
AAR 2015	50. The Municipality released a total amount of ₱110,000.00 to five (5) NGOs/POs notwithstanding non-compliance with the requisites enumerated in Paragraph 4.4 of COA Circular No. 2007-001, for entitlement thereof thus, the purpose for which the funds were granted may not have been attained. We recommended that the Municipality (i) require NGOs/POs to submit the required three-year period financial statement, (ii) release the amount of		PO-NGO Coordinator			Not Implemented		Although the Municipality had already stopped the granting of further financial support, the amounts already released still had to be accounted for. Non-submission of the POs/NGOs of the required reports/plans.	Management had already stopped granting Financial Support to NGOs/POs.

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	financial assistance as stipulated in the Work and Financial Plan (WFP) of the Municipality for the year, (iii) require the five (5) associations to submit lists of beneficiaries as an addendum to the MOA, (iv) monitor and inspect project implementation and verify financial records and reports of the NGOs/POs; and (v) require the liquidation of funds granted.								
AAR 2015	51. The Municipality of Zamboanguita did not conduct a physical count of accountable forms as required in Section 124 of the NGAS Manual, Volume I, thus, affecting the fairness of presentation of the accountable forms inventory in the financial statements as of December 31, 2015. We recommended that the Municipal Treasurer's Office conduct a regular count of the accountable forms in order to confirm		Property Custodian Treasurer			Not Implemented		Due to the volume of properties and lack of personnel to handle the inventory.	

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	the existence of the forms as reported in the Consolidated Monthly Report of Accountability for Accountable Forms and reconcile with the subsidiary records maintained by the Accounting Office to ensure the correctness of the account balance shown in the financial statements at year-end.								
AAR 2014	52. The Municipality did not conduct a physical count of its property plant and equipment as required under Section 124 of the NGAS Manual, Volume I, Property Ledger Cards were also not maintained thus the existence as well as the reliability of the account balances in the financial statements as of December 31, 2016 which amounted to ₱16,997,317.41 or 12.56% of the total asset accounts could not be ascertained. *(As of December 31, 2022, movable property, plant and*		Property Custodian			Not Implemented		The members of the Inventory Committee were also occupying key positions in the Municipality. The significant volume of various movable assets acquired in prior years made it difficult for them to complete the inventory taking.	

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	equipment amounted to ₱35,403,676.79, or 9.60% of the total PPE and 7.57% of the total assets.) a. The Mayor strictly require the Inventory Committee to conduct the physical count of properties and reconcile the same with related property and accounting records and for the municipal treasurer's office to maintain property cards in accordance with existing regulations and to locate the missing two (2) DG computers with printers including its accessories and the black Suzuki 125. b. The Municipal Engineer inform proper offices of any public structures due for demolition so that appropriate documents can be prepared thereto, and to submit written explanation why the health center in Barangay Lutuban is being occupied by a private individual and updated Acknowledgement Receipt for Equipment (ARE) or								

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	Application for Relief from Accountability for lost items, if warranted. c. The Municipal Accountant to reclassify the fully depreciated and unserviceable assets from the Property Plant and Equipment to Other Asset accounts and to locate the disbursement vouchers of the unbooked medical equipment and record the same in the books of accounts.								
AAR 2014	53. The Local Chief Executive gave assistance to constituents of other municipalities from the Development Acceleration Program (DAP) fund received by the Municipality from the Department of Budget and Management contrary to DBM SARO No. G-12-01378 dated December 20, 2012, thus, rendering the grant of financial assistance irregular. Moreover, the disbursement vouchers were		MSWDO			Not Implemented		Management found it hard to refund the amount since the individuals who were granted assistance could no longer be located. Management believed that some of the recipients were deserving indigent individuals although they	

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	not supported with the basic supporting documents required under Administrative Order No. 1 series of 2011, thus, the validity of the disbursements could not be determined. It was recommended that the Local Chief Executive refund the questioned financial assistance granted to constituents from other municipalities and comply with DBM SARO No. G-12-01378 on the limitation of the grant of financial assistance to residents of Zamboanguita only. Furthermore, the Municipal Social Welfare Office must see to it that the supporting documents required pursuant to the Omnibus Guidelines on the Management of DSWD-Operated Crisis Intervention Units are attached to the claims for payment.							came from other municipalities within the congressional district. Reconsideration was requested due to a lapse of more than 8 years to refund.	

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AAR 2013	54. The Municipality paid honoraria to the BIR Collection agents stationed in the Municipality although the position is not among those entitled to honoraria pursuant to DBM Compensation Policy Guidelines No. 98-1 resulting to irregular payments totaling ₱112,000.00 for the years 2009 to 2013. We recommended that the payment of honorarium to BIR Collection Agents stationed in the Municipality be immediately stopped and the amounts already paid be refunded by the personnel concerned.		Former BIR Collection Agent			Not Implemented		It is no longer possible to locate those individuals. Also, they were no longer connected with the BIR or any government agency and nobody knew their whereabouts.	
AAR 2012	55. Various properties amounting to ₱8,420,323.37 funded out of trust funds remained recorded in said fund despite completion of the various projects contrary to Section 104, Volume I of		Treasurer Bookkeeper			Partially Implemented		Management had yet to conduct an inventory count of the properties.	The projects had already been transferred to the General Fund as per JEV No. 100-23-01-01 dated January 9, 2023.

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	the NGAS, hence, misstating the financial position of the Agency. We recommended that Management: a. Conduct a Physical Inventory of all involved properties to determine the existence and physical condition of these assets. b. Require that properties, plant and equipment under the trust fund be immediately transferred to the specific account of general fund for proper presentation of the financial statements pursuant to Section 104 of NGAS. c. Required the LGU to maintain a properly accomplished/updated Property, Plant and Equipment Ledger Cards (PPELC) for easy verification and reference both by the auditee and								

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	auditor.								
AAR 2010	56. The Municipality granted a total of ₱1,104,000.00 Productivity Enhancement Incentive (PEI) to its employees when it already exceeded the Personal Services limitation, in violation of Section 8.1 of DBM Budget Circular No. 2010-3 dated November 30, 2010, thus resulting in irregular disbursement of government funds amounting to ₱746,543.85. We recommended that management require the refund of PEI granted to the municipal officials and employees exceeding the PS limitation in the total amount of ₱746,543.85 and adhere to the provisions of Budget Circular No. 2010-3 dated November 30, 2010.		Treasurer			Ongoing			Ongoing deduction through payroll.
AAR 2010	57. The Municipality violated Sections 305 and 335 of RA No. 7160 and the guidelines		MSWD			Ongoing			An appeal for reconsideration had been

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	on Emergency Assistance Program of the DSWD by procuring, under its Food Relief Program, non-priority food items, such as catsup, soy sauce, black beans, onions and garlic totaling at least ₱529,427.50 distributed to seven (7) barangays a day or more before or after the barangay fiesta, resulting to an audit disallowance of the total amount spent for that purpose. We recommended that all municipal officials who participated in the transactions, from the requisitioning to the approving officials, shall refund the total amount of the procured food items, being jointly and solidarily liable therefor.								forwarded to COA Regional Office VII relative to the disallowance dated February 26, 2015.
AAR 2009	58. Copies of the delivery documents were not submitted to the auditor within twenty-four (24) hours after acceptance of		BAC Treasurer			Not Implemented		Due to the bulk of transactions, especially with procurements through	Copies of the delivery documents after full deliveries and acceptance of

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	deliveries of goods and services, in violation to Section 6.9 of COA Circular No. 2009-002 dated May 18, 2009, thereby precluding the auditor from inspecting deliveries. Required the municipal officials concerned to submit copies of the delivery documents within twenty-four (24) hours from acceptance of goods and services thereof, to enable the auditor to inspect, review and evaluate the transactions/projects.							alternative modes, the required submission of documents had not been observed regularly.	goods and services had been submitted by the LGU to the Auditor.
AAR 2008	59. Other Receivables (149) – SEA Loans account representing loans released to qualified individuals under the Self Employment Assistance Program of the Municipality which has a balance of ₱1,033,640.75 as of December 31, 2009 is doubtful due to inaccuracies and non-availability of accounting records, thus, exposing the risk of loss of		Bookkeeper MSWD Accountant			Not Implemented		Management had been validating previous records as these were not systematically done and kept in prior years. However, the reconciliation of the subsidiary ledger of each recipient/ beneficiary was	

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	funds from non-payment, as well as possible misstatement of receivables in the Financial Statements. Required the municipal accountant to maintain subsidiary ledgers representing loans granted to qualified individuals under the Self-Employment Assistance Program of the DSWD. Likewise, required him to reconcile the Other Receivables – SEA Loan account with the available accounting records so that this can be supported with reliable balances of the persons granted with loans.							still not completed.	
AAR 2008	60. A total of 32 units of unserviceable properties of the Municipality amounting to ₱159,309.22 were not covered with an Inventory and Inspection Report for Unserviceable Property (IIRUP) in violation of Section 59 of the New Government Accounting System Manual, Volume II,		Treasurer Inventory Committee			Not Implemented		Unavailability of records for the subject properties. Previous Management had not yet prepared and submitted the IIRUP because the personnel concerned had voluminous	

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	thus depriving municipal officials of vital information on the status of the municipal properties for them to take appropriate action/disposition thereof, thus overstating the property, plant and equipment accounts of the Municipality. Required the Committee on Inventory to prepare and submit the Inventory and Inspection Report for Unserviceable Property (IIRUP) pursuant to Section 59 of the New Government Accounting System Manual, Volume II as basis in taking up the dropping of the properties from the books of accounts.							workload.	
AAR 2007	61. The Municipality granted additional cash gift for CY 2007 to its officials and employees at ₱10,000.00 each in the total amount of ₱950,000.00 which exceeded the PS limitation by ₱1,570,872.74 in		Treasurer Payroll Officer			Ongoing			Payroll deduction is ongoing.

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	violation of Local Budget Memorandum No. 54 dated December 19, 2009, Sec. 325 of the Local Government Code of 1991, thus resulting to unlawful and overspending of government funds. Immediately refund in full the extra cash gift amounting to ₱950,000.00 for CY 2009. Henceforth, the local chief executive should ensure that the grant of similar benefits complies with prescribed guidelines especially insofar as observance of the PS limitation is concerned so that the disbursements will not be disallowed in audit.								
AAR 2006	62. Trial Balances and supporting schedules were not submitted by the Municipal Accountant to the Office of the Auditor within the reglementary period contrary to Section 70, Volume I of the Manual on the New Government		Accountant			Not Implemented		The Municipality was still applying the manual accounting system. Reports required from the Treasurer's Office were not submitted	

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	Accounting System for Local Government Units, thus negating the usefulness of the said reports. Required the Municipal Accountant to update the submission of the trial balances and the required schedules to the Office of the Auditor pursuant to Section 70 of the Manual on the New Government Accounting System for Local Government Units, Vol. I.							immediately after the close of every quarter. Some of the personnel who were supposed to be assigned in the eNGAS had transferred to another agency, thus, the plan could not be materialized to date.	
AAR 2006	63. A number of livestock of the Municipality were not accounted for by taking up in the books of account as required under Section 63 of PD No. 1445, thus total assets were understated and the accountability thereof was not established. Directed the Municipal Agricultural Officer to account all livestock and furnish the municipal		Agriculturist Accountant					The amount in the books had yet to be updated.	

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	accountant the corresponding list and its supporting documents to serve as basis in taking up the same in the books of account pursuant to Section 63 of PD No. 1445. Likewise, required him to maintain and update Work, Other Animals and Breeding Stocks Property Card as required under Section 46 of the new Government Accounting System manual, Volume II and to prepare an Inventory Report so that accountability will be properly established monitored.								
AAR 2004	64. The Local Government failed to reconcile records and substantiate ownership of various real properties, thus, giving rise to unrecorded assets and misstatement of the Land account presented in the financial statements. Instructed the Treasury,		Assessor Treasurer			Partially Implemented		All real properties had been accounted for but the titles for three remaining lots had yet to be secured.	

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	Assessor and Accounting Offices to make a reconciliation of the Land account. Direct the Municipal Assessor to update his records so that all lands of the government could be taken up, to gather sufficient data for the proper treatment of said lands, and to facilitate the titling of such lots, if warranted under the circumstances, so that the properties of the government could be properly secured and recognized in the accounting records. Directed the Municipal Treasurer, Municipal Accountant and Municipal Assessor to secure the Land Titles to all real properties to reconcile records and substantiate ownership of agency's real properties.								
AAR 2004	65. Nine out of the ten parcels of land owned by the local government and already recorded in the books of		Assessor Treasurer			Partially Implemented		The titles for three remaining lots had yet to be secured.	

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	accounts have not been issued with new Transfer Certificate of Title in the name of the Municipality of Zamboanguita, thus, posing risk for potential ownership claims/legal violations that may arise in the future. Directed the Treasury, Accounting, and Assessor Offices to secure the Land Titles of all real properties as an indispensable requirement to establish true ownership of said properties. Lands owned or acquired by local governments without Torrens Title shall within the next fiscal year from their acquisition be surveyed with a view to securing title thereto, and the appropriation for such survey and other requirements for securing title shall be deemed against the unappropriated funds of such Municipality during the said ensuing fiscal year. All purchases of real property should be done in accordance with the								

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	pertinent laws governing such transaction in order to prevent future disallowances in audit.								