ACTION PLAN MONITORING TOOL

Sector: Local Government Sector

Prepared by: For: FRANCES MARIE O. UBAG — Date: 12/01/2025

Team: G- Team R7-03

Audited Agency: Municipality of Tayasan

Approved by: ROSARIO B. VILLALUZ — Date: 12/01/2025

Audit Period: CY 2024

AAR Date:

Ref.	Audit Observation	Recommendation	Agency Action Plan				Status of Implementa-tion	Reason for Non-Implementation, if applicable	Action Taken/Action to be Taken	RESULTS of COA VALIDATION				
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					From	To						From	To	
AAR 2024 2023	The Municipality of Tayasan did not effectively follow the guidelines and procedures specified in COA Circular No. 2020-006 dated January 31, 2020, regarding the one-time cleansing of Property, Plant, and Equipment (PPE), thus affecting the fairness of presentation of the PPE accounts amounting to ₱571,023,437.67 in the financial statements at year-end and depriving the government's access to reliable and useful information for decision-making and accountability for these assets.	*CY 2024* We reiterated our recommendation that the Inventory Committee: 1. Strictly follow the guidelines and procedures for conducting the physical count of PPE. This includes recognizing PPE items found at the station and disposing of items that are non-existent or missing. The Accountant and Property Officer should reconcile their records based on the results of the actual physical count and make any necessary adjustments; and	Management targeted to complete one-time cleansing of PPE by next year 2026	Inventory committee created and all departments	October 2025	October 2026	Not yet implemented but with initial activities performed	Lack of personnel and time to focused the job/activity	Listing of existing PPE per department was prepared for verification/validation and consolidation by the committee		Not Implemented			For verification; The Audit Team is awaiting Management's submission of the inventory report.
		2. Adopt a uniform numbering system for PPE property numbers and require the Property Unit to update the property stickers according to the prescribed format and include all the necessary information as specified in Sections 5.6 and 5.7 of COA Circular No. 2020-006 dated January 31, 2020; and									Not Implemented			For verification; The Audit Team is awaiting Management's submission of the inventory report.
		3. Prepare the PIP for approval by the Municipal Mayor and submit the same to COA at least									Not Implemented			Management still had not submitted the PIP to the Audit Team.

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		10 calendar days before the scheduled start of inventory activities. *CY 2023* We recommended that Management observe the guidelines and procedures provided in COA Circular No. 2020-006 dated January 31, 2020, for the one-time cleansing of PPE account balances to have reliable PPE balances that are verifiable as to existence, condition, and accountability as follows: 4. Conduct the required preliminary activities prior to inventory taking; and 5. Record/document the physical count daily in a standard ICF prescribed in Annex A of COA Circular No. 2020-006 dated January 31, 2020.									Not Implemented Not Implemented			Management still had not submitted the PIP to the Audit Team. Management still had not submitted the ICF.
AAR 2024 2023	The accuracy and reliability of the Local Road Network (LRN) account totaling ₱149,095,838.93 could not be ascertained due to various deficiencies noted, 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: 6. Inventory Committee conduct the physical count of the Municipality's local roads and thereafter, prepare and submit the RPCLRN to the Audit Team, Municipal Accountant, and Supply Officer; 7. Municipal Engineer provide the Municipal Accountant and the Supply Officer with a complete description and segregation of road components for road projects; 8. Municipal Accountant fully disclose the total road network system in the Notes to Financial Statements; and	To be implemented by October 2026	Engineering Office, Assessor Office, Property Custodian	January 2026	October 2026	Partially Implemented		Partially taken an inventory, report prepared by the engineering but not completed and submitted in the accounting office for appropriate actions.		Not Implemented Not Implemented Not Implemented			For verification; The Audit Team is awaiting Management's submission of the inventory report. Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation. The Municipal Accountant has yet to submit the

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														CY 2025 Notes to FS.
		9. Municipal Mayor direct the Municipal Engineer, Municipal Accountant, and Supply Officer to strictly comply with the accounting and reporting guidelines on the local roads asset management system pursuant to COA Circular No. 2015-008 dated November 23, 2015.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
		CY 2023 10. We recommended that the Municipal Accountant record the accumulated depreciation of the additional road networks, net of the cost of road lots, and prepare the necessary corrections, and provide the required disclosures in the notes in accordance with IPSAS 17 and COA Circular No. 2015-008 dated November 23, 2015.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation
		11. We also recommended that the Municipal Accountant regularly review the Local Road Network Ledger Card (LRNLC), request updated records from the Municipal Engineering Office for its infrastructure projects, and continuously provide depreciation for each depreciable component of the local road network system.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2024	The existence, validity, and correctness of the Inventory accounts totaling ₱3,256,023.87 as of December 31, 2024, have not been established	We recommended that: 12. Inventory Committee prepare and submit a copy of the inventory reports to the Auditor to verify compliance									Not Implemented			For verification; The Audit Team is awaiting Management's submission of the inventory report.

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	due to (a) non-conduct of the year-end physical count and (b) non-maintenance of supplies ledger cards and stock cards by the Offices of the Municipal Accountant and Municipal Treasurer, respectively, which goes against the provisions set forth in the NGAS Manual for LGUs, Volume 1, thereby, affecting the fairness of the presentation of these accounts in the financial statements.	with Section 124 of the NGAS Manual for LGUs, Volume I; and 13. Municipal Accountant and Municipal Treasurer maintain the supplies ledger cards and stock cards, respectively.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2024	Biological Assets valued at ₱379,219.80 that have been in the books for more than 10 years, were not stated at fair value as of the reporting date due to the non-submission of a complete Inventory Report of Breeding Stocks and the prevailing market price for each item by the Municipal Agriculturist to the Municipal Accountant, contrary to Section 4.5.1 of COA Circular 2016-004 dated September 30, 2016, and the pertinent provisions of the IPSAS 27, thus, rendering the existence and valuation of the account presented in the financial statements doubtful and unreliable.	We recommended that the Municipal Agriculturist: 14. Conduct an inventory of breeding stocks as of the end of each year and thereafter render a report including the fair market value of these items to the Municipal Accountant, for proper recording in the books of the LGU; and 15. Keep a systematic record of the Municipality's breeding stocks, reporting births, deaths, and disposal, and in case of death and disposal, facilitate requests for relief of accountability in accordance with COA Circular No. 92-386 dated October 20, 1992, to appropriately drop the amount from the books. 16. We further recommended that the Municipal Accountant disclose the composition of the									Not Implemented Not Implemented Not Implemented			For verification; The Audit Team is awaiting Management's submission of the inventory report. Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation. The Municipal Accountant has yet to submit the CY 2025 Notes to FS.

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		Biological Assets account in the Notes to Financial Statements in accordance with IPSAS 27 to provide relevant information that may affect the fairness of the presentation of the financial statements.												
AAR 2024	The unexpended balances of the LDRRMF from prior years amounting to ₱11,616,979.08 which were transferred to the Special Trust Fund (STF) were not considered and integrated into the LDRRMFIP for CY 2024, contrary to Sections 5.1.2 and 5.1.15 of COA Circular No. 2012-002 dated September 12, 2012 and may result in inefficiencies in allocating and utilizing funds for disaster risk reduction and management efforts, as well as missed opportunities for disaster resilience and preparedness initiatives.	We recommended that the LDRRMO: 17. Include PPAs that are chargeable against the prior years' unexpended LDRRMF in the annual LDRRMFIP of the current year, in accordance with the format prescribed under Annex A of COA Circular No. 2012-002; and 18. Establish an efficient review and monitoring system to ensure that the LDRRMFIP complies with the requirements outlined in COA Circular No. 2012-002.					Partially implemented		Unexpended balance of LDRRMF from prior years were considered in 2025 and taken as supplemental budget in 2025 an included in the current Annual Investment Plant for utilization as addendum to the plan.		Not Implemented Not Implemented			The LDRRMO has yet to submit the CY 2025 LDRRMFIP for validation. Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2023 2022 2014	The submission of the required monthly and quarterly reports, including the year-end financial statements (FS) for CY 2023, was not regularly observed by the official-in-charge as provided under Section 41(2) of P.D. No. 1445, Section 70 of the NGAS Manual Volume I, and Section 4.1 of COA Circular No. 2010-01 dated March 2, 2010,	19. We recommended that Management closely monitor invariable compliance with the submission of monthly and quarterly financial reports together with the complete schedules in accordance with the requirements of pertinent laws and regulations.									Not Implemented			Management had still not complied with the monthly and quarterly submission of financial reports and supporting schedules.

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	hence defeating the intended purpose of these reports.													
AAR 2024 2023	Monthly Bank Reconciliation Statements (BRS) for CY 2024 were not prepared and submitted to the Office of the Auditor, which is inconsistent with Section 74 of P.D. No. 1445 and Sections 3.2 and 3.4 of COA Circular No. 96-011, thus the total balance of the accounts Cash in Bank-Local Currency Current (1-01-02-010) and Cash in Bank-Local Currency Savings (1-01-02-020) could not be validated, hindering the timely reconciliation book and bank balances and the detection of errors and/or fraud, if any.	*CY 2024* 20. We recommended that the Municipal Accountant prepare and submit to the Audit Team the monthly BRS pursuant to Sections 3.2 and 3.4 of COA Circular No. 96-011 dated October 2, 1996.					Fully Implemented		All banks accounts for CY 2024 under the General Fund, Trust Fund and Special Education Fund are fully complied and prepared in a monthly basis. Soft copy forwarded to the auditor for verification.		Not Implemented			The Municipal Accountant had already submitted the BRS; The Audit Team still had to validate the figures presented therein.
		21. We further recommended that the Municipal Accountant and Municipal Treasurer closely coordinate and regularly reconcile their respective records for early detection and correction of adjustments and errors, if any, pursuant to Section 74 of P.D. No. 1445.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
		CY 2023 22. We recommended that the Municipal Accountant submit the CY 2023 monthly bank reconciliation statements to the Auditor immediately and comply with the provisions of Section 74 of P.D. No. 1445 and Sections 3.2 and 3.4 of COA Circular No. 96-011.									Not Implemented			For verification
AAR 2023	Payments for some goods and services by the Municipality amounting to ₱589,799.60 were made without the necessary and complete supporting documents as required under Section 4 of P.D. No. 1445, hence, the validity, legality, and reasonableness of the	23. We recommended that Management adhere strictly to the provisions of Section 4 of P.D. No. 1445 and COA Circular No. 2012-001 on documentary requirements before effecting any payments and see to it that all supporting documents are complete and attached together with the voucher.					Fully Implemented		Documentations requirement attached to the voucher before payment		Not Implemented			For verification

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	disbursements could not be ascertained and verified.	24. We likewise recommended that Management submit the required documentation with the duly supplied information, as enumerated in the attached Appendix 4, to avoid suspension in audit.									Not Implemented			Management still had not submitted the required documentation on the subject transaction.
AAR 2023	The Municipality exceeded the maximum of 30 days in a year allowed for monetization of leave credits, as per Section 22 of the Omnibus Rules on Leave. Additionally, the payment for leave monetization lacked the necessary supporting documentation as required by Item 5.14 of COA Circular No. 2012-001 dated June 14, 2012, hence, the validity of the disbursement could not be ascertained.	25. We recommended and Management agreed to revisit the CSC Resolution on the Omnibus Rules on Leave and strictly adhere to the provisions of Sections 22 and 23 thereof. 26. Moreover, we recommended and Management agreed to require the concerned personnel to submit the necessary documents in support of their application for monetization to the Audit Team for evaluation and review pursuant to Item 5.14 of COA Circular No. 2012-001 dated June 14, 2012.					Fully Implemented		Monetization of leave credits is limited to a maximum of 30 days except for those qualified for 50% or more upon compliance of the requirement mandated by rule and regulation prescribed by CSC.		Not Implemented Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation. Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2022 2017	The consolidated balances of reciprocal accounts, Due from Other Funds and Due to Other Funds for CY 2022 showed an unreconciled difference of ₱1,510,459.71, indicating some neglect by the Accounting Office in monitoring and reconciling the accounts, thus rendering both accounts unreliable.	27. We recommended that the Municipal Accountant reconcile the balances of the reciprocal accounts under the three funds and book the necessary adjustments to bring their balances into an agreement. The Municipal Accountant should closely monitor transactions affecting reciprocal accounts and ensure that these are recorded in the different funds simultaneously to avoid any error of omission.	To have inter-agency reciprocal account in balance	Accounting and Treasury Department	Whole year round		Partially Implemented	Old Account cannot be traced due to in-availability of the document to support adjustment	Reconciliation not yet competed for the previous instead current year transaction property monitored.		Not Implemented			For verification; Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation

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		28. We further recommended that transactions between funds be settled immediately to minimize monitoring and reconciliation work and, more importantly, to avoid erroneous account balances.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2022	Out of 30 development projects identified in the Annual Investment Plan for the CY 2022 20% Local Development Fund, only sixteen (16) or 53%, were started and completed while one was ongoing, leaving the rest unimplemented, thereby depriving constituents of the full benefits that could have been obtained therefrom.	29. We recommended that the Municipal Mayor and the Municipal Planning and Development Coordinator monitor closely the implementation of development projects and take immediate action to fix and eliminate impediments which may hinder their speedy implementation. 30. We further recommended that Management carefully plan for its development projects so that government resources are properly and judiciously put to use. Likewise, to see to it that program, project, and activity is within the guidelines provided under the DBM-DOF-DILG JMC No. 1 dated November 4, 2020 so that target socio-economic outcomes can be attained.	To have full implementation of projects by year end.	MPDC, Engineering, Mayor's Office and BAC	Whole year round implementation		Fully Implemented		As of this date, project implementation under 20%EDF for year 2022 are fully implemented		Not Implemented Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation. Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2022	The procurement of two units 4x4 pick-up vehicles by the Municipality charged against the General Fund and Local Disaster Risk Reduction and Management Fund (LDRRMF) in the amount of ₱1,750,000.00 and ₱1,500,000.00	31. We recommended that the Management submit the required Authority to Purchase Motor Vehicles from the concerned DILG Regional Director. 32. We further recommended Management to, henceforth, adhere strictly to existing provisions for the	Secure an Authority before proceeding to procurement process by this year 2024	Office of the Mayor, LDRRMO and end-User	Whole year round when there is an existing appropriation for procurement		Fully Implemented		Management strictly adhere DILG MC No. 2021-004 dated January 18, 2021 in procurement of motor vehicle by the municipality.		Not Implemented Not Implemented			Management still had not submitted the required Authority to Purchase Motor Vehicles. Management still had not furnished the Audit Team

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	respectively, was made without the authority to purchase motor vehicles from the DILG Regional Director concerned as required under Sec. 5.1.3 of DILG Memorandum Circular (MC) No. 2021-004 dated January 18, 2021, thus rendering the disbursements irregular.	purchase of motor vehicles particularly DILG Memorandum Circular (MC) No. 2021-004 dated January 18, 2021, in order to avoid irregular disbursements and the corresponding consequences thereof.												with proof of the implementation .of the audit recommendation.
AAR 2022	Contracts covering the hiring of personnel under job order (JO) and contract of service (COS) did not specifically state the duties and responsibilities as well as the expected output of the personnel as required under Section 517, Volume I of Government Auditing and Accounting Manual (GAAM) and Civil Service Commission (CSC) Resolution No. 02-1430, thus, the necessity of employing these personnel and their accomplishment could not be properly assessed.	33. We recommended that Management: (a) stipulate in the contract the duties and responsibilities of the hired contract of service and job order workers, including their expected outputs for easy monitoring, review and evaluation of accomplishments; and (b) revisit its existing policy in the hiring of JOs/COS and review the existing number of personnel under the said employment status to avert possible duplication of the work of regular employees.	By 2025 hiring of JO employees be properly screen and have properly established duties and responsibilities	Mayor's office and HRMO II	January to	December 2025	Fully Implemented		Job Order employees assignment/duties and responsibilities is properly indicated in the job order sheet with specific place of assignment.		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2021 2020	The valuation and existence of inventories totaling ₱4,465,167.75 could not be established due to the weak internal control system in the management thereof, including the recording of purchases as outright expenses, non-maintenance of supply records, and non-conduct of semi-annual physical count, contrary to	We recommended that Management strengthen the internal control system in the handling of supplies by requiring the Municipal Treasurer/Supply Officer to: 34. maintain the necessary stock and property cards to monitor the purchases, issuances and distributions of supplies and materials;					Partially Implemented		Supply Officer not able to maintained stock card due to one (1) man office and lack of personnel to monitor all purchases, as to warehouse, the municipality still looking for a place to established separate bodega due to no lot available for		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.

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	existing regulations provided in Chapter 7 of the Manual on the New Government Accounting System for LGUs, Volume 1 (MNGAS), hence, overstating expenses and understating assets and government equity by an undetermined amount at year end.	35. conduct the regular physical count of these items, prepare the required report of physical count and submit the same to the office of the auditor; and							constructions of warehouse.		Not Implemented			Management has yet to submit the inventory reports.
		36. provide ample storage and physical safeguards for supplies in stock against damage and risk of loss.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation
		37. directing the Accounting Unit to follow the perpetual inventory method in the purchase of supplies and materials, to include the maintenance of supply and property ledger cards in compliance with Chapter 7, Sections 114 and 121 of the MNGAS, and to make the necessary adjusting entries to properly recognize the appropriate inventory accounts upon purchase instead of expenses.									Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2021	Payment of membership and registration fees totaling ₱120,000.00 for the Year-End Evaluation and Review conducted by the Philippine Councilor's League (PCL) – Negros Oriental Chapter attended by Sangguniang Bayan (SB) members in CY 2021, were not issued with Accountable Form No. 51/Government Official Receipt, contrary to	38. We recommended that Management require the issuance of an Official Receipt (Accountable Form No. 51) from the Philippine Councilor's League, for its payment of membership and registration fees in compliance with Section 4(6) of P.D. No. 1445 and Sections 42 and 44, Chapter 7, Title I(B) Book V of the Administrative Code of 1987. Pending compliance hereto, the said payments shall be suspended in audit.					Fully Implemented		Issues and concerned are properly settled between management and the commission.		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.

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<tr><td></td><td>Section 4(6) of Presidential Decree (P.D.) No. 1445, which may result to unrecorded collection and possible loss of government funds.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>AAR 2021</td><td>The Purchase Orders issued to suppliers of goods and services by the Municipality did not indicate all the necessary information pertaining to the transactions. In addition, copies of perfected contracts with supporting documents were not furnished to the Office of the Auditor within the prescribed period as required under COA Circular Nos. 2009-001 and 96-010, thus, precluding the timely auditorial review in terms of compliance with the requirements of applicable laws, rules and regulations, completeness of documentary requirements and initial evaluation that the contractual covenants were not disadvantageous to the government.</td><td>39. We recommended that Management: (a) furnish the Auditor copies of the contracts, purchase orders and certificate of acceptance, together with all supporting documents thereto within the required timeframe; (b) indicate all the basic information in the purchase order as required under COA Circular Nos. 96-010 and 2009-001.</td><td></td><td></td><td></td><td></td><td>Fully Implemented</td><td></td><td>Document submitted to COA by the Bid and Awards Committee (BAC) through the BAC secretariate with in the specified time.</td><td></td><td>Not Implemented</td><td></td><td></td><td>Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.</td></tr>
<tr><td>AAR 2020</td><td>The Municipal Engineer did not submit to the Municipal Accountant copies of Certificate of Completion for projects implemented by administration as basis of the latter to close the Construction in Progress account to its appropriate property, plant and</td><td>40. We recommended that the Municipal Engineer submit/attach to the disbursement vouchers/payrolls copies of the Certificate of Completion for projects implemented by administration.

41. We also recommended that the Local Chief Executive hire permanent/casual</td><td></td><td></td><td></td><td></td><td>Fully Implemented</td><td></td><td>Submission of Certificate of Completion and Acceptance in included or attached to the claimed or paid vouchers as part of the supporting documents before payment be made.</td><td></td><td>Not Implemented

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	equipment (PPE) account as required under Section 50 of the Manual on the New Government Accounting System for Local Government Units (NGAS), municipality overstated and the related property, plant and equipment accounts understated by ₱63,683,881.04.	personnel to assist the depleting staff of the Office of the Municipal Accountant so that they could update the subsidiary ledgers and other records of the agency. 42. Lastly, we recommended that the Municipal Accountant and Municipal Engineer conduct inventory of completed and on-going projects and reconcile the ledgers and list of publicized projects at least quarterly in order that differences between the two records can be adjusted immediately to ensure the accuracy and fairness of the presentation of the construction in progress and the appropriate property, plant and equipment accounts in the financial statements.									 Not Implemented			with proof of the implementation of the audit recommendation. For verification; The Audit Team is awaiting Management's submission of the inventory report.
AAR 2020	The Municipal Treasurer did not thoroughly examine the books of accounts of business taxpayers nor conduct confirmation on the declared gross receipts stated in the application for renewal of business licenses contrary to Section 171 R.A. No. 7160, thus, resulting in the underassessment or under collection of income.	43. We recommended that the Municipal Mayor direct the OIC-Municipal Treasurer to collect from the supplier the underpayment of ₱47,074.50, otherwise file appropriate action against the erring supplier. Henceforth, the OIC-Municipal Treasurer should verify from the records of the BIR or from audited financial statements the accuracy of the declared gross receipts of the taxpayers in order to assess the correct amount of tax.					Partially Implemented	Additional assessment/ or billing was issued to taxpayer for the deficiency of business tax payment	Assessment issued to Taxpayer but no payment yet received.		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2020	The Human Resources and Management Office-Designate did not submit copies of the daily time records to the Municipal Accountant and the latter to Auditor's Office in	44. We recommended that the HRMO-Designate submit promptly to the Municipal Accountant copies of the daily time records and that the latter to submit the same to the Office of the Auditor in order to					Fully Implemented		DTR submitted in the accounting office by the HRMO		Not Implemented			For verification

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<tr><td></td><td>violation of COA Circular No. 95-006, thus causing the delay in the audit verification of any irregular, illegal or erroneous transactions.</td><td>determine and evaluate any irregular, illegal or erroneous transactions of the agency.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>AAR 2020</td><td>The payrolls for payment of Emergency Subsidy Program (ESP) through the Department of Social Welfare and Development (DSWD) Social Amelioration Program (SAP) at ₱6,000.00 per beneficiary totaling ₱34,380,000.00 for the 28 barangays were not supported with complete documentation contrary to Section 8 of DSWD-DOLE-DTI-DA-DOF-DBM Joint Memorandum Circular No. 1, Series of 2020, thereby, casting doubt on the propriety, validity and legality of the transactions. In addition, the amounts were claimed by individuals other than the beneficiaries without an authority to claim signed by the beneficiary contrary to Section 195 of the Government Accounting and Auditing Manual (GAAM) Volume 1.</td><td>45. We recommended that the MSWDO submit to the Municipal Accountant the required supporting documents in accordance with Section 8 of Joint Memorandum Circular No. 1, Series of 2020 and the latter to attach the required documents to the payrolls in order to ensure the validity, propriety and legality thereon.

46. Further, we recommended that the MSDWO submit a justification letter explaining the substitution of beneficiaries without conformity of the Municipal Mayor or the Regional Director of DSWD. Furthermore, we recommended that the Municipal Treasurer submit an Authority to Claim duly signed by the beneficiaries and attached the same to the payrolls.

47. Lastly, we recommended that the Municipal Treasurer require the Barangay Secretary of Bacong to refund the amount claimed.</td><td></td><td></td><td></td><td></td><td>Fully Implemented</td><td></td><td>Refund of 6,000 receipted</td><td></td><td>Not Implemented

Not Implemented

Not Implemented</td><td></td><td></td><td>Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.

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For verification</td></tr>
<tr><td>AAR 2018 2013 2012</td><td>Failure to comply with regulations on the grant and liquidation of cash advances under COA Circular No. 97-002 has resulted in the accumulation of cash</td><td>48. We recommended that the Management issue letters of demand to all officers who are still in the service and those who can still be contacted, after which a report shall be submitted to the Auditor for the</td><td></td><td></td><td></td><td></td><td>Partially Implemented</td><td></td><td>Demand letters have been issued, some existing employees refunded through payroll deduction, other alternative measures is</td><td></td><td>Not Implemented</td><td></td><td></td><td>Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.</td></tr>
</table>

Ref.	Audit Observation	Recommendation	Agency Action Plan				Status of Implementation	Reason for Non-Implementation, if applicable	Action Taken/Action to be Taken	RESULTS of COA VALIDATION				
			Action Plan	Person/Dept. Responsible	Target Implementation Date					Date of Follow-up	State of Implementation	Actual Implementation Date		Remarks
					From	To						From	To	
	advances to ₱1,347,675.63 as of December 31, 2019, of which 14.73% or ₱198,537.02 are aged more than ten years and 26.57% or ₱358,054.00 are aged over two years and may have adversely affected the fair presentation of the receivable accounts of the Municipality while exposing government funds to the risk of loss due to unauthorized or personal use by the officers accountable therefor.	withholding of the salaries of those who are still in the service and the filing of criminal charges on all who fail to liquidate, as provided under Section 9.3 of COA Circular No. 97-002 dated February 10, 1997.							implemented by management instead of filing proper cases.					
AAR 2016 2012 2009	The LGU paid ₱1.7million for a lot to be used as a sanitary landfill despite the lack of essential documents that would secure its ownership rights over the said property including the discrepancy of 16,580sqm or an equivalent cost of ₱0.89million, in violation of Section 148 of COA Circular No. 92-386 and Section 449 of GAAM, Volume I, thus precluding the determination of the legality of the said transaction and posing a risk for potential ownership claims/legal infractions that may arise in the future.	49. We recommended that the Management submit the required documents enumerated above and secure the Transfer Certificate of Title to the lot purchased as an indispensable requirement. Pending compliance thereto, audit action on the pertinent transaction is hereby suspended.					Fully Implemented		Lot is titled in the name of the municipality, Title released and attached. Recently title for sanitary landfill is released and is with the property custodian.		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.

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AAR 2016	The municipal government did not get the 2016 Seal of Good Local Governance as it was not able to meet all the criteria particularly on disaster preparedness and environmental management which included the formulation of the Comprehensive Land Use Plan, Comprehensive Development Plan and the construction of the materials recovery facility, contrary to the requirements under DILG MC Nos. 2012-79 and 2014-39 as well as R.A. 9003, hence missing the opportunity to receive the award including access to additional funding and incentives, and necessitating effective measures to address the potential effects of disasters to human life.	50. We recommended that Management, spearheaded by the LDRRM and MPD Officers, fast-track the preparation of the CLUP and CPD, initiate the construction of the MRF and fully undertake measures to comply with the requirements to pass the SGLG and gain access to the PCF and the incentives package which could provide essential funding for the LGU's programs in addressing the eventuality of a disaster.					Partially Implemented	CDP completed and CLUP preparation is on-going.	Present of approved CDP and CLUP preparation is for review for the CDDRA finalization which is the critical aspect in CLUP preparation.		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.
AAR 2015	The municipality paid salaries and benefits to the Human Resource and Management Officer whose appointment was disapproved by the Civil Service Commission, contrary to Sections 19.4 and 53 of P.D. 807 and Article 168 of the IRR of R.A. 7160, thereby resulting in the illegal payment and disallowance of ₱216,363.45 and	We recommended that the salaries and other compensation paid to Mr. Rogelle Alve B. Serna from January 20, 2014 to October 9, 2014 under an appointment which has been disapproved by the Civil Service Commission with finality be refunded to the municipal government by the person responsible for the unlawful appointment. We further recommended that Management furnish our office with a status report or pertinent documents, if already resolved, on the Motion for Reconsideration filed with the							Appeal pending waiting for the resolution of appeal		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.

Ref.	Audit Observation	Recommendation	Agency Action Plan				Status of Implementa-tion	Reason for Non-Implementation, if applicable	Action Taken/Action to be Taken	RESULTS of COA VALIDATION				
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	suspension of ₱411,593.12.	CSC for the appointment issued on October 30, 2014 which was disapproved by the CSCFO on April 7, 2015. Pending compliance thereto, audit action on payments made from October 30, 2014 to December 31, 2015 is hereby suspended.												
AAR 2014	The Municipal Government released the 10% retention money equivalent to ₱0.807million for its SALINTUBIG project without observing the defects liability period and did not secure any warranty to cover the 15-year period despite the dubious operationalization of the project costing ₱9.99 million, contrary to Section 62 of the Revised IRR of R.A. 9184, thereby exposing the LGU to financial risk of loss for non-recovery of additional costs and/or waste of funds for the failure to attain the project's full functionality.	We recommended that Management: a) Instruct the LGU Inspectorate Team to furnish our office with the Certificate of Project Completion and Certification of Project Acceptance issued by the DOH to the LGU. b) We further recommended that the LGU Inspectorate Team submit an operational and functional status of the project, the recourses available to it to address the concerns on the functionality of the project and the corresponding actions taken and/or costs incurred, if any, to enable us to properly evaluate the transaction and make a decision in audit.					Partially Implemented	Request to the current inspectorate team for operational report/status had been served or issued.	Report from the inspectorate team not yet received as of this time, project ocular inspection was made by the team.		Not Implemented			Management still had not furnished the Audit Team with proof of the implementation of the audit recommendation.