

[COA RESOLUTION NO. 2011-014, December 13, 2011]

AUDITING OF THE LEAGUES OF LOCAL GOVERNMENT UNITS (LGUS) AND THE LEAGUES AND FEDERATIONS OF ELECTIVE OFFICIALS

Adopted: 13 December 2011

Date Filed: 04 January 2012

WHEREAS, Title VI, Book III of Republic Act (R.A.) No. 7160, the Local Government Code of 1991, provides the creation of the Leagues of LGUs and the Leagues and Federations of Local Elective Officials, as follows:

I. Leagues of LGUs

- a. Liga ng mga Barangay
- b. League of Municipalities
- c. League of Cities
- d. League of Provinces

II. Leagues and Federations of Local Elective Officials;

WHEREAS, the Department of Justice (DOJ) Opinion No. 41, s. 1995, dated May 5, 1995, ruled that the Liga ng mga Barangay is a government organization, being an association, federation, league or union created by law or by authority of law, whose members are either appointed or elected government officials;

WHEREAS, the Supreme Court rulings in *Bito-Onon vs. Fernandez, et al.*, G.R. No. 139813, dated January 31, 2001, and in *National Liga ng mga Barangay, et al., vs. Paredes, et al.*, G.R. No. 130775, dated September 27, 2004 adopted the DOJ Opinion No. 41, Series of 1995, dated May 5, 1995;

WHEREAS, Section 505, Article V, Chapter I, Title VI, Book III of R.A. No. 7160 partly provides that all Leagues of LGUs shall derive its funds from contributions of member LGUs and from fund-raising projects and activities, and that all funds of the Leagues of LGUs shall be deposited as trust funds with its treasurer and shall be disbursed in accordance with the board of directors' resolutions, subject to pertinent accounting and auditing rules and regulations;

WHEREAS, Section 510, Chapter II, Title VI, Book III of R.A. No. 7160 states that the Leagues and Federations of Local Elective Officials may derive their funds from the contributions of individual league or federation members or from fundraising projects or activities, and that the LGU concerned may appropriate funds to support