

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM	TO		
2025-015/May30, 2025	1. The cost of 1,500 sacks of rice, amounting to ₱4,116,000.00, charged to the previous years' unexpended LDRRMF was recognized as credit to Subsidy from Other Funds instead of closing the recorded Welfare Goods Expenses account to the Trust Fund Liabilities-DRRMF account. This treatment is inconsistent with COA Circular Nos. 2012-002 and 2015-009 dated September 12, 2012 and December 1, 2015, respectively, thus, proper accounting was not assured.	We recommended that the Municipal Accountant strictly adhere to the illustrative accounting entries prescribed under COA Circular Nos. 2012-002 and 2015-009 in recording the utilization of the unspent LDRRMF to ensure proper accounting and accurate financial reporting of trust fund transactions.	Mr. Joselito M. Tinaytinay, Municipal Accountant	July 1, 2025	Dec. 31, 2025	Implemented	Corresponding accounting entries made as per JEVs attached labeled "Annex A"
2025-007/May 27, 2025	2. Semi-expendable properties acquired and issued prior to CY 2024, with a total carrying amount of ₱3,199,594.81, were not reclassified in accordance with the provisions of COA Circular No. 2024-006 dated March 14, 2024, thereby overstating the Property, Plant, and Equipment (PPE) accounts and the Equity account by the same amount, and compromising the accuracy and reliability of the financial statements as of December 31,	We recommended that the Municipal Accountant thoroughly review all PPE items with individual acquisition costs below ₱50,000.00 that were acquired and issued prior to CY 2024, and effect the required retrospective reclassification and adjustments. This includes transferring the carrying amounts to Prior Period Adjustment and restating the affected comparative figures in the financial statements, in compliance with Sections 4.2 and 4.6 of COA Circular No. 2022-004, as	Mr. Joselito M. Tinaytinay, Municipal Accountant	July 1, 2025	Dec. 31, 2025	Implemented	Validation is ongoing. Once validated, the proposed adjustments will be taken, as reflected in the attached JEV labeled "Annex B"

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	2024.	supplemented by COA Circular No. 2024-006. We further recommended that the Municipal Accountant implement the prescribed accounting treatments and documentation protocols moving forward, including the proper use of Inventory Custodian Slips (ICS) for applicable semi-expendable items, and ensure timely and accurate recording based on the guidelines set forth in COA Circular No. 2024-006 and its annexes.						
2025-006/May 20, 2025	3. The Accounts Payable balances of ₱4,479,781.22 was not fairly presented due to the inclusion of ₱428,893.60 which remained outstanding for more than two years and was not reverted to the unappropriated surplus, contrary to Section 98 of Presidential Decree No. 1445, thus, may no longer represent valid claims.	We recommended that the Municipal Accountant coordinate with the Municipal Budget Officer and the Municipal Treasurer to determine whether the Accounts Payable totaling ₱428,893.60, aged from over two to 10 years, are still valid claims and to ensure the accuracy of the liability account presented in the financial statements.	Mr. Joselito M. Tinaytinay, Municipal Accountant	July 1, 2025	Dec. 31, 2025	Unimplemented	Since the amount of P428,893.60 of the Accounts Payable concerned were comprised of various long outstanding accounts, the municipality will exert efforts to verify the veracity of the claim before settlement and/ or adjustments will be made. If found that the probability of the claim is remote, then, those accounts validated will be closed to surplus. Rest assured that the principle on Advantageous to	Confirmation/ validation of those concerned claimant/ payees.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
						government will be applied.		
2025-008/May 28, 2025	4. Tangible items acquired in CY 2024 with a total cost of ₱627,373.00 were incorrectly classified under "Other Supplies and Materials Inventory" instead of under the appropriate semi-expendable property accounts. Furthermore, these items were neither expensed upon issuance nor supported by the complete set of prescribed forms and records, contrary to COA Circular No. 2024-006 dated March 14, 2024. These lapses may result in misstatements of semi-expendable property and expense accounts, thereby affecting the accuracy and reliability of the financial statements at year-end.	We recommended that the Municipal Accountant strictly adhere to the accounting and reporting guidelines prescribed under COA Circular No. 2024-006. Specifically, tangible items costing below ₱50,000.00 and meeting the definition of semi-expendable property should be: - Recorded under the appropriate semi-expendable inventory accounts upon acquisition, and - Recognized as expense upon issuance to end-users, with proper accounting entries reflected in the books of accounts. We further recommended that the Municipal Treasurer, Municipal Accountant, and all accountable officers ensure the preparation, maintenance, and use of all required forms, registries, and reports for the proper tracking, issuance, transfer, return, and disposal of semi-expendable properties, as enumerated in Section 4.7 of COA Circular No. 2024-006	Mr. Joselito M. Tinaytinay, Municipal Accountant	July 1, 2025	Dec. 31, 2025	Unimplemented	Corresponding Adjusting entry will be made to reclassify those concerned items to Semi-expendable property accounts. If found that any of these items were already issued to concerned end-user, then the corresponding recognition as expense will be made. This will be recorded in CY 2025. Henceforth, the required forms, registries, and reports for the proper tracking, issuance, transfer, return, and disposal of semi-expendable properties, as enumerated in Section 4.7 of COA Circular No. 2024-006.	Confirmation/ validation of those concerned Semi-expendable properties, and corresponding adjustments and documentation will be made. Once validated, the proposed adjustments will be taken, as reflected in the attached JEV labeled “Annex C”

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
2025-009/May 30, 2025	5. Property, Plant and Equipment (PPE) acquired in CY 2024 totaling ₱408,532.00 was erroneously recognized in the books of accounts as Other Supplies and Materials Inventory instead of the appropriate PPE accounts, hence, both the asset accounts and the related depreciation expense accounts were overstated and understated, respectively, as of December 31, 2024.	We recommended that the Municipal Accountant prepare the necessary accounting entries to correct the recording of the PPE items totaling ₱408,532.00, and adjust the corresponding depreciation expense accounts. We further recommended that the Municipal Accountant, henceforth, refer to the description of accounts as a guide for recording expenses in accordance with COA Circular No. 2015-009 dated December 1, 2015, to avoid making erroneous accounting entries in the books of accounts	Mr. Joselito M. Tinaytinay, Municipal Accountant	July 1, 2025	Dec. 31, 2025	Unimplemented	The Municipal Accountant is committed to make the necessary adjustment as prescribed and/ or recommended after careful review on those PPEs. It would be recalled that the basis for the recognition of these PPE to Semi-expendable Inventory Accounts was the source of budget/ appropriation, wherein those items were charged. These were charged to MOOE appropriation, thus, the Municipal Accountant has lodged this to Inventory Account. But with the guidance of this AOM and the corresponding COA Circular, the capitalization threshold should be strictly observed.	During the formulation of budget for CY 2026, and the implementation of CY 2025 Annual Budget, the capitalization threshold will be observed.
2025-005/May 23, 2025	6. Inconsistent with Section 127 of Philippine Public Sector Accounting Standards (PPSAS) No. 1, the Notes to Financial Statements (FS) for CY 2024 did not correctly present the current appropriation for the Local	We recommended that, henceforth, the Municipal Accountant take into account the budget revisions made during the year to ensure that the current year appropriations for the LDRRMF are accurately disclosed in the Notes to FS as of December 31.	Mr. Joselito M. Tinaytinay, Municipal Accountant Mr. Primitivo R. Caingcoy, Municipal DRRMO	July 1, 2025	Dec. 31, 2025	Unimplemented	The corresponding Notes to FS will be revised accordingly to conform to the standards. If not possible to incorporate the revised Notes on LDRRMF utilization for CY 2024, then such should be strictly	The Municipal Accountant, being in-charge on the finalization of FS, especially for the purpose of Annual

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	Disaster Risk Reduction and Management Fund (LDRRMF), resulting in the incomplete disclosure of vital information in the financial statements.						observed in the CY 2025 Notes to FS and thereafter.	reporting, should consider the Annual and Supplemental Budgets approved during the year, in this instance, the Notes to FS for LDRRM Fund appropriated and utilized.
2025-001/May 13, 2025	7. Delinquent Real Property Taxes (RPT) and Special Education Taxes (SET), including penalties accruing thereon that have accumulated to ₱18,159,182.68, remained uncollected as of December 31, 2024, thus, depriving the Municipality of a substantial amount of income that could have been utilized to finance the implementation of various development projects or other major programs/projects/activities (PPAs).	We recommended that the Municipal Treasurer strengthen efforts to collect delinquent real property taxes by conducting intensive tax campaigns in each barangay and sending Notices of Delinquency to all delinquent taxpayers regardless of the amount due, to ensure fair enforcement and maximize revenue collection. We further recommended that the Municipal Treasurer ensure full compliance with the posting and publication requirements prescribed under Section 254 of R.A. No. 7160. Lastly, we recommended that Management consider applying the remedies for the collection of real property taxes, in accordance with the	Mr. Paul Ree Ambrose A. Martinez, Municipal Treasurer	July 1, 2025	Dec. 31, 2025	Unimplemented	The Municipal Treasurer will be requested to maximize collection of Real Property Taxes (RPTs) to minimize delinquency and to fund Programs/ Projects in the AIP that remained unfunded. As part of the collection intensification efforts, the treasury office will religiously follow or comply the posting and publication requirement under Section 254 of R.A. No. 7160. Finally, for as long as it is allowed through legislation, that amnesty and other collection remedies, such	Coordination with the Office of the Assessor and Office of the Treasurer for prompt and accurate collection of Real Property Taxes (RPTs). Also, consult with the Local Finance Committee and Local Legislative Body for legislative authority for the remedies to be applied in its

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
		pertinent provisions of R.A. No. 7160				should be implemented in the remaining period of FY 2025 and years thereafter to collect taxes due to the locality and to minimize delinquency.	effort for maximum tax collection.	
2025-004/May 20, 2025	8. The Municipality inappropriately invested a total of ₱16,623,828.41 in time deposits without proper compliance with COA Circular No. 92-382, as the funds under the General Fund (GF) did not qualify as idle and documentary support was lacking, thereby rendering its propriety doubtful.	We recommended that Management: Cease the placement of funds in time deposits unless properly supported by a detailed computation showing excess funds beyond the Municipality’s normal operating and financial requirements, in accordance with Sections 21 and 22 of COA Circular No. 92-382; and Instruct the Municipal Treasurer to retrieve and submit complete supporting documents for the existing time deposit account to validate the legality and appropriateness of such investments.	Mr. Paul Ree Ambrose A. Martinez, Municipal Treasurer	July 1, 2025	Dec. 31, 2025	Unimplemented	The Municipal Treasurer will initiate closure of this account maintained at Development Bank of the Philippines (DBP) after securing the corresponding authority from the municipality.	Close and transfer the funds to the municipality’s unrestricted bank account.
2025-012/May 30, 2025	9. Disbursements for the project Installation of Multi-Hazard Monitoring Device, with a contract cost of ₱3,378,422.82 and funded under the LDRRMF, procured through Negotiated Procurement (Two Failed	We recommended that Management ensure strict adherence to the procurement procedures prescribed under the Revised IRR of RA No. 9184, especially for Negotiated Procurement under the "Two Failed Biddings" modality. This includes requiring and retaining all mandated	Mr. Primitivo R. Caingcoy, BAC Chairman; All BAC Members	July 1, 2025	Dec. 31, 2025	Unimplemented	It was on the BAC’s view that once the procurement has reached two (2) failure of biddings, the third set of procurement will be allowed through Negotiated Mode, without regard to the complete eligibility of the	Capacitate all BAC Members and TWGs on the latest provisions of the government procurement law and other

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	Biddings), were processed despite lacking essential supporting documents required under the Revised IRR of RA No. 9184. Thus, the contractor’s technical, legal, and financial qualifications, as well as the Municipality’s compliance with procurement law and standards of transparency and fairness, could not be properly validated.	supporting documents, such as: • Updated Certificate of PhilGEPS Registration, • BAC recommendation to the Head of the Procuring Entity (HOPE), • HOPE’s approval of the award, and • Proof of posting of the Notice of Award, Contract/PO, and Notice to Proceed. We further recommended that Management ensure that all disbursements for the project titled Civil Works for the Installation of Multi-Hazard Monitoring Device (Closed-Circuit Television & Command Center), costing ₱3,378,422.82, are supported by the required documents.				Negotiated Supplier/ Contractor for as long as its basic Legal Documents were present (i.e. SEC/ DTI, Valid Mayor’s Permit, BIR Registration and Other Basic Permits issued by the authorized agency/s). With the guidance of this observation raised by COA and as clearly discussed or explained by COA Auditor during exit conference, it is the municipality’s commitment to strictly adhere to the provisions of RA 9184 and any subsequently laws and GPPB issuances relative to government procurement. The BAC, through its BAC Secretariat has committed to submit all lacking documents as noted.	issuances.	
2025-013/May 28, 2025	10. The infrastructure project titled Concreting of Barangay Road, with a total contract cost of ₱3,044,820.36, was reported as 100% complete and fully paid in CY 2023. However, an inspection by a COA	We recommended that the Municipal Mayor and the Municipal Engineer inform the contractor of the deficiencies noted and require them to either perform the needed remedy works or refund the amount corresponding to the deficiency noted, totaling ₱84,575.18.	Engr. Julie C. Jumawan, Municipal Engineer	July 1, 2025	Dec. 31, 2025	Unimplemented	See attached Letter reply/ justification issued by the Municipal Engineer, Julie C. Jumawan, labeled “Annex D”	Communicate this concern to the Project’s contractor and make the necessary repair the soonest possible time,

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	Technical Audit Specialist disclosed that the project was only 97.22% complete, resulting in an overpayment of ₱84,575.18.						and request COA-TAS for re-evaluation. If still found to be deficient, refund will be requested.	
2025-014/May 30, 2025	11. The fabrication of a rescue boat costing ₱1,592,703.00 and funded through the LDRRMF was awarded to a contractor whose license and business scope is limited to building construction, contrary to the requirements of the 2016 Revised IRR of R.A. No. 9184, thereby casting doubt on the contractor’s eligibility and Management’s compliance with procurement laws.	We recommended that Management: Ensure that future contractors for specialized projects such as rescue boat fabrication hold a PCAB license and business registration specifically covering marine or mechanical works. Require the BAC to thoroughly assess the technical and legal eligibility of bidders before awarding contracts, including verification of appropriate license classifications. Obtain technical certification or clearance from relevant regulatory agencies such as MARINA or the Bureau of Fire Protection (BFP) to validate project specifications and contractor capability.	Mr. Primitivo R. Caingcoy, MDRRMO; BAC Chairman; All BAC Members	July 1, 2025	Dec. 31, 2025	Unimplemented	The Contractor of this Fabrication of Rescue Boat, Elma’s Construction, has been identified by the Municipality as one of those Contractors with good track record as to prompt and durability. It was also known for fabricating furniture and fixtures, including banca fabrication in the locality. During eligibility check, the BAC through the assistance of its TWGs, thought that the Contractor’s license allowing for “General Engineering” (<i>See Annex F</i>) also encompasses fabrication of banca or boat. Unfortunately, this is not the only consideration to be eligible on that particular procurement as raised during the COA exit conference. Thus, with the AOM Communicate with the Contractor and request to submit additional documents or license in relation to their capacity to fabricate watercraft.	

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
						guidance, the municipality, if ever there will be future acquisition of similar or identical equipment, the BAC will ensure full adherence to the procurement guidelines. The municipality will communicate with the contractor on any certification or license it has obtained in relation to fabrication of small to medium watercraft, just like the fabricated rescue boat it had delivered to the municipality.		
2025-011/May 26, 2025	12.The infrastructure project titled Improvement of Municipal Hall (Phase I), with a total contract cost of ₱1,200,000.00, was reported as 100% complete and fully paid in CY 2023. However, an inspection by a COA Technical Audit Specialist disclosed that the project was only 87.76% complete, resulting in an overpayment of ₱146,864.77.	We recommended that the Municipal Mayor and the Municipal Engineer inform the contractor of the deficiencies noted and require them to either perform the needed remedy works or refund the amount corresponding to the deficiency noted, totaling ₱146,864.77.	Hon. Jonah Pat L. Aviles, Municipal Mayor Engr. Julie C. Jumawan, Municipal Engineer	July 1, 2025	Dec. 31, 2025	Unimplemented	Communicated with the concerned contractor on the deficiency noted. Though, it had committed that it will refund the amount considered overpaid, but they requested for a thorough review and validation on whose actually at fault, if proven and unfavorable to them, then payment will be made.	The municipality already communicated with the concerned contractor, see “Annex G“. But, validation on the project and item of work being affected and deficiency noted and in order to

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
								give due consideration to the request of the contractor.
2025-003/May 19, 2025	13.The Municipality's Local Disaster Risk Reduction and Management Council (LDRRMC) and the LDRRM Officer (LDRRMO) did not include in the CY 2024 LDRRM Fund Investment Plan (LDRRMFIP) the list of projects and activities to be funded by the unexpended LDRRMF from prior years amounting to ₱12,143,559.77, which is inconsistent with COA Circular No. 2012-002 dated September 12, 2012, thereby risking delays in fund utilization during the year due to the absence of prior appropriation and approval.	We recommended that the LDRRMC and LDRRMO review and update the LDRRMFIP annually to include projects and activities chargeable to prior years' unexpended LDRRMF in accordance with COA Circular No. 2012-002 dated September 12, 2012, to ensure the availability of funds for the timely implementation of LDRRM programs, projects, and activities	Mr. Primitivo R. Caingcoy, MDRRMO; BAC Chairman; All BAC Members	July 1, 2025	Dec. 31, 2025	Unimplemented	For several years, it was the understanding of the Municipality through its LDRRM Council and LDRRM Officer, that any unspent appropriation from current year's LDRRM Budget will be transferred to Special Trust Account (STA) with the assumption that the respective year's Investment Plan will be its guide for utilization. But with the clear guidance provided by COA during the CY 2024 Annual Audit Exit Conference, and relevant COA Circular issued, the MDRRMO and the LDRRM Council is committed to prepare or formulate its Annual Investment Plan with the explicit inclusion of PPAs funded using the prior years' unspent LDRRM Fund.	Henceforth, the municipality through its LDRRM Council, should formulate its LDRRMF Investment Plan for the current year with the inclusion of PPAs funded using unspent prior years' LDRRM Fund transferred to STA.

MUNICIPALITY OF ZAMBOANGUITA
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
2025-010/May 22, 2025	14.The GAD Plan and Budget (GPB) and GAD Accomplishment Report (AR) were not submitted to the PPDO, DILG Provincial Office, and the concerned Audit Team within the prescribed period, for the alignment of the Municipality’s GAD PPAs with the Province’s priorities and for review and endorsement, respectively, contrary to Section 4.0 of the PCW, DILG, DBM and NEDA JMC No. 2016-01 dated January 12, 2016 and COA Circular No. 2014-001 dated March 18, 2014, thus, gender responsiveness of the programs and activities was not assured.	We recommended that Management submit the GPB and AR to the PPDO and DILG Provincial Office within the prescribed period in accordance with Section 4.0 of PCW-DBM-DILG-NEDA JMC No. 2016-01 dated February 12, 2016. We also recommended that Management strictly adhere to Item V of COA Circular No. 2014-001 dated March 18, 2014, for the timely submission of the said reports to the COA Audit Team. We further recommended that Management ensure that the GAD AR is accompanied by the required reports listed under Section C.8 (5) of the PCW-DILG-DBM-NEDA JMC No. 2013-01.	Emma B. Elusfa, current GAD Focal Person; GAD Council	July 1, 2024	Dec. 31, 2024	Fully implemented	See attached Letter reply/ justification issued by the GAD Focal Person, Ms. Emma B. Elusfa, labeled “Annex E”	Capacitate more the GAD Council and its GAD Focal Person, Ms. Emma B. Elusfa concerning the different laws and regulations relative to allocation and utilization of GAD Fund. The GAD Council and other stakeholders should formulate plans and programs the earliest possible, so that the required timely submission is adhered. As well as prompt submission of GAD Accomplishment Report.
2025-002/M	15.The Local School Board (LSB) has not fully complied	We recommended that the Municipal Accountant, in coordination with the	Joselito M. Tinaytinay,			Partially Implemented	The posting requirement on SEF Utilization has been	Verify with the counterpart from

MUNICIPALITY OF ZAMBOANGUITA
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
ay 13, 2025	with the required posting and submission of the Quarterly SEF Utilization Reports to DepEd and other relevant authorities, as stipulated in Item 6.1 of the DepEd-DBM-DILG JC No. 1, s. 2017 dated January 19, 2017, thus hindering effective monitoring, transparency, and accountability in the allocation and utilization of the SEF.	LSB, ensure the prompt and regular posting of the quarterly and annual SEF Utilization Reports in at least three conspicuous places. Additionally, these reports should be submitted to the DepEd Central Office, the Sangguniang Bayan, and the DBM and DILG Regional Offices as mandated by the same Circular. We further recommended that the LSB implement a monitoring system to track the timely submission of required reports to avoid future delays.	Municipal Accountant; Dr. Arvin J. Busico, District 1 Supervisor Dr. Jenny M. Abejero, District 2 Supervisor				made by the municipality on Quarterly Basis, with Ms. Gloria M. Japinan, staff from the Accounting Office as the focal person. The Municipality has thought it has consistently comply with this mandate considering that the municipality has been consistently an Awardee of the Seal of Good Housekeeping as conferred by DILG. The municipality will raise this concern regularly during the monthly Local School Board Meeting.	DepEd from the two (2) school districts in the municipality regarding regular posting and submission of SEF utilization. If not submitted regularly, then this will be included on the regular posting made by the municipality’s focal person on FDP Posting.
AAR 2023 p.34	16.The Municipality did not take advantage of the one-time cleansing of Property, Plant, and Equipment (PPE) due to non-compliance with the guidelines and procedures of COA Circular No. 2020-006 dated January 31, 2020, thus adversely affecting the fairness of the presentation of the PPE accounts with a net book value of ₱363,404,238.82 as of	We recommend that Management prioritize the implementation of the one-time cleansing of PPE accounts by strictly following the guidelines and procedures provided in COA Circular No. 2020-006 dated January 31, 2020, to have reliable PPE balances that are verifiable as to existence, condition, and accountability.	Hon. Jonah Pat L. Aviles/ Mun. Mayor; Mr. Paul Ree Ambrose A. Martinez, Property Custodian/ MTO; Mr. Joselito M. Tinaytinay, Municipal Accountant	July 1, 2025	Dec. 31, 2025	To be implemented	The volume and documentation needed requires considerable time and trained personnel to implement the process.	Creation of the required Committee to facilitate the conduct of one-time cleansing as prescribed under COA Circular No. 202-006 dated January 31, 2020. Trained and

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	December 31, 2023, and may deprive Management of reliable and useful information in decision-making and accountability for these assets.						considerable number of personnel will be employed to go through the process of one-time cleansing.	
AAR 2023 p.41	17.The Municipality paid honoraria amounting to ₱1,305,890.00 to the members of the KALAHI-CIDSS-NCDDP Municipal Coordinating Team (MCT) and Municipal Inter-Agency Committee (MIAC) without strictly complying with the guidelines set forth under Department of Budget and Management (DBM) Budget Circular No. 2007-2 dated October 1, 2007 and COA Circular No. 2012-001 dated June 14, 2012, thus the propriety and legality of the disbursements could not be established.	We recommend that Management submit the following documents to support the payment of honoraria to the members of the MCT and MIAC: a) Documentary evidence showing the following: i. number of man-hours each member of the MCT and MIAC spent on the project beyond their regular working hours; ii. nature of the member’s work assignments and the level of difficulty of the duties and responsibilities assigned; iii. extent of their productivity and quality of performance measured in terms of completed and accepted deliverables in accordance with the timeframes set; and iv. performance rating given by the project management; and b) Computation of the honoraria	Hon. Jonah Pat L. Aviles, Mun. Mayor/ MIAC Chairman; Mr. Primitivo R. Caingcoy, MDRRMO/ MCT – LGU Area Coordinator; Mr. Joselito M. Tinaytinay, Municipal Accountant/ MCT-LGU Finance Analyst Engr. Julie C. Jumawan, Municipal Engineer/ MCT-LGU Technical Facilitator	July 1, 2025	Dec. 31, 2025	Fully implemented	The payment of Honorarium to Members of the KALAHI-CIDSS-NCDDP Municipal Coordinating Team (MCT) and Municipal Inter-Agency Committee (MIAC) was based on the following contentions: 1. It is a Special Project that requires the concerned members of the Team/ Committee to render work in addition to or over and above their regular workload; and 2. Adherence and/or compliance to the documentary requirements as enumerated under COA Circular 2012-01 as prescribed under DBM Circular 2007-2.	Secured and submit all documents to support the claims for Honorarium as prescribed Department of Budget and Management (DBM) Budget Circular No. 2007-2 dated October 1, 2007 and COA Circular No. 2012-001 dated June 14, 2012. (See attached documents labeled “Bundles 1-2”)

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
		paid to the payees. We also recommend that, henceforth, Management strictly comply with all the conditions stipulated under DBM Budget Circular No. 2007-2 dated October 1, 2007, before honoraria of personnel are granted due to assignment in special government projects.	Municipal Inter-Agency Committee (MIAC) Members: • SB Members • All Department Heads • Community Facilitators				These documentary requirements were attached in every payroll period to support the claim of the concerned honorarium, but seems lack of merit or substance to validate the claim thus, the municipality would thoroughly discuss with the members of the Special Project Team and Committee Members so that any claim for honorarium in the future will be fully compliant to the conditions set under DBM Circular 2007-2.	
AAR 2023 p.46	18. The Disbursing Officer (DO) was allowed to draw multiple cash advances in a single day to make payments for social pensions, allowances, gratuity pay, honoraria, and other similar payments, which going against Section 4.1.2 of COA Circular No. 97-002 dated February 10, 1997. This led to overlapping cash advances, unnecessarily	We also recommend that no additional cash advances be granted to the DO unless the previous cash advance is settled or properly accounted for.	Mr. Paul Ree Ambrose A. Martinez/ MTO; Office of the Mayor	July 1, 2025	Dec. 31, 2025	Fully implemented		Appointment of Additional Disbursing Officer, Ms. Jezrel Marie D. Cafino “ <i>Annex E - Bond</i> ”; and Assistant Treasurer, Janita E. Partosa (2 nd level progress of Appointment in BLGF) to

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM			
	exposing government funds to risk of loss through misapplication.						supplement the work on disbursements, and eliminate possible multiple CAs.
AAR 2023 p.52	19.Management has not yet taken tangible and substantial steps toward compliance with the pertinent provisions of CSC-COA-DBM JC No. 1, s. of 2017 as amended by CSC-COA-DBM JC No. 1, s. of 2018, COA-DBM JC No. 2, s. of 2020, and COA-DBM JC No. 2, s. of 2022 on a review of the agency functions, systems and procedures, organizational structure, and staffing pattern to identify any needs and gaps and determine the appropriate human resource complement for the Municipality’s PPAs. Moreover, payment of wages to COS/JOs equivalent to salary of comparable government positions and up to 20% premium had not been implemented, as required in the aforesaid JC.	We recommend that Management review the Municipality’s functions, systems and procedures, organizational structure, and staffing pattern to address any needs and gaps in the human resource complement. We also recommend that Management comply with all the provisions of the CSC-COA-DBM JC No. 1, s. of 2017, as amended, and provide for wages of COs/JOs at a rate equivalent to a comparable position in the government plus premium if funds are available.	Hon. Jonah Pat L. Aviles, Mun. Mayor/ PSB Chairman; Ms. Marie Joy C. Brodit, HRMO I All Members of the Personnel Selection Board	July 1, 2025	Dec. 31, 2025	To be implemented To be implemented	The municipality is committed towards the well-being and/or welfare of all its workers regardless of its employment status. It has been recognize as an integral to the delivery of exceptional service to our constituents. Several agencies has already issued various Circulars to institutionalize and to further protect the welfare and security of tenure of all workers especially those engaged through Job Orders (JOs) and Contract of Services (COS). But due to scarcity of Budget being a fourth class municipality, such desire to augment the rate and grant a premium of up to 20% of their respective wage/salary of all JOs and/COS could not be achieved by now. The The municipality through its HRMO and Personnel Selection Board should convene and consider the necessary steps in order to adhere to the provisions set under the CSC-COA-DBM JC No. 1, s. of 2017, and provide for wages of COs/JOs at a rate equivalent to a comparable position in the government plus premium <i>if funds are available</i>.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	a) <i>Non-assessment of agency functions vis-a-vis organizational structure and staffing pattern for compliance with the JC</i> b) <i>Non-payment of wages to COS and JOs equivalent to the daily wage/salary of a comparable position in the government and a premium of up to 20% of such wage/salary.</i>						municipality tried to minimize the employment/ hiring of JOs/ COS considering that it could not provide the minimum mandated rate/benefits, but several unemployed individuals came showing their interest to work even at a below minimum rate. The municipality understands that humanitarian consideration is not an enough factor to consider/ justify its defiance to this rules set, hence, the municipality will find ways through its Human Resource and Management Office to review its functions, systems and procedures, structure, and staffing pattern to address needs and gaps in the human resource complement. In the event that it could not resist from hiring JOs/COS, the prescribed minimum rate and premium on its position will be provided.	
AAR 2023	20.Pakyaw labor contracts amounting to ₱598,400.00	We recommend that Management submit the following:	Mr. Primitivo R. Caingcoy/ BAC	July 1, 2025	Dec. 31, 2025	Partially implemented	Pakyaw Labor System has been identified by the LGU	Stop the implementation

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
p.60	engaged by the Municipality for its infrastructure projects implemented “By Administration” under the LDRRMF were not in accordance with the pertinent provisions of RA No. 9184 and its 2016 Revised IRR, and the payments thereof were not supported with adequate documentation which is inconsistent with Section 4.6 of PD No. 1445, rendering the propriety and legality of the disbursements questionable.	a) The BAC resolution justifying and recommending the change in the mode of procurement or the updated APP approved by the Municipal Mayor; b) Name of the Project Facilitator per project and the related documents that would prove his/her appointment as such, duly approved by the Municipal Mayor; c) Relevant documents for the formation of the Pakyaw Group showing that the barangay leaders and the community were actively involved; and d) Detailed information for each individual/worker member of each Pakyaw Group for each Pakyaw Contract. We also recommend that the payment for the work output of the pakyaw workers be disbursed using a payroll system. We furthermore recommend that	Chairman; Engr. Julie C. Jumawan/ Mun. Engineer;			To be implemented	as an effective scheme in acquiring the labor component of some project implemented through “By Administration”. Although the Approved Annual Procurement Plan (APP) shows that the mode of procurement is Competitive/ Public Bidding, the municipality’s position on that mode of procurement pertains to the material component of the project which was indeed procured through Public Bidding, and its Labor component was made through Pakyaw Labor Contract which also goes through publication inviting all potential Pakyaw groups to submit their bids/ proposals for evaluation towards identification of the Lowest calculated and responsive pakyaw group. Given this observation, the municipality would henceforth adhere to strictly adheres to the guidelines set in implementing projects by administration.	of Pakyaw Labor System. Labor components on Projects implemented by Administration were secured through Job Order System.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
		henceforth, Management ensure strict compliance with the guidelines and provisions of R.A. No. 9184 and its Revised IRR in implementing infrastructure projects by administration.				To be implemented		
AAR 2022 p.36	21. The accuracy and reliability of the Road Networks account totaling ₱92,691,269.07 could not be ascertained due to (a) non-conduct of inventory of local roads and non-preparation of the Report of the Local Road Network (RLRN) and Report on the Physical Count of Local Road Network (RPCLRN); (b) non-segregation of the cost of each road component of the local road projects in the books of accounts; (c) non-provision of depreciation for LRN items; (d) non-maintenance of the Local Road Network Ledger Card (LRNLC) by the Municipal Accountant and Local Road Inventory and Road Map and Local Road Network Property Card (LRNPC) by the Property Officer; and (e) non-	We recommended that Management strictly comply with the accounting and reporting guidelines on the local roads asset management system and earnestly perform their respective duties and responsibilities set forth under COA Circular No. 2015-008 dated October 23, 2015. We further recommended that, henceforth, the Inventory Committee conduct an annual physical count of all its Local Road Networks and the results thereof reported in the RPCLRN to be submitted to the Auditor and Accounting Unit not later than January 31 of each year. The RPCLRN shall be reconciled with the accounting records, and the necessary adjusting entries be prepared before the statement date.	Hon. Jonah Pat L. Aviles/ Municipal Mayor Inventory Committee Mr. Paul Ree Ambrose A. Martinez/ MTO, Head of the Inventory Committee Engr. Julie C. Jumawan/ Municipal Engineer Joselito M. Tinaytinay/ Municipal Accountant	July 1, 2025	Dec. 31, 2025	To be implemented To be implemented	Unavailability of records to vouch the propriety of those old/ existing roads considering that Municipal/ Barangay Road networks were implemented by different agencies.	Creation of Committee specifically for the inventory of Road networks, and Conduct thorough Inventory and verification of records and existence of Road Networks in the municipality.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	disclosure of the total road networks in the Notes to the Financial Statements (FS), contrary to COA Circular No. 2015-008 dated November 23, 2015, thereby, affecting the fair presentation of the account in the financial statements.							
AAR 2022 p. 40	22. The cashbooks maintained by the accountable officers were neither updated and balanced daily, ruled and footed, nor closed at the end of each month, while the required certifications were not accomplished either, contrary to the pertinent provisions of the New Government Accounting System (NGAS) Manual for Local Government Units (LGUs), Volume II, resulting in the non-reconciliation with the accounting records in violation of the pertinent provisions of the Local Treasury Operations Manual (LTOM), 2 nd Edition. Thus, early detection of errors and corrections thereof could not	We recommended that the Local Chief Executive require the Municipal Treasurer to promptly update, balance, and certify the collections, deposits, and disbursements on the cashbooks, ensure the correctness and accuracy of entries recorded therein, and henceforth adhere to the existing regulations on the handling, custody, and disposition of the cashbooks. We further recommended that the Municipal Accountant and the Municipal Treasurer closely coordinate and regularly reconcile their respective records for the early detection and correction of errors to ensure the fairness of the presentation of the cash and cash equivalent account balances in the financial statements.	Mr. Paul Ree Ambrose A. Martinez/ MTO	July 1, 2025	Dec. 31, 2025	Fully implemented	Updating of Books Ongoing	Updated the Books maintained by Mun. Treasurer Based on the accounted cash receipts and disbursements.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM	TO		
	be made, affecting the reliability and accuracy of the cash and cash equivalent account balances amounting to ₱76,787,692.63 as of December 31, 2022.						
AAR 2022 p. 45	23. Cash advances amounting to ₱1,478,000.00, for aiding individuals affected by Typhoon Odette in December 2021, were incorrectly recorded under the account Advances for Payroll (1-03-05-020) instead of account Advances to Special Disbursing Officer (1-03-05-030), contrary to COA Circular No. 2015-009 dated December 1, 2015, resulting in an overstatement of the Advances for Payroll account and an understatement of the Advances to Special Disbursing Officer account. Moreover, the liquidation of ₱900,000.00 related to these cash advances was inaccurately recorded under the account Other Maintenance and Operating Expenses (5-02-99-990)	We furthermore recommended that, henceforth, Management refer to the description of accounts as a guide in recording expenses in the books of accounts pursuant to COA Circular No. 2015-009 dated December 1, 2015, to avoid erroneous entries.	Mr. Joselito M. Tinaytinay/ Municipal Accountant	July 1, 2025	Dec. 31, 2025	Fully implemented	With the guidance of the COA AOM on proper use of account, all CAs made by the municipality were properly accounted.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	instead of the account Donations (5-02-99-080), hence, the accounts were overstated and understated, respectively, as of December 31, 2022.							
AAR 2022 p. 48 AAR 2019	24. Various cash advances remained unliquidated even if the purpose for which these were given had already been served, while other receivables remained unsettled as of December 31, 2022, of which ₱340,876.96 had already aged over 10 years, contrary to pertinent provisions of COA Circular No. 97-002 dated February 10, 1997, thereby rendering the total receivables as at year-end doubtful and possibly overstating the assets and understating the related expense accounts of the Municipality, while exposing government funds to possible loss should these individuals/entities fail to liquidate/settle.	We recommended that the Municipal personnel who are still employed in the Municipality be required to immediately liquidate their outstanding cash advances, otherwise, the sanction of withholding of honoraria provided under existing COA rules and regulations will have to be imposed. We further recommended that the Municipal Mayor, through the Municipal Accountant, issue a demand letter to the persons who had already retired from the government service and require them to immediately settle their unliquidated cash advances. We furthermore recommended that the Municipal Accountant exert extra effort to locate the documents supporting the receivables for overpayment to suppliers and other government agencies, make	Mr. Joselito M. Tinaytinay/ Municipal Accountant Mr. Paul Ree Ambrose A. Martinez/ Municipal Treasurer	July 1, 2025	Dec. 31, 2025	To be implemented	Concerned personnel with existing Unliquidated Cash advances (CAs) were no longer active in government service.	Locate those concerned individuals with outstanding CAs, and send the necessary Demand letter, for its immediate liquidation. For those deceased accountable officer, request for the appropriate write-off from Commission on Audit.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
		representation with these entities for the furnishing of documents that could aid in the verification of the receivables, and prepare the demand for collection or the necessary adjusting entries in the books of accounts, if warranted.						
AAR 2022 p. 50	25. A loan from the National Electrification Administration (NEA) amounting to ₱196,828.22 which has been outstanding for at least 10 years remained in the books, thereby affecting its validity. Moreover, the Notes to FS did not adequately disclose sufficient and relevant financial information on the details pertaining to the long-term liabilities, contrary to Section 127 of the Philippine Public Sector Accounting Standards (PPSAS) No. 1, thus users of the report may be misled by the lack of information that may affect decision-making.	We recommended that Management direct the Municipal Accountant to analyze the Loans Payable-Domestic account and coordinate with NEA to reconcile and update records maintained by both parties. Discrepancies noted should be reconciled, and the necessary adjustments effected to ensure a fair presentation of the account in the financial statements. We further recommended that the Municipal Accountant disclose in the Notes to FS the details of the Loans Payable pursuant to paragraph 127 of PPSAS No. 1.	Mr. Joselito M. Tinaytinay/ Municipal Accountant Mr. Paul Ree Ambrose A. Martinez/ Municipal Treasurer	July 1, 2025	Dec. 31, 2025	To be implemented	Loan payable to NEA amounting to P196,828.22 needs thorough reconciliation and confirmation, as this account has been in the municipality’s records for unreasonable period. No demand letter nor confirmation has been sent by NEA for this account. If ever, reasonable evidence that the municipality is indebted to NEA, then corresponding settlement be made.	Send letter to NEA regarding the validity/ existence of the loan account of the municipality, if proven that the loan existed substantiated with evidence, and the amount is reasonable, the municipality should appropriate the corresponding amount for its full settlement.
AAR 2022 p. 53	26. An emergency rescue vehicle of the Municipality used as a Patient Transport	We recommended that Management take immediate action to register the emergency rescue vehicle with the	Municipal Health Officer/ RHU	July 1, 2025	Dec. 31, 2025	To be implemented	No focal person designated to take the lead in processing the registration/ accreditation	Assign personnel and process the

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	Vehicle was not registered with the Health Facilities and Services Regulatory Bureau (HFSRB) as required under DOH Administrative Order (AO) No. 2018-0001 dated January 26, 2018. Thus, there is the possibility that the vehicle may be used for purposes not in accordance with its proper usage as authorized by the HFSRB.	HFSRB pursuant to DOH AO No. 2018-001 dated January 28, 2018, to enable the Municipality to rectify the existing non-compliance and ensure that the vehicle be exclusively used for response and rescue/relief activities.					registration/ accreditation.	
AAR 2022 p. 54	27. Advance payments to contractors representing 15% mobilization fees of the projects implemented under the 20% Development Fund (DF) amounting to ₱1,202,590.45 were recorded to the account Other Prepayments (1-05-01-990) instead of Advances to Contractors (1-05-01-010), as provided under COA Circular No. 2015-009 dated December 1, 2015, thus, overstating and understating the accounts Other Prepayments and Advances to Contractors, respectively, by ₱1,202,590.45 as at	We further recommended that, henceforth, Management refer to the description of accounts as a guide in recording expenses in the books of accounts pursuant to COA Circular No. 2015-009 dated December 1, 2015, to avoid erroneous entries.	Mr. Joselito M. Tinaytinay/ Municipal Accountant	July 1, 2025	Dec. 31, 2025	Fully implemented	With the guidance of the COA AOM on proper use of account, all Advances to Contractors made by the municipality were properly accounted.	

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	December 31, 2022.							
AAR 2022 p. 58	28. Local Disaster Risk Reduction and Management (LDRRM) motor vehicles were used for purposes other than disaster/calamity response and rescue/relief operations, contrary to Section 5.2.1.1.1 of the Department of the Interior and Local Government (DILG) Memorandum Circular (MC) No. 2021-004 dated January 18, 2021, subjecting the motor vehicles to wear and tear which could result in their unavailability during an actual calamity or disaster, thereby negating the purpose for which the vehicles were purchased.	We recommended that Management ensure that the LDRRM motor vehicles be exclusively used for disaster/calamity response and rescue/relief operations in conformity with DILG MC No. 2021-004 dated January 18, 2021.	Mr. Primitivo R. Caingcoy/ Municipal DRRMO	July 1, 2025	Dec. 31, 2025	Fully Implemented		The Rescue Vehicle concerned was already returned to the Office of the MDRRMO.
AAR 2022 p. 60	29. The Drivers’ Trip Tickets covering the usage of the LDRRM motor vehicles were not properly accomplished contrary to the pertinent provisions of COA Circular No. 77-61 dated September 26, 1977, thus, the reasonableness of fuel consumption and the	We recommended that the MDRRMO and the Property Officer require the drivers of the LDRRM vehicles to accomplish properly the prescribed form for the Driver’s Trip Tickets to ensure that all the data needed to determine the reasonableness of fuel consumed for the period and the necessity of the trips undertaken are provided.	Mr. Primitivo R. Caingcoy/ Municipal DRRMO Mr. Paul Ree Ambrose A. Martinez/ MTO Property Officer	July 1, 2025	Dec. 31, 2025	Fully Implemented		Required all Trip tickets for the use of LDRRM Vehicles be completely filled up. Implemented the “No presentation of accurate Trip Ticket/s in

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM	TO		
	necessity of the trips undertaken could not be determined.						previous trip/s, No Vale for Fuel of new Scheduled Trip”
AAR 2021 p.45	30. Disbursements amounting to at least ₱1,161,552.03 for repairs and maintenance of motor vehicles were not supported with pre-repair inspection and post-inspection reports, report of waste materials, copy of documents indicating the history of repair, and other documentary requirements enumerated under Section 9.1.3.4 of COA Circular No. 2012-001 dated June 14, 2012, thus, it could not be ascertained whether the extent of the damage and necessity of repair were determined, the scope of work specified in the Job Order was completed, and the required replacement of parts was undertaken, while effective and efficient monitoring of the periodic repairs and preventive maintenance of all motor vehicles owned by the Municipality may not be	We recommended and Management agreed that before any repairs and maintenance of motor vehicles are undertaken, the personnel in charge shall be required to prepare the following reports, namely: a) pre-repair evaluation report and approved detailed plans showing in sufficient detail the scope of work/extent of repair to be done, b) report of waste materials, and c) document indicating the history of repair. We further recommended and the Municipal Accountant agreed to ensure that disbursements for the repairs and maintenance of motor vehicles are supported with the foregoing required documents plus a post-inspection report as required under Section 9.1.3.4 of COA Circular No. 2012-001.	Ms. Kim Valencia, In-charge on Voucher Processing on Motor Vehicle Repair/ Mr. David dela Peña, MotorPool	July 1, 2025	Dec. 31, 2025	Fully implemented	Strict implementation on the provision of required documents as prescribed under Section 3.1.1 of COA Circular 2012-01.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	achieved.							
AAR 2021 p.52	31. The Municipality failed to provide sufficient and vital information such as specific boundaries, stationing, landmarks, and symbols in the Programs of Work (POWs), plans, and drawings for various projects of road concreting and electrification of municipal streets under the 20% Development Fund, an indication that the detailed engineering activities provided under Annex A of the Revised Implementing Rules and Regulations (RIRR) of Republic Act (RA) No. 9184 were not strictly complied with, thus, overlapping stations, double listed road sections, and any gaps or duplications that might exist may go undetected or unidentified while effective and efficient monitoring of the completed projects may not be established or strengthened.	We recommended that the Municipal Engineer see to it that sufficient and vital information such as specific boundaries, stationing, landmarks, and symbols are provided in the Programs of Work, plans, and drawings for projects of road concreting and electrification of municipal streets. We further recommended that, henceforth, Management unfailingly ensure strict compliance to the required detailed engineering activities in accordance with the provisions under Annex A of the RIRR of RA 9184, giving utmost consideration to the deficiencies discussed above.	Engr. Julie C. Jumawan, Municipal Engineer	July 1, 2025	Dec. 31, 2025	Fully implemented	Prepared those needed documents in all projects.	

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
AAR 2021 p.58	32.The Municipality spent ₱407,129.00 out of the CY 2021 appropriations for Gender and Development (GAD) for expenses that did not address specific gender issues, such as the purchase of various supplies used for COVID-19 activities, thereby reducing the funds available for the implementation of more appropriate programs, projects and activities that would address gender issues and concerns outlined under Joint Memorandum Circular (JMC) No. 2013-01 dated July 18, 2013 of the Philippine Commission on Women (PCW), Department of the Interior and Local Government (DILG), Department of Budget and Management (DBM), and National Economic and Development Authority (NEDA).	We recommended and Management agreed to properly identify the GAD issues and concerns and use the Fund in order to implement programs, projects, and activities that would address specific gender gaps and are aligned with PCW, DILG, DBM, and NEDA Joint Memorandum Circular No. 2013-01 dated July 18, 2013.	Jesusa R. Navarro, MSWDO and Former GAD Focal Perosn/ Emma B. Elusfa, current GAD Focal Person/Dr. Leonard Vince T. Araneta, MHO/ GAD Council	July 1, 2025	Dec. 31, 2025	Fully implemented		The CY 2023 Annual GAD Plan and Budget for the Municipality was reviewed and approved by the PPDO and Provincial DILG, respectively, thus, the municipality is confident that the PPAs included in the GAD Plan and Budget were all compliant to JMC No. 2013-01. See copy of CY 2023 GAD Plan and Budget duly Reviewed and Endorsed by DILG labeled “Refer to Annex H on AAPSI transmitted last July 3, 2024”. See attached

MUNICIPALITY OF ZAMBOANGUITA
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

[illegible]

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM	TO		
							does not create an employer-employee relationship.
AAR 2020 p.39	34. The price reasonableness of medical supplies and welfare goods procured out of the Bayanihan Grant to Cities and Municipalities (BGCM) and Local Disaster Risk Reduction and Management Fund (LDRRMF) amounting to ₱8,593,687.00 and ₱6,991,850.43, respectively, could not be ascertained because the complete detailed specifications and brand names of the items were not indicated in the Purchase Orders (POs) contrary to Item B of COA Circular No. 96-010 dated August 15, 1996, hence purchase prices could not be compared with the prevailing market price and compliance with Section 5 of the Government Procurement Policy Board (GPPB) Circular No. 01-2020 dated April 6, 2020 could neither be established.	We recommended that Management require the personnel concerned or the end-user duly authorized by the Head of the Procuring Entity to completely and properly fill-up the relevant and required information in the PO pursuant to Item B of COA Circular No. 96-010 dated August 15, 1996.	Ms. Jesusa R. Navarro/MSWDO/B AC Chairman Bids and Awards Committee	July 1, 2025	Dec. 31, 2025	To be implemented	Considering the Number of Purchase Orders (POs) affected and the necessity for immediate response during the onslaught of pandemic, the municipality request for reconsideration, and committed henceforth to strictly comply especially in the filling out of required information/ details in PO.

MUNICIPALITY OF ZAMBOANGUITA
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM			
AAR 2020 p.41	35. The Municipality paid at least ₱2,134,984.00 for purchases of goods and services from various suppliers in response to the COVID-19 pandemic despite the lack of required supporting documents contrary to GPPB Circular No. 01-2020 dated April 6, 2020, GPPB Resolution No. 18-2020 dated September 16, 2020 and Section 4(6) of Presidential Decree (PD) No. 1445, thus, it could not be established whether the suppliers were legally, technically and financially capable and whether the subject goods and services were procured at the most advantageous prices.	We recommended and Management agreed: a) That the Municipal Accountant ensure that the documentary requirements are satisfactorily complied with in accordance with GPPB Resolution No. 18-2020 dated September 16, 2020 and GPPB Circular No. 01-2020 dated April 6, 2020 and that the DVs are duly supported with complete documents pursuant to Section 4(6) of PD No. 1445.	Ms. Jesusa R. Navarro/MSWDO/B AC Chairman Bids and Awards Committee	July 1, 2025	Dec. 31, 2025	Fully implemented <	

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
AAR 2020 p.44	36. The Municipality granted COVID-19 Hazard Pay to its 290 personnel who physically reported for work at their respective offices or work stations during the implementation of the Enhanced Community Quarantine (ECQ) in the total amount of ₱1,212,427.25 without the supporting documents necessary to determine compliance with the pertinent provisions of DBM Budget Circular No. 2020-1 dated March 24, 2020. Thus, the propriety and regularity of the grant could not be ascertained.	We recommended that the following documents be immediately submitted to the Auditor to determine compliance with the conditions on the grant of COVID-19 Hazard Pay set forth in Paragraph 4 of DBM Budget Circular No. 2020-01 dated March 24, 2020, to wit: a. Authority for the entitlement of the allowance; b. Certificate of attendance during the ECQ period; and c. IATF Resolution of the Risk Certification in the workplace Likewise, we recommended that Management submit (a) Individual approved daily time record or daily report of attendance of the 290 Municipal personnel paid with COVID-19 Hazard Pay showing the official dates and hours they physically reported for work at their respective offices or work stations during the implementation of the ECQ period; and (b) Copy of the approved contracts of personnel under COS and JO scheme.	Municipal Mayor/ All Department Heads	July 1, 2025	Dec. 31, 2025	To be implemented	There was no IATF Resolution on the Risk Certification in the workplace submitted. No DTRs were attached to the DVs for Hazard Pay as only the payroll was attached.	Secure copy of the required IATF Resolution on the Risk Certification in the workplace submitted.
AAR	37. The payroll covering the	We recommended and the OIC-	Dr. Leonard Vince	July 1,	Dec. 31,	To be implemented	There was no IATF	Secure copy of

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM	TO		
2020 p.46	payment of COVID-19 Special Risk Allowance (SRA) to ten public health workers (PHWs) in the total amount of ₱79,042.25 was not substantially supported with complete documents contrary to Section 4(6) of Presidential Decree (PD) No. 1445, hence, the propriety and regularity of the grant during the period of the implementation of the Enhanced Community Quarantine (ECQ) could not be ascertained.	Municipal Health Officer agreed to submit to the Auditor the following documents to substantiate the grant of SRA to the ten PHWs: a) Inter-Agency Task Force for the Management of Emerging Infectious Diseases Resolution of the Risk Certification in the workplace; b) Authority from the head of agency/office to render service during the period of the ECQ stating the prescribed official working hours as well as the entitlement of the SRA; c) Individual approved daily time record or daily report of attendance indicating the dates and time they physically reported for work; and d) Daily status/monitoring report on COVID-19 patients, PUIs or PUMs quarantined in the Municipality's COVID-19 facility, in the homes, and in other isolation facilities covering the same period of the ECQ.	T. Araneta/ Municipal Health Officer	2025	2025	Resolution on the Risk Certification in the workplace submitted. No DTRs were attached to the DVs for Hazard Pay as only the payroll was attached. Information regarding the prescribed official working hours, as well as entitlement of the SRA, was not mentioned in the authority issued by the head of agency/ office. The documents submitted also lacked the Daily status/ monitoring report on COVID-19 patients, PUIs, or PUMs quarantined in the Municipality.	the required IATF Resolution on the Risk Certification in the workplace submitted.
AAR 2020 p.56	38. The fees collected from clients for the airing of advertisements through its	We recommended that Management: a) Make all payment of expenses	Ms. Ma. Desiree E.			Identifying those	Submit those concerned

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	Project Nutri-skwela Community Radio Station were not acknowledged by official receipts (ORs) and neither were the financial report prepared for the receipts and expenses of the Station, in violation of pertinent provisions of Presidential Decree (PD) No. 1445 and the Manual on the New Government Accounting System (NGAS), Volume I, thereby, eliminating accounting thereof as government funds and audit by the Commission on Audit (COA).	for the operation of the Station by check except for petty expenses which should be charged against the Petty Cash Fund; b) Submit to the Auditor the following: (i) Latest annual reports submitted to NNC with proof of receipt by the NNC; and (ii) List of clients/subscribers together with the corresponding contract, if there is any; and c) Submit an explanation on the deficiencies noted.	Adanza/ Radio Manager	July 1, 2025	Dec. 31, 2025	To be implemented	transactions directly related to the operation and maintenance of Radio Station to be submitted	transactions directly related to the operation and maintenance of Radio Station.
				July 1, 2025	Dec. 31, 2025	To be implemented	Difficulty of locating those needed reports.	Require the current Station Manager to produce any available report as prescribed.
				July 1, 2025	Dec. 31, 2025	To be implemented	No explanation being provided, as several personalities before manning the Station were no longer connected	Reach out to those concerned personnel and inquire on the possible reason(s) why those lapses or deficiencies committed.
AAR 2020 p.61	39. The Municipal Engineer did not conduct a complete detailed engineering works prior to the preparation and subsequent approval of program of work (POW) contrary to Section 17.6 of the Revised Implementing Rules and Regulations (IRR) of	We recommended that Management: a) Require the Municipal Engineer to conduct the complete detailed engineering activities before any POW is prepared and subsequently approved to ensure that projects are completed on schedule, the desired benefits are	Engr. Julie C. Jumawan/ Municipal Engineer	July 1, 2025	Dec. 31, 2025	Fully implemented		Prepared those needed documents in all projects.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	Republic Act (RA) No. 9184, causing prolonged suspension of work in project implementation and unnecessary delay in the delivery of desired benefits to the targeted end-users of the projects.	immediately enjoyed by the intended beneficiaries; b) Immediately submit the suspension orders and resumption orders issued relative to the project Construction of Water Supply System at Sitio Bato, Barangay Basak together with the contractor’s requests for extension and justification, and the Municipal Engineer’s investigation reports used as basis in approving the request for suspensions.		July 1, 2025	Dec. 31, 2025	Fully implemented	Close monitoring in all projects with the Assistance of the hired COS Engr. Christiane E. Partosa.	
AAR 2019 p.36	40. The Municipality paid registration and term membership fees/dues to the Vice Mayors’ League of the Philippines (VMLP), Inc. and Philippine Councilors League (PCL), Inc.-Negros Oriental Federation totaling ₱118,500.00 but were issued only customized printed receipts instead of official receipts (Accountable Form No. 51) as required under Section 42, Chapter 7, Title I (B), Book V of the Administrative Code of 1987, hence, the propriety and	We recommended that the Municipal Treasurer require the issuance of ORs (AF No. 51) from the–VMLP, Inc. and PCL, Inc. - Negros Oriental Federation for the payments made for membership dues/fees in CY 2019. We further recommended that the Municipality withhold future payments until the leagues comply with this requirement.	SB Office/ VMLP/PCL	July 1, 2025	Dec. 31, 2025	To be implemented	PCL’s Executive Director had sent a letter to the National Printing Office (NPO) for possible purchase of Accountable Form (AF) No. 51 and was informed that the concern was forwarded to the NPO Legal Team for the resolution of their request. The said letter also mentioned that at a meeting between PCL and COA National Office, an understanding was reached that the PCL will continue to use their receipts until the matter is resolved.	Constant update on the resolution of the matter, and request from PCL any additional justification why their continued defiance to use of AF No. 51 in their collection of annual dues, seminar and other fees.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM			
	accuracy of the transactions made could not be ascertained.						
AAR 2019 p.40	41. The LDRRM Officer failed to prepare and submit to the Auditor the Monthly Report on Sources and Utilization of Disaster Risk Reduction and Management Fund (DRRMF) for CY 2019 duly certified correct by the Municipal Accountant, contrary to Section 5.1.5 of COA Circular No. 2012-002 dated September 12, 2012, depriving the stakeholders and the public of relevant and vital information while precluding the Auditor from conducting timely review and evaluation of the utilization of the Local DRRMF.	We recommended that, henceforth, the LDRRM Officer prepare the Monthly Report on Sources and Utilization of DRRMF duly reconciled with the accounting records and certified correct by the Municipal Accountant, and submit the report to the Auditor on or before the 15 th day after the end of each month.	Mr. PrimitivoCaingcoy/ LDRRMO JoselitoTinaytinay/ Mun. Accountant Ms. Perla Elnasin/ Mun. Budget Officer	July 1, 2025	Dec. 31, 2025	To be implemented	Lack of personnel to handle and monitor the reportorial requirement set forth. The LDRRMO committed to submit the monthly report on the Sources and Utilization of DRRM Fund.
AAR 2019 p.41	42. The Annual GAD Plan and Budget (GPB) FY 2019 was not submitted to the Provincial Planning Development Office (PPDO) and DILG Provincial Office within the prescribed period, for alignment of the Municipality’s GAD PPAs	We recommended that Management submit the GAD Plan and Budget to the PPDO and DILG Provincial Office within the prescribed period in accordance with Section 4.0 of PCW-DBM-DILG-NEDA JMC No. 2016-01 dated February 12, 2016.	Ms. Jesusa R. Navaro, MSWDO and Former GAD Focal Person/ Ms. Emma B. Elusfa, current GAD Focal Person/ GAD Council	July 1, 2025	Dec. 31, 2025	Fully implemented	Henceforth, the corresponding GAD Plan and Budget were submitted to PPDO and DILG for review and approval, respectively.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM	TO		
	with the priorities of the Province and for review and endorsement, respectively, contrary to Section 4.0 of the Philippine Commission on Women (PCW), Department of the Interior and Local Government (DILG), Department of Budget and Management (DBM) and National Economic and Development Authority (NEDA) Joint Memorandum Circular (JMC) No. 2016-01 dated January 12, 2016, thus, gender responsiveness of the programs and activities was not assured.						<i>“Refer to Annex H on AAPSI transmitted last July 3, 2024”. See attached transmittal labeled “AAPSI Transmittal dated July 3, 2024)</i>
AAR 2018 p.34	43.The balance of accounts Real Property Tax (RPT) Receivable and Special Education Tax (SET) Receivable as of December 31, 2018 per records of the Municipal Accountant’s Office (MAO) and Municipal Treasurer’s Office (MTO) showed a difference of ₱4,263,515.17 because the accounts were not established based on the Real Property	We recommended that: a)The Municipal Accountant and Municipal Treasurer reconcile the difference between the RPT and SET balances totaling ₱4,263,515.17 and, henceforth, conduct, together with the Municipal Assessor, a periodic reconciliation of the balances of Basic and Special Education Tax dues and RPT Receivable and SET Receivable accounts to avoid	Mr. Paul Ree Ambrose A. Martinez/ Mun. Treasurer; Ms. JosephineS. Dayao, Mun. Assessor; and Joselito M. Tinaytinay/ Mun. Accountant;	July 1, 2025	Dec. 31, 2025	To be implemented	ITax system was not fully utilized, as the system was expected to maintain and eventually generate report. There are no personnel trained comprehensively to man the system. iTax system should be manned and maintained by a competent personnel. The system alone can generate the required subsidiary and periodic reports. Thus, the municipality

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	Tax Account Register/Taxpayer's index card and no subsidiary ledgers were maintained by the MAO, contrary to Section 20 of the Manual on the New Government Accounting System (NGAS), Volume I, and Section 10, Volume II of the same Manual, thus, RPT Receivable/SET Receivable and Deferred RPT Income/Deferred SET Income accounts might not have been fairly presented in the financial statements.	accumulation of unreconciled items; b)The Municipal Assessor prepare and submit to the Municipal Treasurer an assessment roll containing a list of all persons whose real properties have been newly assessed or reassessed and the values of such properties, on or before the thirty-first (31 st) day of December each year; c)The Municipal Treasurer furnish the Municipal Accountant a duly certified list of taxpayers with the amount due and collectible for the current year as basis for recording the RPT Receivable and SET Receivable accounts in compliance with Section 20 of the NGAS Manual for LGUs, Volume I; and d)The Municipal Accountant maintain SLs for control accounts RPT Receivable and SET Receivable in accordance with Section 10 of the NGAS Manual for LGUs, Volume II.						should hire/appoint competent personnel to handle the system.
AAR 2018	44. Delinquent Real Property Taxes (RPT) and Special	We recommended that the Municipal Treasurer enforce collection of	Mr. Paul Ree Ambrose A.	July 1, 2025	Dec. 31, 2025	To be implemented	Taxpayers were non-residents, or could not be	After several notices, and still

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
p.36	Education Taxes (SET) including penalties accruing thereon which accumulated to ₱12,245,936.15 remained uncollected as of December 31, 2018, thus, depriving the Municipality of substantial amount of income which could have been utilized to finance the implementation of various development projects or other major programs/projects/activities (PPAs).	delinquent real property taxes by conducting intensive tax campaign in every barangay and by sending Notices of Delinquencies to all delinquent taxpayers and for the Municipality to avail of the remedies in collecting delinquent real property taxes provided in Sections 256 to 260 of RA No. 7160.	Martinez/ Mun. Treasurer; Ms. JosephineS. Dayao, Mun. Assessor;				located at all, others if located and served with the Tax delinquency notice, were unwilling to settle their tax duties	no payment was made, the LGU will proceed in offering those Real Properties with unreasonable Tax Dues to Public Auction after exhausting all other legal remedies.
AAR 2017 p.34	45. Out of the total expenses of ₱474,823.13 of the Local Council for the Protection of Children (LCPC) in CY 2017, only ₱252,048.13 or 26.52% was expended for child protection services while ₱222,775.00 or 23.44% was given as Aid to Individuals in Crisis Situation (AICS), disregarding the primary purpose of the fund as contemplated under R.A. 9344.	We recommended that Management prioritize the implementation of PPAs which are responsive to the objective of providing protection to children against abuse, neglect, exploitation and violence and promotion of their rights and welfare as envisioned under R.A. 9344.	Ms. Jesusa Navarro, MSWDO; and LCPC	July 1, 2025	Dec. 31, 2025	To be implemented	Some Programs, Projects, Activities (PPAs) programmed for Children’s Welfare were not being implemented.	The LCPC and MSWDO,being the implementing office committed for the optimum implementation of those PPAs as embodied in the approved Plan and Budget for LCPC.
AAR 2017 p.40	46. The Municipality continued to practice indiscriminate disposal of solid waste in an	We recommended that Management prioritize the establishment and operation of a sanitary landfill in	SWM Council; Mr. PrimitivoCaingcoy, MENRO-SWM	July 1, 2025	December 31, 2026	To be implemented	Proposed project for the Construction of Sanitary landfill is underway, once	Construction of complete and operational

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
AAR 2013	open dump site and allowed dump site scavenging in violation of Republic Act 9003, thereby posing major public health threat and environmental risks.	accordance with Sections 40 and 41 of R.A. 9003 and meantime, take action to convert the existing open dump site into a controlled dump and hasten its closure within a specific time frame. We further recommended that all barangays be involved in the implementation of waste reduction and segregation at source in accordance with RA No. 9003.	Designated Officer; Engr. Joshua Adanza, MPDC				the requisites for its construction were complied, actual construction will commence.	Sanitary Landfill at Brgy. Lutoban.
AAR 2016	47.Monthly reports of collections and disbursements together with the corresponding official receipts, disbursement vouchers and supporting documents were not submitted to the Auditor within the reglementary period contrary to Section 6.05 of COA Circular No. 95-006 dated May 18, 1995, adversely affecting the timely audit of accounts and the reporting of the results thereon necessary for Management in the decision making.	We recommended that Management adhere strictly to the prescribed time frame on the submission of accounts to the Office of the Auditor pursuant to Section 6.05 of COA Circular No. 95-006.	Mr. Paul Ree Ambrose Martinez/ Mun. Treasurer; and Joselito M. Tinaytinay/ Mun. Accountant	July 1, 2025	Dec. 31, 2025	To be Implemented	Management lacked capable personnel to handle the task. Also, the preparation of the reports was done manually which added to the cause of delay.	Hiring of additional personnel to handle the task.
AAR 2016	48. The former OIC-District Supervisor of Zamboanguita District Office did not turn	We recommended that the OIC-Municipal Treasurer require the former OIC-District Supervisor to	Dr. Jenny M. Abejero/ OIC – District Supervisor	July 1, 2025	Dec. 31, 2025	Fully implemented	Other PPE as enumerated in Annex 16 other than the one (1) unit 4WD, E-rider Recon	Coordinate with the concerned Accountable

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	over the equipment issued to him as evidenced by copies of several uncanceled Acknowledgment Receipts for Equipment/Property Acknowledgment Receipts (AREs/PARs) contrary to Section 490.d of the Government Accounting and Auditing Manual, Volume 1, which could possibly result to loss of government properties.	return the properties listed in Annex 16, including the one (1) unit 4WD, E-rider Recon Suzuki, otherwise, the latter should be required to pay the money value of these properties.				Suzuki could not be located as majority were semi-expendible items	Officer and exert extra effort to locate and validate the concerned PPE.	
AAR 2015	49.The Local Chief Executive granted scholarship to constituents of other municipalities funded from the Development Acceleration Program (DAP) received by the Municipality from the Department of Budget and Management contrary to DBM NCA No. 388670-2, thus rendering the grant irregular. Moreover, the disbursement vouchers were not supported with the basic supporting documents required under Sections 9, 10 and 12 of Local Executive Order No. 14 dated November	We recommended that Management adhere to the specific purpose contained in the NCA in the disbursement of funds. We further recommended that the Scholarship Committee require the applicants to submit the required report cards in 4 th Year or previously completed year in tertiary level, proof of residency and the LGU to also require the submission of certificates of eligibility duly signed by the Chairman of the Committee pursuant to Sections 9, 10 and 12 of the Local Executive Order No. 14 .	Mayor’s Office	July 1, 2025	Dec. 31, 2025	To be implemented	Concerned beneficiaries/ Scholars could not be located as majority of the scholars were residing outside the municipality, being funded by DAP, also due to lapse/ passage of time, the whereabouts of the beneficiaries were uncertain.	Scholarship program has been stopped. The municipality request for reconsideration from COA on this concerned AOM, considering that it is no longer possible to provide the necessary documentation after a time-lapse of 7 years. Henceforth, the

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	12, 2012, thus the validity of the disbursements could not be determined.							municipality committed to adhere strictly to the guidelines set under EO NO. 14.
AAR 2015	50. Gasoline expenses amounting to ₱73,169.94 could not be accounted and verified because trip tickets were not properly accomplished, and Fuel Consumption Reports and Monthly Report of Official Travels were neither prepared as required in COA Circular No. 77-61 dated September 26, 1977.	We recommended that Management comply with the provisions of COA Circular No. 77-61 on the preparation and submission of the duly accomplished Trip Ticket and Monthly Reports of Fuel Consumption and Official Travels so that the reasonableness of the consumption of fuel and the use of municipal vehicle can be easily established.	Mayor’s Office; Mr. Paul Ree Ambrose Martinez/ Mun. Treasurer	July 1, 2025	Dec. 31, 2025	Fully implemented		The municipality requires all drivers to properly and completely fill up the Trip Tickets
AAR 2015	51. The Municipality released a total amount of ₱110,000.00 to five (5) NGOs/POs notwithstanding non-compliance with the requisites enumerated in Paragraph 4.4 of COA Circular No. 2007-001, for entitlement thereof thus, the purpose for which the funds were granted may not have been attained.	We recommended that the Municipality (i) require NGOs/POs to submit the required three-year period financial statement, (ii) release the amount of financial assistance as stipulated in the Work and Financial Plan (WFP) of the Municipality for the year, (iii) require the five (5) associations to submit lists of beneficiaries as an addendum to the MOA, (iv) monitor and inspect project implementation and verify	Mr. Joel E. Elnar/ former PO-NGO Coordinator	July 1, 2025	Dec. 31, 2025	To be implemented	Non-submission of the concerned NGO/PO of the required reports/ plan	Stop the granting of Financial Support to NGOs/POs.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
		financial records and reports of the NGOs/POs; and (v) require the liquidation of funds granted.						
AAR 2015	52.The Municipality of Zamboanguita did not conduct a physical count of accountable forms as required in Section 124 of the NGAS Manual, Volume I, thus, affecting the fairness of presentation of the accountable forms inventory in the financial statements as of December 31, 2015.	We recommended that the Municipal Treasurer’s Office conduct a regular count of the accountable forms in order to confirm the existence of the forms as reported in the Consolidated Monthly Report of Accountability for Accountable Forms and reconcile with the subsidiary records maintained by the Accounting Office to ensure the correctness of the account balance shown in the financial statements at year-end.	Mr. Paul Ree Ambrose A. Martinez/ Mun. Treasurer/ Property Custodian/ Accountable Officers	July 1, 2025	Dec. 31, 2025	To be implemented	Due to the volume of movable properties and lack of personnel to handle the intensive inventory.	Conduct of Inventory at least Annually
AAR 2014	53. The Municipality did not conduct a physical count of its property plant and equipment as required under Section 124 of the NGAS Manual, Volume I, Property Ledger Cards were also not maintained thus the existence as well as the reliability of the account balances in the financial statements as of December 31, 2016 which amounted to ₱16,997,317.41 or 12.56% of the total asset accounts could not be	a. The Mayor strictly require the Inventory Committee to conduct the physical count of properties and reconcile the same with related property and accounting records and for the municipal treasurer’s office to maintain property cards in accordance with existing regulations and to locate the missing two (2) DG computers with printers including its accessories and the black Suzuki 125.	Mr. Paul Ree Ambrose A. Martinez/ Mun. Treasurer/ Property Custodian/ Inventory Committee Chair.	July 1, 2025	Dec. 31, 2025	To be implemented	As previously cited in the CY 2018 Annual Report, Members of the Inventory Committee are also occupying key functions in the municipality other than as member of the said committee, and also, the significant volume of various movable assets acquired in prior years make it difficult for them to complete the inventory taking even it was conducted by department.	Conduct of Inventory at least Annually
AAR 2013								
AAR 2012								
AAR 2011		b. The Municipal Engineer inform						

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	ascertained. <i>(As of December 31, 2021, movable property, plant and equipment amounted to ₱31,383,834.05, or 9.78% of the total PPE and 7.59% of the total assets.)</i>	proper offices of any public structures due for demolition so that appropriate documents can be prepared thereto, and to submit written explanation why the health center in Barangay Lutoban is being occupied by a private individual and updated Acknowledgement Receipt for Equipment (ARE) or Application for Relief from Accountability for lost items, if warranted. c. The Municipal Accountant to reclassify the fully depreciated and unserviceable assets from the Property Plant and Equipment to Other Asset accounts and to locate the disbursement vouchers of the unbooked medical equipment and record the same in the books of accounts.						
AAR 2014	54. The Local Chief Executive gave assistance to constituents of other municipalities from the Development Acceleration Program (DAP) fund received by the Municipality from the Department of Budget and Management contrary to	It was recommended that the Local Chief Executive refund the questioned financial assistance granted to constituents from other municipalities and comply with DBM SARO No. G-12-01378 on the limitation of the grant of financial assistance to residents of Zamboanguita only. Furthermore, the	Mun. Mayor/ MSWD	July 1, 2025	Dec. 31, 2025	To be implemented	Management found it hard to refund the amount since the individuals who were granted assistance could no longer be located. Management believed that some of the recipients were deserving indigent individuals although they	Henceforth, any similar program will be dealt with accordingly, and adhere to the Omnibus Guidelines on the Management

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
	DBM SARO No. G-12-01378 dated December 20, 2012, thus, rendering the grant of financial assistance irregular. Moreover, the disbursement vouchers were not supported with the basic supporting documents required under Administrative Order No. 1 series of 2011, thus, the validity of the disbursements could not be determined.	Municipal Social Welfare Office must see to it that the supporting documents required pursuant to the Omnibus Guidelines on the Management of DSWD-Operated Crisis Intervention Units are attached to the claims for payment.				came from other municipalities within the congressional district. Reconsideration was requested due to a lapse of more than 8 years to refund.	of DSWD-Operated Crisis Intervention. The Municipality. The municipality request for reconsideration from COA on this concerned AOM, considering that it is no longer possible to locate those individuals after a time-lapse of more or less 8 years.	
AAR 2013	55. The Municipality paid honoraria to the BIR Collection agents stationed in the Municipality although the position is not among those entitled to honoraria pursuant to DBM Compensation Policy Guidelines No. 98-1 resulting to irregular payments totaling ₱112,000.00 for the years 2009 to 2013.	We recommended that the payment of honorarium to BIR Collection Agents stationed in the Municipality be immediately stopped and the amounts already paid be refunded by the personnel concerned.	Mr. Jose Orestes Villaranda/ former BIR collection agent	July 1, 2025	Dec. 31, 2025	To be implemented	It is no longer possible to locate those individuals. Also, they were no longer connected with the BIR or any government agency and nobody knew their whereabouts.	The municipality request for reconsideration from COA on this concerned AOM, considering that it is no longer possible to locate those individuals after

MUNICIPALITY OF ZAMBOANGUITA
Province of Negros Oriental

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
							a time-lapse of more or less 9 years, and the concerned personnel is no longer connected with the BIR or any government agency and nobody knew his whereabouts.	
AAR 2012	56. Various properties amounting to ₱8,420,323.37 funded out of trust funds remained recorded in said fund despite completion of the various projects contrary to Section 104, Volume I of the NGAS, hence, misstating the financial position of the Agency.	We recommended that Management: a. Conduct a Physical Inventory of all involved properties to determine the existence and physical condition of these assets. b. Require the LGU to maintain a properly accomplished/updated Property, Plant and Equipment Ledger Cards (PPELC) for easy verification and reference both by the auditee and auditor.	Mun. Treasurer; Mun. Bookkeeper	July 1, 2025	Dec. 31, 2025	To be implemented To be implemented	Conduct of Inventory at least Annually Assign personnel to maintain a properly accomplished/up dated Property, Plant and Equipment Ledger Cards (PPELC)	
AAR 2010	57. The Municipality granted a total of ₱1,104,000.00 Productivity Enhancement Incentive (PEI) to its employees when it already	We recommended that Management require the refund of PEI granted to the municipal officials and employees exceeding the PS limitation in the total amount of ₱746,543.85 and	Mun. Treasurer/ Payroll Officer/ all employees	Jul.1, 2025	Dec. 31, 2025	To be Implemented	Ongoing refund through payroll deduction/ offsetting against terminal pay, in case of retirement. Deducted on installment basis from the concerned employee's	

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

As of August 27, 2015

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	exceeded the Personal Services limitation, in violation of Section 8.1 of DBM Budget Circular No. 2010-3 dated November 30, 2010, thus resulting in irregular disbursement of government funds amounting to ₱746,543.85.	adhere to the provisions of Budget Circular No. 2010-3 dated November 30, 2010.						monthly payroll. In the event that the employee retires or separated from the municipality, any unpaid balance will be deducted from his/her terminal pay after executing the authority to deduct.
AAR 2010	58.The Municipality violated Sections 305 and 335 of RA 7160 and the guidelines on Emergency Assistance Program of the DSWD by procuring, under its Food Relief Program, non-priority food items, such as catsup, soy sauce, black beans, onions and garlic totaling at least ₱529,427.50 distributed to seven (7) barangays a day or more before or after the barangay fiesta, resulting to an audit disallowance of the total amount spent for that purpose.	We recommended that all municipal officials who participated in the transactions, from the requisitioning to the approving officials, shall refund the total amount of the procured food items, being jointly and solidarily liable therefor.	Mun. Mayor/MSWD	Jul.1, 2025	Dec. 31, 2025	To be implemented	Pending receipt of resolution from COA on the appeal made.	Since no action has been taken since the appeal was made (February 26, 2015), the municipality is praying that such has been considered, and the appeal was deemed granted.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
AAR 2009	59.Copies of the delivery documents were not submitted to the auditor within twenty-four (24) hours after acceptance of deliveries of goods and services, in violation to Section 6.9 of COA Circular No. 2009-002 dated May 18, 2009, thereby precluding the auditor from inspecting deliveries.	Require the municipal officials concerned to submit copies of the delivery documents within twenty-four (24) hours from acceptance of goods and services thereof, to enable the auditor to inspect, review and evaluate the transactions/projects.	BAC Chairman and Secretariat/ Mun. Treasurer	Jul.1, 2025	Dec. 31, 2025	To be implemented	Due to the bulk of transactions, especially with procurements through alternative modes, the required submission of documents had not been observed regularly.	Regular submission of those DRs and other required documents to COA by BAC Secretariat/Mun. Treasurer
AAR 2008	60.Other Receivables (149) – SEA Loans account representing loans released to qualified individuals under the Self Employment Assistance Program of the Municipality which has a balance of ₱1,033,640.75 as of December 31, 2009 is doubtful due to inaccuracies and non-availability of accounting records, thus, exposing the risk of loss of funds from non-payment, as well as possible misstatement of receivables in the Financial Statements.	Require the municipal accountant to maintain subsidiary ledgers representing loans granted to qualified individuals under the Self-Employment Assistance Program of the DSWD. Likewise, require him to reconcile the Other Receivables – SEA Loan account with the available accounting records so that this can be supported with reliable balances of the persons granted with loans.	Mun. Accountant/ Mun. Bookkeeper/ MSWD	Jul.1, 2025	Dec. 31, 2025	To be implemented	Still validating the previous records as this were not systematically done and kept in prior years.	Reconciliation of records of those concerned accounts especially the subsidiary ledger of each recipient/ beneficiary.
AAR	61.A total of 32 units of	Require the Committee on Inventory	Mun. Treasurer/			To be implemented	Unavailability of records for	Verify records of

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN	
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM				TO
2008	unserviceable properties of the Municipality amounting to ₱159,309.22 were not covered with an Inventory and Inspection Report for Unserviceable Property (IIRUP) in violation of Section 59 of the New Government Accounting System Manual, Volume II, thus depriving municipal officials of vital information on the status of the municipal properties for them to take appropriate action/disposition thereof, thus overstating the property, plant and equipment accounts of the Municipality.	to prepare and submit the Inventory and Inspection Report for Unserviceable Property (IIRUP) pursuant to Section 59 of the New Government Accounting System Manual, Volume II as basis in taking up the dropping of the properties from the books of accounts.	Inventory Committee	Jul.1, 2025	Dec. 31, 2025		those concerned properties. Previous management failed to prepare and submit the IIRUP because the personnel concerned had voluminous workload.	those properties in question, so that the necessary report/ adjustment, if any, will be prepared.
	62.The Municipality granted additional cash gift for CY 2007 to its officials and employees at ₱10,000.00 each in the total amount of ₱950,000.00 which exceeded the PS limitation by ₱1,570,872.74 in violation of Local Budget Memorandum No. 54 dated December 19, 2009, Sec. 325 of the Local Government Code of 1991, thus resulting to unlawful and	Immediately refund in full the extra cash gift amounting to ₱950,000.00 for CY 2009. Henceforth, the local chief executive should ensure that the grant of similar benefits complies with prescribed guidelines especially insofar as observance of the PS limitation is concerned so that the disbursements will not be disallowed in audit.	Mun. Treasurer/ Payroll Officer/ all employees	Jul.1, 2025	Dec. 31, 2025	To be Implemented	Non-submission of any documents showing completion of the deduction through payroll deduction/ offset against terminal pay, in case of retirement.	Deducted on installment basis from the concerned employee's monthly payroll. In the event that the employee retires or separated from the municipality, any unpaid balance will be

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
	overspending of government funds.							deducted from his/her terminal pay after executing the authority to deduct.
AAR 2006	63. Trial Balances and supporting schedules were not submitted by the Municipal Accountant to the Office of the Auditor within the reglementary period contrary to Section 70, Volume I of the Manual on the New Government Accounting System for Local Government Units, thus negating the usefulness of the said reports.	Required the Municipal Accountant to update the submission of the trial balances and the required schedules to the Office of the Auditor pursuant to Section 70 of the Manual on the New Government Accounting System for Local Government Units, Vol. I.	Mun. Bookkeeper/ Mun. Accountant	Jul.1, 2025	Dec. 31, 2025	To be Implemented	Still applying manual accounting system, reports required from the Treasurer's Office were not submitted immediately after close of every quarter. Some of the personnel targeted as possible handlers of the program transferred to other agency, thus, the plan could not be materialized to date.	Avail the government E-NGAS for an enhance recording, and timely reporting. Hiring of staff as a regular appointee.
AAR 2006	64. A number of livestock of the Municipality were not accounted for by taking up in the books of account as required under Section 63 of P.D. 1445, thus total assets were understated and the accountability thereof was not established.	Directed the municipal agricultural officer to account all livestock and furnish the municipal accountant the corresponding list and its supporting documents to serve as basis in taking up the same in the books of account pursuant to Section 63 of P.D. 1445. Likewise, required him to maintain and update Work, Other Animals and Breeding Stocks Property Card as	Ms. Julieta Y. Ingo/ Mun. Agricultural Officer; and Agriculture Staff	Jul. 1, 2025	Dec. 31, 2025	Fully Implemented		
				Jul.1, 2025	Dec. 31, 2025	To be Implemented	The amount in the books had yet to be updated.	Regular updating of

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

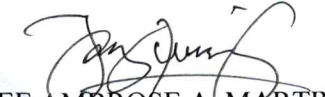
REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN		STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE			
				FROM	TO		
		required under Section 46 of the new Government Accounting System manual, Volume II and to prepare an Inventory Report so that accountability will be properly established monitored.					livestock records/cards. Maintained livestock records/ cards, and prompt submission to the Office of the Municipal Accountant for proper recording.
AAR 2004	65. The Local Government failed to reconcile records and substantiate ownership of various real properties, thus, giving rise to unrecorded assets and misstatement of the Land account presented in the financial statements.	Instructed the Treasury, Assessor and Accounting Offices to make a reconciliation of the Land account. Direct the Municipal Assessor to update his records so that all lands of the government could be taken up, to gather sufficient data for the proper treatment of said lands, and to facilitate the titling of such lots, if warranted under the circumstances, so that the properties of the government could be properly secured and recognized in the accounting records. Directed the Municipal Treasurer, Municipal Accountant and Municipal Assessor to secure the Land Titles to all real properties to reconcile records and substantiate ownership of	Ms. Josephine Dayao/ Mun. Assessor; Mr. Paul Ree Ambrose Martinez/ Mun. Treasurer	Jul.1, 2025	Dec. 31, 2025	To be Implemented	Titles for three remaining lots had yet to be secured.

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
As of August 31, 2025

REF.	AUDIT OBSERVATION	AUDIT RECOMMENDATION	AGENCY ACTION PLAN			STATUS OF IMPLEMENTATION	REASON FOR PARTIAL/DELAY/ NON-IMPLEMENTATION	ACTIONS TAKEN/ ACTIONS TO BE TAKEN
			PERSON/DEPT. RESPONSIBLE	TARGET IMPLEMENTATION DATE				
				FROM	TO			
		agency's real properties.						
AAR 2004	66. Nine out of the ten parcels of land owned by the local government and already recorded in the books of accounts have not been issued with new Transfer Certificate of Title in the name of the Municipality of Zamboanguita, thus, posing risk for potential ownership claims/legal violations that may arise in the future.	Directed the Treasury, Accounting, and Assessor Offices to secure the Land Titles of all real properties as an indispensable requirement to establish true ownership of said properties. Lands owned or acquired by local governments without Torrens Title shall within the next fiscal year from their acquisition be surveyed with a view to securing title thereto, and the appropriation for such survey and other requirements for securing title shall be deemed against the unappropriated funds of such Municipality during the said ensuing fiscal year. All purchases of real property should be done in accordance with the pertinent laws governing such transaction in order to prevent future disallowances in audit.	Ms. Josephine Dayao/ Mun. Assessor; and Ms. Saralie G. Bautista/Staff	Jul.1, 2025	Dec. 31, 2025	To be Implemented	Applications for Land titling for the remaining three (3) lots were still in process in the Registry of Deeds.	Already secured six (6) Land Titles under the name of the municipality.

Prepared by:


JOSELITO M. TINAYTINAY
Municipal Accountant
08/31/25
Date


PAUL REE AMBROSE A. MARTINEZ
Municipal Treasurer

Date

Noted by:


HON. JONAH PAT L. AVILES
Municipal Mayor

Date