CITY GOVERNMENT OF BAYAWAN
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
Audit Observations and Recommendations
For the Calendar Year 2024
As of **June 30, 2025**

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Non-Implementation, if applicable	Action Taken/Action to be Taken
			Action Plan	Person/Dept. Responsible	Target Implementation Date From	Target Implementation Date To			
AAR 2024 (AOM-01)	1. Management does not maintain a separate bank account for its 20 percent Development Fund (DF) special account as required under Section 310 and 313 of Republic Act (RA) No. 7160, making it difficult to determine, in a timely manner, the availability of actual cash backup of the unutilized balance of P244, 914,818.32 as of December 31, 2024, which consists of current and continuing appropriations for the implementation of development projects.	We recommend that the City Accountant and the City Budget Officer reconcile their reports and determine the actual funds available for ongoing and/or unimplemented projects under the 20 percent DF. We further recommend that Management, upon the authorization of the Sanggunian, open a separate bank account in the General Fund for the 20 percent DF, to which the City Accountant and City Treasurer transfer the determined or reconciled balance of the said account.	The management complied with the recommendation to open a separate bank account in the General Fund for the 20% DF with the following details: Bank Name: Land Bank of the Philippines (LBP) Bayawan Branch Account Name: City Government of Bayawan GF - 20% DF Account Number: 1182-1178-77				Implemented		

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AAR 2024 (AOM-02)	2. The Loans Receivable - Others account includes financial assistance to cooperatives or non-governmental organizations/people's organizations (NGOs/POs), totaling P23,682,271.32, which is inconsistent with COA Circular Nos. 2007-001 and 2015-009, dated October 25, 2007, and December 1, 2015, respectively, thus defeating the purpose of providing financial assistance to the intended NGO/PO and affecting the fair presentation of the Loans Receivable account in the Statement of Financial Position.	We recommend that Management strictly implement the guidelines and procedures established under COA Circular No. 2007-001 in the granting, utilization, accounting, and auditing of all funds released to non-governmental organizations and/or people's organizations. We further recommend that Management demand liquidation of these funds in accordance with the aforementioned issuance. Lastly, we recommend that, henceforth, Management re-evaluate their true intentions in granting financial assistance to organizations and individuals, ensuring compliance with the law so the proper accounting and recording can be made.	The Management adhered to the audit recommendations.				Implemented		
AAR 2024 (AOM-03)	3. A representative from the Office of the City Engineer attended the Training on Capacity Building	We recommend that, henceforth, Management refrain from authorizing	The Management already refrain from authorizing personnel				Implemented		

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	for LGUs under the DPWH Devolution Transition Plan and claimed P60,888.00 in travel expenses despite not being a designated participant, contravening COA Circular No. 2012-003 and defeating the purpose of capacitating LGU engineers with the necessary knowledge and skills for the engineering project development cycle, and disregarding the prescribed rules of the DPWH.	personnel who are not target participants in training sessions conducted by the other government agencies and charging their travel claims to government funds. We further recommend that in cases where Management finds it necessary to send a substitute participant to training sessions or conferences, they should seek express or written approval from the agency conducting the training or conference to ensure alignment of objectives and to secure proper authority.	who are not target participants in training sessions conducted by the other government agencies and charging their travel claims to government funds.						
AAR 2024 (AOM-04)	4. Prior year expenditures aggregating P1,677,395.76 were erroneously recorded as current years expenses, contrary to Section 119 of PD No. 1445 and IPSAS 1, therefore resulting in the overstatement of the related expense accounts and understatement of the surplus for the current period, affecting the fairness of the presentation of the financial statements.	We recommend that the City Accountant: a. Make the necessary adjustments to correct the erroneous recording of prior period expenditures to reflect the actual financial performance of the City Government of Bayawan, in conformity with Section 119 of PD 1445 and IPSAS 1;	The City Accountant already made the necessary adjustments to the erroneous recording of prior period expenditures to reflect the actual financial performance of the City Government of Bayawan, in conformity with Section 119 of PD 1445 and IPSAS 1.				Implemented		

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		b. Direct the Accounting Clerk assigned to record the expenditures to, henceforth, review those that pertain to the prior and journalize these items as adjustments to equity and corresponding real or accrued accounts rather than to current period expenditures or nominal accounts.	Also directed the personnel assigned to record the expenditures to, henceforth, review those that pertain to the prior year and journalize these items as adjustments to equity and corresponding real or accrued accounts rather than to current period expenditures or nominal accounts.				Implemented		
AAR 2024 (AOM-05)	5. Purchase of inventories totaling P27,863,315.76 were recognized as expense instead of inventory upon receipt contrary to Section IV of COA Circular No. 2014-002 dated April 15, 2014, and Section 114 of the New Government Accounting System (NGAS) Manual for Local Government Units (LGUs), Volume I, thus, eliminating the required accounting of the receipt and utilization established through the use of Requisitions and Issue Slips (RIS) and Summary of Supplies and Materials Issued (SSMI), which could result in the misstatement of inventory and	We recommend that Management install internal control mechanism by using the RIS to request for supplies and materials from stock and to consolidate the same in the SSMI, which shall be submitted to the City Accountant for recording in the appropriate expense accounts for the supplies consumed. We recommend that the City Accountant stop the practice of recording purchases of	The Management already installed an internal control mechanism by using the RIS to request for supplies and materials from stock and to consolidate the same in the SSMI, which shall be submitted to the City Accountant for recording in the appropriate expense accounts for the supplies consumed. The City Accountant has already stop the practice				Implemented Implemented		

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	expense accounts at the end of the year.	supplies and materials directly to expense accounts and henceforth, record purchases and utilization of supplies and materials in accordance with Section 114 and the NGAS Manual for LGUs, Volume I and Section IV of COA Circular No. 2014-002 dated April 15, 2014, to fairly present the expense as inventory accounts in the financial statements.	of recording purchases of supplies and materials directly to expense accounts and henceforth, record purchases and utilization of supplies and materials in accordance with Section 114 and the NGAS Manual for LGUs, Volume I and Section IV of COA Circular No. 2014-002 dated April 15, 2014, to fairly present the expense as inventory accounts in the financial statements.						
AAR 2024 (AOM-06)	6. The City Government was not able to submit the cash advance vouchers pertaining to confidential funds in CY 2024, within seven days from the release of the check, in contravention of Section 6.1.8.4 of COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, dated January 8, 2015, thus propriety and validation of the purpose and details of the disbursement of the cash	We recommend that, henceforth, Management ensure that the cash advance voucher for the release of funds for Confidential Expenses is submitted to the concerned Audit Team Leader within seven days from the release of the check. Further, we recommend that the specific duration of implementation for the said cash advance and purpose	The Management ensures that the cash advance voucher for the release of funds for Confidential Expenses is submitted to the concerned Audit Team Leader within seven days from the release of the check.				Implemented		

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	advance could not be verified in a timely manner.	thereof, shall be indicated on the face of the voucher. Lastly, we recommend that the Certification of the Accountant shall be on the cash advance voucher, in accordance with Section 6.1.5 of COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, dated January 8, 2015.	The Management already attached the Certification of the Accountant on the cash advance voucher, in accordance with Section 6.1.5 of COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, dated January 8, 2015.				Implemented		
	Cash advances totaling P4,000,000.00 were made for the implementation of projects and activities under the Confidential Fund for a period exceeding the three months limit, inconsistent with Section 6.1.5 of COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, dated January 8, 2015, thus disregarding the controls installed in the grant, utilization, and liquidation thereof.	We recommend that, henceforth, Management shall only draw cash advances for Confidential Expenses to cover projects to be implemented within a three- month period. If the implementation is more than three months, an additional cash advance shall be drawn, after the liquidation of the prior cash advance. We further recommend that Management prepare a Physical and Financial Plan,	The management already complied with the recommendation. The Management prepared a Physical and Financial Plan, indicating physical				Implemented Implemented		

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		indicating physical targets and corresponding budgets quarterly, in accordance with COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, dated January 8, 2015.	targets and corresponding budgets quarterly, in accordance with COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, dated January 8, 2015.						
AAR 2024 (AOM-07)	7. The City Government incurred costs for meals and snacks served during the conduct of regular and administrative meetings, as well as venue rentals in relation thereto amounting to P1,438,080.00, and inappropriately charged the same to Other Supplies and Materials Expenses, Food Supplies Expenses, and Rent Expenses contrary to COA Circular No. 2012-003, dated October 29, 2012, resulting in unnecessary expenditures.	We recommend that meals and snacks served during regular and administrative meetings of local officials and employees be charged to the appropriations for EME and representation allowances of officials concerned. We further recommend that Management refrain from conducting regular and administrative meetings outside the City Hall to avoid additional and unnecessary expenses.	The management already refrain from conducting regular and administrative meetings outside the City Hall to avoid additional and unnecessary expenses.				Implemented		
AAR 2024 (AOM-08)	8. Disclosures in the Notes to Financial Statements on the Road Networks account balance of P2,021,608,101.86 is incomplete, departing from the	We recommend that the City Accountant, henceforth, include the required disclosures on the Road Network account as	The City Accountant has already revised and submitted the CY2024 Notes to Financial Statement with the				Implemented		

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	faithful representation requirement of the International Public Sector Accounting Standards (IPSAS) and the reporting guidelines under COA Circular No. 2015-008, dated November 23, 2015, thereby, providing inadequate financial information to users of the financial statements and affecting the usefulness of said information to its constituents. Management did not prepare the Report on Local Road Network to support the reported balance of the Road Networks account in the financial statements, as mandated under COA Circular No. 2015-008, dated November 23, 2015, potentially affecting Management decisions, possibly leading to delays in formulating policies in infrastructure development and maintenance.	required under COA Circular No. 2015-008. We recommend that the GSO render the Report on LRN as required under COA Circular No. 2015-008.	inclusion of required information on the disclosure of Road Networks. Prospectively, Road Networks disclosure will be presented in accordance with COA Circular No. 2015-008 on the Notes to Financial Statement. The General Service Office (GSO) has submitted the Report on Local Road Network of the City Government of Bayawan as of December 31, 2024.						
AAR 2024 (AOM-09)	9. The City Government incurred advertising expenses for activities not related to the issuance of its guidelines, rules, and regulations, conduct of public biddings, dissemination	We recommend that Management exercise prudence when charging expenses to Advertising Expenses by limiting activities relating only to	The Management already exercise prudence when charging expenses to Advertising Expenses by limiting activities relating only to the				Implemented		

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	of important public announcements, and the promotion of the City Government's economic enterprise, inconsistent with COA Circular No. 2024-005, dated March 14, 2024, thus, resulting in irregular expenditures amounting to P1,155,000.00.	the issuance of the agency's guidelines, rules, and regulations, conducting public bidding, and disseminating important public announcements in accordance with COA Circular No. 2024-005 dated March 14, 2024. Furthermore, we recommend that Management evaluate whether all these expenditures outside the definition of Advertising Expenses are indeed necessary and meet the documentary requirements mandated in the same Circular.	issuance of the agency's guidelines, rules, and regulations, conducting public bidding, and disseminating important public announcements in accordance with COA Circular No. 2024-005 dated March 14, 2024. Also , the Management evaluates whether all these expenditures outside the definition of Advertising Expenses are indeed necessary and meet the documentary requirements mandated in the same Circular.						
AAR 2024 (AOM-10)	10. Cash advances totaling P276,549.96, of which P49,052.32 has been outstanding for over 10 years, remain unliquidated as of December 31, 2024, despite management's efforts to compel the concerned officials and employees to effect settlement as required under COA Circular	We recommend that the City Accountant issue final demand letters directing the persons concerned to immediately liquidate all outstanding cash advances. And if no liquidation is effected, we recommend that the City Accountant impose the sanction of	The office of the City Accountant has settled the outstanding Cash Advances through liquidation and salary deduction except the long outstanding account amounting to P49,052.32 which were endorsed to Commission				Implemented		

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	No, 97-002, dated February 10, 1997, thus the related receivable and expense accounts in the financial statements are still not fairly presented. Moreover, the unutilized government funds in the possession of the accountable persons are exposed to the risk of loss or unauthorized use. Cash advances for travel and intelligence purposes amounting to P55,806.00 have been recorded in the Other Receivables (1-03-06-990) account instead of in the Advances to Officers and Employees account (1-03-05-040) and Advances to Special Disbursing Officer account (1-03-05-030), inconsistent with COA Circular No. 2015-009, dated December 1, 2015, thereby affecting the usefulness of financial information available to users of financial statements, especially in the decision-making process of Management.	withholding the salaries of those who still fail to settle their accounts after issuing notice. We further recommend that Management pursue aggressive measures to compel all accountable officers to settle their accounts, including the filing of appropriate administrative proceedings, pursuant to CSC Memorandum Circular No. 12, s. 2012. We recommend that the Office of the Accountant prepare the necessary journal entry vouchers to reclassify the affected cash advance accounts. We also recommend that the City Accountant strictly follow the Revised Chart of Accounts, as required in COA Circular No. 2015-009, and record all cash advances pertaining to travel in the Advances to Officers and Employees account and all cash advances pertaining to	on Audit through a Request for Write-off. Other Receivables of ₱55,806.00 composed of outstanding cash advance for travel and intelligence of deceased/separated personnel from law enforcement agencies (PNP, BFP, DILG and etc.) in the amount of ₱24,650.00 while ₱31,156.00 cash advances refer to advances for travels of DILG personnel (LGU partner National Agency) which was subsequently liquidated on January 2025 per attached liquidation report 100-25-01-L004 and 100-25-01-L005.						

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		intelligence or confidential purposes to the Advances to Special Disbursing Officer Account.							
AAR 2024 (AOM-11)	11. Expenditures for travel and those incurred during gatherings such as consultative meetings totaling P15,751,263.14 were misclassified to other expense accounts inconsistent with COA Circular No. 2015-009, dated December 1, 2015, thereby affecting the usefulness of financial information available for users of financial statements, especially in the budgeting and decision-making process of Management.	We recommend that the City Accountant establish internal accounting policies identifying whether a particular expenditure pertains to training, travel, extraordinary and miscellaneous expenses, or other materials and supplies expenses. We also recommend that the City Accountant, henceforth, strictly follow the Revised Chart of Accounts, as required COA Circular No. 2015-009.	The Management exercises prudence in identifying whether a particular expenditure pertains to training, travel, extraordinary and miscellaneous expenses, or other materials and supplies expenses. In fact as per agreed that the management shall conduct only its consultative meetings And the City Accountant, henceforth, strictly follow the Revised Chart of Accounts, as required COA Circular No. 2015-009.				Implemented		
AAR 2024 (AOM-12)	12. Procurement contracts entered into by the City Government, and disbursements related hereto, amounting to at least P109,328,343.75, were incurred without the required	We recommend that Management, henceforth, secure the Certificate of Availability Funds (CAF) from the City Accountant, prior to entering into any	The Management, henceforth, secure the Certificate of Availability Funds (CAF) from the City Accountant, prior to entering into any contract				Implemented		

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	Certificate of Availability of Funds (CAF) from the Chief Accountant, contrary to Section 86 of Presidential Decree (PD) No. 1445, thereby rendering the validity and legality of the sanctions questionable.	contract and before making any disbursement or obligations charged to any authorized appropriation, in accordance with Section 86 of PD No. 1445.	and before making any disbursement or obligations charged to any authorized appropriation, in accordance with Section 86 of PD No. 1445.						
AAR 2024 (AOM-13)	13. Only 43 out of the 178 projects programmed under the 20 percent Development Fund (DF) were implemented because of factors such as accessibility of project location and availability of heavy equipment and materials, among others, thus not achieving optimum efficiency in providing basic facilities and services to the constituents, as mandated under Section 17 of the Republic Act No. 7160.	We recommend that the City Engineer, in coordination with the City Planning and Development Coordinator, evaluate the feasibility and closely monitor the implementation of the various PPAs in accordance with the approved development plan as required under Section 476(4)of R.A. No. 7160. In addition, we recommend that Management consider all possible limitations, including the accessibility of the project location and availability of equipment and materials, during the planning stage.	The management will evaluate the feasibility and closely monitor the implementation of the various PPAs in accordance with the approved development plan as required under Section 476(4)of R.A. No. 7160.				Implemented		
AAR 2024 (AOM-14)	14. The RPT and SET collection efficiency rate averaged only 17% of the target set by the	We recommend that the City Treasurer develop an effective tax collection	The management already developed an effective tax collection campaign to				Implemented		

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	City Government due to the lack of an effective tax campaign and enforcement of the remedies for the collection of RPT and SET resulting in delinquent taxes totaling P69,156,788.90 as of December 31, 2024, contrary to pertinent provisions of RA No. 7160 and the Manual on Real Property Appraisal and Assessment Operations, thus depriving the City of potential revenues that could have been used to finance its various programs, projects, and activities.	campaign to enhance the collection of RPT/SET Receivables and enforce remedies in the collection of real property such as the issuance of a warrant on or before, or simultaneously with, the institution of civil action for the collection of the delinquent tax.	enhance the collection of RPT/SET Receivables and enforce remedies in the collection of real property such as the issuance of a warrant on or before, or simultaneously with, the institution of civil action for the collection of the delinquent tax. The following steps shall be done: ✔ Adoption of RPVARA tax amnesty ✔ Collections of RPT online ✔ Extensive house to house campaign ✔ Requiring real property tax payments as part of the requirement for subsidy availment ✔ Issuance of warrant of levy to						

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			delinquent taxpayers, and ✔ Tax campaigns and collection activity during barangay assemblies, farmer's meetings and caters to collection requested by barangay during fiesta celebrations						
AAR 2024 (AOM-15)	15. The City Govenment of Bayawan sought consultancy services in Disaster Risk Reduction and Transportation and Traffic Management, which overlapped with the existing duties and responsibilities of City Officials, making some functions redundant as contemplated in COA Circular No. 2012-003, leading to unnecessary expenditures.	We recommend that Management assess the necessity of hiring consultants, especially when their functions are available in the LGU, and review the terms and contracts of each consultant to ensure that these are in accordance with existing rules and regulations.	The Management already assessed the necessity of hiring consultants, especially when their functions are available in the LGU, and reviewed the terms and contracts of each consultant to ensure that these are in accordance with existing rules and regulations. The Management also cease consultancy				Implemented Implemented		

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		We further recommend that Management cease consultancy services that overlap with the functions of its personnel to prevent unnecessary expenditures.	services that overlap with the functions of its personnel to prevent unnecessary expenditures.						
AAR 2024 (AOM-16)	16. Defects in the procurement process for the construction of farm-to-market road (FMR) projects and the purchase of vehicles, equipment, supplies, and materials totaling P129,067,459.84, particularly in the observance of proper timelines and compliance with the procurement procedures outlined under the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 compromised the integrity of these transaction, creating potential inefficiencies and additional costs to the government.	We recommend that the BAC strictly observe the prescribed bid validity period or, if necessary, secure the bidder's written concurrence for an extension before the bid validity expires, in accordance with the New Government Procurement Act. We also recommend that the BAC henceforth ensure that the conduct of bidding, specifically the Negotiated Procurement - Two Failed Biddings, is within the prescribed period under Sec. 4.1.1 of the GPPB Circular No. 2016-05, otherwise, request an extension of 30 days upon approval of the HoPE. Lastly, we recommend that	The Management adhered to the following audit recommendations.				Implemented		

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		the BAC evaluate and address bottlenecks that cause delays in the procurement process, including the posting of NOAs and NTPs,to prevent the recurrence of expired bid validity issues and enhance transparency in government procurement, in accordance with the provisions of RA No. 9184, as amended by RA No. 12009.							
AAR 2024 (AOM-17)	17. The City Government placed a total of P385 million into four time deposit accounts, of which P366 million represents the cash back-up of its current and continuing capital outlay appropriations under the General Fund, leaving only P19 million as idle funds. contrary to Section 22 of CO4 Circular 92-382, thus tying up funds necessary for the timely implementation of projects and activities.	We recommend that Management transfer the funds from the time deposit accounts to the City's regular savings or current account upon maturity to ensure cash availability when required for project implementation in compliance with COA Circular No. 92-382. We further recommend that Management review the funds intended for capital outlay projects that are placed in time deposit	The Management has come up with SP Resolution No. 461 to close the following existing time deposits: • DBP Special Savings No. 0740-026015-160 • LBP HYSA No. 1181-0655-63 • LBP HYSA No. 1181-0713-18 Accordingly, these accounts were replaced by LBP Easy Access				Implemented		

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		accounts and assess whether these projects are still subject to implementation or not. If not, such funds shall be reverted to the unappropriated surplus of the General Fund Proper and only then shall these be classified as idle funds, qualified for time deposit.	Sure Yield (EASY) Savings Plus (ESP) Acct No. 1181-0756-82.						
AAR 2024 (AOM-18)	18. Cash advances for salaries, wages, allowances, honoraria, and other current operating expenses were granted to disbursing officers despite not fully liquidating previous cash advances for the same purpose, inconsistent with Section 4.1.2 of COA Circular No. 97-002, resulting in overlapping cash advances and exposing government funds to the risk of loss through misapplication.	We recommend that the City Accountant ensure that no additional cash advances are granted unless previous ones have been fully liquidated in accordance with COA Circular No. 97-002. We further recommend that Management, in coordination with the City Accountant and City Treasurer, implement stricter monitoring and approval for cash advances and liquidations, including regular reconciliation of accounts.	The City Accountant adheres with the recommendation by ensuring that existing cash advance must be fully liquidated prior granting additional cash advance in accordance with COA Circular No. 97-002. Further, outstanding cash advance will be thoroughly monitored; ensure the timely liquidation and regular reconciliation of balance will be conducted together with the City Treasurer.				Implemented		

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AAR 2023 (AOM-01)	19. The Cashier concurrently holds the position of cashier in another association within the agency, contravening the stipulations outlined in Section 67 of the GAAM, Volume I, therefore deviating from sound internal control practices and putting government funds at risk of unauthorized transfer.	We recommended that Management stop the practice of assigning the Cashier to act as a treasurer for other associations or as a collector of funds for purposes other than his role as a cashier in the City Government. We further recommended that the Cashier refrain from keeping any other collections in the vault, except for the funds intended for the government.	The management has immediately stopped the practice of assigning the Cashier to act as a collector of funds for the purposes other than his role as Cashier of the City Government. The cashier has also immediately stopped keeping any other collections in the vault, except for the funds intended for the City Government.	City Treasurer Office			Implemented		
AAR 2023 (AOM-02)	20. Money from the grant of cash advances which were in the custody of the disbursing officer exceeded the maximum accountability covered by his bond, contrary to Section 305 (f) of Republic Act (RA) No. 7160 and Treasury Circular No. 02-2019, thus increasing the risk that the government may not be able to recover its funds in case of loss or defalcation.	We recommended that the City Treasurer ensure that the cash accountabilities of AOs are in accordance with their existing bonds, pursuant to Treasury Circular No. 02-2019. We also recommended that Management review and evaluate the maximum accountabilities of AOs and apply for an increase in the amount of bond, when necessary, in accordance with RA No. 7160 and Treasury Circular No. 02-2019.	The management ensured that the cash accountabilities of the Accountable Officers are in accordance with the existing bonds pursuant to Treasury Circular No. 02-2019. The management shall also review and evaluate the maximum accountabilities of the AOs and shall apply for increase of the bond, when necessary.	City Treasurer Office			Implemented		

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AAR 2023 (AOM-03)	21. The recently designated Accountable Officers (AO) did not follow the requirement stated in Section 6.1 of COA Circular No. 97-002, which mandates the use of a new cashbook upon assumption. As a result, the current AO's accountability was not properly segregated and validated from the previous AO, leading to doubts about the accuracy of the recorded cashbook balances.	We recommended that the City Treasurer, henceforth: (a) Require the outgoing AO to submit their cashbook to the City Treasurer and City Accountant for verification and recording purposes. (b) Instruct the newly appointed or designated AO to use a new cashbook in accordance with COA Circular No. 97-002. (c) Brief the newly appointed or designated AOs on the proper recording of transactions and other matters relating to their role as a disbursing officer.	The outgoing Acting City Treasurer, Ms. Ophelia Urika R. Trinidad's cashbooks are intact in the Office of the City Treasurer. The Office has complied and acted to instruct the newly appointed or designated AO to use a new cashbook in accordance with COA Circular No. 97-002. The Office has also acted to brief the newly appointed or designated AOs on the proper recording of transactions and other matters relating to their role as a disbursing officer.	City Treasurer Office			Implemented		
AAR 2023 (AOM-04)	22. The Internal Auditing Standards and Internal Control Standards for the Philippine Public Sector have not been fully adopted and implemented by the City Government's Internal Audit Services (IAS), which is inconsistent with COA Circular No. 2018-003 dated November 21, 2018. Hence, this prevents the IAS from assessing and	We recommended that the IAS Head direct his teams to continue and complete its conduct of the Baseline Assessment of Internal Control System, in accordance with the 2020 Revised PGIAM. We also recommended that the IAS Head fully adopt the IASPPS and ICSPPS in the	As of October 31, 2024, the City Government's Internal Audit Services (IAS) has completed its conduct of the Baseline Assessment of Internal Control System, in accordance with the 2020 Revised PGIAM. The office already conducted internal audit	Internal Audit Office			Implemented		

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	establishing a sound internal control system within the City Government.	performance of their functions, in accordance with COA Circular No. 2018-003 dated November 21, 2018.	and fully adopted the IASPPS and ICSPPS in the performance of their functions, in accordance with COA Circular No. 2018-003 dated November 21, 2018.						
AAR 2023 (AOM-05)	23. The Head of the Internal Audit Services (IAS) of the City Government of Bayawan has been handling operational responsibilities that are not in line with the Philippine Application Guidelines (PAG), Standard 1100 of the Internal Auditing Standards for the Philippine Public Sector (IASPPS), thus impairing, to a certain degree, his independence and objectivity in the performance of his duties.	We recommended that the Local Chief Executive avoid assigning the Head of the IAS responsibilities for non-audit operational activities which may impair the independence and objectivity of his internal audit functions. Further, we recommended that the Head of the IAS, before accepting any roles and responsibilities outside of internal auditing, assess first its impact on his independence or objectivity. Lastly, we recommended that the Head of the IAS promulgate an Internal Audit Charter, in accordance with IASPPS, to establish rules and restrictions regarding internal auditors assuming	The management has already relieved the Head of the Internal Audit from non –audit operational activities. The Office Order No. B24-374 dated May 15, 2024 was issued in this effect.	City Mayor's Office			Implemented		

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		non-audit operational activities.							
AAR 2023 (AOM-06)	24. The City Government did not secure the required purchaser's and dealer's permits from the NTC for the procurement of 38 Radio Communications Equipment amounting to ₱190,000.00 contrary to RA No. 3846, otherwise known as the "Radio Control Law," as amended by RA No. 584. Hence, the validity of the disbursements was rendered questionable, resulting in an illegal expenditure.	We recommended that Management secure the applicable NTC permit to purchase, possess, and operate the radio communication equipment and to henceforth purchase only from licensed suppliers who have the necessary permits from NTC in compliance with RA No. 584 and NTC MC No. 2-05-88.	The management secured the applicable NTC permit to purchase, possess, and operate the radio communication equipment and shall also purchase only from licensed suppliers who have the necessary permits from NTC in compliance with RA No. 584 and NTC MC No. 2-05-88.	BAC			Implemented		
AAR 2023 (AOM-09)	25. Procurement of multi-purpose vehicles and a pick-up by the City totaling ₱137.951 million was not supported by the appropriate Authority to Purchase Motor Vehicles (APMV) and other documents required under Department of Budget and Management (DBM) Budget Circular (BC) No. 2022-1, hence impairing the validity and regularity of the related disbursements.	We recommended that henceforth, the Bids and Awards Committee first secure the appropriate authority to purchase motor vehicles, in compliance with DBM BC No. 2022-1, and DILG MC No. 2022-105.	The Bids and Awards Committee has secured the appropriate authority to purchase motor vehicles, in compliance with DBM BC No. 2022-1, and DILG MC No. 2022-105.	BAC			Implemented		

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			Action Plan	Target Implementation Date: Person/Dept. Responsible	From	To			
AAR 2023 (AOM-10)	26. Prior year expenditures aggregating ₱5.061 million were erroneously recorded as current year expenses, contrary to Section 119 of PD No. 1445 and IPSAS 1, therefore resulting in the overstatement of the related expense accounts and understatement of the surplus for the current period, affecting the fairness of the presentation of the financial statements.	We recommended that the City Accountant: (a) make the necessary adjustments to correct the erroneous recording of prior period expenditures to reflect the actual financial performance of the City Government of Bayawan, in conformity with Section 119 of PD 1445 and IPSAS 1; and (b) direct the Accounting Clerk assigned to record the expenditures to, henceforth, review those which pertain to the prior period, and journalize these items as adjustments to equity and corresponding real or accrued accounts, rather than to current period	The City Accountant already made the necessary adjustments to correct the erroneous recording of prior period expenditures to reflect the actual financial performance of the City Government of Bayawan, in conformity with Section 119 of PD 1445 and IPSAS 1; And also he already directed the personnel assigned to record the expenditures to, henceforth, review those which pertain to the prior period, and journalize these items as adjustments to equity and corresponding real or accrued accounts, rather than to current period expenditures or nominal accounts.	City Accounting Office	January 2024		Implemented		

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		expenditures or nominal accounts.							
AAR 2023 (AOM-11)	27.The City Government has appropriated ₱500,000.00 as financial assistance to its employees, including casual, contractual, part/full-time employees, and job order (JO) workers, without legal basis, contrary to Section 12 of RA No. 6758, and were not supported with complete documentation, which is not consistent with Section 4(6) of Presidential Decree (PD) No. 1445, thereby, funds for the delivery of basic services were depleted and the propriety of disbursements out of the appropriation cannot be ascertained.	We recommended that the City Mayor, together with the Sanggunian, evaluate the legality and validity of Ordinance No. 20, series of 2002, regarding the appropriation and grant of financial assistance to its employees, regardless of their employment status, vis-à-vis Section 12 of RA No. 6758. We further recommended that Management desist from granting financial assistance using the aforementioned Ordinance as a basis and appropriately assign the eligibility evaluation and case study report preparation of the grant of financial assistance to the City Social Welfare and Development (CSWD), pursuant to its policies and guidelines on the grant of financial assistance in conformity with DSWD MC No. 11, s. 2019, as amended.	The City Mayor, together with the Sanggunian, already evaluated the legality and validity of Ordinance No. 20, series of 2002, regarding the appropriation and grant of financial assistance to its employees, regardless of their employment status, vis-à-vis Section 12 of RA No. 6758. The Management already stop granting financial assistance using the aforementioned Ordinance as a basis and appropriately assign the eligibility evaluation and case study report preparation of the grant of financial assistance to the City Social Welfare and Development (CSWD), pursuant to its policies and guidelines	CMO, SP, CTO			Implemented		

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		Lastly, we recommended that the City Treasurer ensure that all financial assistance disbursements are supported by the appropriate and complete requirements, pursuant to Section 4(6) of PD 1445.	on the grant of financial assistance in conformity with DSWD MC No. 11, s. 2019, as amended. Lastly, the City Treasurer shall also ensure that all financial assistance disbursements are supported by the appropriate and complete requirements, pursuant to Section 4(6) of PD 1445.						
AAR 2023 (AOM-12)	28. Management conducted a planning workshop for the preparation of its Executive-Legislative Agenda (ELA) in Tagaytay City, spending a total amount of ₱1.303 million for travel, plane tickets, meals, and hotel accommodation expenses, in contravention of DILG MC No. 2011-59 and COA Circular No. 2012-003, thus incurring significant expenses that could have been reduced had the workshop been conducted within its territorial jurisdiction.	We recommended that Management desist from conducting training, meetings, seminars, workshops, or similar activities outside the geographical island and henceforth observe the principle of prudent use of scarce financial resources of the government as prescribed in DILG MC No. 2011-59 and COA Circular No. 2012-003.	The Management desist from conducting training, meetings, seminars, workshops, or similar activities outside the geographical island and henceforth observe the principle of prudent use of scarce financial resources of the government as prescribed in DILG MC No. 2011-59 and COA Circular No. 2012-003.	CMO			Implemented		
AAR 2023 (AOM-13)	29. The City did not undertake the general revision of real property	We recommended that the City Assessor:	The City Assessor Office already executed	City Assessor Office; SP			Unimplemented	On Going	

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	assessments every three years and therefore, not using an updated Schedule of Market Values, contrary to Sections 212 and 219 of R.A. No. 7160 and DILG-DOF JMC No. 2010-01, hence precluding the City from maximizing its revenue-raising power to generate additional funds to finance development projects beneficial to its constituents and to augment the special education fund.	(a) fast-track the preparation of the updated SMVs of the City, seeking technical assistance from the Provincial Assessor and/or the DOF-Bureau of Local Government Finance, pursuant to Section 212 of RA No. 7160; and (b) initiate the immediate conduct of a general revision of real property assessments and thereafter, ensure that this is done every three years as required under Section 219 of RA No. 7160 and DILG-DOF JMC No. 2010-001. (c) We also recommended that the Sanggunian enact an Ordinance, incorporating the Assessor's proposed SMVs, assessment,	the said recommendation. They are on the process of formulating the Tax impact and Compliance study. Accepted and will be implemented accordingly. After the Sangguniang Panlunsod enact an Ordinance the conduct of a General revision will commence.						

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		level, and tax rate, as a result of the GRRPA.							
AAR 2023 (AOM-14)	30. The City Government's collection efficiency of its RPT and SET averages only 19% of its target because of not strictly implementing the enforcement of remedies in the collection of delinquent taxes, contrary to pertinent provisions of RA No. 7160 and Manual on Real Property Appraisal and Assessment Operations, thus, depriving the City of potential revenues that could have been used to finance its various programs, projects, and activities.	We recommended that the Acting City Treasurer boost tax collection by proactively including barangays in its campaign program to enhance the collection of RPT/SET Receivables and enforce remedies through the issuance of a warrant on or before, or simultaneously with, the institution of the civil action for the collection of delinquent taxes.	The Office of the City Treasurer has conducted orientation to Barangay and SK Treasurers last April 3,2024 related treasury functions. This includes campaign of online real property payment. The said office also made posting of real property tax payment reminders through the official Facebook page in Bayawan City. And shall enforce remedies through issuance of a warrant of levy and thorough discussion of institution of the civil action for the collection of delinquent taxes.	CTO			Implemented		
AAR 2023 (AOM-15)	31. The City was not able to properly monitor one idle and dormant bank account in the Trust Fund amounting to ₱19,500.00, thus affecting the efficiency and	We recommended that the City Treasurer verify the dormant bank account and determine the purposes for opening the same by securing	Already made an Adjusting Journal Entry to close the bank account.	CTO, CAO			Implemented		

Ref	Audit Observation	Audit Recommendation	Agency Action Plan Target Implementation Date Action Plan	Person/Dept. Responsible	From	To	Status of Implementation	Reason for Non-Implementation, if applicable	Action Taken/Action to be Taken
	effectiveness of utilizing such funds for their operations to the detriment of the constituents.	copies of the authority from the Local Sanggunian. If the purpose is determined to be already served/completed, an authority from the Sanggunian and approval from the Chief Executive be secured, and return the funds to the source agency or Bureau of Treasury, as appropriate.	*During the verification process the said account is under the name of Province of Negros Oriental as well as the signatories.						
AAR 2023 (AOM-16)	32. Disclosures in the Notes to Financial Statements on the "Loans Payable – Domestic" account balance of ₱647,885,515.05 are incomplete, a departure from the fair presentation requirement under the International Public Sector Accounting Standards (IPSAS), thus affecting the usefulness of the financial information on loans to its users, especially its constituents.	We recommended that the City Accountant revise the Notes to the Financial Statements to include the principal amount, interest rate, maturity date, purpose of the loan, and interest expense of the Loans Payable – Domestic account, to properly inform the users of the financial statements the financial performance of the City Government, particularly in financial management.	The City Accountant already revised the Notes to the Financial Statements to include the principal amount, interest rate, maturity date, purpose of the loan, and interest expense of the Loans Payable – Domestic account, to properly inform the users of the financial statements the financial performance of the City Government, particularly in financial management.	City Accounting Office			Implemented		
AAR 2023 (AOM-17)	33. Due to the different schedules of the Inventory Committee members and their respective workloads, the City Government	We recommended that the City Accountant and the Inventory Committee complete the reports	The City Accounting Office and the Inventory Committee has completed the reports	City Accounting Office,GSO,In			Implemented		

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	of Bayawan was unable to complete the necessary one-time-cleansing procedures under COA Circular No. 2020-006, thus, discrepancies between the actual count and the balances reported in the financial statements at year-end, totaling ₱22.642 million, which includes movable properties amounting to ₱20.644 million, still could not be ascertained.	necessary to establish the correct balances of PPE items that should be reported in the financial statements. We also recommended that the City Mayor file a request for authority to derecognize non-existing/missing PPEs to the audit team, and support its request with the certified lists required in Section 8.3 of COA Circular No. 2020-006, to take full advantage of the one-time cleansing privilege afforded by the Commission and establish accuracy of its PPE balances reported in the financial statements. We further recommended that the Inventory Committee adopt the uniform numbering system for property numbers of PPE and require the Property Unit to update the property stickers based on the prescribed format and to include the required information under Sections 5.6 and 5.7 of the said COA Circular.	necessary to reconcile the inventory count per Report on the Physical Count of Property, Plant and Equipment (RPCPPE) as of December 31, 2023. Lastly, the Management, as per recommendation already written and submitted a request for authority to derecognize non-existing/missing/obsolete/damage PPEs to the COA audit team.	In ventory Committee					

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		Lastly, we recommended that the members of the Inventory Committee be temporarily relieved from their regular duties and responsibilities to ensure that they can dedicate their full attention and efforts to completing the one-time cleansing procedures efficiently and accurately pursuant to Section 5.3 of COA Circular No. 2020-006.							
AAR 2023 (AOM-18)	34. 16. The City Government of Bayawan has been using the names and images of public officials in calendars, standees, and patient transport vehicles, which contravenes DILG MC No. 2010-101. Thus, the related expenses amounting to at least ₱96,620.00 were deemed an irregular expenditure of government funds.	We recommended that Management be guided by the pertinent provisions of DILG Memorandum Circular No. 2010-101 dated September 23, 2010, and COA Circular No. 2013-004 dated January 30, 2013, and desist from using standees of the City Mayor and henceforth ban the use of names or initials and/or images or pictures of government officials of government programs, projects, and properties of the City Government to prevent	The management desist from using standees of the City Mayor and henceforth ban the use of names or initials and/or images or pictures of government officials of government programs, projects, and properties of the City Government to prevent any perception of impropriety, in compliance with DILG Memorandum Circular No. 2010-101 dated September 23, 2010, and COA Circular No.	CMO			Implemented		

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		any perception of impropriety. We further recommended that Management limit affixing government vehicles to the official seal or name of the LGU and the words "FOR OFFICIAL USE ONLY" pursuant to DILG MC No. 2010-101.	2013-004 dated January 30, 2013. The Management shall also limit affixing government vehicles to the official seal or name of the LGU and the words "FOR OFFICIAL USE ONLY" pursuant to DILG MC No. 2010-101.						
AAR 2022 (AOM-07)	35. The City Government placed a total of ₱370,900,812.64 which represents the cash back-up of its current and continuing capital appropriations under the General Fund in two time deposit accounts, a portion of which was not covered by authority from the Sangguniang Panlungsod contrary to Sections 21 and 22 of COA Circular No. 92-382 dated July 3, 1992, which action could prevent the timely implementation of projects and activities supported by said funds.	We recommended that Management obtain authorization and approval from both the Sangguniang and the City Mayor before placing various funds in time deposit accounts. We further recommended that Management review the projects programmed under the continuing appropriations that are placed in time deposit accounts and assess whether these projects are still subject to implementation or not. If not, such funds shall be reverted to the unappropriated surplus of the General Fund Proper and thereafter may already be	Two (LBP Acct. No. 1181-0713-18 and Acct. No. 1181-0713-26) out of five time deposits is covered by SP Resolution No. 285. One account (LBP Acct. No. 1181-0147-13) has been closed in September 2023 and the other two bank accounts (DBP Acct. No. 0740-026015-160 and LBP 1181-0655-63) were endorsed for SP Resolution. Also, various certifications have been issued by concerned offices for the reverted	City Treasurer/City Accounting	January 2023	December 2023	Implemented		

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		classified as idle funds and qualified for time deposit.	unappropriated surplus/savings from discontinued/abandoned and completed projects to GF in the amount of P 133.70M (see attached)						
AAR 2022 (AOM-08)	36. The Inventory Committee was unable to complete the procedures necessary and appropriate for the conduct of the mandatory physical count, as required in COA Circular No. 2020-006 dated January 31, 2020, thereby, the propriety and accuracy of the reported balance of the PPE account as of December 31, 2022, which totals ₱3,663,827,686.92 net of accumulated depreciation, still could not be ascertained.	We recommended that the PPE Inventory Committee: a) Re-evaluate and revise accordingly the scheduling of its physical inventory count to ensure completion before the financial statement submission deadline; b) Expedite its procedures in the conduct of physical count of inventories, and timely submit the required reports such as the RCPPE, ICF, List of PPEs found at Station and List of Non-existing/Missing PPEs, PIP; and	a) Scheduling of physical inventory starting this CY2023 will be aligned accordingly to ensure the completion of the reconciled/accounted Physical Inventory Report prior submission of Financial Statements. b) We have completed the CY 2022 inventory last March 2023 and submitted the corresponding reports to COA.	General Service Office (GSO)/City Accounting			Implemented Implemented		

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		c) Comply with the appropriate numbering system as outlined in COA Circular No. 2020-006 dated January 31, 2020. We further recommended that the Office of the City Accountant collaborate with the PPE Inventory Committee to ensure that all PPEs included in the RCPPE are duly reconciled with the accounting records.	c) Numbering system of the PPE items with COA as prescribed per COA Circular No. 2020-006 will be accordingly.				Unimplemented	Waiting for the updated eNGAS database version 2 to align with COA Circular No. 2020-006 dated January 31, 2020 numbering system	
AAR 2022 (AOM-01)	37. Loans Payable amounting to ₱615,820,913.47 were classified as non-current liability in the financial statements even though a portion thereof was due for payment the following year, contrary to Paragraph (Par.) 80 of the International Public Sector Accounting Standards (IPSAS) No. 1, thus, information about the financial position, specifically the timing of cash flows for payment of loans, is withheld from the stakeholders and constituents of the City Government.	We recommended that Management direct the City Accountant to cause the annual determination of loan amortization due in the next 12 months from the Statement of Financial Position date and reclassify it under the current portion of the Financial Liabilities, pursuant to Par. 80 of PPSAS No. 1.	Per records as of April 30, 2023, the current portion of Loans Payable for CY 2023 amounts to P 24,906,543.68 for LBP and DBP Loans of which the said amount was already paid last January 2023 per check Nos. 694362 and 694363. Henceforth, current portion of Loans Payable that will be due in the next twelve (12 months) from the Statement of Financial Position date will be presented in the current portion of Financial	City Accounting Office	January 2023	December 2023	Implemented		

Ref	Audit Observation	Audit Recommendation	Agency Action Plan Target Implementation Date Action Plan	Person/Dept. Responsible	From	To	Status of Implementation	Reason for Non-Implementation, if applicable	Action Taken/Action to be Taken
			Liabilities pursuant to Par. 80 of PPSAS No.1.						
AAR 2022 (AOM-13)	38. Had the City Mayor and City Engineer considered all factors in the implementation of programs, projects and activities under the 20 per cent DF, like the accessibility of project location and Road Right-of-Way, among others, the City Government could have increased percentage of completion which reflects greater efficiency and effectiveness in providing basic facilities and services to its constituents, as mandated in Republic Act (RA) No. 7160.	We recommended that the City Engineer, in coordination with the City Planning and Development Coordinator, evaluate the feasibility and closely monitor the implementation of the various PPAs in accordance with the approved development plan as required under Section 476 (4) of R.A. No. 7160. In addition, we recommended that Management consider all possible limitations, including the accessibility of the project location and availability of ROW, during the planning stage.	Rigid evaluation during feasibility and program planning of the project is currently implemented to align the PPA with city's development plans and short-term agenda prior inclusion to AIP and prioritized in the provision of appropriation. Also, there were initiatives to increase project efficiency and fund utilization; a) Installation of LGU CEO satellites in barangays b) Resorting to project contracting of vertical infrastructure instead of implementation by the LGU for faster material sourcing c) Increasing support to barangay in infrastructure projects financing in order to provide high-impact projects	City Engineering and City Planning and Dev't. Offices			Implemented		
AAR 2022 (AOM-06)	39. Procurement of drugs and medicines to address the COVID-19 emergency totaling	We recommended that CHO, henceforth, ensure that drugs and medicines procured are	Department of Health (DOH) has not yet endorsed or recommended				Implemented		

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	₱759,792.00 was not supported by the appropriate certification of the requisitioning officer indicating that the drug products conform with the PNF Volume I, contrary to EO No. 49 s. 1993, and Section VII of the DOH AO No. 2016-0034 dated August 9, 2016, thus, there is no assurance of the cost-effectiveness and safety of the medicines procured.	included in the PNF 10th Edition (2022) or the latest edition applicable thereof, pursuant to DOH AO No. 2016-0034 dated August 9, 2016, otherwise, appropriate approval of exemption request should support the procurement. We also recommended that Management, henceforth, require certification from the requisitioning officer or from the duly authorized officer that the products being requisitioned and procured fall within and conform with the PNF Essential Medicines List to support the PR, in accordance with the aforementioned DOH AO.	medicine/s that will cure patients suffering CoVid 19 symptoms until now. Hence, CHO as per recommendation by LDRRMC, purchased the Lianhua Capsule a new FDA registered drug (THPR-50) worth P750,000.00 which gained widespread prominence during the pandemic that taking Lianhua has aided fast recovery. Further, remaining balance of P 9,792.00 pertains to BFAD approved Ambroxol which is a well-known medicine due to its mucolytic effect. Recommendation as to ensuring that drugs and medicines procured are included in the PNF 10th Edition (2022) or the latest edition applicable and requiring certification from duly authorized officer will be seriously taken into consideration.						

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AAR 2022 (AOM-06)	40. The City Government purchased drugs and medicines totaling ₱168,283.00 even though each of their unit cost exceeded the Drug Price Reference Index (DPRI) provided by the Department of Health (DOH) contrary to Republic Act (RA) No. 9502 and DOH Administrative Order (AO) No. 2019-0040 dated October 14, 2019, hence, the best value for money was not achieved in the procurement of essential pharmaceutical products.	We recommended that the City Health Officer and the BAC Chairman henceforth, use the latest DPRI as the ceiling price in the procurement of drugs and medicines in compliance with RA 9502 and DOH Administrative Order No. 2019-0040 dated October 14, 2019. We further recommended that Management submit an explanation for their non-reference to the DPRI during the procurement of the subject medicines.	We are currently using the latest DPRI as the ceiling price in the procurement of drugs and medicines in compliance with RA 9502 and DOH Administrative Order No. 2019-0040 dated October 14, 2019				Implemented		
AAR 2022 (AOM-06)	41. Purchases of drugs and medicines amounting to ₱1,339,880.00 were recorded as outright expense upon receipt contrary to the NGAS Manual for LGUs, Volume I, thus, eliminating the required accounting of the receipt and utilization established through the use of RIS and SSMI, which could result in the misstatement of inventory and expense accounts at the end of the year.	We recommended that Management install internal control mechanisms by using the RIS to request and issue supplies and material carried in stock and to consolidate the same in the SSMI, which shall be submitted to the City Accountant for recording in the appropriate expense accounts for the supplies consumed. We recommended that the City Accountant stop the	Recommendation on the RIS control mechanism was duly confirmed and already been a long-time practice by the LGU.	City Accounting	April 2023		Implemented		

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		practice of recording purchases of supplies and materials directly to expense accounts and henceforth, record purchases and utilization of supplies and materials in accordance with Section 114 of the NGAS Manual for LGUs, Volume I and Section IV of COA Circular No. 2014-002 dated April 15, 2014, to fairly present the expense and inventory accounts in the financial statements.	Requisition Issue Slip (RIS) has been required as additional documents together with AIR (Inspection and Acceptance Report) upon payment processing to support the "direct issue" expense recording.						
AAR 2022 (AOM-09)	42. Transfers totaling ₱20,351,212.50 were made from National Government Agencies (NGAs) in CY 2022 without supporting Memorandums of Agreement (MOAs), contrary to Section 4(6) of PD No. 1445 and Section 3.0 of COA Circular No. 2012-001 dated June 14, 2012, thus specific roles and responsibilities of parties involved were not specified, undermining accountability and objective evaluation of the utilization of the funds and disposition of any remaining balance.	We recommended that the City Mayor direct the concerned officials to request, accomplish, and execute the MOA or Trust Agreement for the said fund transfers to assist Management in monitoring the utilization of funds, ensuring proper implementation of the projects, and facilitating the disposition of any remaining balance after the completion of the purpose of the funds transferred.	Funds from DENR-PENRO Negros Oriental (P263,812.50) and National Nutrition Council (P87,400.00) were based on the Enhanced National Greening (2019) and Barangay Nutrition Scholar Programs, respectively. These programs were prescribed in DAO 2017-03 and Section 6 of PD 1569 (1978). Further, fund transfer from LGSF-FA (P20M) is stipulated in				Implemented		

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			DBM's Local Budget Circular No. 142 dated Jan 24, 2022. Also, MOA nor Trust Agreement was not explicitly prescribed in the list of documentary requirements by DBM. Lastly, if issued guidelines/programs have already specified roles and responsibilities of the parties concerned, a MOA is therefore deemed redundant.						
AAR 2022 (AOM-09)	43. The Due to NGAs account includes various fund transfers from national government agencies totaling ₱33,785,896.87, which have remained outstanding for over two years and above, contrary to COA Circular No. 94-013, thereby, depriving intended beneficiaries of the benefits that could have been derived therefrom, and source agencies of the opportunity to put the resources to better use in other activities or agencies that may be in need of assistance.	We recommended that Management take the following actions: a) Ensure that the Bids and Awards Committee and the City Engineer prioritize the implementation of projects funded by grants from various national government agencies, especially those granted by the DA; and b) Represent the City Government to the DA and request approval of the full amount of projects that have already been liquidated, to	A certification has been issued by Department of Agriculture (DA) dated July 28, 2023 stating that Bayawan LGU has no outstanding unliquidated fund transfer. All other NGA funded projects are still on-going.	City Accounting			Implemented		

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		replenish the amount already spent by the City Government for the completion of these projects. We also recommended that Management re-evaluate and verify the status of all projects and activities related to the funds due to NGAs. Any unused balances from completed projects should be returned. Alternatively, request authority from the source agency to use the balances for other projects that require additional funding. For unimplemented projects, we recommended that Management assess their viability and necessity. If they are deemed viable and necessary, we suggest that Management promptly pursue their implementation.							
AAR 2022 (AOM-10)	44. Private lawyers were hired as technical consultants, rendering legal services to the City Government, for which the City incurred expenses of ₱580,000.00, without prior	We recommended that Management seek the concurrence of the Commission on Audit and secure a clearance from the Solicitor General prior to the	Hired private lawyers does not render legal services to the City but merely assisting the ARB-constituents of Lapay, Brgy. Dawis				Implemented		

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	concurrence of this Commission and clearance from the Solicitor General, contrary to COA Circular No. 95-011, as amended, thus, rendering redundant the functions of the City Legal Officer and resulting in unnecessary expenditures.	hiring of private lawyers as technical consultants, pursuant to COA Circular 95-011 dated December 4, 1995, as amended, and the Memorandum dated December 15, 2015, of Solicitor General Florin T. Hilbay as disseminated under COA Memorandum No. 2016-010 dated March 22, 2016, to avoid the incurrence of unnecessary expenditures. We further recommended that the TOR/Contract for lawyers hired as consultants of the LGU shall contain express prohibitions against the rendition of legal services to the City.	(former Montenegro Estate) for the transfer of title to the said constituents to increase our RPT collection. Also, no need to secure concurrence and clearance from COA and OSG, respectively as these are not part of documentary requirements per RA 9184.						
AAR 2022 (AOM-11)	45. The hiring of consultants who did not qualify as highly technical, primarily confidential or policy-determining was done through negotiated procurement instead of competitive bidding contrary to the IRR of RA No. 9184 thereby failing to achieve transparency in the procurement thereof while the tasks expected and work accomplished by many of them were deemed	We recommended that Management ensure that the appropriate procurement procedures are followed in the hiring of technical consultants, in accordance with the Revised IRR of RA No. 9184, to ensure transparency and economical use of resources.	Recommendation on the procurement procedures is seriously taken into consideration as hiring of consultants is expressly stated at the Item 2 of Annex B on General Principles on Consulting Services of the Revised IRR of RA No. 9184	Bids and Awards Committee			Implemented		

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	unnecessary and redundant as contemplated under COA Circular No. 2012-003, thus resulting to wasteful use of government funds.	We further recommended that Management carefully study the necessity of hiring consultants, especially when their functions are available in the LGU, and review the terms and contracts of each consultant to ensure these are in accordance with rules and regulations.							
AAR 2022 (AOM-02)	46.Unutilized LDRRMF in the Special Trust Fund account of the City totaling ₱2,100,085.74 were not reverted back to the unappropriated surplus of the General Fund contrary to COA Circular No. 2021-002, hence, depriving the constituents of the benefits that could have been derived from the different programs and activities intended for social services which could be funded from the reverted funds.	We recommended that Management ensure that the City Accountant revert to the unappropriated portion of the General Fund, the LDRRMF in the Special Trust Fund account, which remained unutilized for five years from the date of transfer, to provide available funds for programs and activities intended for other social services. We also recommended that Management prioritize the implementation of the previous years' unutilized LDRRMF and regularly evaluate the programs and activities hereunder.	Out of the P 2,100,085.74 unutilized LDRRMF Fund for the years 2014, 2016 and 2017, P1,234,047.63 identified as unrestricted funds was already transferred from Trust Fund to General Fund. Whereas, remaining balance of P 866,038.11 has still on-going projects.	City Accounting	January 13, 2023		Implemented		
AAR 2022 (AOM-04)	47.The City Government procured office supplies and printing services worth ₱259,910.00 using	We recommended that the City Government immediately refund the	Office supplies and printing services amounting to P259,910.00	City Disaster Risk			Implemented		

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	the LDRRMF contrary to the DILG MC No. 2012-73 dated April 17, 2012, thus, reducing the funds available for the acquisition of disaster response and rescue equipment.	amount charged to the LDRRMF and properly record the disbursements as expenses under the General Fund Proper. We further recommended that the LDRRMO, henceforth, limit the use of the LDRRMF activities related only to disaster preparedness, prevention, and mitigation measures in accordance with the guidelines set by DILG MC No. 2012-73 and JMC No. 2013-1 in the utilization of the fund.	pertains to supplies used to the following: 1) Barangay Disaster Risk Reduction Plan-P13,100.00 2) Local Climate Change Action Plan 2021-202 and Contingency Plan for Earthquake 2021-2025 – P 9,810.00 3) Calendars as LDRRMF's Information and Education Campaign (IEC) Material such as emergency hotlines printed in the calendar-P237,000.00 These materials are related with Disaster Prevention and Mitigation (Sec. 5) and Disaster Preparedness (Sec. 5.2 and 5.2.3) of Joint Memorandum Circular of NDRRMC, DBM and DILG (JMC No. 2013-1)	Reduction Management					
AAR 2022 (AOM-05)	48. Procurement of various goods, materials, and supplies totaling ₱13,468,921.25 was not supported by appropriate and	We recommended that Management submit a written explanation for the non-submission/lack of	The City maintains registry of suppliers particularly with good standing and with	Bids and Awards Committee			Implemented		

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	complete documentation contrary to Section 4(6) of the PD No. 1445 and the Revised IRR of the RA No. 9184, thus, the propriety and validity of the related disbursements could not be established.	documentary requirements. We further recommended and Management agreed to, henceforth, ensure that all purchases be supported by the appropriate and complete documentation, pursuant to PD No. 1445 and the Revised IRR of RA No. 9184.	recurring transactions in an alternative mode of procurement with the City. The BAC thru its Secretariat keeps the updated copies of at least the following: Mayor's permit, DTI/SEC Registration, PhilGEPS Registration, TIN and OMNIBUS Sworn Statement and other legal, technical and financial documents on file. These documents are readily available to comply with documentary requirements prescribed in Annex H & A of RA 9184. Henceforth, to ensure that all purchases be supported by the appropriate and complete documentation, pursuant to PD No. 1445 and the Revised IRR of RA No. 9184.						
AAR 2022 (AOM-12)	49. Disbursements for the acquisition of motor vehicles by the City totaling ₱9,026,111.00 were not supported by Authority to Purchase Motor Vehicles and other documents as required under Section 4(6) of the	We recommended that Management , henceforth, ensure that purchases pertaining to the acquisition of motor vehicles be supported with the appropriate and complete	Appropriate and complete documentation for vehicle acquisition pursuant to PD No. 1445, DBM BC No. 2022-1, and DILG MC No. 2022-105 especially the Authority to Purchase	City Accounting	April 2023		Implemented		

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	Presidential Decree (P.D.) No. 1445, Department of Budget and Management (DBM) Budget Circular (BC) No. 2022-1 dated February 11, 2022, and Department of the Interior and Local Government (DILG) Memorandum Circular (MC) No. 2022-105 dated August 23, 2022, hence, the validity and legality of the disbursements are questionable.	documentation, pursuant to PD No. 1445, DBM BC No. 2022-1, and DILG MC No. 2022-105.	Motor Vehicles (APMV) is already implemented.						
AAR 2022 (AOM-14)	50. Procurement of 114 Android Tablets totaling ₱1,624,500.00 were split into four contracts and procured through small value procurement instead of competitive bidding, contrary to the 2016 Revised IRR of RA No. 9184, thereby there is no assurance on whether the prices secured under these contracts are the most reasonable and advantageous to the City Government.	We recommended that the BAC carefully plan the procurement of its office supplies, taking into account all the requests from each department, and refrain from splitting contracts pursuant to Section 54.1 of 2016 Revised IRR of R.A No. 9184. We further recommended that the BAC ensure a valid justification to support the recommendation of an appropriate alternative mode of procurement.	Purchase of 114 tablets were sourced out from different funds (i.e. 34 tablets from Annual Regular Funds and 80 tablets from Supplemental Fund). Further, 55 of the 80 tablets purchased from supplemental funds is for the conduct of Community Based Monitoring System (CBMS) to comply with recommendation of Philippine Statistic Authority (PSA).	Bids and Awards Committee (BAC)	April 25, 2023		Implemented		
AAR 2022 (AOM-03	51. The Deputy/Assistant City Administrator and Supervising Administrative Officer of the Local Chief Executive were authorized to sign disbursements	We recommended the Management that: a) The SAO immediately stops approving	a) An **Office Order No. B23-250** was issued	City Mayor Office	April 26, 2023		Implemented		

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	pertaining to leave benefits, monetization of leave credits, and other expenses not exceeding ₱200,000.00, contrary to RA No. 7160 and COA Circular No. 92-382. Thus, the authorization undermines the authority of the LCE and other officials who have administrative control over the affected funds.	vouchers in the Special Education and Trust Funds and ensures that the vouchers she approves in the General Fund pertain only to regular recurring administrative expenses; b) The LCE review and revise Office Order No. B22-312 to ensure that it is in compliance with the provisions of the law and regulations; and c) Henceforth, the LCE shall approve Special Education and Trust Fund vouchers, pursuant to Sections 40 and 41 of COA Circular No. 92-382.	to Supervising Administrative Officer and Asst. City Administrator ordering to stop approving vouchers in Special Education and Trust Funds. b) An **Office Order No. B23-251** was issued to Supervising Administrative Officer and Asst. City Administrator amending their authority to sign documents (revising the Office Order No. B22-312)	City Mayor Office	April 26, 2023		Implemented		
AAR 2022 (AOM-15)	52. Foreign travel to Malaysia costing ₱88,555.76 was made without prior approval from the Secretary of the DILG as required in EO No. 77, and the reimbursement claim thereof was approved without the necessary and complete supporting documents as required in PD No. 1445 and COA Circular No. 2012-001, hence, the validity and legality of the disbursement are	We recommended the Management that the AO concerned to submit the additional documentary requirements enumerated above for further audit validation. We further recommended that Management, henceforth, ensure that supporting documents, specifically for foreign travel, be supported	Foreign travel to Malaysia was disapproved by DILG and already set-up as receivable to the concerned person per JEV-2023-06-006194 dated June 30, 2023. The travel was fully refunded per OR No. 2391045 and 2391049 dated 11/24/2023 and 11/28/2023 respectively.	City Accounting	June 30, 2023	December 31, 2023	Implemented		

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	uncertain.	with the appropriate and complete documentation, pursuant to Section 4(6) of P.D. No. 1445.							
AAR 2021 AAR 2020	53. Due to COVID-19 cases and restrictions, the Inventory Committee was not able to complete the procedures necessary and appropriate for the one-time cleansing of PPE account balances, specifically, the conduct of the mandatory physical count, as required in COA Circular No. 2020-006 dated January 31, 2020, thereby, the reported balance of the PPE account, totaling ₱2,856,482,891.16, net of accumulated depreciation, as of December 31, 2021, still could not be ascertained	We recommended that the PPE Inventory Committee: a) hasten its procedures in the conduct of physical count of inventories, and submit the required reports such as the RCPPE, ICF, List of PPEs found at Station, and List of Non-existing/Missing PPEs; and b) follow the appropriate numbering system, pursuant to COA Circular No. 2020-006 dated January 31, 2020. We also recommended that the Office of the City Accountant collaborate with the PPE Inventory Committee to ensure that all PPEs included in the RCPPE are duly reconciled with the accounting records.	Please refer to AOM-08 of CY2022 for the updated action plan and status				Implemented		
AAR 2021	54. Management was not able to develop a Public Service Continuity Plan (PSCP) as	We recommended that the Local Chief Executive (LCE) institutionalize the PSCP by	All these recommendations will be addressed to City's Public	City Disaster Risk Reduction and			Not Implemented	PSCP is for write shop	

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	required under the National Disaster Risk Reduction and Management Council (NDRRMC) Memorandum Nos. 33, s. 2018 and 57, s. 2020, thereby, preventing proper evaluation and documentation of whether the internal capacities, recovery requirements, and strategies of the City could continuously function and deliver essential services during an emergency or disaster.	creating a working group that will perform the following activities: (a) conduct risk assessments considering new variables after the pandemic; (b) identify critical processes and functions; (c) determine scenarios that may disrupt normal operations; (d) conduct risk and impact analyses; € formulate the PSCP; and (f) submit the plan to the CDRRMO for review, to the LCE for approval, and to the Sangguniang Panglungsod for the passage of a resolution to institutionalize the PSCP. We further recommended that Management take proactive measures in being informed and updated of relevant issuances by authorities that may affect their local governance performance scorecards such as the DILG's Seal of Good Local Governance and comply with provisions therein, like the submission of PSCP.	Service Continuity Plan (PSCP) which is currently reviewed by the concerned office.	Management Office					
AAR 2021	55. The absence of clear cut policies in the implementing rules and	We recommended that Management require the	Revised IRR of Medical Scholarship Board (MSB)				Implemented		

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	regulations of the "Our Barrio Doctor-Our Scholar" Medical Scholarship Program, such as the stipulation of the income level of applicants' families, as well as specific sanctions of scholars who fail to render the required service to the City, and the parameters in the selection of schools, among others, resulted in the deprivation of poor and deserving students to avail of the program, leaving the City without means to exact compliance with the goals and conditions of the scholarship, which could result in a waste of government funds, contrary to Section 458 of the Republic Act (RA) No. 7160, otherwise known as the Local Government Code of 1991.	Medical Scholarship Board (MSB) to: a) include the financial capacity of the applicant's family as one of the eligibility criteria for the "Our-Bario Doctor-Our Scholar" medical scholarship program; b) identify and implement stringent sanctions for the non-compliance of the mandatory return of service to ensure the integration of scholars into the public health and medical service system of the LGU, especially in barangays; c) establish a specific set of criteria in the selection and accreditation of medical schools included in the program to ensure an exceptional education for the City's scholars; d) add a stipulation in the IRR regarding reimbursements for downpayments made by qualified scholars; and e) improve information dissemination in the LGU	has already been approved in August 2023.						

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		and each barangay to increase the number of applicants and scholars of the program. We further recommended that the MSB re-evaluate the IRR and strictly implement procedures and sanctions provided in case of failure to comply conditions of the scholarship.							
AAR 2021	56. The City Government did not establish a GAD monitoring and evaluation (M&E) system to focus on tracking outcomes of gender-responsive policies, programs and projects, contrary to Sections 3.4 and 5.1 of PCW-DILG-DBM-NEDA Joint Memorandum Circular (JMC) No. 2013-1, as amended, hence, jeopardizing the effective and efficient implementation of GAD plans and programs.	We recommended that the Local Chief Executive: a) establish an M&E System through the issuance of an Executive Order or Administrative Order; b) oblige the M&E Team, through its GFPS, to conduct an assessment and evaluation of all the gender-responsive or GAD-focused policies, programs, projects, accomplishments, and actual costs for the past three years during his administration; c) task them to provide recommendations based on its assessment and evaluation, when necessary; and	An Executive Order was already issued for the creation of GAD Monitoring and Evaluation System EO No. 2022-051 Amending EO No. 2016-008: Organizing the Composition of the LGU Gender and Development (GAD) Focal point Council.)				Implemented		

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		d) ensure that the M&E Team consolidate the results of the assessment and evaluation in a "GAD Evaluation Report," which shall be submitted to the DILG Regional Office no later than June of the next term.	The city had crafted a five-year Gender and Development Plan 2019-2023 adopted through a resolution by the SP dated March 6, 2019 and would serve as basis for the GAD Planning and Budgeting every year.				Implemented		
AAR 2018	57. The City spent ₱100,000.00 for training expenses of three job order (JO) workers due to inadequate qualified regular personnel at the CDRRMO, contrary to Section 1 of Civil Service Commission (CSC) Resolution No. 020790 dated June 5, 2002 and Section 3.1 of the National Budget Circular (NBC) No. 563 dated April 22, 2016, which could possibly result in the wastage of government funds because a JO only covers piece of work or intermittent job of short duration.	We recommended that Management hire additional qualified regular employees in rescue operations pursuant to Item 5.6 of Joint Memorandum Circular No. 2014-1 dated April 4, 2014 of the National Disaster Risk Reduction Management Council, Department of Interior and Local Government, Department of Budget and Management and Civil Service Commission.	Already created additional plantilla positions for CDRRMO.	CDRRMO/ HRMDO			Implemented		
		We recommended further that, in subsequent trainings, Management ensure that personnel nominated to attend trainings are regular employees of the City. Additionally, require the JOs who attended the training to immediately cascade the knowledge and skills they	The City already stopped the practice of sending JO workers to trainings and instead, prioritized the nomination of their regular employees.				Implemented		

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		learned from the training.							
AAR 2017	58. The operation of market, slaughterhouse and cemetery as local economic enterprises (LEEs) is not consistent with the Manual on the Setting Up and Operation of LEE (LEE Manual) as prescribed in Local Budget Circular No. 111 dated June 10, 2016, thus, might affect the efficient and effective provision of basic services and facilities to the constituents.	We recommended that Management prepare a 5-Year Business Plan and request the Sangguniang Panlungsod to pass an ordinance recognizing the continued operation of the existing LEEs in accordance with the LEE Manual as prescribed in Local Budget Circular No. 111 dated June 10.	The Sangguniang Panlungsod will be requested to pass an ordinance recognizing the continued operation of the existing LEEs in accordance with LEE Manual.				Unimplemented	Formulation of 5-Year Business Plan for 2020-2024 is on-going.	
AAR 2014	59. Disbursements totaling to ₱5,749,189.77 consisting of loans in cash and in kind granted to farmer-beneficiaries and for other operating expenses incurred in the implementation of the Jatropha Production Intensification Project (JPIP) were not properly accounted and monitored.	We recommended that the City Accountant issue demand letters to farmer-beneficiaries and submit liquidation report to account for the release/disposal of seedlings and fertilizers and require the City Agriculturist to monitor the use of tractors and other farm equipment and submit a status report on the JPIP.	We will request for write-off of these accounts being failure as a project and farmer-beneficiaries has no capacity to pay.	City Accounting Office		December 31, 2024	Unimplemented		Some farmer-beneficiaries with overdue account for more than 10 years has been included in a Letter Request for Write-off duly received by COA-Dumaguete City last July 8, 2022.

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									To re-assess the list of all farmer-beneficiaries and to include in the Request for Write-Off to be submitted to COA.
AAR 2018	60. The parcels of land acquired in the total amount of P16,194,204.00 did not have the requisite Certificates of Title in the name of the City in violation of Section 148 of COA Circular No. 92-386 dated October 20, 1992, rendering the validity and propriety of the recorded assets questionable and exposing the City to risk of possible adverse claims from third parties.	We recommended that Management submit the required documents enumerated under COA Circular No. 2012-001 dated June 14, 2012, particularly the TCTs as an indispensable requirement on the procurement of land in accordance with Section 148 of COA Circular No. 92-386 dated October 20, 1992.	Acknowledgement receipt as proof of sale from Mr. Daniel Teves is still to be secured. Said document is needed for the transfer of land title of Daniel J. Teves to the city. Once secured, documents will be re-submitted to Registry of Deeds. Transfer of Certificate of Title from Mr. Pelicito Trupa to City of Bayawan was already secured with TCT No 103-2020000809 dated October 19, 2019.				Unimplemented Implemented	On-Going	
AAR 2019	61. The City utilized the Local Disaster Risk Reduction Management Fund (LDRRMF) to construct the Bayawan City	We recommended that Management reimburse the LDRRMF for the cost of the BCDRRMC Building and	We will request supplemental appropriation on 2025 to				Unimplemented		

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	Disaster Risk Reduction and Management Center (BCDRRMC) Building and procure furniture and fixtures costing ₱13,361,834.17 and ₱909,862.00, respectively, as the City Disaster Risk Reduction and Management Council (CDRRMC) believed they could use it for the said projects. Such is contrary to NDRRMC, DILG, DBM and CSC Joint Memorandum Circular No. 2014-1 dated April 4, 2014, thus, substantially reducing the funds available for disaster mitigation, prevention and preparedness activities and projects.	furniture and fixtures from the General Fund. We further recommended that the CDRRMC approve only disaster-related projects, programs and activities properly chargeable to the LDRRMF in accordance with NDRRMC, DBM and DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013.	reimburse the CDRRM Fund.						
AAR 2020	62. A collapsed spillway/bridge in Shangrila, Barangay Kalumboyan, which was destroyed by flood in July 2019, remained unrepaired, contrary to Sections 18 and 455(4) of Republic Act (R.A.) No. 7160, thus, impeding socio-economic benefit for the local residents, especially for the farmers in transporting their agricultural produce faster from the upland barangays down to the markets and the consumers at cheaper transportation costs.	We recommended and Management agreed to make representation with the Provincial Government either to request for the repair/construction of a new spillway/bridge or to get their approval for the City Government to assume its repair or the construction of a new spillway/bridge for productive, developmental,	Project brief of projects that need pre-investment studies to be conducted starting 2024 (wherein construction of new bridge was included) was submitted to DPWH last November 17, 2022.	CEO			Implemented		

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		or welfare purposes, in the exercise of their governmental powers and functions pursuant to Sections 18 and 455(4) of R.A. No. 7160.							
AAR 2019	63. Due to a lack of adequate storage and proper care, construction materials costing ₱3,067,289.11 were placed outside of the warehouse of the General Services Office (GSO) while some were left lying along the road, contrary to Section 2 of Presidential Decree (PD) No. 1445, exposing them to possible losses or wastage due to unauthorized use and deteriorating effects of the elements.	We recommended that Management decongest the warehouse by delivering construction materials to the project sites and dispose of unserviceable materials stocked there and consider immediate expansion of the warehouse to provide adequate storage space for all materials to secure them against unauthorized use and protect them from deteriorating effects of the elements in order to prevent wastage of government resources.	Public Auction for the disposal of unserviceable properties was already conducted last February 23, 2022.	GSO			Implemented		
AAR 2021	64. Part of the cost of the closed-circuit television (CCTV) surveillance system upgrade of the City Government amounting to ₱9,970,000.00 was charged against the LDRRM Fund even if	We recommended that the LDRRMO, henceforth, limit the utilization of the LDRRM Fund to activities related only to disaster preparedness, prevention,	Purchase of closed-circuit television (CCTV) surveillance system is included in the CDRRM Plan 2016-2021 which was				Implemented		

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	the security equipment is not among the preparedness equipment identified under the Department of the Interior and Local Government (DILG) Memorandum Circular (MC) No. 2012-73 dated April 17, 2012, thus, funds to support disaster risk management activities were reduced by the same amount.	and mitigation measures such as risk assessment, capability building, purchase of early warning systems and preparedness equipment, among others, in order to boost its ability to respond to or mitigate the effects of calamities which might occur.	approved by CDRRM Council. The approved plan has identified top 7 hazards to the city are (1) weather and geological (earthquake); (2) landslides; (3) erosions; (4) agricultural pests and diseases; (5) disease outbreak; (6) fire hazards and (7) traffic hazards which are all considered urgent and priority.						
AAR 2021	65. The City Government spent a total of ₱448,800.00 in the payment of media companies for radio and television broadcasting advertisements outside its jurisdiction, contrary to COA Circular No. 85-55-A dated September 8, 1985, as updated by COA Circular No. 2012-003 dated October 29, 2012, thereby incurring unnecessary expenditures.	We recommended that Management stop spending on advertisements of its community development information outside of Bayawan City to avoid the incurrence of unnecessary expenditures, pursuant to COA Circular No. 85-55-A dated September 8, 1985, as updated by COA Circular No. 2012-003 dated October 29, 2012.	Radio and TV Broadcasting advertising serves the city a compelling rationale. Due to the extensive damage caused by COVID-19 pandemic, the city took advantage of the media broadcasting to mitigate the worst effects of the downturn and to jumpstart a more resilient recovery. Through media				Implemented		

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			broadcasting, the plans, programs and recovery agenda of Bayawan City and non-Bayawanon audience will be amplified as well as communicated, organic growth of the local economy will be signified sustainable and, most importantly, captures investors' interests.						
AAR 2020	66. The City granted Exemplary Services Incentive (ESI) at ₱45,000.00 each to its 758 officials and employees without any legal basis, contrary to Section 12 of the Republic Act (R.A.) No. 6758, thus, incurring illegal expenditures totaling ₱30,690,000.00.	We recommended that Management refrain from granting incentives without any legal basis pursuant to R.A. No. 6758 and COA Circular No. 2013-003 dated January 30, 2013.	Appeal documents has been filed by the LGU-Bayawan in COA Regional Satellite Office-Bacolod City last November 22, 2022.				Unimplemented	Waiting for the feedback/response from Commission on Audit (COA).	
AAR 2014	67. The grant by LGU-Bayawan of Productivity Enhancement Incentive of ₱35,000.00 to each of its employees exceeded the amount allowed under Executive Order No. 80	We recommended that Management require all employees concerned to refund the overpayment of Productivity Enhancement Incentive for CY 2014 and					Unimplemented	Under appeal. Waiting for the result of the appeal made on the 2020 AOM.	

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	dated July 20, 2012, of ₱5,000.00 as implemented by Budget Circular No. 2014-3 dated November 21, 2014, resulting to an overpayment of ₱20,871,000.00 for CY 2014.	to henceforth observe strictly the applicable regulations on the grant of any fringe benefits.							
AAR 2018	68. Management granted Exemplary Services Incentive Bonus (ESIB) at ₱35,000.00 each employee and official, or for a total of ₱27,706,000.00, under its Program on Awards and Incentive Service Excellence (PRAISE) because of the awards and recognitions received by the City Government, even if the monetary savings were not determined, contrary to Item No. 2 of Civil Service Commission (CSC) Memorandum Circular No. 01 Series of 2001, thus, resulting in irregular expenditures.	We recommended that Management require the PRAISE Committee, in coordination with the City Budget Officer, to determine the monetary savings as a result of the exemplary efforts and superior accomplishments of officials and employees pursuant to CSC Memorandum Circular No. 01 series of 2001. Monetary awards shall be granted only to individuals or group of individuals upon determining that their suggestions, inventions, and superior accomplishments resulted in monetary savings for the LGU.					Unimplemented	Waiting for the result of the appeal made on the 2020 AOM.	

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Agency Sign-off:

DONALD B. TUBIO, CPA, MPM
City Accountant

MA. RAYZA E. VILLARIN, CPA, MBA
Acting City Treasurer

JOHN T. RAYMOND, JR.
Local Chief Executive

Date