

[COA RESOLUTION NO. 2010-009, October 21, 2010]

EXEMPTION OF CERTAIN MUNICIPALITIES FROM THE IMPLEMENTATION OF THE SELECTIVE PRE-AUDIT ON GOVERNMENT TRANSACTIONS UNDER COA CIRCULAR NO. 2009-002 DATED 18 MAY 2009

WHEREAS, the reinstitution of the selective pre-audit on government transactions has been implemented in national government agencies, government-owned and controlled corporations, and local government units under COA Circular No. 2009-002 dated 18 May 2009;

WHEREAS, the implementation of selective pre-audit is subject to periodic review and assessment of its effectiveness and coverage in accordance with the risk-calibrated agency audit-framework;

WHEREAS, Section 10.2 of COA Circular No. 2009-002 authorizes the Oversight Committee, this Commission, to recommend the inclusion of certain kinds of transactions, or the exclusion of those previously included in the coverage of pre-audit upon the initiative of the Supervising Auditor (SA) or Audit Team Leader (ATL), and duly validated by the Cluster Director (CD) or Regional Director (RD) concerned;

WHEREAS, the concerned ATLs requested exemption of the Municipalities of Lubang and Looc of Occidental Mindoro Province, the Municipalities of San Pascual and Claveria of Masbate Province, and the Municipality of Kabayan of Benguet Province from selective pre-audit under COA Circular No. 2009-002 for valid and justifiable reasons;

WHEREAS, the concerned SAs and RDs of COA Cordillera Administrative Region (CAR), Regions IV and V, and the Assistant Commissioner's Group as the Oversight Committee recommended the exemption of these five municipalities from selective pre-audit, pursuant to Section 10.2 of COA Circular No. 2009-002;

WHEREFORE, premises considered, this Commission has RESOLVED, as it does HEREBY RESOLVE to grant the request for exemption of these five municipalities from selective pre-audit in view of their peculiar conditions and geographical locations that could put the Auditors at risk, as cited hereunder;

a. Municipality of Kabayan, Benguet Province

1. It is a fourth class municipality located 85 kilometers, from the Provincial Capitol. The travel time to the municipality takes about five hours, half the distance of which is very rough terrain, and public transport is limited.

2. The tectonic disturbances of Daclan Volcano cause landslides even without actual rains.