ACTION PLAN MONITORING TOOL

Sector:	LGAS F - Province of Negros Oriental 1	Prepared By:	ROSARIO B. VILLALUZ	Date:	10.25.2025
Team:	R07-02	Reviewed By:	ROSARIO B. VILLALUZ	Date:	10.25.2025
Agency Audited:	LGU - Dumaguete City	Approval By:	KATHERINE Z. VELEZ	Date:	
Audit Period:	CY 2024				
AAR Date (received):	06.27.2025				
AAPSI Date (received):	08.25.2025				

Ref	Audit Observations	Audit Recommendations	AGENCY ACTION PLAN						COA MONITORING				
			Action Plan	Person/Dep't. Responsible	Target Implementation Date		Reason for Partial/Delay/Non-Implementation, if applicable	Action Taken/Action to be Taken	Date of follow up	Status of Implementation	Actual Implementation Date		REMARKS
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AAR 2024 Par. No. 1	The existence and accuracy of the inventory accounts totaling ₱109,420,217.02 as of December 31, 2024 could not be fully ascertained because of the non-conduct of a physical count of inventories, incomplete report of issuances, incomplete Supplies Ledger Cards (SLCs) and Stock Cards (SCs), and inclusion of dormant items amounting ₱19,815,169.11, thus, overstating the asset and equity accounts	We reiterated our recommendations that Management: a. Require the Inventory Committee to conduct an actual count of inventories, prepare the RPCI, and submit the same to the Office of the Auditor, pursuant to Section 124 of the Manual on NGAS	Conduct an inventory count of inventories	CGSO, Inventory Committee	July 2025	present	To update the Inventory Committee under the new administration	The new and current administration will issue an Office Order/Executive Order on the composition of the new Inventory Committee.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		b. Ensure that CGSO maintains and consolidates property records of all inventory accounts, and the CGSO and the City Accountant reconcile both property and accounting records	CGSO: Property records are being updated and submitted to CAO for reconciliatiion	CGSO, CAO	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.	Property records of all inventory accounts are currently being updated to be forwarded to City Accountant for reconciliation.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		c. In coordination with CGSO, institutionalize the use of RIS in accordance with the inventory process in the control of inventory detailed in Section 122 of the Manual on NGAS	CGSO: RIS maintained for fue, oil and lubricants. In 2025, to maintain RIS for supplies. To coordinate with offices accountable for other inventory accounts.Instruct all offices to regularly submit RIS so CGSO can consolidated in an SSMI for submission to CAO.	CGSO, CAO	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.	CGSO is maintaining RIS for its fuel, oil, and lubricants inventory account. For office supplies inventory, the use of RIS was not maintained since purchases of office supplies during the previous years were made by different offices/departments. Now that the budget for office supplies is reverted to the CGSO, the utilization of Stock Cards and RIS starting 2025 is resumed. Please see attached SSMI, RIS, and partial Stock cards for the	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		d. Instruct the CGSO to consolidate weekly the RIS using the SSMI and submit the same to the Accountant as the basis for proper recording of expenditures using appropriate expenditure accounts	Consolidation of RIS for submission and reconciliation with the CAO's records.	CGSO, CAO	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.	Other inventory accounts such as accountable forms, plates, and stickers, food supplies inventory, medical dental and laboratory inventories, among others, the CGSO will closely coordinate with the offices accountable for such inventories for proper consolidation in CGSO's SSMI. Concerned offices were already instructed to maintain RIS for submission to CGSO. The consolidated SSMI will then be submitted to the City Accountant for proper recording in its books of accounts. As for the budget office, adjustnment were taken up in March 2025.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		e. Examine all dormant accounts and, where applicable, request for relief of accountability for inventories that are lost, missing, and/or cannot be located	CAO: Review dormant accounts and adjust the books of accounts appropriately	CGSO, CAO, Budget	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.		08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2024 Par. No. 2	The accuracy and reliability of the Road Networks account totaling ₱97,548,062.80 could not be ascertained due to incomplete inventory reports, ledger and property cards, absence of depreciation and non-disclosure of the total road networks in the Notes to the 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 to enjoin the concerned department heads to take the following actions: a. The Inventory Committee conducts an annual physical count of all LRN, and the results thereof are reported in the RPCLRN, which is to be submitted to the Auditor and Accounting unit not later than January 31 of each year. The RPCLRN shall be reconciled with the	Conduct an inventory count of LRNs.	Inventory Committee	July 2025	present	To update the Inventory Committee under the new administration	The new and current administration will issue an Office Order/Executive Order on the composition of the Inventory Committee.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		b. The City Engineer provides the City Accountant and the CGSO with a complete description and segregation of all road components for road projects, ensuring proper cost allocation and asset valuation;	City Engineer to provide the City Accountant and the CGSO with the required details of the LRNs.	CEO	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.	Ongoing compliance with this recommendation.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		c. The CGSO keeps complete and updated LRNPC for all roads and their components, ensuring compliance with the required documentation standards;	CGSO: Coordinate with CEO for submission of updated LRNPCs. CEO: pledged to submit complete report by end of CY 2025	CGSO	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.	CGSO: Partial Report on the Physical Count of Local Road network and Local Road Network Property Cards were submitted.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		d. The City Accountant maintains the LRNLC, provides depreciation for all depreciable components of the road network, and discloses the total road network system in the Notes to the FS, following the prescribed format in COA Circular No. 2015-008.	CAO: To await detailed information from CGSO/ Inventory Committee after physical count and CEO's segregation in detail of all road components for proper cost allocation and asset valuation. To disclose in the notes to the FS once data/information is complete and detailed.	CAO	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.	Full compliance with this recommendation upon the availability of related data and records.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2024 Par. No. 3	Various maintenance and operating expenses, amounting ₱55,893,386.84, were lumped under .the Other Maintenance and Operating Expenses account, instead of being classified under the appropriate expense accounts, inconsistent with Paragraph 17 of International Public Sector Accounting Standards (IPSAS) 1 and COA Circular No. 2015-009 dated December 1, 2015, thus, affecting the fair presentation of the affected accounts in the financial statements as of year-end.	We recommended that the City Budget Officer, in coordination with the City Accountant, enforce and institutionalize the proper use of accounts in accordance with COA Circular No. 2015-009 when consolidating the City's annual budget by developing comprehensive SOPs that outline the proper procedures for budget preparation, expense classification and monitoring for each office, unit or department. This will ensure proper and appropriate recording of all expenditures in the books of accounts in compliance with the IPSASs.	CAO and CBO: To reflect proper charging in CY 2026 proposed budget.	CBO	July 2025	present	Awaiting for 2026 budget.	To effect proper charging in the 2026 budget.	08.04.2025	For implementation			Audit Team to monitor/validate again after receipt of copy of CY 2026 Budget.

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AAR 2024 Par. No. 4	The inadequate monitoring of fund transfers to various NGOs/POs since 1994 has led to an accumulated balance of ₱46,497,781.78, which contradicts COA Circular 2007-001 dated October 25, 2007, and adversely affects the reliability of the year-end financial statement account balances	We recommended that the concerned personnel at the CAO, in coordination with the Sectoral Desk Office and City Social Welfare and Development Office (CSWDO): a. Conduct a thorough review of outstanding balances and consider factors such as the age of receivables and any specific circumstances that affect collectability. If necessary, establish impairment allowances to reflect the real recoverable value of this	Review and reconcile the outstanding balances of this account for proper adjustment or resolution.	CAO, CSWDO	July 2025	present	Incomplete documents submitted by the concerned entities	Repeated reminder to to the concerned entities to submit and comply their documents for the conduct of a thorough review.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		b. Investigate and conduct a full review of the balances under Due from NGOs/POs account, including a thorough examination of Memorandum	Review and reconcile the outstanding balances of this account for proper adjustment or resolution.	CAO, CSWDO	July 2025	present	Incomplete documents submitted by the concerned entities		08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		c. Upon assessing the condition and status of each grant, establish a comprehensive monitoring schedule to track progress and facilitate actions for resolutions of the same;	To establish comprehensive monitoring schedule. However, due to lack of manpower, this may take some time to comply.	CAO, CSWDO	July 2025	present	Manpower constraints.		08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		d. Reclassify the unidentified entries and non-interest-bearing notes, amounting ₱8,571,088.34 and ₱2,075,190.60, respectively, currently recorded under Due from NGOs/POs to Other Receivables account.	Prepare journal entry to reclassify the entries.	CAO	July 2025	present		Reclassified the entries per JEV entry GJ# 100-2025-03-0107	08.04.2025	Implemented	Mar-25		
		e. Consider implementing the one-time cleansing of all dormant accounts under COA Circular No. 2023-008 dated August 17, 2023.	Conduct one-time cleansing of dormant accounts.	CAO, CGSO and all departments	July 2025	present	To update the set of dedicated personnel to work on the one-time cleansing under the new administration.	The new and current administration will issue an Office Order/Executive Order on the new set of personnel in charge to do this task.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2024 Par. No. 5	Completed projects funded by the 20% EDF amounting to ₱45,718,667.86, still remained in the CIP Accounts, inconsistent with Paragraph 27 of IPSAS 1 and Section 50 of the NGAS Manual for LGUs, Volume I, thereby overstating the CIP account and understating the Property, Plant and Equipment (PPE) and Depreciation Expense accounts.	We recommended that the City Engineer and City Accountant designate personnel to oversee the verification of project completion under the 20% EDF, through comprehensive review and retrieval of relevant documents to facilitate the timely liquidation process and ensure accurate recording of completed projects.	CAO: Designate personnel to oversee the verification of all completed projects and establish process on the proper recognition and recording in the books of accounts.		July 2025	present		In 2024, reclassified completed projects totaling P43,310,492.90 (GJ JEV #s 100-2024-08-0445, 100-2024-09-0506, 100-2024-11-0606). Personnel already assigned to focus on the liquidation and reconciliation with the City Engineers Office to fast track the recording of completed projects.	08.04.2025	Ongoing Implementation			To update on the reclassification as of August 30, 2025
		We further recommended that the City Accountant, in coordination with the CEO, CGS Officer, and City Budget Officer obtain the required documentation of the identified completed projects amounting to ₱45,718,667.86 and effect the necessary adjustments to reclassify completed projects into their appropriate PPE accounts while recognizing the corresponding depreciation for each completed project.		CAO, CEO, CGSO, CBO	July 2025	present		From Jan-Aug 2025, completed projects under 20% DF costing P39,129,000.00 were reclassified. (GJ JEV #5 100-2025-04-161, 100-2025-07-613, 100-2025-08-629)	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2024 Par. No. 6	Tangible items below ₱50,000.00, accounted as semi-expendable property, totalling ₱45,600,127.26, are included in the PPE account due to the non-implementation of the change in accounting policy retroactively, inconsistent with COA Circular No. 2024-006 dated March 14, 2024, thus, affecting the fair presentation of the PPE account in the financial statements	We recommended that the CAO review all items lodged in the PPE account, filter tangible items below ₱50,000.00 to be accounted for as semi-expendable property, and thereafter effect necessary adjustments in the books of accounts.	CGSO: Prepare necessary form (Semi-Expendable Property Card Inventory form) CAO: Review the composition of items; will be addresssed upon complete reconciliation for the one-time cleansing of PPE		July 2025	present		To review composition of items and reclassify to their proper accounts upon completion of reconciliation	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2024 Par. No. 7	The Buildings, Hospitals and Health Centers, and Motor Vehicles accounts of the City include items, totaling ₱4,655,979.35, that do not meet the asset recognition criteria, contrary to IPSAS 1 and 17, and Section 4.2 of COA Circular No. 2020-006 dated January 31, 2020, thus affecting the fair presentation of these accounts in the financial statements	a. Require the City Accountant, in coordination with the Barangay Office Affairs (BAO) and the Liga ng mga Barangay, to obtain documents of ownership of properties and conduct a thorough examination of the ownership status of the land on which the subject infrastructure assets are situated, particularly those identified in Appendix 8 of AAR 2024;	Secure related documents		July 2025	present	The one-time cleansing is highly meticulous and time-consuming process.	Scheduling of the one-time cleaning.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
		b. Upon verification of ownership, consider facilitating the necessary steps to transfer the identified assets directly utilized by the respective barangays through donation, in accordance with Section 381 of RA No. 7160 and other relevant provisions, to ensure that the individual in actual physical possession thereof is held responsible for their proper use, maintenance, and accountability;	Facilitate the necessary steps to address this concern		July 2025	present	Awaiting availability of required documents.		08.04.2025	Not Implemented			Audit Team to monitor again after December 31, 2025.
		c. Require the City Accountant to prepare the necessary adjusting entries to reclassify items, totaling ₱4,655,979.35, that do not meet the asset recognition for PPE, pursuant to IPSAS 17 and Section 4.2 of COA Circular No. 2020-006 dated January 31, 2020, to present fairly the affected accounts in the financial statements;	Prepare the necessary adjusting entries	CAO	July 2025	present	Awaiting availability of required documents.		08.04.2025	Not Implemented			Audit Team to monitor again after December 31, 2025.
		d. Require the City Accountant, through BAO, to ensure that the necessary adjustments are also reflected in the barangay's books of accounts.		CAO	July 2025	present	Awaiting availability of required documents.		08.04.2025	Not Implemented			Audit Team to monitor again after December 31, 2025.
AAR 2024 Par. No. 8	The reported balance of the Biological Assets account, totaling P1,123,860.00, is uncertain due to: (a) incomplete and unreconciled inventory count; (b) dormant accounts exceeding ten years; (c) non-	a. The Inventory Committee and the CGSO to prioritize the reconciliation of the RPCPPE with the accounting records	CGSO: Subject to ongoing one time cleansing of PPE	CGSO, Inventory Committee, CAO	July 2025	present	The one-time cleansing is highly meticulous and time-consuming process.	Scheduling of the one-time cleaning.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.

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	maintenance of required ledger and property cards; and (d) the lack of recognition and measurement of stocks in accordance with IPSAS 27, thus affecting the accurate presentation of the accounts in the financial statements.	b. The City Agriculturist to conduct an inventory of biological assets and render a report thereon, including the fair market value of each stock, to the City Accountant for proper recording in the books of accounts and to henceforth, keep a systematic record of births, deaths, and disposal of breeding stocks. In case of death or disposal, he shall facilitate the request for relief of accountability in accordance with Sections 151 and 152 of COA Circular No. 92-386 dated October 20, 1992, for dropping the account from the books;	CGSO/ City Agri: Maintain the required WAOBSPC	City Agriculture Office	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.		08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
		c. The City Accounting Office to maintain and update the WOABSLC monthly using the reports submitted by the City Agriculturist and require, as well, the CGSO to maintain the WOABSPC as a reference for identifying each animal in the conduct of physical inventory as well as for reconciliation with accounting records.	CAO: Maintain required reports using required templates. Upon reconciliation, adjust books of accounts.	CAO	July 2025	present	Ongoing updating and reconciliation of records, which required careful verification and validation of data.	Recorded P514,846.00 of breeding stocks in the books of accounts per reports as of March 2025.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
AAR 2024 Par. No. 9	One hundred twenty-one (121) parcels of land of undetermined value, acquired through donation, were not recorded in the books due to delays of concerned offices in providing the City Accountant with the Deeds of Donation, valuation reports, titles, and other supporting documents, contrary to Section 63 of PD No. 1445, thereby understating both the asset and equity accounts as at year-end.	We recommended to enhance the coordination and communication between the City Legal Office (CLO), City Assessor's Office, City General Services Office (CGSO) and CAO to expedite property valuation and documentation process by establishing a tracking system or timeline for property documentation. A focal person from each office could be designated to oversee the timely submission and follow-up on any missing documents.	CGSO: Coordinate with CLO, City Assessor's Office and CAO to discuss strategies to fast-track the recording in the books of accounts the 121 parcels of land in question. CLO: Land titles can serve as valid basis for recording the properties in the City's books of accounts, despite not having a new Tax Declaration CAO: After coordination, adjust books of accounts to record donated land	CGSO, CLO, CAO, City Assessor's	July 2025	present		114 out of 121 land were already recorded in the books of accounts per GJ JEV #s 100-2025-03-0109, 100-2025-03-0110 and 100-2025-03-0111. The CLO has already expedited processing of transfer of title/annotation of donated properties from Donors to the City.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2024 Par. No. 10	The LDRRMF has ₱12,052,699.82 in continuing appropriations for capital outlay that remained unutilized as of year-end due to inadequate monitoring of the implementation of 26 projects, which deviated from Items 5.1.5 and 5.1.11 of COA Circular No. 2012-002 dated September 12, 2012, thereby posing risks that the City may not be adequately prepared for the adverse impacts of disasters and calamities	We recommended that the City Disaster Risk Reduction and Management Officer (CDRRM Officer), City Engineer, and City Accountant designate personnel to oversee the verification of completion of the 26 projects under the LDRRMF CA – CO of CYs 2016-2019, through comprehensive review and retrieval of relevant documents to facilitate a timely liquidation process. Furthermore, we recommended that, upon project completion and proper liquidation, the City Accountant make the necessary accounting entries to transfer the assets to the GF.	CAO: designated personnel to oversee the verification of all completed projects and establish a system on the process of proper recognition and recording in the books of accounts.	CDRRMO, CEO, Accounting	July 2025	present		City Accounting has designated a personnel to fast track the reconcilation, liquidation, snf transfer of completed projects.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
AAR 2024 Par. No. 11	Disbursements amounting ₱9,886,775.97 for the payment of salaries and wages to casual/job order personnel were not supported with basic documentary requirements, as required under Section 1.2.1 of COA Circular No. 2012-001 dated June 14, 2012, thus validity of the claim and the legality of the transactions cannot be fully ascertained	We recommended that the CAO should see to it that disbursements for payment of salaries and wages of casual and job order personnel are completely supported with proper documents, as prescribed under COA Circular 2012-001 dated June 14, 2012, before payments are made to avoid issuance of Notices of Suspension.	CAO: To follow COA Cricular 2012-001 dated 6/14/2012 on the documentary requirements for cash advances. CHRMO: Issue Memorandum to attach JO Accomplihsment Reports to the respective payrolls.	CHRMO, CAO	July 2025	present		CHRMO: Issued Memorandum dated 3/12/2025 re JO Personnel Accomplishment Report. Accounting Office to make sure that the documentary requirements are attached to disbursement of salaries and wages.	08.04.2025	Implemented.	Mar-25		
AAR 2024 Par. No. 12	12. The unutilized portion of the LDRRMF in the STF for CYs 2010 to 2017, amounting to P2,502,410.50, has not been reverted to the GF even after the lapse of the five-year period, primarily due to insufficient monitoring of obligations and corresponding liquidations, contrary to Item 5.1.13 of COA Circular No. 2012-002 dated September 12, 2012, thereby preventing the City from making available the said funds for other social services	We recommended that the CDRRM Officer, City Engineer, and City Accountant assign personnel to oversee the verification of project completion for programs and projects under the STF, through a comprehensive review and retrieval of relevant documents to facilitate the timely liquidation process and ensure accurate recording of completed projects	LDRRMO: Designation of personnel to oversee the verification of completion of 26 projects under the LDRRMF CA-CO Cys 2016-2019, and the STF CYs2010-2017 - Dems Rey Demecillo and Jumerie Callao Conferred with CEO regarding the expedition of the projects, and the retrieval of documents for possible liquidation of the STF IAs whose PPAs are charged to LDRRMF shall report to the CDRRMC, the status and progress of their PPAs	CDRRMO, CEO, Accounting	July 2025	present	Reconciliation is still ongoing for unsettled obligation and may take time due to availability of supporting documents considering that a length of time has passed from date of obligation/transaction.	Issued communication to CEO requesting for the Certificate of Completion of projects charged to STF LDRRMF 2010-2017 to make necessary adjusting entry for the reclassification of completed projects.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.

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		We further recommended that the City Accountant revert the unutilized funds, specifically those transferred from 2010 to 2017, to the GF, in compliance with COA Circular No. 2012-002 dated September 12, 2012, for other social services as may be authorized by the local sanggunian.	CAO: Designate personnel to oversee the verification of all completed projects and establish process on the proper recognition and recording in the books of accounts. Issued communication for the liquidation of PPAs of various offices regarding the settlement of unpaid obligations and liquidation of projects, in order to facilitate the adjustments in the books of accounts.		July 2025	present		To continue coordination with the implementing offices for the settlement of unpaid obligations.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
AAR 2023 Par No. 1	The year-end balance of the City's Property, Plant and Equipment (PPE) accounts could not be fully ascertained due to an unreconciled difference of ₱1.61 billion between the accounting and property records, which goes against Paragraph 27 of the International Public Sector Accounting Standards (IPSAS) 1, and affects the fair presentation of the PPE accounts in the financial statements.	We recommended that Management: a. Require the Inventory Committee to fully implement the one-time cleansing of PPE account balances per COA Circular No. 2020-006 dated January 31, 2020, to facilitate the reconciliation of year-end PPE balances; and	To ensure the reconciliation process is completed by July 31, 2025. The actual inventory count will begin immediately after reconciliation, Executive Order for the OTC-Inventory Team and Property inventory Plan are finalized.	CMO, City Administrator's Office, CAO, GSO, IASU	July 2025	present	The reconciliation of records is a highly meticulous and time-consuming process.	The new and current administration will issue an Office Order/Executive Order on the composition of the Inventory Committee.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
		b. Direct the CAO and CGSO to designate focal persons for each office who will diligently reconcile their records and subsequently make necessary adjustments to their respective property records.	Designated CAO and GSO personnel are currently reconciling Property, Plant & Equipment records.	CAO, GSO, IASU	July 2025	present		The reconciliation of GSO's property records with CAO began last July 16, 2024, and is still ongoing.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
AAR 2023 Par. No. 2	Completed projects and unidentified cots totaling ₱23.02 million and ₱138.12 million, respectively, remained in the Construction in Progress (CIP) accounts, inconsistent with Paragraph 27 of IPSAS 1 and Section 50 of the NGAS Manual for LGUs, Volume I, thereby overstating the CIP account and understating the related asset and expense accounts.	We recommended that Management: a. The CEO expedite the preparation of the Fuel Consumption Reports, Report of Completed Projects, and the COCs and regularly provide the CAO with copies thereof monthly; and	To expedite the preparation of the Fuel Consumption Reports and COCs and regularly submit to CAO	CEO	July 2025	present		The preparation of Fuel Consumption Report and COCs were highlighted during the meetings conducted for the One-Time Cleansing to address long-overdue CIP accounts.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
		b. The CAO assign personnel to focus on verifying the items for identification included in the CIP account and to effect the necessary adjustments for reclassifying these projects into their appropriate PPE accounts while recognizing the corresponding depreciation and accumulated depreciation for each completed project.	To continue the reconciliation and liquidation process with the CEO so as to effect the adjustments and reclassification.	CAO, CEO	July 2025	present		Closing the CIP account and adjustment to the proper asset account has been made in the total amount of P1,151,191,38 per JEV # 100-2024-06-0131 dtd. June 28, 2024.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2023 Par. No. 3	The City has not yet fully complied with the one-time cleansing requirement for its PPE account as mandated by the Commission on Audit (COA) through COA Circular No. 2020-006 dated January 31, 2020. As a result, the accuracy of the PPE balances cannot be established, which affects the fairness of the presentation of the affected accounts in the financial statements.	We recommended that the City Government carry out the one-time cleansing of PPE per COA Circular No. 2020-006 dated January 31, 2020, to ensure that the PPE balances are accurate and that the affected accounts are fairly presented in the financial statements.	To ensure the reconciliation process is completed by July 31, 2025. The actual inventory count will begin immediately after reconciliation, Executive Order for the OTC-Inventory Team and Property inventory Plan are finalized.	CMO, City Administrator's Office, CAO, GSO, CEO, IASU	July 2025	present	The reconciliation of records is a highly meticulous and time-consuming process.	The new and current administration will issue an Office Order/Executive Order on the composition of the Inventory Committee. Currently, there is an ongoing reconciliation of PPE records of CGSO and CAO. 1. Started the reconciliation of GSO's property records with CAO last July 16, 2024. 2. Office space and equipment to be used for the reconciliation are prepared. 3. Reconciliation with CAO and CEO on the CIP accounts is ongoing.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
					July 2025	present		The one-time cleansing activity was initiated on May 31, 2024. Series of meetings were conducted among concerned offices. However, upon evaluation, it was determined that reconciling records among the GSO, Accounting, and CEO offices would take longer than expected. Currently, the reconciliation of records for movable items is approximately 50% complete. The process will continue until July 31, 2025.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
AAR 2023 Par. No. 4	The City's local economic enterprises (LEEs) such as the Market, Slaughterhouse, and Septage were operating at a loss in CYs 2019-2023, which is inconsistent with Section 17(a) of RA 7160 and Section 6.6.3 of the DBM Manual for the Setting Up and Operation of Local Economic Enterprises (LEE Manual), thus defeating the purpose for which these LEEs were established.	We recommended that Management conduct a thorough operational review of the Slaughterhouse, Market, and Septage Operations to pinpoint the root causes of financial losses and implement corrective actions to enhance the effectiveness and efficiency of operations and avoid continuous financial losses.	Management will continue to monitor the progress of the legislative process to ensure the implementation of the necessary adjustments and improve the financial viability of the LEEs.	CEED	July 2025	present	To submit to the Sangguniang Panlungsod the proposed increase in rates and to conduct the necessary procedures on tax/fee ordinances.	The proposed increase in rates for the services of the Market, Slaughterhouse and Septage Facility has already been submitted to the City Treasurer as part of the corrective measures to address the financial losses incurred by LEE from 2019 to 2023.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
AAR 2023 Par. No. 5	Three projects worth ₱3.39 million under the Health Facilities Enhancement Program (HFEP) have not been fully implemented due to inadequate monitoring depriving the constituents of the timely benefits to be derived from the project.	We recommended and the City Engineer and concerned officials agreed to regularly monitor and assess the implementation of projects under HFEP and other projects to ensure efficient, economical, and effective project implementation.	To monitor and assess the implementation of projects under HFEP.	CEO and other concerned offices	July 2025	present	Project implementation was delayed due to Covid and the delay in the complete downloading of the 50% fund transfer. Other causes include site problem, change of plans and specifications, increase of prices of materials and transfer of location.	Repair/Renovation/Expansion/Completion of Canduay BHS (Phase 1) at Barangay Canduay is 96% completed. Repair/ Renovation/ Expansion/ Completion of Bantayan BHS (Phase 1) at Barangay Bantayan, Dumaguete City is 98% completed.	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.

Ref	Audit Observations	Audit Recommendations	AGENCY ACTION PLAN						COA MONITORING				
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AAR 2023 Par. No. 7	Unutilized funds of the Bayanihan Grant to Cities and Municipalities (BGCM) totaling ₱692,738.42 were not returned to the National Treasury as required under Section 3.9 of Local Budget Circular No. 125 dated April 7, 2020, thereby depriving the National Government of funds that could be utilized for other programs or projects.	We recommended and Management agreed that the City Government remit to the National Treasury the unutilized BGCM funds amounting to ₱692,738.42 in compliance with Section 3.9 of Local Budget Circular No. 125 dated April 7, 2020, to allow the National Government to utilize the same for other useful programs or projects.	To review the records and liquidation process of this account.	CAO	July 2025	present		BGCM account has been fully liquidated and the retrieval of documents for all disbursements are ongoing for proper transmittal to COA	08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
AAR 2023 Par. No. 8	The City did not undertake the general revision of real property assessments every three years based on an updated Schedule of Market Values, which is not compliant with Sections 212 and 219 of R.A. No. 7160 and DILG-DOF JMC No. 2010-01, hence precluding the City from maximizing its revenue-raising power to generate additional funds to finance development projects.	We recommended and Management agreed to direct the City Assessor to prepare the city's updated SMVs pursuant to Section 212 of the LGC and eventually draft an Ordinance for consideration of the Sanggunian, incorporating the proposed SMVs, assessment level, and tax rate.	Continuous gathering of sale data and conducting inventory through tax mapping operation for 2026 general revision as recommended by the Bureau of Local Government Finance. Awaiting for the BLGF's notice on the preparation and submission of the proposed Schedule of Market Values (SMV) which should be completed no later than July 5, 2026.	City Assessor's Office	July 2025	present	Section 199 (e), (g), and (o), 212 and 219 of RA 7160 are hereby repealed under Section 65 of IRR of RA 12001 (Reforms in Real Property Valuation and Assessment.	In 2016, the Assessor's Office conducted records conversion which includes land, building, machineries and other improvements, was finalized and approved in 2018.	08.04.2025	Not Implemented			The recommendation is no longer applicable.
AAR 2023 Par. No. 9	The reasonableness of fuel consumption for CY 2023 amounting to ₱23.46 million could not be fully ascertained because the required reports were not properly accomplished and regularly submitted to the Office of the Auditor, inconsistent with the pertinent sections of COA Circular No. 77-61 dated September 26, 1977.	We recommended that the Management instruct all heads of offices to require their drivers to properly accomplish the Driver's Trip Tickets, Monthly Report of Official Travels, and Report of Fuel Consumption to ensure that all items are filled out so that the reasonableness of fuel consumed for the period can be determined.	The CGSO will continue to submit the monthly reports on time, supported by the driver's trip tickets.	GSO, all concerned offices	July 2025	present		The CGSO has already complied the one-time submission of the monthly reports supported by the driver's trip tickets starting last Feb. 2024	08.04.2025	Implemented	Feb-24	present	
		Also, for the stationary and construction and heavy equipment, the parameters in fuel consumption usage, i.e., number of hours used and rate of usage of equipment, should be provided in the report.	Prepare the report with the required information		July 2025	present			08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
		We also recommended that the CGSO endeavor to submit the monthly reports on time, supported by the driver's trip tickets.	Submit the required reports regularly.		July 2025	present			08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.
		Further, we recommended that the CGSO also repair or replace defective odometers.	Repair or replace defective odometers.		July 2025	present			08.04.2025	Ongoing implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2023 Par. No. 11	The City Government has not provided a garage for motor vehicles, contrary to the requirements of Section V(5) of COA Circular No. 75-6 dated November 7, 1975, thereby exposing the assets to rapid deterioration, destruction, and possible loss.	We recommended that the Management consider the construction of a suitable garage for the safekeeping of government vehicles to protect them from the elements and safeguard them against damage and possible theft or unauthorized cannibalization of parts in accordance with Section V(5) of COA Circular No. 75-6 dated November 7, 1975.	The CGSO will coordinate with the CEO for the construction of a suitable garage for the safekeeoping of government vehicles.	CGSO, CEO	July 2025	present		The CEO has already submitted the proposed Program of Work and Detailed Estimate for ther Construction of Parking Facility at Barangay Candauay. (Please see attached Annex B).	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2022 AO No. 2 Page 49	The Due to Other NGAs account amounting to ₱5,694,650.32 had remained outstanding for over 10 years due to unreturned remaining balances, unliquidated and unutilized funds, resulting to the overstatement of the Due to Other NGAs and understatement in the appropriate asset and expense accounts.	Immediately submit the audited Statement of Liquidation to the respective source agencies to ensure proper reporting and accounting of the funds received and utilized pursuant to COA Circular No. 94-013 and the terms and conditions of the MOA; and	Submit the audited Statement of Liquidation to the respective source agencies to ensure proper reporting and accounting of the funds received and utilized	CAO	July 2025	present	1. Items were not procured or items were not delivered by the suppliers 2. Suppliers did not claim payment yet.	On-going reconciliation & liquidation	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2022 AO no. 3 Page 50	One recycling equipment amounting to ₱6,505,000.00 donated to the City Government by the Environmental Management Bureau (EMB) was not taken up in the books due to the delay in forwarding to the CAO the deed of donation and supporting papers, contrary to Section 63 of Presidential Decree (PD) No. 1445, thereby, understating both the asset and equity accounts as of December 31, 2022.	We recommended that the City Legal Office and the City General Services Office submit immediately to the CAO the donation documents, such as the deed of donation, Acceptance and Inspection Report, PAR, and other supporting papers as bases in recording the donated properties to the books of accounts.	Submit immediately to the CAO the donation documents, such as the deed of donation, Acceptance and Inspection Report, PAR, and other supporting papers as bases in recording the donated properties to the books of accounts.	CLO CGSO CAO All concerned units with donated assets	July 2025	present		GSO: Donation papers were already forwarded to CAO last August 8, 2024. CAO: To determine the fair value of the equipment	08.04.2025	Implemented	Aug-24		
AAR 2022 AOM No. 4 Page 51	Unexpended balances of Continuing Appropriations (CA) amounting to ₱129,710,151.88 remained not fully utilized contrary to Section 5.0 of the DILG and DBM Joint Memorandum Circular (JMC) No. 2017-1 and Section 322 of Republic Act (RA) No. 7160, thereby depriving the public of timely benefits from the development PPAs that could have been programmed from the unexpended amount.	We recommended that the City Budget Officer, City Planning and Development Officer, City Engineer, and City Accountant review and monitor the balances of the continuing appropriations under the 20 percent DF, which shall be the basis from the Local Finance Committee to recommend to the Local Chief Executive the reversion of those pertaining to completed projects and those no longer needed so that the funds may be appropriated and utilized for other priority development projects.	Review and monitor the balances of the continuing appropriations under the 20 percent DF, which shall be the basis from the Local Finance Committee to recommend to the Local Chief Executive the reversion of those pertaining to completed projects and those no longer needed so that the funds may be appropriated and utilized for other priority development projects	CBO CPDO CEO CAO	July 2025	present		The CEO: 1. Has coordinated with City Accounting Office and prepares COCs for the prior years completed projects. 2. Will submit monthly accomplishment report to concerned offices.	08.04.2025	Ongoing Implementation			This recommendation is restated/ revised in CY 2024 (AO No. 5, Page No. 65)
					July 2025	present		The CPDO: Recommendations noted. The CDC has on-going reversions of unobligated balances of completed and funds for Not Implementedprojects which is no longer needed to fund other priority projects.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
					July 2025	present		The CBO: A reversion from the Unexpended balances of continuing appropriations under the 20% DF in the total amount of P10,486,545.00 was done through Appropiration Ordinance Nos. 12, 72 and 77 all series of 2024 as per attched copies of the Appropriation Ordinance as basis for the said reversion.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2022 AO No. 7 Page 56	Unexpended balanced of the Local Disaster Risk Reduction and Management Fund (LDRRMF) Continuing Appropriations (CA) amounting to ₱33,153,873.72 from 49 projects and programs, were not reprogrammed to other disaster risk reduction and management activities as required under Section 5.1.11 of COA Circular No. 2012-002, thus may lead to suboptimal utilization of the fund's intended purpose and lesser funds for disaster risk reduction and management activities.	We recommended that Management: a.Review the status of accomplishment and completion of all LDRRM projects/programs and whatever unexpended or unobligated balances of completed projects be made available for other disaster risk reduction and management activities pursuant to Section 5.1.11 of the said Circular; and	1. Determine status of the 49 projects whether completed, on-going or unimplemented. Identify unexpended balances for the possibility of re-programming.	LDRRMO, CEO, CPDO	July 2025	present		CPDO: Recommendations noted. The CDRRMO in coordination with the LFC recommends for reversions of unobligated balaces of completed and including Not ImplementedPPAs to the CDRRM Council for other priority PPAs.	08.04.2025	Ongoing Implementation			This recommendatio n is restated/ revised in CY 2024 (AO No. 10, Page No. 76)
AAR 2022 AO No. 9 Page 60	Expendable supplies and properties with a net book value of ₱409,928.53 charged against the LDRRMF were recorded under the Disaster Response and Rescue Equipment account instead of Supplies or Inventories account contrary to Section 5.5.4 of NDRRMC-DBM-DILG Joint Memorandum Circular (JMC) No. 2013-1, affecting the fair presentation of the financial statements.	We recommended that the City Accountant, reclassify the aforementioned items into their appropriate account classification pursuant to IPSAS 1 and NDRRMC-DBM-DILG JMC No. 2013-1, so that affected accounts will be presented fairly in the financial statements.	Ongoing reconciliation and liquidation for possible adjustment.	CAO	July 2025	present		To review the composition of items and reclassying to their proper accounts upon completion of reconciliation.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2022 AO No. 10 Page 61	The Local School Board (LSB) has not adequately monitored the implementation of Special Education Fund (SEF) priority PPAs in accordance with Section 100© of Republic Act (RA) No. 7160, hence, there are still 64 PPAs since CY 2012 with balances totaling ₱85,534,569.05 that have not been fully implemented or liquidated resulting to the underutilization of the fund.	We recommended that the City LSB: a) Review and monitor the balances of continuing appropriation under the SEF those amounts pertaining to completed projects and those that are no longer needed will be reverted and used to fund other SEF PPAs; and	On-going reconciliation and liquidation.	CAO, CEO	July 2025	present		16 Projects out of 64 in the list were already reverted per LSB Res. No. 8; S. 2023 hereto attached An additional 37 projects from constinuing appropriation under SEF are reverted in 2025	08.04.2025	Ongoing Implementation			CY 2016-2020 balances of continuing appropriations was reverted in 2023 under Resolution No. 8, to augment the Annual Budget for Water Bills
AAR 2022 AO No. 11 Page 62	The accountability for assets procured form the SEF cannot be properly established due to inadequate coordination in transferring property accountabilities and failure to renew Property Acknowledgement Receipts (PARs) at least every three years or every time there is a change in property accountability, contrary to Sections 375 and 376 of Republic Act (RA) No. 7160 and Section 492 of the Government Accounting and Auditing Manual (GAAM), Volume 1.	We recommended that the City Government and the DepEd Dumaguete City Division Office establish an internal policy for managing SEF properties to ensure that there is accountability for issued property items at all times and that the PARs are updated every three years or whenever there is a change of accountability or custodianship over the items.	1. The DepEd Division of Dumaguete City will closely coordinate with the local General Services Office (GSO) in updating the PARs of accountable officers every three (3) years or upon change of accountability of SEF properties issued to DepEd Dumaguete City Division.	DepEd Division - Dumaguete City	July 2025	present		The DepEd Division of Dumaguete City is closely coordinating with the Local General Services Office and conducted a joint Physical Inventory from August to September 2024. Through this joint activity, we were able to identify items for updating pf PARs to the current accountable officer. The GSO is presently continuing its process of updating the PARs with the assistance and guidance of the School Property Custodians and Division Supply Officer.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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		We further recommended that the CGSO explore the option of donating SEF-funded properties such as teacher's chairs and tables, instructional/teaching materials, etc. which are meant for direct classroom use, to the DepEd City School Division. This will ensure that the person in actual physical possession/control of the SEF property is made responsible for its proper use and accountability	2. The DepEd Division of Dumaguete City will establish a policy that all Special Education Funded properties shall be properly endorsed to the Supply Officer/School Property Custodian before a school clearance is released. 3. To ensure that all DepEd Division of Dumaguete City Personnel will have to be cleared first from all accounatbilities from the local General Services Office before processing the Division Clearance. Additionally a seminar/training-workshop will be conducted to all newly hired Administrative Officer II who will be handling the property custodianship and asset management of their assigned school.	CGSO, DepED	July 2025	present		Division Memorandum No. 079, s. 2024 (hereto attached) was issued reterating the policy on the processing of transfer of accountability. The CGSO has completed its physical inventory count on SEF funded properties last December 2024.	08.04.2025	Ongoing Implementation			Please see copies of SEF AREs. ICS/PAR will be issued by the GSO Office to the person in actual possession/control of the SEF property for its proper use and accountability.
			To coordinate with DepEd for the updating of Property Acknowledgement Receipts (PAR), and will jointly conduct physical inventory of all SEF funded projects by end of August 2024.		July 2025	present			08.04.2025				Audit Team to monitor again after December 31, 2025.
AAR 2022 AO No. 13 Page 66	Twenty Buildings and three hospitals/health centers with a total book value of ₱3,613,849.79 were not insured with the GSIS, contrary to Section 2 of Republic Act (R.A.) No. 656, as amended by Presidential Decree (P.D.) No. 245 and COA Circular No. 2018-002, thereby exposing these properties to the risk of having no indemnification in case of loss.	We recommended that the CGSO prepare and submit to the GSIS the Property Inventory Form (PIF) listing all insurable properties to ensure that all insurable assets and properties are adequately insured with the General Insurance Fund to accord the city with some indemnification in case of damage or losses due to fortuitous events.	To prepare and submit to GSIS Property Inventory Form listing all insurable properties	GSO	July 2025	present	Due to the absence of building and/or occupancy permits, the 22 buildings and 3 hospital/health centers are not eligible for insurance coverage. (Please see attached certification.)	The CGSO has already asked the Office of the Building for the issuance of the occupancy permit and building plan. These documents are among the requirements for insurance. Other requirements are being complied with.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2021 AO No. 1 Page 45	The Petty Cash Fund (PCF) amounting to ₱36,211.32 was not fully liquidated at the end of the year contrary to Section 48 of the New Government Accounting System (NGAS) Manual for LGUs, Volume 1.	We recommended that: a) Management sees to it that the guidelines on PCF are strictly observed; and	To set cut-off of drawing of cash advance by the month of October of each year.	PCF Custodian	July 2025	present	Partial Compliance on documentary requirement per COA circular 2012-001	*Petty cash custodians namely Engr. Jose Ronnie Fortin (CEED), Cecilia Real (Legal) and Lannie Bato (ENRO) were informed of the Petty Cash fund accounting procedure and were furnished with copies of COA guidelines on Petty Cash Fund for their reference.	08.04.2025	Ongoing Implementation			The petty cash fund of Ms. Letecia E. Duran, CEED Head, has been liquidated last January 9, 2025, per OR # 4159230 A.

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AAR 2021 AO No. 4 Page 54	The accuracy and reliability of the Road Networks account totaling ₱52,984,887.52 could not be ascertained due to: (a) non-conduct of inventory of local roads and non- preparation of the Report on the Physical Count of Local Road Network (RPCLRN); (b) non-maintenance of the Local Road Network Ledger Card (LRNLC) and Local Road Network Property Card (LRNPC); c) non-provision of depreciation for LRN items; and (d) non-disclosure of the total road networks in the Notes to the Financial Statements, contrary to COA Circular No. 2015-008 dated November 23, 2015, thereby affecting the fair presentation of the account in the financial statements	We further recommended that the Inventory Committee conduct an annual physical count of all LRN 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 are prepared before the statement date.	To conduct annual physical count of LRN and to comply with the submission of updated LRNLC and LRNPC. To reconcile records of the City Engineer's Office and City Accounting Office.	GSO Inventory Committee CEO Accounting	July 2025	present	CEO has not yet furnished the records of LRN from 2015 up to present	Conducted the physical inventory of LRN last September12-14, 2022. Submitted the LRNLC and LRNPC as of 2014. Ongoing reconciliation; carry out at one time cleansing of PPE.	08.04.2025	Ongoing Implementation			This audit recommendation is restated/ revised in CY 2024 (AO No. 2, Page 53)
			The reconciliation of records among CAO, GSO, and CEO is ongoing. The physical count of LRN will commence upon completion of the reconciliation process.	CGSO, CAO CEO	July 2025	present	The reconciliation process is challenging due to the COA Circular's requirement to segregate costs for each road component. However, older records do not include these segregated costs, further complicating the reconciliation efforts.		08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2021 AO No. 5 Page 58	The reported balance of the Biological Assets account amounting to ₱1,264,760.73 is unreliable due to: (a) incomplete and unreconciled inventory of biological assets against accounting records; (b) non-provision of inventory and prevailing market price for each biological asset by the City Agriculturist; and (c) non-maintenance of work, other animals and breeding stocks ledger and property cards contrary to pertinent provisions of COA Circular No. 2016-004, International Public Sector Accounting Standards (IPSAS) No. 27 and The New Government Accounting System (NGAS) Manual, Volume II, hence, the existence and condition as well as the reliability of the Biological Assets account balance could not be ascertained.	We recommended that Management require: a) The Inventory Committee and the CGSO to prioritize the reconciliation of the RPCPPE with the accounting records;	The City Government will carry out the one-time cleansing of PPE per COA Circular No. 2020-006 dated January 31, 2020.	CEO Accounting	July 2025	present	The Accounting Office is waiting for the reports to be submitted to us from the concerned offices which will be the basis for any adjustment.	The GSO is maintaining Master List and Ledgers of biological assets/animals based on the quarterly reports submitted by the City Agricultures Office.	08.04.2025	Ongoing Implementation			This audit recommendation is reiterated in CY 2024.
		b) The City Agriculturist to conduct an inventory of biological assets and render a report thereon including the fair market value of each stock to the City Accountant, for proper recording in the books of accounts and to henceforth, keep a systematic record of births, deaths, and disposal of breeding stocks. In case of death or disposal, he shall facilitate the request for relief of accountability in accordance with Sections 151 and 152 of COA Circular No. 92-386 dated October 20, 1992, for dropping the account from the books; and		City Agriculture Office	July 2025	present		Accounting: During the Biological Asset count conducted in 2022, the Accounting Office also made representation to the agriculture technicians on the field on how to make their reports using the templates WOABSLC & WOABSPC.	08.04.2025	Ongoing Implementation			This audit recommendation is reiterated in CY 2024.
		c) The City Accounting Office to maintain and update the WOABSLC monthly using the reports submitted by the City Agriculturist, and require, as well, the CGSO to maintain the WOABSPC as reference for identifying each animal in the conduct of physical inventory as well as for reconciliation with accounting records.	To continue maintaining the WOABSPC	CAO	July 2025	present			08.04.2025	Ongoing Implementation			This audit recommendation is reiterated in CY 2024.
			To reconcile records of the City Agriculture, GSO and CAO. 1. Gathering of relevant documents 2. Reconciliation with City Accounting Office.	City Agiruclture, GSO and CAO	July 2025	present		The City Agriculture's Office submitted an inventory list of livestock.	08.04.2025				

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AAR 2021 AO No. 6 Page 61	The balance of the Due to Other NGAs account pertaining to Local Government Support Fund (LGSF) grants for priority development programs and projects amounting to ₱12,172,570.00 as of December 31, 2021, remained outstanding for three to six years even if the related programs and projects were completed resulting in the overstatement of the Due to Other NGAs and understatement in the appropriate asset and expense accounts.	We recommended that the City Accountant designate one of its personnel to regularly monitor and demand from the City Engineer the liquidation reports of LGSF funded projects and to draw a journal voucher to take up the liquidation in order to present fairly the account Due from Other NGAS and the related asset and expense accounts in the financial statements.	To liquidate the outstanding amount.	CEO City Accounting Implementing Office	July 2025	present	Every project needs to be reconciled with the implementing office before any return of unused balance. It is a slow but continuous procedure.	1 LGSF Fund (P5,008,940.83) was fully liquidated and remaining balance of P263,629.17 was already returned in 2022 per RCI 546(313) dated 11/16/2022.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2021 AO No 10 Page 68	The City Government did not conduct an annual evaluation of the performance/quality of services of PLDT, Inc., the service provider of City-Wide CCTV Services, thus it had no way of determining whether the services rendered were satisfactory enough for it to be allowed to continue its services in the succeeding year(s).	We recommended that the City Government conduct an annual evaluation of the performance/quality of City-Wide CCTV Services of PLDT, Inc., the service provider, to determine whether the services rendered were satisfactory enough for it to be allowed to continue its services in the succeeding year(s).	A Technical Team of LGU-Dumaguete City be constituted thru an Executive Order by the Office of the City Mayor. Its task shall be closely coordinate with the PLDT tecnhical crew and the City's point person at the CCTV command center. Thereafter, the tecnhical team shall make the Annual Evaluation of the CCTV camera system, which shall be the basis for continuation of the remaining life of the lease.	Mayor's Office CLO CCTV Command Center	July 2025	present	Failure to submit monthly report due to lack of printer	A coordination meeting with the CCTV Command Center, City Legal Officer, IASU, CAO and COA was conducted on October 4, 2024. An executive order shall be drafted to create a Technical Working Group in order to evaluate the performance of the CCTVs, with the monthly reports as bases. Printer and photocopy machine also placed in the office	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2021 AO No. 13 Page 71	The City failed to prepare the Public Service Continuity Plan (PSCP) as required in the National Disaster Risk Reduction and Management Council (NDRRMC) Memorandum No. 33, s. 2018 and No. 57, s. 2020 nor did the Local Chief Executive (LCE) organize a working group to formulate the plan as required in Section 5.0, Chapter II, of the PSCP Guidebook. Thus, impairing the continuous delivery of quality essential services to the public during an emergency, disaster or disruptive event.	We further recommended that the Local Chief Executive (LCE) institutionalize the PSCP by creating a working group that will perform the following activities: a) To conduct a risk assessment, risk and impact analysis; b) To identify critical processes and functions; c) To determine scenarios that may disrupt normal operations; d) To formulate the PSCP based on the identified risks on critical processes and functions and its related steps to be followed to eliminate, if not mitigate, the impact of the determined disruptions following the prescribed templates and requirements in the PSCP guidebook; and e) To submit a plan to the CDRRMO for review, to the Local Chief Executive for approval, and to the Sangguniang Panlungsod for the passage of a resolution to institutionalize the PSCP.	Consolidation of outputs from the December 2022 Public Service Continuity Plan (PSCP seminar and submission of PSCP.	CDRRMO	July 2025	present		5-Day Seminar/ Workshop on Public Service Continuity Plan (PSCP) conducted in December 2022.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2020 AO No. 1 Page 48	The correctness of the balance of the Receivables account amounting to ₱313,845,193.49 in the General Fund is unreliable because it included dormant accounts amounting to 20,936,970.94 which have been in the books of accounts for more than ten years for which no request for write-off had been filed, contrary to COA Circular No. 2016-005 dated December 19, 2016, thus, affecting the fair presentation of accounts in the financial statements.	We recommended that the City Accountant conduct periodic verification, analysis, and validation of the existence of the receivables and the City Mayor to file the request for write-off of dormant receivable accounts to the Audit Team Leader supported by the documents enumerated under Item 8.3 (a) and (b) of COA Circular No. 2016-005 dated December 19, `2016.	To request for write-off of dormant receivable accounts of deceased and inactive city government employess	City Accounting	July 2025	present	Some accounts goes beyond 20 years; Even if demand letters were issued, still most concerned individuals did nothing about to settle them; except for the current ones, where we already implemented internal measurers in order to settle them effectively.	Periodic verification and follow ups were conducted through the issuance of demand letters; Dormant accounts were identified specifically on deceased individuals for our request for write-off; already made representation to PSA for the issuance of Death Certificate as one of the required supporting documents for write-off.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2020/ 2019 AO No. 2 Page 50	The existence and accuracy of the inventory accounts totaling ₱52,175,027.33 as of December 31, 2020 are unreliable because of non-conduct of physical count of inventories, unrecorded issuances of supplies and materials, inclusion of dormant accounts in the amount of ₱13,315,481.25 and non-maintenance of Supplies Ledger Cards (SLCs) and Stock Cards (SCs), thus, overstating the asset and equity accounts as of December 31, 2020.	(d) the CGSO to consolidate on the SSMI all RIS and submit the same to the Accountant.	GSO to reconcile records with the City Accounting Office.	GSO Inventory Committee City Accounting	July 2025	present		Consolidation of RIS from other offices for year 2020 is almost complete. Since 2015, GSO has no longer procured supplies to be stockpiled due to a lack of storage space. Office supplies are directly purchased by different offices or departments thru purchase requests, and the delivery of the said supplies will be made directly to the end-user/requesting office. GSO's role is to inspect the supplies upon delivery. For this reason, Requisition and Issue Slip (RIS) is no longer needed as there are no supplies on hand. In order to fully reconcile the records of inventory accounts, GSO recommends the implementation of one-time cleansing of inventories.	08.04.2025	Ongoing Implementation			This audit recommendation is restated/ revised in CY 2024 (AO No. 1, Page No. 50).
AAR 2020 AO No. 4 Page 52	The City did not submit the Summary/List of Donations Received, Distributed and Balances required under COA Circular No. 2020-009 dated April 21, 2020 for donations in-kind received, precluding evaluation to ensure that these were properly accounted for and whether the purpose of the donations was fulfilled.	We recommended that Management prepare and furnish the Auditor a copy of the Summary/List of Donations Received, Distributed and Balances supported by the following: (a) Acknowledgement Receipts of the Donations In-Kind; and (b) Proof of receipt by and distribution to the beneficiaries in accordance with Section 1 of COA Circular No. 2020-009 dated April 21, 2020.	The management will explore on the system and procedures for the receipt and distribution of donations.	Implementing Office/Recipient CGSO Accounting Office Admin/CMO	July 2025	present	The GSO only relies on the deeds/conveyances/or titles actually forwarded to them by the City Legal Office or other concerned offices. It then prepares the ARE of all donated properties and enter it into its master list of properties. Some of the properties however have no assessed valuation.		08.04.2025	Implemented	Jan-25		

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		We further recommended that Management likewise delegate the receipt and acknowledgement of the donations in-kind to the CGSO which will take responsibility of the basic controls in the receipt, recording, inventory, storage and distribution of all donations in-kind received, and will prepare and submit the required reports together with the supporting documents.			July 2025	present		The team is already instructed to make a separate list of all donated properties apart from the general master list and thereafter, immediately submit the same to the Auditor.	08.04.2025	Implemented	Jan-25		
AAR 2020 AO No. 5 Page 56	The City granted COVID-19 Hazard Pay to its 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 ₱5,851,543.42 without the supporting documents necessary to determine compliance with the 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 City Accountant together with the heads of other concerned offices submit the following documents 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 from the head of agency/office directing the personnel to render service during the period of the ECQ stating the prescribed official working hours as well as the entitlement of the COVID-19 hazard pay; and b) Certification by the City Accountant that personnel who were granted COVID-19 Hazard Pay had not been paid with any other type of hazard pay under existing laws.	To comply in 2025.	City Accounting Office	July 2025	present	Such Certification not found in the Covid-19	The City Accountant will issue such certification in 2023.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2020 AO No. 7 Page 58	23. Insufficient profiling of beneficiaries and lack of validation using the Social Amelioration Cards (SACs) in the implementation of the Emergency Subsidy Program (SEP) through the Social Amelioration Program (SAP) of the Department of Social Welfare and Development (DSWD), contrary to DSWD Memorandum Circular No. 09, series of 2020, as well as the lack of database as reference in identifying target beneficiaries, resulted in the inclusion of unqualified individuals.	We recommended that Management: (a) Establish a comprehensive database of low-income families to facilitate identification and validation of target beneficiaries for social work, disaster risk reduction management and other similar initiatives of the City; and	CY 2023 Budget includes the procurement of server for the Database Program. To have an updated data bank of residents in Dumaguete in all sectors that will be useful in program planning and implementation from different offices.	CSWD CPDO, Barangays	July 2025	present	There was no data base record at the office at the time of SAP implementation. CBMS was not yet available. SAP implementation was very urgent. Unknown addresses of the members of the dissolved organizations	Sending of demand letters was previously done and some borrowers provided proofs of payment directly to the banks for those of national grants. However, accounts under Trust Fund were stull dormant.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2020 AO No. 14 Page 70	The unutilized portion of the Local Disaster Risk Reduction and Management Fund (LDRRMF) in the Special Trust Fund (STF) for CYs 2010 to 2013 amounting to ₱1,097,451.05 was not yet reverted to the General Fund even after the lapse of the five-year period due to unpaid obligations and unprocessed liquidations, contrary to Item 5.1.13 of COA Circular No. 2012-002 dated September 12, 2012, thereby preventing the City from making available the said funds for other social services.	We recommended that the City Accountant coordinate with the LDRRM Officer and City Engineer to immediately process the payment of obligations and liquidations under the LDRRMF - STF and strictly adhere to the provisions of Item 5.1.13 of COA Circular No. 2012-002 dated September 12, 2012.	To reconcile records of the CRRMO and CEO with City Accounting Office. 1. Gathering of relevant documents 2. Reconciliation with City Accounting Office.	City Accounting CDRRMO CEO GSO CDRRMO, CEO, GSO CDRRMO, CEO, CAO	July 2025	present	Due to some obligation not yet paid since no DVs were processed for payment, and also some are awaiting liquidation of the fuel company used in each activity/ project.	Everyone concerned on this matter were informed during a small group meeting held last February 11, 2022. The CDRRMO coordinated the concerned offices in tracking back the specific details of every transaction in order to comply processing of payment of obligations and liquidations.	08.04.2025	Ongoing Implementation			This audit recommendation is restated/revised in CY 2024 (AO No. 12, Page No. 80).

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AAR 2019 AO No. 3 Page 50	The balance of the Due from LGUs (1-03-03-030) account amounting to ₱8,363,499.26 as of December 31, 2019 was not fairly presented in the financial statements because fund transfers amounting to ₱8,001,999.26 or 96% of the total balance remained outstanding for more than one year to six years. This could have possibly resulted in the overstatement and understatement of the Due from LGUs and the expense accounts, respectively, inasmuch as fund transfers aged more than one year must have been utilized already.	We recommended that the City Accountant regularly monitor and demand submission of liquidation of funds transferred to other LGUs, and thereafter, draw a journal voucher to take up the expenses in order to present fairly the Due from LGUs and the related expense accounts in the financial statements	Continue reconciliation and verification of relevant records.	City Accounting Office	July 2025	present	Unavailability of records for prior years' balances.		08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2019 AO No. 5 Page 52	The operation of the septage facility was initially started in CY 2019 and finally declared as a local economic enterprise (LEE) under Sangguniang Panlungsod Ordinance No. 27, series of 2020, dated January 15, 2020, without a feasibility study and a five-year Business Plan (BP), contrary to Chapter 4 of the Manual on the Setting Up and Operation of LEEs. Thus, the efficient and effective provision of basic services on septage collection and treatment may be affected.	We recommended that Management assign or designate relevant officials who will be responsible for the conduct of a feasibility study and a five-year BP for the operation of the septage facility in accordance with the procedures provided in Items 4.2 and 4.6 of the Manual.	The 5-year (2019-2023) Business Plan for Dumaguete City Septage Treatment Facility was submitted to the Office of the Auditor, subject to further review.	CEED	July 2025	present		The 5 Year (2019-2023) Business Plan for Dumaguete City Septage Treatment Facility has been submitted last February 8, 2024.	08.04.2025	Implemented	Feb-24		
AAR 2019 AO No. 6 Page 54	The City's compliance with the National Disaster Risk Reduction and Management Council (NDRRMC) Disaster Preparedness Minimum Standards, Volume 2, was inadequate, particularly on evacuation center (EC) management and services, thus, lacking privacy and not meeting the needs of different groups of people including persons with disabilities (PWDs), the elderly, women and children, and may result in dehumanizing condition involving sanitation and self-hygiene.	We recommended that the LDRRM Council through the LDRRM Officer IV in coordination with CSWDO, CHO, CPDO, CEO and other concerned offices comply with the standards provided in the Disaster Preparedness Minimum Standards, Volume 2.	The United Nations Cluster approach was institutionalized in the country through policies and as per National disaster Response Plan in which Camp Management (management and services of evacuation centers and shelters) is under the domain and leadership of City Social Welfare Office (CSWDO) To conduct Mental Health and Psycosocial Support, Water, Sanitation and Hygiene	CSWDO CHO CPDO CEO Concerned Department	July 2025	present		Conferred with CSWDO to ensure the compliance of standard facilities in evacuation centers as per NDRRMC Disaster preparedness Minimum Standards,Vol. 2. DSWD: The planned Evacuation Center has complied the specification following the DSWD-DPWD standards. (First Version) CHO: Conducted trainings for health workers 1.) Standard First Aid/BLS CPR AED 2.) WASH programs 3.) Integrated Disease Surveillance Training and only 2 healthworkers were trained on Mental health and Psycosocial Support Procured needed DRRM-H Medical Supplies and Equipment to be used during Evacuation / Camp Coordination & Management.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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					July 2025	present		The city has constructed a Planned Evacuation Center ff the prescribed specification of DSWD-DPWH Standards (Brgy. Talay) The CSWDO Conducted 2 batches of CCCM and IDP Protection Seminar to all Social Workers, Barangay Officials, BNW, PNP, Phil. Red Cross & CEO's personnel. Conducted Trainor's Training on CCCM & IDP Protection to selected CSWDO Social Workers, Brgy. Officials, BNW & CHO Personnel. Conducted DROMIC Training to CSWDO Social Workers & selected Brgy. Officials	08.04.2025				Audit Team to monitor again after December 31, 2025.
					July 2025	present		Conducted Women's Friendly Space Management Seminar to CSWDO Social Workers and selected women's association officers Conducted GEO-Tagging of designated Barangay Evacuation Centers PWD conducted disaster preparedness seminar among the deaf community. CPDO: The LFC/CPDO has coordinated/advised the office/ department concerned to prepare proposals for possible funding.	08.04.2025				Audit Team to monitor again after December 31, 2025.
AAR 2019 AO No. 9 Page 58	A Local Disaster Risk Reduction and Management Officer (LDRRMO) IV assisted by 16 job order (JO) composed the Local Risk Reduction and Management Office (LDRRMO), contrary to Section 5.0 of NDRRMC-DILG-DBM and CSC Joint Memorandum Circular No. 2014-1 dated April 4, 2014, thus, affecting the capability of the office to perform efficiently and effectively its functions in responding to and managing the adverse effects of emergency or calamity and in carrying out recovery activities.	We recommended that the City hire qualified personnel to occupy the position of the three staff of the LDRRMO in accordance with the position titles, qualification standards and salary grades set under Section 6.0 of NDRRMC-DILG-DBM and CSC Joint Memorandum Circular No. 2014-1 dated April 4, 2014.	Ongoing hiring of qualified applicants for LDRRMO positions in accordance with the position titles, qualification standards and salary grades set under Section 6.0 of NDRRMC-DILG-DBM and CSC Joint Memorandum Circular No. 2014-1 dated April 4, 2014.	HRMO, LDRRMO	July 2025	present	The HRMO follows a timetable or schedule wherein the HR processes the regularization and promotion of qualified applicants to positions from various departments. The CDRRMO initially did not request the publication of vacant positions. However, it was only late last year that the HR office was instructed to proceed with the publication.	Appointed Disaster Risk Reduction & Management Officer III,effective February 16, 2021 and apointed 5 casual appointments effective July 1, 2021. The HR office has submitted the publication to the CSC and is now awaiting applications from qualified candidates, either from within the CDRRMO or from walk-in applicants.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2018 AO No. 4 Page 52	Delinquent taxes on real property totaling ₱28,353,162.49 were not collected as of December 31, 2018 due to unknown addresses of taxpayers and lack of manpower to enforce tax collection, depriving the City of additional income to finance more development projects.	We recommended and Management agreed to avail of the remedies provided under Section 256 of RA No. 7160 to enforce collection of delinquent taxes and fill up vacancies, especially for core positions at the CTO to augment its manpower requirement.	On-going collection and effort in sending demand letters/ notices of collection	CTO City Assessor	July 2025	present	1.) Registered owner of property/ies involved await resolution of the case which are under court litigation. 2.) Existing roadlots donated to City Government of Dumaguete City have no proper documentation yet. 3.) Some properties declared under two owners, only one is settled, the other declarant remains deliquent. 4.) Owners are already deceased and the surviving heirs are nowhere to be found.	CTO-RPT Division personnel conducted field works and follow up of demand letters. CTO - Recommends total cleansing of non-existing properties. Implemented RPVARA Law (RA 12001) - July 15, 2025 - July 5, 2026	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2018 AO No. 8 Page 56	The operation of market, slaughterhouse and transport terminal as local economic enterprises (LEEs) is not consistent with the pertinent provisions of the Manual on the Setting Up and Operation of LEEs (LEE Manual) as prescribed in Local Budget Circular No. 111 dated June 10, 2016, thus, might affect the efficient and effective provision of basic services and facilities to the constituents.	We recommended that Management designate a responsible employee to prepare a Five-Year BP and FSSE report for each LEE in accordance with the LEE Manual as basis for the LCE and Sangguniang Panlungsod in coming up with a decision on whether to continue the LEE operations or other related actions to make them financially self-sufficient and eventually profitable to ensure the efficient and effective provision of basic services and facilities to the constituents.	The Management will continue to monitor the progress of the legislative process to ensure full compliance with the recommendations.	CEED	July 2025	present	Awaiting for the approval from the Sangguniang Panglungsod	Proposed to amend the Omnibus Market Code, Slaughterhouse Ordinance and Transport Terminal Ordinance. Which includes the adjustments of rates for LEE services. Submitted the 5 year business plan (2019-2023) for Public Market Complex, Transport Terminal & Slaughterhouse.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2018/2017	The City was not able to implement several projects under the 20% Development Fund (DF) costing ₱49,453,129.00 due to various reasons including insufficient funds, road right-of- way problem, absence of program of work, etc., as a result of inadequate planning, hence, the 20% DF was not optimally utilized contrary to pertinent provisions of Republic Act (RA) No. 7160, depriving its constituents of the benefits that could have been derived from the projects.	We recommended that Management require the CPDO and City Engineer to fast track the implementation of projects under the 20% DF by addressing the causes of delay, like insufficient funds, issues on road right-of- way, lack of POW, and requiring the barangays to implement their projects.	To continously monitor the implementation of projects and address immediately the causes of delay to fast tract the implementation of 20% Development Fund projects.	CPDO CEO	July 2025	present	Issues on road right of way cause the delay of the implementation.	Monitoring of the timely implementation of the projects under the 20% Development Fund was being done by the CPDO & CEO. CEO: The Office is waiting for the issues to be resolved and implement the project The CPDO in coordination with the City Legal Office & CEO and barangays concerned are working closely to address RRW affected by the city's projects. The barangays are already implementing their infrastructure projects since 2023.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2018 AO No. 12 Page 66	The City did not fully liquidate and/or return to the Source Agencies (SAs) the unexpended balances of various fund transfers from national government agencies totaling ₱13,575,554.20, which remained in the books as of December 31, 2018, despite the completion and/or end of the duration of the projects, due to non-submission of the Certificates of Completion (COCs) and reports of disbursements, contrary to COA Circular No. 94-013 dated December 31, 2013.	We recommended that the CEO cause the timely submission of the COCs and reports on the disbursement for fuel and lubricants component of the various projects in order to fully liquidate the funds received and/or return to the SA the unspent transferred funds for completed projects.	Ongoing Reconciliation & Liquidation	CEO	July 2025	present	Delayed submission of COCs and liquidation of fuel component	To follow up suppliers who failed to collect payment & other unliquidated obligations. CEO: We are in the process of submitting COC's once the projects are completed and fast track the liquidations of fuel	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2017 AO No. 2 Page 47	The balance of the accounts payable amounting to ₱74,759,993.02 is unreliable due to errors in recording liabilities, inclusion of accounts totaling ₱2,329,273.96 aged more than five years, existence of negative subsidiary ledger balances totaling ₱3,644,747.29 and inclusion of accounts without specific claimants, contrary to Section 111(2) of Presidential Decree (PD) No. 1445, defeating the purpose of the financial statements that is to provide useful information for decision making pursuant to paragraph 15 of the Philippine Public Sector Accounting Standards (PPSAS) No.	a. The City Accountant Review all outstanding payables, validate available supporting documents, and revert those which are not supported with valid claims and those which are aged two years or more;	Ongoing Reconciliation & Liquidation	City Accounting Office	July 2025	present	Verification of financial statements and its supporting schedules showed that payable account still included dormant accounts payable as well as negative balances. Some items are still for reconciliation with the available records. Unavailability of records for those Dormant accounts pertaining to the previous year's hamper the reconciliation process	The CAO reviewed and validated the Acccouts Payable and adjustments were made to accounts over two years per JEV No. 208-07-0213 Additional adjustments will be reflected in the books in 2022.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		b. The City Accountant investigate accounts payable which have remained dormant and those with negative balances and determine the cause/s and prepare adjusting journal entries for all errors noted; and			July 2025	present			08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2017 AO No. 4 Page 54	Eighteen stale checks totaling ₱328,922.48 age nine to 111 months were still reports as outstanding checks in the bank reconciliation statements in violation of Section 59 of the Manual on the New Government Accounting System (NGAS) for Local Government Units (LGUs), Volume I, thereby understating the Cash In Bank and Accounts Payable accounts.	We recommended that the City Accountant review and analyze the list of outstanding checks and regularly draw a JEV for the cancellation of stale checks to reflect the correct monthly balances of the affected accounts in the financial statements.	Ongoing reconciliation and verification	City Accounting Office	July 2025	present	Proper verification and gathering of supporting documents is necessary	Adjustments amounting to ₱128,984.58 were partially taken up and suppliers/creditors were already informed about the stale checks. (P5,038.00 + P123,946.58 Adjusted in 2022 per GJ 100-2022-12-244)	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2017 AO No. 5 Page 56	Several reconciling items totaling ₱218,175.17 were not immediately adjusted but simply carried over from one bank reconciliation statement to the next contrary to Section 3.3 of COA Circular No. 96-011 dated October 2, 1996. Moreover, some of the bank accounts maintained by the City are already dormant and were not verified thus, rendering the Cash-In Bank account balances as of December 31, 2017 of ₱361,125,876.25 doubtful and unreliable.	We recommended that the City Accountant a. verify the reconciling items and draw a JEV to adjust all valid reconciling items pursuant to Section 3.3 of COA Circular No. 96-011 dated October 2, 1996;	Ongoing reconciliation and verification	CAO	July 2025	present	Difficulty in retrieving the supporting documents, especially those pertaining to prior years' transactions	Various reconciling items with the DBP amounting to ₱392,470.60 were already adjusted in September 2018; Additional reconciling item P123,946.58 was also adjusted in 2022	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		b. conduct a thorough verification of the dormant bank accounts and to effect the necessary adjustments; and			July 2025	present			08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		c. provide copies of the bank reconciliation statements to the depository banks so that any discrepancies noted between the records of the banks and of the City can be immediately resolved.			July 2025	present			08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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					From	To					From	To	
AAR 2017 AO No. 8 Page 62	Total appropriations for Local Disaster Risk Reduction and Management Funds (LDRRMF) for CY 2017 amounting to ₱32,119,461.20 was not optimally utilized with a very low percentage rate of 34.64% as of December 31, 2017, which critically impact on the capacity of the City Government to reduce and manage disaster risks.	We recommended that Management expedite the implementation of all projects, programs and activities (PPAs) under the LDRRMF to strengthen the capacity of the City Government to avoid or mitigate the adverse effects of disasters or calamity.	Implementation of PPAs as contained in the LDRRM Plan CY 2024 will be expedited to increase utilization rate. Close coordination and monitoring with other offices in which PPAs are funded from the LDRRMF will also be implemented. To accomplish the utilization rate as established by the DILG's Seal of Good Local Governance (SGLG) and Office of Civil Defence (OCD)'s Gawad LALASAG in coordination with other offices/agencies involved in the utilization of the Local DRRM Fund.	LDRRMO	July 2025	present		Implementation of PPAs as contained in the LDRRM Plan CY 2023 will be expedited to increase utilization rate. Close coordination and monitoring with other offices in which PPAs are funded from the LDRRMF will also be implemented.	08.04.2025	Implemented	CY 2024		As of December 31, 2024, LDRRMF for CY 2024 was utilized for the implementation of relevant PPAs.
AAR 2016 AO No. 2 Page 50	Had there been regular monitoring by the City Department of Social Welfare and Development Office of the ₱1,738,335.00 seed capital assistance released to 17 associations/people's organizations to ensure timely payment of loan amortization amounting to ₱633,128.31 in accordance with the loan payment schedule, the Self-Employment Assistance-Kaunlaran (SEA-K) Program could have been efficiently and effectively implemented.	We recommended that Management require the DSWD to observe existing policy on program monitoring activities to immediately address any problem, ensure loan amortization payment in accordance with the loan payment schedule and achieve program objective.	On-going reconciliation	CSWDO	July 2025	present	Unknown addresses of the members of the dissolved organizations	Sending of demand letters was previously done and some borrowers provided proofs of payments directly to the banks for those of national grants. However, accounts under Trust Fund were still dormant. DSWD: Sustainable Livelihood Program under Region 7 c/o Ms. Cherry Mae Angay had already passed a copy of Guidelines/ Memo on the implementation of SEA-K (Bottom-Up Budget) as form of liquidation. As per conversation, she will try to retrieve a copy of th said Guidelines/ Memo for reference (to follow) DSWD 8/19/2024: This program was	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		We also recommended that the City Accountant send demand letters to SKAs to settle their monthly/quarterly/semi-annually rollback of the seed capital assistance.	Send demand letters	CAO	July 2025	present	Unknown addresses of the members of the dissolved organizations		08.04.2025	Ongoing Implementation			

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					July 2025	present		The SLP-SEA-K implementation was under BUB Program, under the supervision of Sectoral Desk Office, Ms. Cherry Mae Angay & 4Ps. The receipients was identified by SDO. However, the project proposal was signed by the late Carola Alquero since the funds was from the national office that was downloaded to LGU Dumaguete. Our project evaluation officer were only invited to conduct the orientation/lecture to identified beneficiaries on project proposal making and financial management. Throughout the monitoring on the project was conducted under the sectoral office. Attached is the MC Circular # 13, series of 2015 issued by DWD given by Ms. Angay that will help answer its implementation process.	08.04.2025	Ongoing Implementation			
AAR 2016 AO No. 9 Page 68	The Local Governance Transition Team did not conduct an inventory of all real and movable properties as of June 30, 2016, contrary to Department of Interior and Local Government Memorandum Circular No. 2016-21 dated February 17, 2016, thus a clear cut-off of accountabilities and proper turnover of property from the outgoing to the incoming Local Chief Executive might not have been done.	We recommended that Management prioritize the conduct of complete physical count of PPEs as required under DILG Memorandum Circular No. 2016-21 dated February 17, 2016 and other existing regulations. Results of the physical inventory should be reconciled with the accounting and property records to present accurate balances of the accounts in the financial statements.	Conduct reconciliation of records.	CAO, GSO	July 2025	present	CAO and GSO records are still for reconciliation due to incomplete records and supporting documents.	The General Services Office conducted an inventory of all real and movable properties as of June 2016. A certification confirming the clearance of money and property accountabilities for the former Local Chief Executive (LCE) was issued on April 19, 2024.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2015 AO No. 3 Page 48	The City reimbursed the Local Chief Executive of his expenses for various travels outside of the province totaling ₱171,777.09 even without the approved travel orders issued by the Provincial Governor contrary to Section 96(b) of Republic Act (RA) 7160, resulting in improper disbursement of funds.	We recommended that the Local Chief Executive submit travel orders for his travels listed in Annex A to the audit team and henceforth, secure permission from the Provincial Governor every time he travels outside the Province of Negros Oriental pursuant to Section 96(b) of RA 7160.	To require compliance	CAO	July 2025	present	The request had not been acted upon yet. The governor during that period has passed away last 2023.	Travel orders had been requested from the Provincial Governor to support the travels outside the province.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2014 AO No. 4 Page 25	The City spent ₱1,125,112.85 from the 5% Local Disaster Risk Reduction and Management Fund (LDRRMF) without observing the pertinent provisions of Republic Act No. 10121 and other existing regulations, thus, resulting to irregular expenditures.	We recommended that Management to require the City Accountant, Budget Officer, City Treasurer and all other officials responsible for the improper charges against the 5% LDRRMF to refund the amount totaling ₱1,125,112.85 and henceforth, to adhere strictly to the provisions of RA No. 10121 and DILG Memorandum Circular 2012-73 in the use of the 5% LDRRMF to avoid audit disallowance.	LDRRMO: To comply with the provisions of RA 10121 and DILG MC 2012-73 in the use of the 5% LDRRMF in coordination with other concerned offices.	CAO, CBO, CTO	July 2025	present		The City Accountant and the City Budget Officer requested for consideration as evidenced by the letter addressed to COA-Dumaguete team leader dated June 19, 2024 with the contention that the Dumaguete LGU had all the programs and projects extensively planned and identified under the LDRRMP and subsequently endorsed by the LDRRM Council and approved by the Sangguniang Panlungsod	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2012 AO No. 1 Page 21	The agency did not effectively monitor and appropriately undertake safeguards against loss or wastage and ensure the existence of ₱3,042,511.77 included in its Cash in Bank – Local Currency, Current and Savings Accounts (111 and 112) by not preparing the necessary bank reconciliation statement and other required reports, contrary to pertinent provisions under PD 1445, thus, presenting an inaccurate and unreliable balance in the financial statements.	We recommended that Management immediately require the City Accountant to prioritize the reconciliation and substantiation of the bank accounts which have not been confirmed by the depository banks.	On-going reconciliation	City Accounting Office	July 2025	present	Reconciliation was difficult due to unavailability of documents and records, specifically those items pertaining to prior years.	Reconciliation of various bank accounts had been prioritized. In December 2016, bank reconciling items amounting to ₱1,166,381.42 were already reconciled and cleared both cash in bank and in books. Additional reconciling items were cleared in the amount of ₱392,470.60 in September 2018.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2012 AO No. 2 Page 25	Failure of the City to take decisive action to address the long outstanding reconciling items in its bank accounts totaling ₱3,528,494.23 contrary to applicable provisions of COA Circular No. 96-011 and PD 1445 resulted in presenting an unreliable balance in the financial statements and precluding the utilization of such funds for other development projects beneficial to its constituents.	We recommended that Management require the Accounting Office to give priority to and intensify the review and analysis of the existing reconciling items and adjust those which are clearly identified, based on the existing bank statements, including the set-up of accountability for the double issuance of check replacement.	On-going reconciliation	City Accounting Office	July 2025	present	Lacking documents necessary to facilitate analysis and identification of unrecorded deposits and disbursements.	The Accounting Office already made several requests for the copies of bank statements from the bank. Partial adjustments had been made for those reconciling items with supporting documents.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2012 AO No. 6 Page 38	The validity, existence, propriety and accuracy of the account Due from Non-Governmental Organizations/ People's Organizations (NGOs/POs) amounting to ₱8,880,919.14 is rendered doubtful due to overstatement, misclassification of accounts, incomplete documentation and improper charging, contrary to COA Circular No. 2007-001 dated October 25, 2007.	We recommended that the City Accountant analyze and validate the dormant accounts and accounts for "ID" classified under Due from NGOs/POs and the unsupported balances reflected in the subsidiary ledgers. If the analysis/review of the accounts is not possible due to the absence of records and documents, request for write-off and/or adjustment of account balances from the Commission on Audit, in accordance with the guidelines prescribed under COA Circular No. 97-001.	On-going reconciliation	City Accounting Office	July 2025	present	Lack of supporting documents particularly transactions which occurred in the prior years	Identification of dormants accounts is ongoing.	08.04.2025	Ongoing Implementation			This audit recommendation is restated/revised in CY 2024. (AO No. 41, Page No. 61).
AAR 2012 AO No. 9 Page 48	The agency did not regularly monitor transferred funds and submit liquidations to the source agencies immediately after the completion of the projects/activities, contrary to COA Circular Nos. 94-013 dated December 13, 1994, thus resulting in the accumulation of the Due to Other NGAs account amounting to ₱68,122,800.65, and casting doubt on the accuracy and the validity of the account balance.	We recommended that Management: · Immediately submit the audited Statement of Liquidation to the various source agencies for proper reporting and accounting of the funds received and utilized and to return any unutilized amount pursuant to the terms and conditions of the MOA and COA Circular No. 94-013; and	On-going reconciliation	CAO CEO	July 2025	present	Lack of certificates of completion for the completed projects and clearance from the City Mayor to return the balance to the source agencies.	The CAO submitted quarterly reports and coordinated with the CEO to fast track the liquidation of transferred funds.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2012 AO No. 10 Page 51	The accuracy of the account Due to Other National Government Agencies (NGAs) amounting to ₱68,122,800.65 was doubtful and very unreliable because the balance under the General Fund had no breakdown while under the Trust Fund, not all its details were contained in the subsidiary ledgers nor could be traced to the Fund Utilization Reports (FURs), contrary to	We recommended that Management: a. Conduct review and reconciliation of all Due to Other NGAs accounts by ascertaining the status of project/activities completion, balances and status of liquidation; and	On-going reconciliation.	CAO CEO	July 2025	present	The subsidiary ledgers of this account were not updated due to lack of personnel.	Update, review and reconciliation of balances in the subsidiary ledgers is ongoing. The status and liquidation of projects and activities with no movement for quite some time were verified.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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	Sections 111 and 112 of PD No 1445 and Section 10 of the Manual on New Government Accounting System, Volume II.	b. Require the City Accountant to likewise verify and investigate the status of the funds by confirming the balances with the source agencies.	On-going reconciliation.	CAO CEO	July 2025	present	The subsidiary ledgers of this account were not updated due to lack of personnel.		08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2011 AO No. 8 Page 29	Funds amounting to ₱2,849,353.40 and ₱512,614.98 representing the real property and community tax share, respectively, of the barangays remained in the books of the City under account Due to LGUs (418) thereby depriving the beneficiary-barangays of the use of such resources.	We recommended that Management immediately release the RPT shares due to the barangays.	To reconcile the P512,614.98 prior year balance representing the Barangay RPT and Community Tax Share to determine the account's correctness.	CAO	July 2025	present		The City Accounting Office had been monitoring the funds released to the barangays to ensure timely and immediate transfer of the share of real property taxes to beneficiary-barangays. The 50% Community Taxes amounting to ₱512,614.98 remained dormant from	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
		Henceforth, adherence to Section 272 (d) of the Local Government Code is encouraged and require the City Accountant to determine the actual status of the 50% share of the community taxes and if found to be erroneously recorded, cause the transfer of the amount to the unappropriated surplus of the General Fund to be used for other activities/programs.	Ongoing reconciliation		July 2025	present	Unavailability of required documents for the reconciliation.		08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2008 AO No. 1 Page 18	Balances of In-Process accounts under the old government accounting system representing unliquidated capital outlay obligations which were converted in 2002 to the account Items in Transit under the New Government Accounting System, have not been adjusted for liquidations thereof, thus resulting to gross overstatement of this account by approximately ₱165,935,158.07.	We recommended that the OIC City Accountant be required to determine the composition of the amount set up as Items In Transit converted from the in-process accounts in 2002 as well as the payments or liquidations thereof, and to adjust the Items in Transit account in order to fairly present the account in the financial statements.	To continue the reconciliation process.	CAO	July 2025	present	Unavailability of required documents for the reconciliation.	Ongoing reconciliation to determine the composition of the amount set up during conversion in CY 2002.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2008 AO No. 5 Page 26	The City did not provide for depreciation of its depreciable properties totaling ₱153,106,904.06 except for equipment acquired in 2008 in violation of Section 04, Volume I of the NGAS Manual, thereby overstating the carrying value of assets and understating the expenses for the current and previous years starting 2002.	We recommended that the OIC City Accountant be required to request frrom the GSO for a list of assets acquired from 2002 to 2007, to compute th depreciation expense for all depreciable assets for the current period as well as from 2002 up to 2006 using the Prior Years' Adjustment and Accumulated Depreciation accounts in order to fairly present the asset and equity accounts in the financial statements.	To continue the reconciliation process.	CAO	July 2025	present	Identification of depreciable assets purchased from CY 2002 to 2007 is ongoing. Lack of available documents to support adjustments in the books of accounts.	Depreciation expenses were already recognized for fixed assets acquired from 2008 up to the present.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2007	The cost of completed projects were not transferred to the General Fund books as required under Section 104 of the Manual, thus overstating Trust fund equity by ₱48,719,909.98, although not affecting the City's total equity.	We recommended that the City Accountant be required to identify the composition of the portion of government equity representing the costs of the different completed projects and fixed assets and transfer the same to the General Fund books.	To continue the reconciliation process.	CAO	July 2025	present	Retrieving of supporting documents took time and resources.	In 2022 a total of ₱46,606,985.70 asset transfer were made form Trust Fund to General Fund which includes completed projects and equipment as per GJ JEV# 100-2022-01-012, GJ 100-2022-07-106, 107, 108, 109, 110 & GJ 100-2022-12-232, 233	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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AAR 2003 AO No. 6 Page 29	Balance of Due to Other Funds account did not reconcile with the balance of Due from Other Funds account resulting to a difference of ₱652,687.08, thereby rendering the accounts doubtful.	We recommended to require the City Accountant to effect the appropriate adjustments to reconcile accounts Due to Other Funds and Due From Other Funds.	To continue the reconciliation process.	CAO	July 2025	present	Reconciliation took some time because the CAO had to work back from the prior years' records. Incomplete documents caused the delay in the reconciliation.	Reconciliation of Due to Other Funds and Due from Other Funds accounts is ongoing.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.
AAR 2013 AO No. 8 Page 54	The City utilized ₱500,000.00 from the Priority Development Assistance Fund (PDAF) for intelligence purposes which is not within the project menu authorized in the General Appropriations Act, thus, resulting in illegal disbursements and disallowance of the said amount.	For the PDAF utilized for intelligence purposes, we recommended for the immediate refund of the amount of ₱500,000.00 so that these could be used instead for bona fide pro- poor projects and programs of the government.	To follow-up the COA Central Office audit and action, Cerdit Notice and result of the appeal on the Disallowance.	CAO	July 2025	present		Awaiting the COA Central Office audit and action and Credit Notice, and pending Management's action on the restitution of the amount. The Notice of Disallowance (ND) is on appeal. Settlement had been done in July 2012, the liquidation documents were sent to COA Central Office for audit and action. Discussion was done by top Management that the amount of ₱500,000.00 will be restituted from the General Fund-Unappropriated Surplus.	08.04.2025	Ongoing Implementation			Audit Team to monitor again after December 31, 2025.

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10.25.2025
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