DATE: 09/30/25 RECEIVED BY: [signature] PROVINCE OF NEGROS ORIENTAL

MUNICIPALITY OF AMLAN
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
Audit Observations and Recommendations
For the Calendar Year 2024
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Ref.	Audit Observations		Audit Recommendations	Agency Action Plan: Action Plan	Person / Dept. Responsible	Target Implementation: From	To	Status of Implementation	Reason for Partial / Delay / Non-Implementation, if	Action Taken / Action to be Taken
CY 2024 ML Par. No. 7 Page 2	The Municipal Accountant was unable to submit the Municipality's year-end financial statements (FS) for CY 2024 within the prescribed period, contrary to Section 41(2) of PD No. 1445 and Section 4.1 of COA Circular No. 2010-01 dated March 2, 2010, thereby depriving the municipal officials of timely financial data essential for informed decision-making.	1.	The MTO establish a strict internal schedule for the timely submission of all accounting source documents to avoid delays in the preparation of the year-end FS.	MTO assigns personnel to monitor the submission of vouchers and documents	MTO			Fully Implemented	One of the reasons that there are vouchers cannot be returned immedictely because the suppliers are not form here in Negros Oriental some of it usually from Cebu like Newborn Screening Central Visayas and Talisay Water Lab payment for Newborn Screening and water sampling and it takes 4-5 weeks to be able to return the voucher to us.There were vouchers also that lacks signature form department head only there authorized staff that signed on there behalf because of officil travel.	I already assigned one staff Ms. Aissa D. Waro to monitor the submission of vouchers and documents to Accounting Office as of to date September 11., 2025 were already submitted to Accounting Office last September 17, 2025 we try our very best to submit every week.
		2.	The Human Resource Management Officer (HRMO) prioritize the prompt hiring and deployment of qualified personnel to fill the vacant positions in the accounting office, subject to the lifting of the COMELEC election ban, to ensure continuity and efficiency in financial reporting activities.	Hiring and filling up of vacant positions in the accounting office	HRMO			On-going	Budgetary REquirement	Coordinated with the Municipal Budget Office and Accountant for the prioritization of vacant accounting positions.
		3.	The LCE conduct a formal assessment to determine accountability among all involved offices for the delayed submission of the FS for CY 2024, ensuring a fair and objective evaluation under Sections 122 and 127 of PD No. 1445, and help identify systemic improvements to prevent future delays.	Installation of electronic Accounting System	Accounting Office			Fully Implemented		Ongoing migration to electronic accounting system

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CY 2024 ML Par. No. 23 Page 4	The grant of Health Emergency Allowance (HEA) totaling ₱12,850,125.00 to public and private healthcare and non-healthcare workers of the Amlan Rural Health Unit was not supported by quitclaims that included an agreement to return any excess amount received for the same month, contrary to the provisions of the Memorandum of Agreement (MOA) between the DOH – CVHD and the Municipality of Amlan, thereby increasing the risk of duplicate payments and unrecovered disbursements	4.	The Municipal Health Officer (MHO) require all recipients of the HEA to execute a quitclaim, which shall include an undertaking to return any excess amount received in case of duplicate payments for the same month, in accordance with the provisions of the MOA.					Implemented		The MHO submitted a quitclaim that included an undertaking by the recipients to return any excess amount received in case of duplicate payments for the same month, in accordance with the provisions of the MOA. The quitclaim was notarized on June 20, 2025
		5.	The MHO fully comply with the provisions of the MOA entered into with the DOH-CVCHD for the payment of HEA benefits.					Implemented		MOA provisions were fully complied
CY 2024 ML Par. No. 31 Page 5	Procurement of goods and services amounting to ₱482,811.45 was made through reimbursement to various officials and employees, contrary to Section 10 of Republic Act (RA) No. 9184, thereby bypassing the required procurement processes and compromising the principles of transparency, economy, and efficiency	6.	The members of the Bids and Awards Committee (BAC) strictly comply with the procurement procedures prescribed under RA 9184 and its Implementing Rules and Regulations:	Strict observation to procurement law	BAC			Fully Implemented		All procurement are posted at Philgeps
		7.	Ensure that all future procurement activities are undertaken through competitive bidding or duly approved alternative methods.	Strict observation to procurement law	BAC			Fully Implemented		All procurement are posted at Philgeps
		8.	Reimbursements should be limited to exceptional and duly justified cases supported by complete documentation and prior authorization from the Head of the Procuring Entity.					Fully Implemented		All procurements under exceptional & justifiable cases are with at least 3 quotations.
CY 2024 ML Par. No. 37 Page 7	Cash advance amounting to ₱354,000.00 was granted to an unbonded employee, contrary to Section 101 of Presidential Decree (PD) No. 1445 and Item 7.1 of COA Circular No. 97-002 dated February 10, 1997, thus exposing the Municipality to financial risk, as there is no assurance of recovery in the event of misuse, non-liquidation, or failure to return the funds.	9.	Management strictly ensure that cash advances with a total cash accountability of ₱2,000.00 or more, excluding those related to official travel, are granted only to personnel who are duly bonded, in compliance with Section 101 of PD No. 1445 and Item 7.1 of COA Circular No. 97-002 dated February 10, 1997.	No more granting of Cash Advances to unbonded officials and employees were granted	MTO/ACCTNG			Fully Implemented	We are very sorry for our negligence that Ms. Nerisa R. Dini-ay was able to avail the cash advance without bond last 2024.	For CY 2025 per BOT Transmittal No. 0746-2025. 07-01767 dated 07-24-2025, a total of 12 personnel is already bonded. This include the Mayor, Acting Municipal Treasurer, Disbursing Officer, 4 Special Disbursing Officer, a total of 12 personnel and Ms. Nerisa Dini-ay is included under Special Disbursing Officer

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CY 2024 ML Par. No. 44 Page 8	The Municipal Accountant did not submit the required semestral status reports on unliquidated cash advances, fund transfers, and other receivables as of December 31, 2024 within the prescribe period, contrary to Section 122 of P.D. No. 1445 and COA Memorandum No. 2017-010, which hampered the auditor's ability to verify and monitor outstanding accounts, thereby weakening financial oversight and accountability.	10.	The Municipal Accountant ensure the timely preparation and submission of the Semestral Report on the Status of Unliquidated Cash Advances, Fund Transfers, and Other Receivables on or before the 8th day following the end of each semester, in compliance with Section 122 of P.D. 1445 and COA Memorandum 2017-010 dated May 15, 2017.	Reports were submitted as evidenced by the transmittal dult received by the Auditing Team				Fully Implemented		
2023 AAR AO No. 1, Page 28	The non-reconciliation of the net difference of ₱111,615,997.53 between the General Ledger balance and the Report on the Physical Count of Property, Plant and Equipment (PPE), which goes against the guidelines outlined in COA Circular No. 2020-006 dated January 31, 2020, for the One-Time Cleansing of PPE, rendered the balance of the PPE accounts with a gross amount of ₱186,677,741.86 as of December 31, 2023, unreliable and inaccurate.		The Inventory Committee to:							
		11.	Assist the Municipal Accountant in reconciling the difference of ₱111,615,997.53 between the accounting and property records and the result of the actual physical count;	Creation of Inventory Committee	LCE/HRMO					
		12.	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 Section 5.6 and 5.7 of COA Circular No. 2020-006 dated January 31, 2020; and	Agree on the property numbering system	MTO/ACCTNG/ PROPERTY CUSTODIAN			Partially Implemented	The Previous numbering system are not in accordance with the required uniform numbering system.	Compliance to the Property numbering system as per Sec. 5.6-5.7 of Coa Circular No. 2020-006 dated Janiary 31, 2020
		13.	Prepare and submit the approved PIP to the COA Audit Team within the prescribed period.	Convene Inventory Committee and make a proposed Inventory Plam				Partially Implemented	Committee not yet formally convene but the Proposed Physical Inventory Plan were made.	Convene Inventory Committee and fully implement the Physical Inventory Plan.
2023 AAR AO No. 2, Page 32	The accuracy and reliability of the LRN account totaling ₱22,438,979.28 could not be ascertained due to various deficiencies noted, in violation of COA Circular No. 2015-008 dated November 23, 2015, thereby, affecting the fair presentation of the account in the financial statements (FS). • Non-conduct of inventory of local roads and no preparation of RPCLRN • The costs of each road component of the local ro projects in the books of accounts were not segregated • Non-maintenance of LRNLC and LRNPC showi complete description and cost segregation of LRN components • Non-disclosure of the total road network system in t Notes to the FS		Management to:							
		14.	Enjoin the Municipal Treasurer, Municipal Accountant, and Municipal Engineer to strictly comply with the accounting and reporting guidelines on the local roads asset management system pursuant to COA Circular No. 2015-008 dated October 23, 2015.	Create the Local Road Network Assessment Team composed mainly of the three offices to undertake the inventory and proper disclosure of the road network in the municipality	LCE/HRMO/MTO/MEO/ACCTNG/MPDC			Partially Implemented	Committee not yet formally created but an initial inventory and geo-tagging is on-going	

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2023 AAR AO No. 3, Page 34	Items of PPE with a total cost of ₱262,904,766.30 were not provided with depreciation, inconsistent with International Public Sector Accounting Standard (IPSAS) 17, affecting the accuracy and reliability of the FS.	15.	The Local Chief Executive direct the Municipal Accountant to maintain PPE Ledger Cards to track all the transactions related to PPE.							
		16.	The Municipal Accountant ensure that all depreciable PPEs have been provided with a depreciation expense and that all necessary data have been appropriately recorded in compliance with IPSAS 17	Compute depreciation expense for all depreciable assets and record the same in accordance with IPSAS 17	ACCTNG			Fully Implemented		
		17.	The Municipal Accountant prepare the appropriate journal entries to correct the omitted depreciation and present the asset accounts to their correct carrying amounts.	Prepare JEV for the recognition of depreciation expense				Fully Implemented		
2023 AAR AO No. 4, Page 36	The Cash in Bank balances showed a difference of ₱15,072,769.53 against the confirmed balances from the depository bank, which remained unadjusted because Bank Reconciliation Statements (BRS) were not prepared, inconsistent with Section 74 of PD No. 1445 and Sections 3.2, 3.3, and 3.4 of COA Circular No. 96-011 dated October 2, 1996, thus presenting an inaccurate and unreliable balance in the financial statements.	18.	The Municipal Accountant reconcile their records with the bank statements to determine the valid reconciling items for adjustments in the books of accounts and	Prepare Bank Reconciliation Statements	ACCTNG			Fully Implemented		
		19.	submit the BRS to the COA Auditor every month, together with copies of the bank statements, subsidiary ledgers of each depository account, and original copies of the debit and credit memos pursuant to COA Circular No. 96-011 dated October 2, 1996.	Submit on a monthly basis	ACCTNG/HRMO			Partial Implementation	Personnel assigned is multi-tasking considering that the vacant positions are not yet filled. Timely preparation is not possible at times	Hire personnel to handle the bank reconciliation only
2023 AAR AO No. 5, Page 37	Current Accounts (LCCA) showed unreconciled differences of ₱(25,109,917.27) and ₱(3,050,337.84), respectively, against the cashbook balances due to non-reconciliation of both records on a regular basis, inconsistent with Section 143 (A.7) of the Local Treasury Operations Manual (LTOM), 2nd Edition, hence, balances at year-end are unreliable.		The Municipal Treasurer and Municipal Accountant to:							
		20.	Trace the differences between the Cash Local Treasury and Cash in Bank LCCA accounts;	Reconcile bank and book balances	ACCTNG			Fully Implemented		
		21.	Conduct properly the quarterly reconciliation between the treasury records and accounting records in compliance with Section 143 (A.7) of the LTOM; and	Accounting Records are intact however no reconciliation has been done since prior Treasurers failed to prepare an updated cash book	MTO/ACCTNG			On-going		Cashbook updating
		22.	Submit an explanation of why the observation has remained unacted for the past five years.							

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2023 AAR AO No. 6, Page 39	The balance in the Loans Payable-Domestic account of ₱11,589,807.42 did not reconcile with the loan balance per confirmation letters from the lending institutions, resulting in a discrepancy of ₱2,543,940.18, making the year-end balance of the account unreliable. Moreover, disclosure in the FS is incomplete, a departure from the fair presentation requirement under the IPSAS thus, affecting the usefulness of the financial information on loans to its users.		The Municipal Accountant to:							
		23.	Analyze the Loans Payable-Domestic account and coordinate with DBP and LBP to reconcile and update records maintained by both parties. Discrepancies noted should be reconciled, and the necessary adjustments be effected to ensure a fair presentation of the account in the FS; and	Reconcile Loans Payable Account				Fully Implemented		
		24.	Revise the notes to FS to include the principal amount, interest rate, maturity date, purpose of the loan, and interest expense for the LoansPayable Domestic account.	Revise notes				For Implementation		
2023 AAR AO No. 7, Page 41	The Municipal Accountant was unable to submit the year-end FS of the Municipality for CY 2023 within the prescribed period due to delayed submission of the Report of Disbursements from the Municipal Treasurer's Office, contrary to Section 41(2) of Presidential Decree (PD) No. 1445, and Section 4.1 of COA Circular No. 2010-01 dated March 2, 2010, thus preventing users from utilizing the financial information for decision-making in a timely manner.		The Municipal Accountant to:							
		25.	a) Reconcile the balance of the Cash and Cash Equivalents in the Statement of Financial Position and Statement of Cash Flows and conduct regular cross-checking and reconciliation of these two statements to prevent discrepancies; and	Reconcile the two accounts	ACCTNG			Fully Implemented		
		26.	b) Submit copies of the approved Journal Entry Vouchers to record the closing entries for CY 2023.							
		27.	The Disbursing Officer submit the RDs within the prescribed period to avoid delays in preparing the FS and submitting it to the Audit Team.							
2023 AAR AO No. 8, Page 43	The Municipal Accountant did not maintain Subsidiary Ledgers (SLs) for applicable accounts, contrary to Sections 4 and 70, Volume 1, of the Manual on the New Government Accounting System (NGAS), for Local Government Units (LGUs), precluding us to validate the details of the transactions that appeared in the GLs and FS for CY 2023.	28.	The Municipal Accountant prepare the applicable SLs and submit them to the COA Auditor pursuant to Sections 4 and 70, Volume I, of the NGAS Manual for LGUs.	Subsidiary Ledgers updated and prepared after 2018 file has been corrupted				Fully Implemented		
		29.	The Municipal Accountant explain to the COA Auditor why the audit finding has not been acted upon since CY 2018.							

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2023 AAR AO No. 9, Page 44	Expenses for fuel used for administrative purposes amounting to ₱100,000.00 were charged to the 20% Development Fund (DF) despite being expressly prohibited under Section 3.2.5 of the Department of Budget and Management (DBM), Department of Finance (DOF), and Department of the Interior and Local Government (DILG) Joint Memorandum Circular (JMC) No. 1 dated November 4, 2020, resulting in the irregular utilization of the fund and reducing the amount available for development projects.	30.	Management stop charging administrative expenditures to the 20% DF pursuant to Section 3.2.5 of the DBM, DOF, and DILG JMC No. 1 dated November 4, 2020.	Stop charging fuel to 20%						
		31.	Management appropriate funds from the General Fund to reimburse the 20% DF for administrative expenditures.	To appropriate a supplemental budget to replenish the amount	MBO			Not Implemented		Enact supplement budget for the replenishment of said amount to 20% EDF
2023 AAR AO No. 10, Page 46	The Municipality spent ₱294,686.31 out of the LDRRMF on office supplies and fuel that are not related to disaster rescue or response activities, inconsistent with Section 5.0 of NDRRMC-DBM-DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013, and DILG Memorandum Circular No. 2012-73 dated April 17, 2012. Thus, the municipality reduced the funds available for disaster risk management, relief, rehabilitation, and recovery programs.		Management to:							
		32.	Adhere strictly to the provisions of DILG Memorandum Circular No. 2012-73 dated April 17, 2012, and NDRRMC-DBM-DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013, on the utilization of the LDRRMF; and	Observe strict adherence to circular	LDRRMO/MBO			Fully Implemented		Effective immediately, no charges for LDRRMF for those not related to disaster risk reduction and management
		33.	Reimburse the LDRRMF from the General Fund for the cost of supplies and fuel used for purposes other than those related to disaster risk reduction and management.	For Supplemental	MBO			Not Implemented		For inclusion in the supplemental budget for the replenishment of the said amount to LDRRMF from the General Fund
2022 ML page 9	The Municipality granted monetary awards under its Program on Awards and Incentives for Service Excellence (PRAISE) to all its 63 officials and employees amounting to ₱30,000.00 each without adhering to the pertinent provisions of Civil Service Commission (CSC) Memorandum Circular (MC) No. 01, s. 2001 dated January 26, 2001, thus resulting in irregular expenditures totaling ₱1,890,000.00.	34.	Management submit a list of employees whose special achievements resulted in monetary savings, indicating the amount of monetary savings generated by their suggestions, inventions, superior accomplishments, and other personal efforts.	Submit List	HRMO			Fully Implemented		
		35.	Henceforth, adhere strictly to the provisions of CSC MC No. 1, series of 2001 in the granting of monetary awards under the PRAISE.	Strict Adherence: No Praise was granted				Fully Implemented		

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2022 ML page 18	Two (2) mandatory positions for the Local Disaster Risk Reduction and Management Office (LDRRMO) were not filled up as required under the National Disaster Risk Reduction and Management Council (NDRRMC)/Department of Interior and Local Government (DILG)/Department of Budget and Management (DBM)/Civil Service Commission (CSC) Joint Memorandum Circular (JMC) No. 2014-01 dated April 4, 2014, hence, disaster risk reduction and management measures and activities and the implementation thereof may not be assured.	36.	Management fill up the mandatory positions in compliance with NDRRMC-DILG-DBM-CSC JMC No. 2014-1 to ensure the implementation of actions and measures related to disaster risk reduction and management.							
2021 AAR AO No.2, Page 30	The difference of ₱12,466,087.91 between the Cash Local Treasury account and the Cashbook-Local Treasury remained unreconciled as at year-end because there was no regular reconciliation of the cashbook and the ledger balances contrary to Section 63.F of the Local Treasury Operations Manual and Section 181(c) of the Government Accounting and Auditing Manual (GAAM), Volume I, resulting in erroneous and unreliable Cash Local Treasury account balance as of December 31, 2021. a. The reconciliation of the cashbook balance with the subsidiary accounting records was not complied with; thus, we could not ascertain both records' accuracy, completeness, and correctness. b. The Local Government Support Fund (LGSF) from the Department of Budget and Management (DBM) directly credited to the Municipality's bank account amounting to ₱11,000,000.00 was erroneously recorded as Cash Local Treasury (1-01-01-010), thereby overstating the account by the same amount.		Management:							
		37.	require the Municipal Accountant and the Municipal Treasurer to reconcile the cashbook balances to determine the valid reconciling items for adjustments in the books of accounts;	Reconciliation done				Fully Implemented		
		38.	require the Municipal Accountant to prepare the adjusting entry debiting Cash in Bank- Local Currency, Current Account (1-01- 02-010) and crediting Cash- Local Treasury (1-01-01-010) amounting to ₱11,000,000.00 based on the bank credit memo to recognize the deposit of the fund transfer; and	JEV done				Fully Implemented		
		39.	Require the Municipal Accountant and Municipal Treasurer to, henceforth, conduct regular reconciliation of the cashbooks with the subsidiary accounting records in accordance with Sections 63(A.2) and 63.F of the Local Treasury Operations Manual and pertinent provisions of the NGAS Manual.	Regular reconciliation done				Fully Implemented		

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2021 AAR AO No.3, Page 32	The reliability and accuracy of the reported account balances of Real Property Tax Receivable (1-03-01- 020), Deferred Real Property Tax (2-05-01-010), Due to BIR (2-02-01-010), and Due to NGAs (2-02-01- 050) in the General Fund are doubtful because of the absence of the updated subsidiary ledgers, resulting in negative/abnormal balances, contrary to Sections 111(2) and 112 of Presidential Decree (P.D.) No. 1445 and Section 27 of the Philippine Public Sector Accounting Standards (PPSAS) No. 1, thereby, affecting the fair presentation of the financial statements. a. Real Property Tax Receivable was not established at the beginning of the year based on the duly certified list of tax collectibles from the Municipal Treasurer contrary to Section 19(b) and 20 of the Manual on the New Government Accounting System (NGAS), Volume I. b. The Local Government Support Fund (LGSF) from the Department of Budget and Management (DBM) directly credited to the Municipality's bank account amounting to ₱11,000,000.00 was erroneously recorded in the books of accounts, thereby, understating Due to NGAs account by the same amount.	40.	The Municipal Treasurer furnish the Municipal Accountant at the beginning of the year with a certified list of taxpayers with the amount due and collectible for the current year as their basis for recording the RPT and SET Receivables in compliance with Sections 19(b) and 20, Volume I of the NGAS Manual		MTO			Not implemented		
		41.	The Municipal Accountant prepare the adjusting entry debiting Cash in Bank-Local Currency, Current Account (1-01-02-010) and crediting Due to NGAS (2-02-01-050) amounting to ₱11,000,000.00	JEV done	ACCTNG			Fully Implemented		
		42.	The Municipal Mayor instruct the Municipal Accountant to update and maintain the subsidiary ledgers of the general ledger accounts, conduct a thorough review of the affected accounts to determine the other causes of the abnormal balances, initiate corrections/adjustments, and thereafter come up with all accounts in their normal balances to fairly present the financial statements.							

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2021 AAR AO No.6, Page 44	The financial assistance from The Provincial Government of Negros Oriental for COVID-19 response operations was utilized for the payment of hazard pay to some personnel of the Rural Health Unit (RHU) and barangay officials and employees of the Municipality contrary to Item 1 of the Memorandum of Agreement (MOA) dated May 17, 2021, and Section 9 of COA Circular No. 94-013 dated December 13, 1994. Moreover, the conditions on the grant of the hazard pay under Section 4.0 of DBM Budget Circular No. 2020-1 dated March 24, 2020, were not fully complied with, casting doubt on the validity and propriety of the disbursement. a. The financial assistance for COVID- 19 response operations was utilized for the payment of hazard pay contrary to Item 1 of the Memorandum of Agreement (MOA) dated May 17, 2021, and Section 9 of COA Circular No. 94-013 dated December 13, 1994. b. The grant was not supported with authority from the Head of the Agency and other documentary requirements to prove that the recipients physically reported for work during Enhanced Community Quarantine (ECQ) or Modified Community Quarantine (MECQ), contrary to Section 4.3 of the Department of Budget and Management (DBM) Budget Circular No. 2020-1 dated March 24, 2020. c. Elected officials of the barangay were granted hazard pay contrary to Section 2 of AO No. 26 dated March 23, 2020, and Section 3 of DBM Budget Circular No. 2020-1 dated March 24, 2020, resulting in the illegal disbursement of funds amounting to ₱126,000.00.	43.	Management require the elected officials who are not among those entitled to Hazard Pay as provided under Section 2 of A.O. No. 26 and Section 3 of DBM Budget Circular No. 2020-1 dated March 24, 2020, to refund the amount of ₱126,000.00.	Collect refund from officials the refund	MTO/ACCTNG			Not Implemented		Send demand letters to Officials
		44.	Each respective Sanggunian appropriate funds for hazard pay in accordance with Section 5 of A.O. No. 26 dated March 23, 2020, as amended by A.O. No. 43 dated June 1, 2021, and	Strict observance				Fully Implemented		
		45.	Reimburse the Trust Fund for the amount utilized for hazard pay, adequately supported with the documentary requirements mentioned above to ascertain the propriety and validity of the grant.					Not Implemented		To submit explanation letter to Provincial COA Office. For fund allocation to be used as reimbursement for Trust Fund

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2021 AAR AO No.7, Page 49	The fund intended for the operation and maintenance of the Office for Senior Citizens Affairs (OSCA) amounting to ₱10,000.00 per month or aggregating ₱120,000.00 was granted through financial assistance and was not supported with any documentary requirement setting out conditions governing the use of the funds and the reporting responsibilities of the recipient as required under Section 3.0 of COA Circular No. 2012-001 dated June 14, 2012, thus, leaving no basis for monitoring of fund utilization and reporting while exposing such funds totaling ₱120,000.00 to risk of possible misuse. a. The fund intended for the maintenance and operations of the OSCA was granted through financial assistance. b. The DVs on the payment of financial assistance to OSCA were not supported by any documentary requirements to support the claim, thereby leaving no basis for monitoring fund utilization and reporting.	46.	In the preparation of the Annual Budget, the Head of the OSCA submit to the Municipal Budget Officer a request for allotment of funds for the maintenance and operation of the OSCA showing the estimated amount needed for each function, activity, or purpose consistent with the Revised Chart of Accounts for LGUs, as prescribed under COA Circular No. 2015-009 dated December 1, 2015.	Include OSCA Head in the budget preparation	MBO			Not Implemented		Require OSCA head to submit itemized/detailed budgetary requirement on its Project Brief and his/her presence in the annual budget hearing
		47.	The Municipal Accountant submit the abovementioned documentary requirements provided under Section 3.1 of COA Circular No. 2012-001 dated June 14, 2012 to support the fund transfers or financial assistance extended to OSCA totaling ₱120,000.00.	According to the OSCA Head submitted the documents already				Fully Implemented		
2021 AAR AO No.9, Page 57	Competitiveness and transparency were not assured in the procurement of catering services for the meals provided to persons under quarantine totaling ₱389,407.94 because the issuance of the contract to the supplier and the delivery of meals were made before the procurement procedures provided under Item 8.b, Annex H of the Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184 were undertaken. Moreover, the caterers who participated in the canvass came up with their quotations despite the lack of a menu. Hence, the integrity of the procurement process is questionable. a. The issuance of the contract to the supplier and the delivery of meals were made before the procedures in the procurement process were undertaken. b. The suppliers who participated in the canvass came up with their quotations despite the lack of a menu.		Management submit the following:							
		48.	An explanation of the issuance of work orders or contracts and the delivery of services by the supplier before the procurement procedures provided under Item 8.b, Annex H of the Revised IRR of R.A. No. 9184 were undertaken;							Explained letter submitted
		49.	An explanation of why the caterers who participated in the canvass were able to come up with their bids despite the lack of a menu; and							Explained letter submitted
		50.	A breakdown of each caterer's menu offering.							Explained letter submitted

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2021 AAR AO No.10, Page 61	The necessity, propriety and legality of hiring two medical consultants is questionable because the nature of work they performed was redundant to the functions of the Municipal Health Officer (MHO) as provided under Section 478, Title V of Republic Act (RA) No. 7160, thus, contrary to Section 7 of COA and DBM Joint Circular No. 2 dated October 20, 2020. Moreover, the expected output/deliverables were not clearly specified in the Contract of Service, which could possibly result in irregular and unnecessary expenditures, as defined in Paragraph 4.1 of COA Circular No. 2012-003 dated October 29, 2012, amounting to ₱495,000.00. a. Medical consultants' services are redundant to the functions of the regularly appointed Municipal Health Officer of the Municipality. b. Expected outputs/deliverables were not clearly provided in the Terms of Reference (TOR) or Contract of Services. c. The documentary requirements peculiar to the contract and/or the mode of procurement necessary in the auditorial review and in the technical evaluation were not submitted to the Auditor nor attached to the DVs.	51.	In the hiring of consultants, Management should clearly define the consultants' expected output in their individual contract and require the latter to prepare their monthly accomplishment reports vis-à-vis their respective definite expected output to establish the necessity of the consultancy services they are employed for.	An explanation letter was submitted to the COA provincial office.						Renamed medical consultant to Rural Health Physician as the physician is not a medical consultant but a general physician.
			Henceforth, payment of the services rendered by medical consultants shall be properly supported with the documentary requirements provided under Section 9.1.2 of COA Circular No. 2012-001dated June 14, 2012.	An explanation letter was submitted to the COA provincial office.						
2021 AAR AO No.11, Page 67	A monetary award under the Municipality's Program on Awards Incentives for Service Excellence (PRAISE) was paid to all officials and employees at ₱70,000.00 each without adhering to the pertinent provision of Civil Service Commission (CSC) Memorandum Circular No. 01, s. 2001 dated January 26, 2001, thus, resulting in irregular expenditures totaling ₱4,550,000.00.	52.	Management submit a list of employees with special achievements recognized by an outside group, indicating the amount of monetary savings generated by their suggestions, inventions, superior accomplishments, and other personal efforts in accordance with Section 6 of CSC MC No. 1, s. 2001.							
		53.	Management discontinue the use of their savings for payment of monetary awards under the PRAISE program in the absence of proof to establish that these savings were generated from employees' suggestions, innovations, inventions, superior accomplishments, and other personal efforts. Otherwise, they could be held liable for willful violations of existing laws, rules, and regulations.							

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2020 ML Par. No.17, Page 3	Medicine and medical supplies purchased to respond to the crisis brought about by the coronavirus disease (COVID-19) pandemic totaling ₱1,922,304.00 out of the Bayanihan Grant to Cities and Municipalities (BGCM) were directly charged to Drugs, Medicines and Expenses and Medical, Dental and Laboratory Expenses, respectively, contrary to Section 44 of the Philippine Public Sector Accounting Standards (PPSAS) and Section 114 of the Manual on the New Government Accounting Standards (MNGAS), Volume I, hence, affecting the fair presentation of the financial statements.	54.	The Municipal Accountant make the necessary adjustments, to reflect the correct balances of the Inventory accounts in the financial statements based on the result of the inventory count of the Inventory Committee		MHO/ACCTNG			Not Implemented	No inventory has yet been forwarded to the Accounting Office	
		55.	Henceforth, the Municipal Accountant properly record the purchases of inventories in the appropriate inventory accounts and the consumption thereof as expense, upon receipt of the Summary of Supplies and Materials Issued (SSMI) from the Property Officer							
2020 ML Par. No.29, Page 6	Medical equipment and other supplies with a serviceable life of more than one year but small enough to be considered as Property, Plant, and Equipment (PPE) amounting to ₱582,400.00 were capitalized to PPE contrary to the pertinent provisions of COA Circular Nos. 2005-002 and 2020-004 dated April 14, 2015, and January 31, 2020, respectively, resulting in the overstatement of the PPE accounts by the same amount.	56.	The Municipal Accountant prepare the necessary adjusting entry to correct the accounting treatment of items small enough to be considered as PPE to Inventory accounts.	PPE Cleansing				Fully Implemented		
		57.	Henceforth, strict compliance to COA Circular No. 2005-002 dated April 14, 2005, and Section 4(ee) of COA Circular No. 2020-004 dated January 31, 2020, is enjoined.							
2020 ML Par. No.53, Page 16	The updated Annual Procurement Plan (APP), Notice of Awards (NOA), and other related information of goods amounting to ₱7,629,138.52 procured through emergency procurement out of the Bayanihan Grant to Cities and Municipalities (BGCM) were not submitted to and posted in the GPPB online portal contrary to Section 9 of GPPB Circular No. 01- 2020 dated April 6, 2020, and Section 4.1 of the DBM Local Budget Circular (LBC) No. 125 dated April 7, 2020, hence, accountability and transparency in the conduct of Emergency Procurement under the Bayanihan Act was not fully achieved.	58.	The LCE send a written notice to the Auditor and other government agencies stated under Section 4.4 of DBM LBC No. 125 dated April 7, 2020, on the posting of NOA, Contract or Purchase Orders and other necessary information in the GPPB Online Portal.							

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2020 ML Par. No.63, Page 19	The reasonableness of fuel consumption amounting to ₱499,969.32 as well as the propriety of the use of various vehicles purportedly used in response to COVID-19 emergency could not be determined because the supporting trip tickets lacked the required information while some were not submitted for audit purposes, contrary to Item 2 on the Specific Rules and Regulations of COA Circular No. 77-61 dated September 26, 1977. Moreover, Monthly Reports of Fuel Consumption of government vehicles were not prepared and submitted contrary to Item 4 on the Specific Rules of the Circular.	59.	The rules and regulations on the use of government vehicles be strictly implemented by requiring, for each and every trip, the driver's trip ticket which should contain all the required information prior to approval.	Require duly accomplished Trip Tickets	LCE/REQUISITIONING Office			Fully Implemented		
		60.	Likewise, Management ensure that the odometers of all vehicles are working properly to ascertain the distance travelled per trip, otherwise, indicate in the trip tickets the point of origin and the point of destination.	Repair odometers				Fully Implemented		
		61.	Management submit Monthly Report of Official Travels and Monthly Report of Fuel Consumption to the Auditor for verification purposes pursuant to the Manual on Audit for Fuel Consumption of Motor Vehicles (COA Circular No. 77-61 dated September 26, 1977).	Submit Monthly Fuel Consumption Report				Partially Implemented	Prepared but not submitted to the auditors on a monthly basis	
2020 ML Par. No.74, Page 21	Procurement of fuel under the Bayanihan Act totaling ₱499,969.32 was not supported with complete documentation contrary to the pertinent provisions of the Government Procurement Policy Board (GPPB) Circular No. 01-2020 dated April 6, 2020. Moreover, withdrawals of 5,250.20 liters of diesel from the supplier amounting to ₱173,479.05 were already made prior to the date of the Purchase Request (PR), hence, failing to establish transparency and efficiency in the procurement process.	62.	The Bids and Awards Committee (BAC) submit copies of the Mayor's/Business Permit and duly notarized OSS.							
		63.	The Municipal Accountant see to it that the required documents for negotiated procurement (emergency cases) are complete before payments are made in accordance with the provisions of GPPB Circular No. 01-2020 dated April 6, 2020.							
		64.	Likewise, the BAC submit an explanation for the withdrawal of the 5,250.20 liters of diesel before the PR was approved on May 26, 2020.							
		65.	Management strictly comply with RA No. 9184 and its Revised IRR and any relevant policies and issuances of GPPB on emergency procurement during the State of Public Health Emergency arising from COVID-19.							

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2020 ML Par. No.86, Page 28	The Municipality procured rice in the total amount of ₱1,999,795.50 out of the Provincial Aid from private suppliers instead of the National Food Authority (NFA) contrary to Section 1 of Executive Order No. 51 dated December 22, 1998, thereby, incurring prices of rice at commercial rate. Moreover, the liquidation report was not adequately supported with documentary requirements in violation of Sections 142 and 146 of COA Circular No. 92-386 dated October 20, 1992, and other existing rules and regulations, hence, the propriety and validity of the transaction could not be ascertained.	66.	Management consider forging a Memorandum of Agreement with NFA to ensure rice supply.							
		67.	Lastly, the Bids and Awards Committee (BAC) and other officials who approved the award and payment to submit explanations why they should not be held liable for the loss to the government of at least ₱375,000.00 arising from the purchase of rice from private suppliers at higher prices than that offered by NFA.							
2020 ML Par. No.90.2, Page 31	The distribution of rice to the affected households of the Municipality due to the COVID-19 pandemic was not adequately documented contrary to Sections 142 and 146 of COA Circular No. 92-386 dated October 20, 1992, and other existing regulations, thus, precluding evaluation to ensure that these were properly accounted for and distributed to the intended recipients.	68.	Management submit proof of receipt by and distribution of rice to the beneficiaries to ensure actual receipt of rice by the recipients pursuant to Section 123 of the New Government Accounting System Manual, Volume I.							
2020 ML Par. No.108, Page 38	Various expenses amounting to ₱213,486.49 were improperly charged to the 70% Local Disaster Risk Reduction and Management Fund (LDRRMF) contrary to Section 2.5.6 of DBM Local Budget Circular (LBC) No. 124 dated March 26, 2020 and Section 5.0 of NDRRMC, DBM and DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013, hence, reducing the funds available for disaster risk reduction and management activities.	69.	Management refrain from charging the aforementioned expenditures to the LDRRMF and, henceforth, utilize it for PPAs enumerated under NDRRMC, DBM, and DILG Joint Memorandum Circular No. 2013-01 dated March 25, 2013, to strengthen the capacity of the Municipality to avoid or mitigate the adverse effects of disasters or calamity.						Already refrain for using the 70% for the various expenses	Other expenses are already charged to General Fund
2020 ML Par. No.118, Page 40	The reporting requirements for in-kind donations were not complied with by the Municipality contrary to Section 1 of COA Circular No. 2020-009 dated April 21, 2020, thus, preventing timely validation of actual distribution and balances of the donated goods.	70.	The Municipality prepare and furnish the Auditor a copy of the (a) acknowledgment receipts of the donations in-kind; (b) proof of receipt by and distribution to the beneficiaries; and (c) inventory of remaining undistributed items, if any, in accordance with Section 1 of COA Circular No. 2020-009 dated April 21, 2020.							

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2020 ML Par. No.129, Page 42	The distribution of social amelioration under the Emergency Subsidy Program (ESP) through the Social Amelioration Programs (SAP) of the Department of Social Welfare and Development (DSWD) amounting to P22,134,000.00 was not properly supported with the documentary requirements prescribed under Item I.A(9) of the Memorandum of Agreement (MOA) dated April 3, 2020, and Section VII.A.1 of DSWD Memorandum Circular No. 09, series of 2020, dated April 9, 2020, hence, the effectiveness of the program could not be determined whether only those who suffered the greatest impact of the implementation of the community quarantine were given assistance.	71.	Management submit to the Auditor photocopy of the identification card with specimen signature of the beneficiaries and photos of the beneficiaries during the actual receipt of the assistance pursuant to Item I.A(9) of the MOA between the DSWD and the Municipality dated April 9, 2020 as well as any proof of authenticity provided under Section VII.A.1 of DSWD Memorandum Circular No. 09 series of 2020 dated April 9, 2020							
2020 ML Par. No.137, Page 45	The specific guidelines on the implementation of the Emergency Subsidy Program (ESP) through the Social Amelioration Programs (SAP) of the Department of Social Welfare and Development (DSWD) under Sections VI-B and VII(A) of DSWD Memorandum Circular No. 09, series of 2020 dated April 9, 2020 and Item I.A(3) of the Memorandum of Agreement (MOA) dated April 9, 2020, were not fully complied by the Municipality, resulting in the payment of SAP amounting to ₱30,000.00 to ineligible beneficiaries, like the job order (JO) and contracted personnel as well as those who had already received other assistance from the national government.	72.	Management refund the ESP assistance received by the JOs and other contracted personnel amounting to ₱24,000.00 as they are ineligible to receive the same pursuant to Section VI-B of DSWD Memorandum Circular No. 09 series of 2020 dated April 9, 2020	Management refund the ESP assistant				Fully Implemented		Amount returned to MTO
		73.	The family who received the SAP through ESP and UCT amounting to ₱6,000.00 shall be disqualified from receiving the next tranche of the cash assistance, if any, otherwise require the MSWDO to ensure that the amount shall be returned to the Municipal Treasurer.	The family who received the SAP				Fully Implemented		Amount returned to MTO
		74.	Henceforth, comply with applicable guidelines on the implementation of the ESP of the DSWD.							
2020 ML Par. No.151, Page 48	Management did not submit the Agency Action Plan and Status of Implementation (AAPSI) within 60 days from the date of receipt of the 2019 Annual Audit Report (AAR) contrary to Section 99 of the General Provisions of Republic Act (R.A.) No. 11260 dated April 15, 2019, the General Appropriations Act (GAA) of Fiscal Year (FY) 2019, precluding the Auditor from monitoring and validating the actions taken to implement audit recommendations, hence, the risk that deficiencies may continue to exist and, thus, affect the fairness of the presentation of the Municipality's financial statements as well as its operational efficiency.	75.	The Local Chief Executive direct all department heads concerned to submit their respective AAPSI on the CY 2019 AAR, and assign personnel to consolidate the same for submission to the Auditor							
		76.	Management strictly comply with the submission of the AAPSI within 60 days upon receipt of the AARs for the succeeding years.							

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2019 AAR AO No.5, Page 33	Wages of job order (JO) and contract of service personnel amounting to ₱974,379.45 were erroneously debited to Other Structures (1-07-04- 990) and Other Land Improvement (1-07-02-990) accounts contrary to Section 5.2 of COA Circular No. 2015-009 dated December 1, 2015 and Civil Service Commission (CSC), Commission on Audit (COA), Department of Budget and Management (DBM) Joint Circular No. 1, s. 2017 dated June 15, 2017, thereby, affecting the fair presentation of the Property, Plant, and Equipment (PPE) and expense accounts in the financial statements.	77.	The Municipal Accountant prepare the necessary adjusting entries to properly present the payment of wages of JO and contract of service personnel in the financial statements in accordance with COA Circular No. 2015-009 dated December 1, 2015 and CSC-COA-DBM Joint Circular No. 1, s. 2017 dated June 15, 2017.	JEV done				Fully Implemented		
2019 AAR AO No. 6, Page 35	Due to the various awards and recognitions received in CY 2019, the Municipality granted monetary awards under its Program on Awards and Incentives for Service Excellence (PRAISE) to all its 63 officials and employees amounting to ₱60,000.00 each without adhering to the pertinent provisions of Civil Service Commission (CSC) Memorandum Circular No. 01, s. 2001 dated January 26, 2001, thus, resulting in irregular expenditures totaling ₱3,780,000.00.	78.	Management submit a list of employees with special achievements recognized by an outside group, indicating the amount of monetary savings generated by their suggestions, inventions, superior accomplishments, and other personal efforts.							
		79.	Henceforth, adhere strictly to the provisions of CSC Memorandum Circular No. 1, series of 2001 in the granting of monetary awards under the PRAISE.							
2019 AAR AO No.7, Page 38	The Municipality conducted a five- day workshop on the formulation of its Executive Legislative Agenda (ELA) at Jelly's Haven Resort in Sta. Fe, Bantayan Island, Cebu City, in violation of the pertinent provisions of COA Circular No. 2012-003 dated October 29, 2012, and DILG Memorandum Circular No. 2011-59, resulting in extravagant expenditures amounting to ₱621,590.75	80.	Management observe the prudent use of their scarce resources by adhering to the limitations prescribed under COA Circular No. 2012-003 dated October 29, 2012, and DILG Memorandum Circular No. 2011-59 dated April 25, 2011, and, henceforth, conduct similar activities in the most economical manner possible to save funds for other development projects.							
		81.	Management require the officials and employees concerned to refund the excessive traveling expenses totaling ₱57,090.00 and stop the practice of allowing national government personnel to charge their traveling expenses against the municipal funds.	Refund done thru salary deduction				Fully Implemented		

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2019 AAR AO No.8, Page 42	The Municipality paid its 12 Public Health Workers (PHWs) hazard pay at fixed rates per month from January to September 2019 totaling ₱430,917.50 without the required proof of actual exposure to hazards and hardships pursuant to Department of Budget and Management (DBM) and Department of Health (DOH) Joint Circular No. 1, series of 2012 dated November 29, 2012, as amended by DBM-DOH Joint Circular No. 1, series of 2016 dated July 15, 2016 and Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 7305, and the documentary requirements prescribed under Section 5.8 of COA Circular No. 2012-001 dated June 14, 2012, hence, the validity and propriety of the payment could not be determined.	82.	The Municipal Accountant require all the PHWs to submit proof of actual exposure to specific health hazards and occupational risks, and documents required under Section 5.8 of COA Circular No. 2012- 001 dated June 14, 2012 to support their hazard pay.	According to MHO, he already has provided the proof of exposure to specific health hazards by showing to the auditor the logbook of health cases logged during the period				Fully Implemented		
2019 AAR AO No.10, Page 46	Salaries and wages of job order (JO) and contract of service personnel assigned in the Local Disaster Risk Reduction and Management Office (LDRRMO) amounting to P1,079,312.00 were charged to the Local Disaster Risk Reduction and Management Fund (LDRRMF) contrary to Section 4.0 of 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, and Section 5.0 of NDRRMC, DBM, and DILG JMC No. 2013-1 dated March 25, 2013, thus, significantly reducing the funds intended to support disaster risk management activities.	83.	Management stop charging the wages of JO and contract of service personnel, who performed administrative and maintenance works, to the 70% LDRRMF.							
		84.	Henceforth, utilize the fund for more worthy projects and programs that would strengthen the LGU's capacity to avoid or mitigate the adverse effects of disaster or calamity.							
2019 AAR AO No.11, Page 51	The Local Disaster Risk Reduction and Management Officer (LDRRMO) has not yet submitted the Monthly Report on Sources and Utilization of the Disaster Risk Reduction and Management Fund (DRRMF) for the months of January to June 2019 to the Auditor, contrary to Section 5.1.5 of COA Circular No. 2012-002 dated September 12, 2012, thus, preventing timely validation and monitoring of programs, projects and activities (PPAs).	85.	The Municipal Accountant prepare the Monthly Report on Sources and Utilization and include in the report all information required in Annex B of COA Circular No. 2012- 002 and require the MDRRMO to submit the said report on or before the 15th day after the end of each month to the Office of the Auditor.	Submit Monthly Report on LDRRM Utilization				Fully Implemented		Submission of Quarterly Report
2019 AAR AO No.14, Page 56	Per diems and travel expenses claimed exceeded the allowable amount in violation of the pertinent provisions of Executive Order No. 298 dated March 23, 2004, resulting in excess payment of ₱69,459.00. Moreover, liquidation reports totaling ₱18,665.00 were not completely supported with the required documents as provided under Section 1.2.4 of COA Circular No. 2012-01 dated June 14, 2012, thus, affecting the review and evaluation on the propriety of the subject transaction.	86.	Management require the concerned government employees refund the excess amount of per diems claimed for their travels and, henceforth, strictly comply with the provisions of the existing law, rules and regulations on travel.	Refund done thru salary deduction				Fully Implemented		

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2018 AAR AO No.5, Page 36	The eight disbursement vouchers (DVs) covering the payment of food items for the Supplemental Feeding Program (SFP) procured thru bidding totaling ₱940,640.50 were not completely supported with documentary requirements enumerated under the pertinent provisions of Republic Act (RA) No. 9184 and Section 9.1 of COA Circular No. 2012-001 dated June 14, 2012, hence, the integrity of the bidding process could not be properly evaluated.	87.	Management require the Municipal Accountant to, henceforth, ensure the completeness of supporting documents to the DVs covering payments of goods procured thru competitive bidding in accordance with the pertinent provisions of RA No. 9184 and Section 9.0 of COA Circular No. 2012-001 dated June 14, 2012.	Support the menu which the MSWDO later on submitted to the Auditor				Fully Implemented		
2018 AAR AO No.6, Page 38	Purchases of food items in connection with the implementation of the Supplementary Feeding Program-Cycle 7 were not supported with an approved menu but the same items with almost the same quantity were purchased for each feeding week for the period December 2017 to March 2018 contrary to DSWD Administrative Order No. 03 series of 2017 dated February 8, 2017.	88.	The MSWDO prepare the PRs for the procurement of food items based on the suggested cycle menu (Annex A of AO No. 04, series of 2016). If there be any modification thereof, the MSWDO is likewise required to attach in the DV the duly reviewed and approved menu by the MNAO/Nutritionists of the Field Office so that purchases of ingredients could be properly evaluated.	Support the menu which the MSWDO later on submitted to the Auditor				Fully Implemented		
2018 AAR AO No. 8, Page 44	The current year unexpended/ unobligated balance of the Quick Relief Fund (QRF) and the Local Disaster Risk Reduction and Management Fund (LDRRMF) Maintenance and Other Operating Expenses (MOOE) amounting to ₱1,965,805.80 was not transferred to the Special Trust Fund (TF) under the account "Trust Liability- DRRMF" contrary to Section 5.1.10 of COA Circular No. 2012-01 dated September 12, 2012. Moreover, in the prior years' only the unexpended QRF was credited to Trust Liability-DRRMF account in the General Fund instead in the TF, hence, overstating "Government Equity" and understating "Trust Liability-DRRMF" account in the General Fund and Trust Fund, respectively.	89.	The Municipal Accountant prepare a correcting entry to transfer the unexpended balances of the QRF and LDRRMF-MOOE from the General Fund to the Trust Fund books.	Though the 2018 balances was not transferred to Trust Fund but was booked as Trust Liability, funds were already appropriated and expended by the time of the Audit Observation. However, in the succeeding Years this observation was well noted and implemented				Fully Implemented		
		90.	Likewise, the Municipal Treasurer coordinate with the Municipal Accountant to ascertain the amount to be transferred to the Trust Fund in the issuance of check.							

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2018 AAR AO No. 11, Page 48	The Local Disaster Risk Reduction and Management Office (LDRRMO) did not maintain stock cards for relief goods totaling ₱129,919.00 purchased out of the Local Disaster Risk Reduction and Management Fund (LDRRMF) in CY 2018, hence, issuances thereof were not properly reported contrary to Item IV.A of COA Circular No. 2014-002 dated April 15, 2014 resulting in unaccounted goods worth ₱48,053.96. Moreover, based on the Acknowledgement Receipts (AR) submitted by the LDRRMO, goods amounting to ₱27,850.54 were distributed to the job order personnel of the LDRRMO, thus, defeating the purpose of stockpiling emergency supplies.		We recommended that the LDRRMO							
		91.	henceforth, maintain stock cards to record the purchases and issuances of relief goods to monitor the movement of goods stored in the stockroom;	Stock Cards are prepared				Fully Implemented	Stockards are maintained	Stockards and inventory are monitored.The ldrrm have already a moa for food and non food items
		92.	submit the RDS to account for the relief goods costing ₱49,788.30; and							
		93.	submit the RDS to account for the relief goods costing ₱49,788.30; and							
2018 AAR AO No. 12, Page 51	Programs, projects, and activities (PPAs) included in the Gender and Development (GAD) Plan and Budget for CY 2018 with appropriations totaling₱2,150,000.00 did not clearly address gender-related issues, contrary to Section 4.C.14 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) Joint Memorandum Circular No. 2013-01 dated July 18, 2013, thus, failing to ensure gender equality and empowerment of women.	94.	Management require the GAD Focal Person to carefully identify and include in the GAD Plan and Budget only PPAs that would address gender issues and concerns. Henceforth, stop using GAD funds for projects that are not gender-related.	GAD Programs and Projects were prepared in accordance to law and with approval from DILG				Fully Implemented		The GFPS especially the GAD Focal Person carefully identify and include in the GAD Plan & Budget the PPA's that address the gender issues and concerns
2017 AAR AO No.1, Page 22	The Municipality did not comply with the rules and regulations regarding the grant, utilization, and liquidation of cash advances under COA Circular No. 97-002 dated February 10, 1997, hence, the accumulation of unliquidated cash advances for travel and operating expenses totaling ₱321,277.70 as at year-end, ₱234,405.42 of which have been outstanding for over one year and above, which could possibly result in the overstatement of the assets and equity accounts.	95.	Management strictly observe the regulations on the grant, utilization and liquidation of cash advances pursuant to COA Circular No 97-002 dated February 10, 1997		ACCTNG/MTO			Fully Implemented		
		96.	Management demand from concerned employees for the immediate settlement of their cash advances.	Demand Letters were sent to Officials with Outstanding Cash Advances				Fully Implemented		

MUNICIPALITY OF AMLAN
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
Audit Observations and Recommendations
For the Calendar Year 2024
As of ______________

Ref.	Audit Observations		Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial / Delay / Non-Implementation, if	Action Taken / Action to be Taken
				Action Plan	Person / Dept. Responsible	Target Implementation				
						From	To			
2017 AAR AO No.2, Page 24	The establishment and maintenance of the Petty Cash Fund (PCF) were not in accordance with the pertinent sections of the Manual on the New Government Accounting System (NGAS) for Local Government Units (LGUs), Volume I and COA Circular No. 97-002 dated February 10, 1997, thus, using the Fund for regular and recurring expenses.	97.	We recommended that the Municipal Accountant see to it that: (a) the grant of initial cash advance for the PCF is supported with authority by the Local Chief Executive and estimate of expenses; (b) replenishment of the cash advance is made only when the disbursements reach at least 75%, or as the need requires, by submitting a replenishment voucher supported by PCVs and other documents duly summarized in a report of disbursements; and (c) the PCF is not used for regular expenses, such as rentals, subscription, utilities and the like.		ACCTNG			Fully Implemented		
2017 AAR AO No.6, Page 32	The LCPC in the Municipality is not fully operational, thus, failing to monitor the programs and projects that would have ensured the development of children and protection of their rights, contrary to DILG MC No. 2005-07 dated February 1, 2005.	98.	The Chairman of the LCPC see to it that the Council perform its functions in accordance with the DILG MC No. 2005-07 dated February 1, 2005.	Functional LCPC				Fully Implemented		
2016 AAR AO No.2, Page 24	Cash advances for the payment of salaries, wages, and allowances amounting to ₱4,095,163.20 were not supported with complete documents contrary to Section 1.1 of COA Circular No. 2012-001 dated June 14, 2012, thus, the validity of the claims could not be ascertained.	99.	The Municipal Treasurer require the Disbursing Officer to submit the lacking documents and henceforth, strictly comply with the documentary requirements enumerated under Section 1.1 of COA Circular No. 2012-01 dated June 14, 2012.	Documents already submitted by the Treasurer at that time.				Fully Implemented		
2015 AAR AO No. 6, Page 28	Taxes withheld amounting to ₱236,384.51 in the Special Education Fund and the Trust Fund were not remitted to the Bureau of Internal Revenue (BIR) within the reglementary period in violation of Revenue Regulation No. 6-2001 resulting in possible incurrence of interest/penalty for late payment and depriving the government of the much-needed funds for national growth and development.	100.	The Municipal Treasurer remit the amount of withholding taxes to the BIR in accordance with the rules and regulations to avoid penalties and interest that might be imposed on late remittances.	Remittance of Taxes done regularly on a monthly basis				Fully Implemented		
2014 AAR AO No.3, Page 20	Productivity Enhancement Incentive (PEI) granted to officials and employees of the municipality of Amlan amounting to ₱1,200,000.00 exceeded the ₱5,000.00 allowable amount per personnel, resulting in a total excess of ₱900,000.00, violating DBM Budget Circular No. 2014-3 dated December 2, 2014, which implements E.O. No. 80 dated July 20, 2012, hence depriving the municipal government of utilizing such excess funds for other lawful purposes.	101.	The Local Chief Executive, together with the Sangguniang Bayan, require a refund of the excess payment and discontinue the granting of PEI in excess of the allowable maximum rate of ₱5,000.00 per personnel, as provided for in Section 1.a of E.O. No. 80 dated July 20, 2012, to avoid overpayment.	Refund done thru salary deduction				Fully Implemented		

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				Action Plan	Person / Dept. Responsible	Target Implementation				
						From	To			
2013 AAR AO No.5, Page 25	The Municipal Government of Amlan made an advance payment on sand and gravel procured for the Improvement of Cantalina- Penusuan-Tuybo Road totaling ₱252,358.45 before these were delivered contrary to section 88 (1) of Presidential decree No. 1445, which could have resulted to possible loss of government funds had the delivery of materials had not taken place at all.	102.	The Municipal Treasurer desist from making advance payments in accordance with Item 4, Annex D of the Revised IRR of RA 9184.	No more advance payments were made to suppliers				Fully Implemented		
		103.	The Property and Inspection Officer must submit a written explanation on the discrepancy noted between the date the Acceptance and Inspection Report was signed by them and the actual dates of delivery of the materials per delivery receipts.	Explanation submitted during his term				Fully Implemented		
2013 AAR AO No.6, Page 28	Had the Municipal Government of Amlan not fully paid Earthworks Construction & Supply for the procured construction materials before their complete delivery, it could have imposed and collected liquidated damages on delayed deliveries totaling ₱140,664.02 in accordance with Paragraph 3.1, Annex D of the Revised Implementing Rules and Regulations of Republic Act No. 9184.	104.	The Municipal Treasurer immediately collect the liquidated damages amounting to ₱140,664.02 less the amount of the performance security, if there is still any, from Earthworks Construction & Supply for the delayed deliveries of construction materials.	Liquidated Damages collected				Fully Implemented		
2011 AAR	Municipal officials in calendar year 2010, granted excessive Productivity Enhancement Incentive (PEI) to its officers and employees at ₱21,000.00 each in excess of the maximum allowable amount of ₱10,000.00 per employee as stipulated under DBM Budget Circular No. 2010-3 dated November 30, 2010, thus, resulting in irregular and excessive disbursements in the total amount of ₱748,000.00	105.	Immediate refund in full of the amounts received in excess of what is authorized in DBM Budget Circular No. 2010-3 totaling ₱748,000.00.	Refund done thru salary deduction				Fully Implemented		

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2010 AAR	The municipality could have earned additional income from the sale of its unserviceable properties with a book value of ₱359,846.58 had these items been auctioned to the public, instead of keeping and/or allowing them to be exposed to natural and man-made elements thus resulting in complete deterioration and deprived the municipality if additional revenue which may have been made to available to finance other projects. In addition, these properties were not reclassified from the PPE account to the Other Assets account, thereby, overstating the former account and correspondingly understating the latter account by the same amount.		Management consider the disposal of its unserviceable properties.							
		106.	The Municipal Treasurer prepare the IIRUP with the appraisal of each item made by an appraisal committee for the purpose and have those items inspected and approved by the Regional Technical and Information Technology Services, COA Region VII	PPE Cleansing	MTO/ACCTNG/INVENTORY COMMITTEE			On-going	PPE Cleansing is still on-going	
		107.	The Municipal Treasurer undertake the disposal of the unserviceable properties following the procedures and guidelines provided under Sections 502-505 of the Government Accounting and Auditing Manual, Volume I. Furthermore, for a fair presentation of accounts in the financial statements, we require the municipal accountant to reclassify the unserviceable properties based on the IIRUP to Other Assets account.							
		108.	Management require the Office of the Municipal Treasurer and the Municipal Accountant to drop the amounts of the unserviceable property from their books after disposal, and the municipal accountant to record the proceeds of the auction sale, if any.							
2010 AAR	Purchase Orders (POs)/Job Orders (JOs)/contracts and its related supporting documents were not submitted to COA within five (5) working days from issuance contrary to COA Circular No. 2009- 001 dated February 12, 2009, thus precluding the timely review thereof.	109.	Management submit a copy of the Purchase Order/Job Orders/Contracts and each of all the related supporting documents within five (5) working days from its execution to enable the timely review thereof.		MTO					
2008 AAR	Several lots of the Municipality with a total market value of ₱3,209,760.00 were not recorded in the books of accounts in violation of Section 72 of the New Government Accounting System (NGAS) Manual for LGUs, Volume II, thus, understating the assets of the Municipality. Moreover, there were lots owned by the local government unit with no certificates of title which contravenes Section 148 of COA Circular No. 92-386.	110.	Management require the Municipal Assessor, as well as the Municipal Treasurer to the convene the Provincial Appraisal Committee to immediately act in the determination of the value of the unrecorded lots. Also direct them to process the titling of the lots owned by the Municipality and for the Municipal Budget Officer to allocate funds for the titling thereof.	Convene Provincial Appraisal Committee	LCE/MTO/ASSESSOR/ACCTNG			Not Implemented	Appraisal incomplete	
		111.	Likewise, instruct the Municipal Accountant to review the land account and record only in the books of accounts those lots that are owned by the municipality. Moreover, the value of the lots which will be determined by the Provincial Appraisal Committee shall also be recorded in the books of accounts to avoid understatement of assets.							

Agency sign-off:

MARIE JUN Q. MATURAN
Municipal Accountant

September 30, 2025
Date

Note: Status of Implementation me either be (a) Implemented, or (b) Unimplemented