Municipality of Mapandan
Mapandan, Pangasinan

RECEIVED
DATE 9/12/24

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION
Audit Observations and Recommendations
For Calendar Year 2023
Status as of August 31, 2024

<table>
<tr><th rowspan="3">Ref.</th><th rowspan="3" colspan="2">Audit Observations</th><th rowspan="3">Audit Recommendations</th><th colspan="4">Agency Action Plan</th><th rowspan="3">Status of Implementation</th><th rowspan="3">Reason for Partial/Delay/Non-Implementation, if applicable</th><th rowspan="3">Action Taken / Action to be Taken</th></tr>
<tr><th rowspan="2">Action Plan</th><th rowspan="2">Person/Dept. Responsible</th><th colspan="2">Target Implementation</th></tr>
<tr><th>From</th><th>To</th></tr>
<tr><td rowspan="2">2023 AAR page 30</td><td rowspan="2">1</td><td rowspan="2">The year-end balance of the Accounts Payable account included liabilities incurred for salaries, personnel benefits, travel expenses and reimbursements of other expenses of officials and employees totaling ₱1,083,923.90 which is not in conformity with the provision of Section 111(2) of Presidential Decree (PD) No. 1445 and the description of accounts in the Revised Chart of Accounts for LGUs prescribed in COA Circular No. 2015-009, affecting proper presentation of accounts in the financial statements.</td><td>a. We recommended that Management require the Municipal Accountant to draw a JEV to record the liabilities incurred for salaries, personnel benefits, travel expenses and reimbursements of other expenses of officials and employees under the Due to Officers and Employees account, as follows:
<table>
<tr><th>Account</th><th>Debit</th><th>Credit</th></tr>
<tr><td>Accounts Payable</td><td>1,083,923.90</td><td></td></tr>
<tr><td>Due to Officers and Employees</td><td></td><td>1,083,923.90</td></tr>
</table>
</td><td>For the municipal accountant to create adjusting entry to reflect the correct balances of Accounts Payable and Due to Officers and Employees Account.</td><td>Municipal Accountant</td><td>June 2024</td><td>July 2024</td><td>Implemented</td><td>N/A</td><td>Adjustment was already made under JEV 100-24-05-0017 dated May 10, 2024 to correct Accounts Payable and Due to Other Funds. Only P918,505.56 were adjusted because the P165,418.34 were already paid prior to the adjustment.</td></tr>
<tr><td>b. We further recommended that the Municipal Accountant observe the description of accounts provided in the Revised Chart of Accounts for LGUs to ensure proper recording of financial transactions to appropriate accounts.</td><td>For the Municipal Accountant to Municipal Accountant observe the description of accounts provided in the Revised Chart of Accounts for LGUs</td><td>Municipal Accountant</td><td>July 2024</td><td>December 2024</td><td>Implemented</td><td>N/A</td><td>The Municipal Accountant accedes to the recommendation to observe the description of accounts provided in the Revised Chart of Accounts for LGUs prescribed in COA Circular No. 2015-009 to ensure proper recording of transactions.</td></tr>
<tr><td rowspan="2">2023 AAR page 31</td><td rowspan="2">2</td><td rowspan="2">Completed road network implemented by the Department of Public Works and Highways (DPWH) amounting to ₱4,841,163.36 transferred to the LGU was not recorded in the books of accounts due to non-submission of documents by the DPWH as basis of the LGU in the inspection of the project which is not in accordance with Paragraph 27 of IPSAS 1, thus, the existence of the asset was not verified, affecting the reliability of the PPE account balance in the financial statements.</td><td>a. We recommended that Management instruct the Municipal Engineer to follow up the As-Built Plan with the DPWH and ask for the assistance of the Project Engineer of the agency to conduct an ocular inspection of the road network project to verify its existence.</td><td>For the Municipal Engineer to follow up the As-Built Plan with DPWH and conduct ocular inspection to verify the road project.</td><td>Municipal Engineer</td><td>June 2024</td><td>July 2024</td><td>Not Implemented</td><td>N/A</td><td>The as built plan was received from DPWH R1 dated June 26, 2024 and an inspection was already conducted by the Municipal Engineer dtd July 1, 2024.</td></tr>
<tr><td>b. We further recommended that Management require the Municipal Accountant to prepare the adjusting journal entries to take up the transfer of the asset from the DPWH once the project is inspected and accepted by the LGU.</td><td>For the Municipal Accountant to prepare the adjusting journal entries to take up transfer of the asset from DPWH.</td><td>Municipal Accountant</td><td>June 2024</td><td>July 2024</td><td>Not Implemented</td><td>N/A</td><td>Adjustments were already made under JEV 100-24-07-0030 to record the road network and JEV 100-24-07-0031 for the depreciation exp both dated July 12, 2024.</td></tr>
<tr><td>2023 AAR page 32</td><td>3</td><td>Twenty four disbursement vouchers (DVs) with unreleased checks at year-end totaling ₱794,266.85 were not recognized in the corresponding liability accounts which is not in accordance with Section 74 of PD No. 1445, understating the Cash in Bank – LCCA, Accounts Payable and Due to LGUs accounts by ₱794,266.85, ₱556,530.45, and ₱237,736.40,</td><td>a. We recommended that Management require the Acting Municipal Treasurer to submit a list of unreleased checks at year-end to the Accounting Office as basis for the preparation of JEV by the Municipal Accountant to take up the necessary adjustment.</td><td>For the Acting Municipal Treasurer to submit a list of unreleased checks at year-end to the Accounting Office.</td><td>Acting Municipal Treasurer/ Municipal Accountant</td><td>July 2024</td><td>December 2024</td><td>Implemented</td><td>N/A</td><td>We will comply with the recommendations and ensure to record & recognized the unreleased checks at year-end as liability.</td></tr>
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<tr><td></td><td></td><td>respectively.</td><td>b. We further recommended that Management instruct the Municipal Accountant to draw a JEV to restore cash and recognize liability in the appropriate cash and liability accounts. Below are the proposed adjusting journal entries:
<table>
<tr><td>Cash in Bank - LCCA</td><td>794,266.85</td><td></td></tr>
<tr><td>Accounts Payable</td><td></td><td>556,530.45</td></tr>
<tr><td>Due to LGUs</td><td></td><td>237,736.40</td></tr>
</table></td><td>For the municipal accountant to draw a JEV to restore cash and recognize liability in the appropriate cash and liability accounts.</td><td>Municipal Accountant</td><td>July 2024</td><td>December 2024</td><td>Implemented</td><td>N/A</td><td>The Municipal Accountant will recognized the liability in the appropriate cash and liability accounts to be reflected in the Restated Financial Statement for CY 2024 since the book was already closed for CY 2023.</td></tr>
<tr><td rowspan="2">2023 AAR, page 33</td><td rowspan="2">4</td><td rowspan="2">The description of accounts prescribed in the Revised Chart of Accounts for LGUs under COA Circular No. 2015-009 dated December 1, 2015 was not followed in the recording of the costs of construction of drainage canal amounting to ₱1,499,312.88 and various equipment totaling ₱469,020.00; thus, the Road Networks, Information and Communication Technology Equipment and Furniture and Fixtures accounts were overstated by the aforesaid amounts while the Flood Control System, Communication Equipment and Other Machinery and Equipment accounts were understated by ₱1,499,312.88, ₱107,000.00 and ₱362,020.00, respectively.</td><td>a. We recommended that Management require the Municipal Accountant to draw a JEV to take up the correct classification of constructed drainage canal, camera, speakers, refrigerator, misting fans and smart TVs to appropriate PPE accounts for proper presentation of accounts in the financial statements. The proposed reclassifying journal entries are as follows:
<table>
<tr><th>Account</th><th>Debit</th><th>Credit</th></tr>
<tr><td>Flood Control System</td><td>1,499,312.88</td><td></td></tr>
<tr><td>Other Machinery and Equipment</td><td>362,020.00</td><td></td></tr>
<tr><td>Communication Equipment</td><td>107,000.00</td><td></td></tr>
<tr><td>Accumulated Depreciation - Road Networks</td><td>16,659.03</td><td></td></tr>
<tr><td>Accumulated Depreciation - Information and Communication</td><td>6,747.50</td><td></td></tr>
<tr><td>Accumulated Depreciation - Furniture and Fixtures</td><td>10,067.47</td><td></td></tr>
<tr><td>Depreciation - Machinery and Equipm</td><td>7,193.72</td><td></td></tr>
<tr><td>Furniture and Fixtures</td><td></td><td>348,020.00</td></tr>
<tr><td>Information and Communication Technology Equipment</td><td></td><td>121,000.00</td></tr>
<tr><td>Road Networks</td><td></td><td>1,499,312.88</td></tr>
<tr><td>Accumulated Depreciation - Flood Control System</td><td></td><td>9,995.42</td></tr>
<tr><td>Accumulated Depreciation - Other Machinery and Equipment</td><td></td><td>5,354.36</td></tr>
<tr><td>Accumulated Depreciation - Communication Equipment</td><td></td><td>3,586.26</td></tr>
<tr><td>Depreciation - Infrastructure Assets</td><td></td><td>6,663.61</td></tr>
<tr><td>Depreciation - Furniture, Fixtures and Books</td><td></td><td>10,067.47</td></tr>
</table></td><td>For the Municipal Accountant to draw a JEV to take up the correct classification of constructed drainage canal, camera, speakers, refrigerator, misting fans and smart TVs to appropriate PPE accounts for proper presentation of accounts in the financial statements.</td><td>Municipal Accountant</td><td>June 2024</td><td>July 2024</td><td>Implemented</td><td>N/A</td><td>Adjustment was already made under JEV 100-24-05-0018 dated May 10, 2024 to correct classification of constructed drainage canal, camera, speakers, refrigerator, misting fans and smart TVs to appropriate PPE accounts for proper presentation of accounts in the financial statements.</td></tr>
<tr><td>b. We, likewise, recommended that Management instruct the Acting Municipal Treasurer to reclassify the above-mentioned PPE in the RPCPPE to reconcile with the balances per books or accounting records.</td><td>For the Acting Municipal Treasurer to reclassify the PPE in the RPCPPE to reconcile with the balance per books.</td><td>Acting Municipal Treasurer</td><td>June 2024</td><td>July 2024</td><td>Implemented</td><td>N/A</td><td>The Acting Muncipal Treasurer reclassified the PPE in the RPCPPE that reconciled with the balance per books.</td></tr>
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		Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-Implementation, if applicable	Action Taken / Action to be Taken
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			c. We further recommended that the Municipal Accountant observe the description of accounts provided in the Revised Chart of Accounts for LGUs to ensure proper recording of financial transactions to appropriate accounts.	For the Municipal Accountant to Municipal Accountant observe the description of accounts provided in the Revised Chart of Accounts for LGUs	Municipal Accountant	July 2024	December 2024	Implemented	N/A	The Municipal Accountant accedes to the recommendation to observe the description of accounts provided in the Revised Chart of Accounts for LGUs prescribed in COA Circular No. 2015-009 to ensure proper recording of transactions.
2023 AAR, page 37	5	Liquidated damages in the total amount of ₱127,767.63 were not imposed on the contractor which incurred delay in the completion of the project with a total contract cost of ₱12,893,708.92 which is not in accordance with Item 8.1, Annex E of 2016 Revised Implementing Rules and Regulations (IRR) of RA No. 9184; hence, hampered the timely utilization of the projects by the intended beneficiaries and at the disadvantage of the LGU.	We recommended that Management: a. Instruct the Municipal Accountant, in coordination with the Acting Municipal Treasurer, to collect LD totaling ₱127,767.63 from the concerned contractor by deducting the same from any money due or which may become due to him; and	For the Municipal Accountant together w/ the Acting Municipal Treasurer to collect LD totalling ₱127,767.63 from ther contractor.	Acting Municipal Treasurer/ Municipal Accountant	June 2024	July 2024	Not Implemented	Waiting for the final advise from COA if we really need to collect the LD of ₱127,767.63 since their was a time extension of the actual completed date.	Still waiting for the final advise from COA on the actual LD that should be imposed on the contractor since the LGU computation was based on the extended deadline which was February 9, 2022 until the actual completion of March 25, 2022.
			b. Instruct the Municipal Accountant to ensure that LD are strictly imposed on the contractors for delayed completion of projects.	For the Municipal Accountant to ensure that LD are strictly imposed on the contractors for delayed completion of projects.	Municipal Accountant	July 2024	December 2024	Implemented	N/A	The Municipal Accountant adheres to the recommendation that an LD should be strictly imposed on the contractors for delated completion of projects.
2023 AAR, page 39	6	Contracts and supporting documents of four projects with total cost of ₱4,867,655.90 were not submitted within the prescribed period which is not in conformity with Section 3.1.1 of COA Circular No. 2009-001 dated February 12, 2009, thus, Management was deprived of the benefits of facilitating the review and evaluation process and obtaining suggested corrective measures on the defects and deficiencies noted in the contracts and their supporting documents relevant in decision making.	We recommended that Management require the Chairman of the Bids and Awards Committee (BAC), with the assistance of the BAC Secretariat, to observe the prescribed period of submission of five working days from the execution of a contract to facilitate timely review and evaluation thereof.	For the BAC to observe the prescribed period of submission of five working days from the execution of a contract to facilitate timely review and evaluation thereof.	BAC	July 2024	December 2024	Implemented	N/A	The BAC with the assistance of BAC Secretariat already observe the prescribed period of submission of five working days from the execution of a contract
2023 AAR, page 40	7	Several contracts totaling ₱2,741,031.15 were awarded to the same contractors that led to overlapping of project implementation, including duplication of key personnel and equipment committed to these contracts, which is not in accordance with pertinent provisions of 2016 Revised IRR of RA No. 9184, thus, may create potential risks to the government, due to potential delays in the completion of projects and may compromise the quality of work delivered.	We recommended that Management: a. Direct the TWG, with the assistance of the BAC, to include in their post-qualification a comparative evaluation showing the key personnel listed and assigned by the same bidder, and list of equipment for different projects with simultaneous date of implementation; and	For the BAC TWG, with the assistance of BAC to includethe comparative evaluation showing the key personnel listed and assigned by the same bidder, and list of equipment for different projects with simultaneous date of implementation in the post-qualification	BAC / BAC TWG	June 2024	December 2024	Implemented	N/A	The BAC TWG with the assistance of the BAC already include in their post-qualification the list of key personnel and list of equipment for different projects with simultaneous date insuring that there is no duplication.
			b. Instruct the BAC to set limits for the number of contracts to be handled by key personnel to ensure reasonableness of performance without sacrificing quality and timeliness in the completion of the projects	For the BAC to set limits for the number of contracts to be handled by key personnel.	BAC	June 2024	December 2024	Implemented	N/A	The BAC already set limits on the number of contracts to be handled by key personnel ensuring that the quality and timeliness in the completion of contracts.

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2023 AAR, page 43	8	Various contracts for infrastructure projects were not supported with duly approved CSHP by the DOLE which is not in accordance with DOLE Department Order (DO) No. 198 Series of 2018 and Section 37.2.3 (f) of the 2016 Revised IRR of RA No. 9184; thus, the safety and protection of construction workers were not adequately provided.	We recommended that Management instruct the BAC to require the contractor to submit CSHP duly approved by the DOLE to ensure protection and welfare of the workers at the construction site and in compliance with Occupational Safety and Health Standards set by the DOLE.	For the BAC to require the contractor to submit CSHP duly approved by the DOLE.	BAC	June 2024	December 2024	Implemented	N/A	The BAC already requires the contractor to to submit CSHP duly approved by the DOLE.
2023 AAR, page 45	9	The mandatory requirements and procedures in the procurement of goods and infrastructure projects totaling ₱9,848,362.46 and ₱16,345,173.65, respectively, were not strictly adhered to which is not in accordance with certain provisions of 2016 Revised IRR of RA No. 9184, Manual of Procedures for the Procurement of Goods (Volume II) and Infrastructure Projects (Volume III) and other relevant issuances of the GPPB, thus, the propriety and regularity of the transactions could not be ascertained. a. Non-submission of Procurement Planning Requirements documents	We recommended that Management: a. Require the BAC Secretariat to: • Submit final APP and its printout copy in prescribed forms received by GPPB and posted in GPPB website as well as minutes of Bid Evaluation for the aforementioned procurement activities;	For the BAC to Submit final APP and its printout copy in prescribed forms received by GPPB and posted in GPPB website as well as minutes of Bid Evaluation for the aforementioned procurement activities.	BAC / BAC Secretariat	June 2024	December 2024	Implemented	N/A	The required documents are already being uploaded in the Philgeps which is also a GPPB website and also emailed to GPPB.
		b. Non-submission of minutes of pre-procurement conference and non-conduct of pre-procurement conference within the prescribed period c. Non-issuance of notification letter to all bidders who submitted their bid proposal d. Non-submission of minutes of bid evaluation	• Submit minutes of pre-procurement conference relative to procurement on Support to Farmers - Hybrid Yellow Assistance with an ABC of ₱2,100,000.00;	For the BAC Secretariat to Submit minutes of pre-procurement conference relative to procurement on Support to Farmers - Hybrid Yellow Assistance with an ABC of ₱2,100,000.00;	BAC / BAC Secretariat	June 2024	December 2024	Implemented	N/A	Already submitted a copy of pre-procurement conference on this project
		e. Procedures undertaken in the conduct of post-qualification and reporting thereof were deemed improper. f. No project specific certification from the Insurance Commission (IC) was required in the submission of surety bonds as performance securities.	• Hold pre-procurement conference prior to the date of first posting of Invitation to Bid in the succeeding transactions;	For the BAC to hold pre-procurement conference prior to the date of first posting of Invitation to Bid in the succeeding transactions.	BAC / BAC Secretariat	June 2024	December 2024	Implemented	N/A	Pre-procurement conference are already conducted before posting of Invitation to Bid
		g. The validity of posted performance securities by the winning bidders did not cover the defects liability period. h. Delays were incurred in the posting of Notice of Award (NOA), Notice to Proceed (NTP) and approved contract in the PhilGEPS website.	• Issue a notification letter to all bidders who have submitted their bid proposal in the succeeding procurement activities;	For the BAC to Issue a notification letter to all bidders who have submitted their bid proposal in the succeeding procurement activities	BAC / BAC Secretariat	June 2024	December 2024	Implemented	N/A	BAC secretariat isssued notification letter for bidder that we already received his/her bid proposal
		i. Deficiencies in the issued certifications by the BAC Secretariat on the advertisement of ITB and posting of NOA, Contract Agreement and NTP at any conspicuous place in the premises of the LGU	• Observe the prescribed periods in the posting of NOA, NTP and Approved Contract in the website of PhilGEPS; and	For the BAC to observe the prescribed periods in the posting of NOA, NTP and Approved Contract in the website of PhilGEPS	BAC / BAC Secretariat	June 2024	December 2024	Implemented	N/A	Approved Contracts,NOA and NTP are alread uploaded within the prescribed period of tine on PhilGeps

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	• Ensure that the certifications on the advertisement of ITB and posting of NOA, Contract Agreement and NTP at conspicuous places in the premises of the agency are duly supported with pictures/evidence.	For the BAC to ensure that the certifications on the advertisement of ITB and posting of NOA, Contract Agreement and NTP at conspicuous places in the premises of the agency are duly supported with pictures/evidence	BAC / BAC Secretariat	June 2024	December 2024	Implemented	N/A	BAC Secretariat already indicated on his/her certification of posting on 3 conspicious on where the exact locations where they posted the ITB,NOA, Approved Contract Agreement and NTP with supported by pictures
	b. Instruct the BAC and TWG to strictly observe the guidelines in the conduct and preparation of PQER to include the result of verification and validation of all the statements made and documents submitted by the winning bidder to establish properly the eligibility of the participating bidders.	For the BAC to strictly observe the guidelines in the conduct and preparation of PQER to include the result of verification and validation of all the statements made and documents submitted by the winning bidder to establish properly the eligibility of the participating bidders.	BAC / BAC TWG	June 2024	December 2024	Implemented	N/A	The BAC and Technical Working Group (TWG) strictly monitor each document submitted by the winning bidder/suppliers during the PQER.
	c. Direct the BAC to: • Ensure the compliance of winning bidders in the posting of surety bonds callable upon demand as performance securities duly certified by the Insurance Commission before the awarding and signing of the contract;	For the BAC to Ensure the compliance of winning bidders in the posting of surety bonds callable upon demand as performance securities duly certified by the Insurance Commission before the awarding and signing of the contract	BAC	June 2024	December 2024	Implemented	N/A	The BAC, BAC Secretariat and Technical Working Group (TWG) strictly monitor each document submitted by the winning bidder/suppliers.
	• Ensure that the validity of the performance bond posted by the winning bidders would cover the defects liability period equivalent to one year from project completion up to final acceptance of the project; the disbursing officer.	For the BAC to Ensure that the validity of the performance bond posted by the winning bidders would cover the defects liability period equivalent to one year from project completion up to final acceptance of the project	BAC	June 2024	December 2024	Implemented	N/A	The BAC, BAC Secretariat and Technical Working Group (TWG) strictly monitor each document submitted by the winning bidder/suppliers.

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			• Keep abreast with the relevant GPPB issuances to be updated with the new policies and guidelines regarding procurement processes.	For the BAC to keep abreast with the relevant GPPB issuances to be updated with the new policies and guidelines regarding procurement processes.	BAC	June 2024	December 2024	Implemented	N/A	The BAC, BAC Secretariat and TWG will keep abreast with the relevant GPPB issuance to be updated with new policies and guidelines on proper procedures of procurement process by constantly monitoring new updates in the GPPB website.
2023 AAR, page 51	10	Payments for various infrastructure projects and goods totaling P18,758,287.20 and ₱9,598,324.00, respectively, procured through public bidding were made without proper and complete supporting documents contrary to Section 4(6) of PD No. 1445 and COA Circular No. 2012-001 dated June 14, 2012, thus, the validity and propriety of the claims could not be established.	a. We recommended that Management instruct the Municipal Accountant, in coordination with the Municipal Engineer, to immediately submit the lacking documents for evaluation of the Audit Team.	For the Municipal Accountant, in coordination with the Municipal Engineer, to immediately submit the lacking documents.	Municipal Accountant/ Municipal Engineer	June 2024	July 2024	Implemented	N/A	The lacking document were submitted together with the AOM responses last June 10, 2024.
			b. We, likewise, recommended that the Municipal Accountant ensure that all payments are properly supported with complete documentation.	For the Municipal Accountant ensure that all payments are properly supported with complete documentation.	Municipal Accountant	June 2024	December 2024	Implemented	N/A	The Municipal Accountant ensure that all disbursements are properly supported with complete documents.
2023 AAR, page 52	11	Four unimplemented projects with total appropriations of ₱3,500,000.00 funded out of the 20% DF were realigned to new projects without justifiable reasons which is not in conformity with Sections 332 and 336 of RA No. 7160, Item b, Section 3, Part 3 of BOM for LGUs and Sections 3.2.3 and 4 of DBM, DOF and DILG JMC No. 1; thus, the benefits to be derived from the said priority projects were not realized.	We recommended that Management: a. Require the MPDC, with the assistance of the Municipal Engineer, to ensure that all PPAs funded out of the 20% DF are well-planned and procurement-and-implementation ready for efficient execution;	For the MPDC, with the assistance of the Municipal Engineer, to ensure that all PPAs funded out of the 20% DF are well-planned and ready for execution;	MPDC / Municipal Engineer	July 2024	December 2024	Implemented	N/A	The MPDC, with the assistance of the Municipal Engineer, to ensure that all PPAs funded out of the 20% DF are well-planned and procurement-and-implementation ready for efficient execution
			b. Instruct the Municipal Engineer, with the assistance of the MPDC, to come up with a time frame in the implementation of the development projects to deliver the desired benefits to the constituents on time and attain desirable socio-economic targets and outcomes of the LGU; and	For the Municipal Engineer, with the assistance of the MPDC, to come up with a time frame in the implementation of the development projects	Municipal Engineer/ MPDC	July 2024	December 2024	Implemented	N/A	The Municipal Engineer, with the assistance of the MPDCalready has a time frame in the implementation of the development projects.
			c. Require the Municipal Budget Officer to adhere with the existing laws, rules and regulations in the realignment of funds.	For the Municipal Budget Officer to adhere with the existing laws, rules and regulations in the realignment of funds.	Municipal Budget Officer	July 2024	December 2024	Implemented	N/A	The Municipal Budget Officer accedes to adhere with existing laws, rules and regulations in the realignment of funds.

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2023 AAR, page 54	12	The Municipality paid a total amount of ₱500,000.00 for the honoraria of six hired consultants whose functions could be performed by regular employees of the Municipal Government which is not in conformity with Section 7 of CSC, COA and DBM Joint Circular No. 1 s. 2017 dated June 15, 2017, Section 4 of COA Circular No. 2012-003 dated October 29, 2012 and Annex B, General Principles on Consulting Services of the 2016 Revised IRR of RA No. 9184, resulting in unnecessary expenditures.	We recommended that Management limit the hiring of experts to its actual need of consultancy services taking into consideration the specific work requiring highly specialized or technical expertise in a field of special knowledge or training required for the government project or related activities that are not available in the agency and are not redundant to the functions of the existing offices or regular employees of the Municipal Government to avoid incurrence of unnecessary expenditures.	For the Management limit the hiring of experts to its actual need of consultancy services taking into consideration the specific work requiring highly specialized or technical expertise in a field of special knowledge or training required for the government project or related activities	Mayor's Office / Vice Mayor's Office / Human Resource	July 2024	December 2024	Implemented	N/A	The management already limit the hiring of experts to its actual need of consultancy services taking into consideration the specific work requiring highly specialized or technical expertise in a field of special or technical expertise and are not redundant to the functions of the existing offices or regular employees of the Municipality.
2023 AAR, page 56	13	Payment of wages of JOWs and COS, and incentives and benefits of municipal officials and employees and Sangguniang Bayan (SB) members was made through cash advances granted to the disbursing officer which is not considered as an effective system of internal control and not in accordance with Sections 123 and 124 of PD No. 1445, hence, exposing its resources to possible risks of loss to the disadvantage of the Municipality.	a. We recommended that Management employ the use of ATM Payroll System for the payment of wages to JOWs and COS, as well as incentives and benefits of officials and employees and SB members to deter possible risks of loss of government funds through misapplication, robbery or other similar incidents.	For the Management employ the use of ATM Payroll System for the payment of wages to JOWs and COS, as well as incentives and benefits of officials and employees and SB members	Human Resource Management Office / SB / Acting Treasurer	July 2024	December 2024	Not Implemented	N/A	The management have already arranged the installation of new payroll system to upgrage existing system of the LGU for the JOWs and COS. Budgetary requirements for the said purpose is also included in the supplemental budget and forwarded to the SB for review.
			b. Furthermore, we recommended that Management, through the Human Resource Management Office, coordinate with the authorized government depository bank to facilitate the enrolment of the 132 JOWs and six COS to the ATM Payroll accounts.	For the that Management, through the Human Resource Management Office, coordinate with the authorized government depository bank to facilitate the enrolment of the 132 JOWs and six COS to the ATM Payroll accounts.	Human Resource Management Office	July 2024	December 2024	Not Implemented	N/A	Coordination with the LBP for the enrolment of the JOWs and COS to ATM Payroll account will be arranged upon approval of the Resolution by the SB.
2023 AAR, page 58	14	PPAs identified in the GAD Plan and Budget for CY 2023 totaling ₱5,207,681.40 did not clearly address gender-related issues and concerns contrary to the provision of Section 36 of RA No. 9710, defeating the purpose of addressing gender issues towards gender equality and women's empowerment. Likewise, the utilization of GAD funds had not been optimized since PPAs presented in the GAD Plan were not fully implemented.	We recommended that Management instruct the GAD Focal Person to: a. Incorporate PPAs in the Annual GAD Plan and Budget that are responsive to the gender issues and concerns of the local government constituents; and	For the GAD Focal Person to Incorporate PPAs in the Annual GAD Plan and Budge	GAD Focal Person (MSWDO)	July 2024	December 2024	Not Implemented	N/A	The Management assured the Audit Team to allocate fund for PPAs in the GAD Plan and Budget that fully address issues and concerns in gender equality and women empowerment.
			b. Strictly monitor the implementation of GAD projects, programs and activities.	For the GAD Focal Person to strictly monitor the implementation of GAD projects, programs and activities.	GAD Focal Person (MSWDO)	July 2024	December 2024	Not Implemented	N/A	The Management assured the Audit Team to strictly monitor the implementation of GAD projects, programs and activities.

Ref.		Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-Implementation, if applicable	Action Taken / Action to be Taken
				Action Plan	Person/Dept. Responsible	Target Implementation				
						From	To			
2023 AAR, page 60	15	The Municipality was not able to impose strictly the remedies for the collection of RPT provided in Sections 254 and 256 of RA No. 7160; thus, resulted in the accumulation of delinquent real property taxes and penalties totaling P552,540.49 as of December 31, 2023. Further, stall rentals totaling P236,839.00 remained uncollected as of year-end, thus, deprived the Municipality of additional revenues to fund projects for the benefit of its constituents.	a. We recommended that Management direct the Acting Municipal Treasurer to ensure collection of the delinquent accounts on real property taxes and stall rentals by adopting the procedures and remedies provided by law to provide additional funds to support the operations and programs of the LGU	For the Acting Municipal Treasurer to ensure collection of the delinquent accounts on real property taxes and stall rentals.	Acting Municipal Treasurer	July 2024	December 2024	Not Implemented	N/A	The Treasury Dept. already started to coordinate with the barangay captains in distributing Notice of Delinquency.
			b. We also recommended that Management prepare contract agreement with the existing market stall holders to properly define measures and remedies in case of late payment of rental fees and to adopt measures in the policies and procedures of the LGU before approving the renewal of Business Permits and Licenses of stall owners to intensify the collection efforts on delinquent stall rentals.	For the management to prepare contract agreement with the existing market stall holders to properly define measures and remedies in case of late payment of rental fees and to adopt measures in the policies and procedures of the LGU before approving the renewal of Business Permits and Licenses of stall owners	Mayor's Office (LGU) / Acting Municipal Treasurer	July 2024	December 2024	Not Implemented	N/A	For the management to prepare contract agreement with the existing market stall holders to properly define measures and remedies in case of late payment of rental fees and to adopt measures in the policies and procedures of the LGU before approving the renewal of Business Permits and Licenses of stall owners

Agency sign-off:

HON. KARL CHRISTIAN F. VEGA
Municipal Mayor

Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially Implemented, or (e) Delayed