

Commission on Audit

Broad powers for new responsibilities

IN keeping with its Constitutional mandate, the Commission on Audit adopts the following primary objectives:

□ Fiscal responsibility rests directly with the chief or head of the government subdivision, agency, or instrumentality. The role of the Commission on Audit is to determine whether such fiscal responsibility has been properly and effectively discharged;

□ The Commission on Audit shall develop and implement a comprehensive audit program which shall encompass an examination of financial transactions, accounts, and reports, including evaluation of compliance with applicable laws and regulations; a review of efficiency and economy in the use of resources; and a review to determine whether desired results have been effectively achieved;

□ The COA shall institute control measures through the promulgation of rules and regulations governing the receipts, disbursements, and uses of funds and property, consistent with the total economic development effort of the government;

□ It shall also promulgate rules and regulations to facilitate the keeping and enhance the information value of the accounts of the government;

□ The Commission shall take measures to hasten the full professionalization of its services, consistent with its expanded audit responsibility;

□ In order to protect the independence of its representatives, the Commission shall institute measures to safeguard its appointing power, and rationalize and standardize the salaries of its personnel; and

□ The COA shall take steps to bring its operations closer to the people by the delegation of authority through decentralization, consistent with the provisions of the New Constitution and the laws.

JURISDICTION

THE authority and powers of the Commission on Audit shall extend to and comprehend all matters relating to auditing and accounting procedures, systems, and controls, including inquiry into the utilization of resources and operating performance, the keeping of the general accounts of the government, the preservation of vouchers, the examination and inspection of the books, records, and papers relating to these accounts, and the audit and settlement of the accounts of all persons with respect

to funds or property received or held by them in an accountable capacity, as well as the examination, audit, and settlement of all debts and claims of any sort due from or owing to the government or any of its subdivisions, agencies, and instrumentalities. The said jurisdiction extends to all government-owned or controlled corporations and other self-governing boards, commissions, or agencies of the government, and as herein prescribed, including nongovernmental entities subsidized by the government, those funded by donations through the government, those required to pay leases or government share, and those partly funded by the government.

VISITORIAL POWERS

THE Commission shall have visitorial authority over all books, papers and documents filed by individuals and corporations with government offices in connection with government revenue collection operations, for the sole purpose of ascertaining that all funds determined by the appropriate agencies as collectible and due the government, have actually been collected. This authority shall also extend to nongovernment entities subsidized by the government, those which have received counterpart funds from the government, and those funded by donations through the government, the said authority however pertaining insofar only to the audit of these funds or subsidies coming from or through the government.

ORGANIZATIONAL COMPONENTS

THE Commission on Audit, hereinafter referred to as the Commission, shall consist of the Commission Proper as constituted pursuant to Section 1, Article XII-D, of the new Constitution, and its central and regional offices.

The Commission Proper shall sit as a body to promulgate policies, rules, and regulations, and prescribe standards governing the performance by the Commission of its powers and functions in accordance with the new Constitution. It shall appoint all the officials and employees of the Commission in accordance with the Civil Service Law, pursuant to Section 4, Article XII-A of the new Constitution.

The chairman of the Commission shall act as the presiding officer of the Commission Proper and the chief executive officer of the Commission. As chief executive officer, he shall be res-

pensible for the general administration of the Commission.

REORGANIZATION

FOR the efficient and effective formulation and implementation of the programs of the Commission, the following central offices are created: 1) Administrative Office; 2) Planning, Financial, and Management Office; 3) Local Office; 4) Accountancy Office; 5) National Government Audit Office; 6) Local Government Audit Office; 7) Corporate Audit Office; 8) Performance Audit Office; and 9) Manpower Development and Systems Office.

These offices shall perform primarily staff functions, exercise technical supervision over the regional offices in matters pertaining to their respective functional areas, and perform such other functions that the chairman may assign.

In addition, the Commission shall keep and maintain such regional offices as the exigencies of the service so require. The regional offices shall be under the direct control and supervision of the chairman and will serve as the immediate representatives of the Commission in the regions.

AUDIT PERSONNEL

THE Commission Proper is empowered to appoint its representatives in any government-owned or controlled corporation as well as in any other self-governing board, commission, or agency. In addition, the Commission Proper has the power to fix the size and composition of, and to appoint the personnel to assist said representatives in their work. This appointing power of the Commission Proper shall be subject only to the Civil Service Law and shall not be subject to approval or review by any other official, corporation, board, commission, or agency concerned.

The number of the representatives and support personnel of the Commission assigned to the different departments and agencies of the national government as well as in government-owned or controlled corporations, self-governing boards, commissions, or agencies of the government and in provinces, cities and municipalities shall be determined and fixed by the Commission, any provision of the General Appropriations Decree, law, decree, executive orders, or regulations to the contrary notwithstanding.

All officials and employees of the

Commission, including the Commission representatives and support personnel, shall be paid their salaries and allowances directly by the Commission out of its appropriations and contributions, as provided for in this decree.

FEES FOR AUDIT SERVICES

THE Commission shall fix and collect reasonable fees for the different services rendered to nongovernment entities that shall be entitled in connection with their dealings with the government arising from subsidies, counterpart funding by government, or where audited records become the basis for a government levy or share.

Whenever the Commission renders to any government entity audit and related services beyond the normal scope of such services, the Commission is empowered to fix and collect reasonable fees.

To enable the Commission to effectively discharge its responsibilities under the New Constitution, no government subdivision, agency, or instrumentality, including government-owned or controlled corporation, and self-governing board, commission, or agency shall enter into any contract with any private person or firm for services to undertake studies relating to government accounting, auditing, and management systems and services, including services to conduct, for a fee, seminar, or workshop, unless the proposed contract is first submitted to the Commission to enable the Commission to determine whether it has the resources to undertake such studies or services. The Commission may engage the services of experts from the private sector in the conduct of these studies and shall coordinate its work with the Budget Commission and Civil Service Commission.

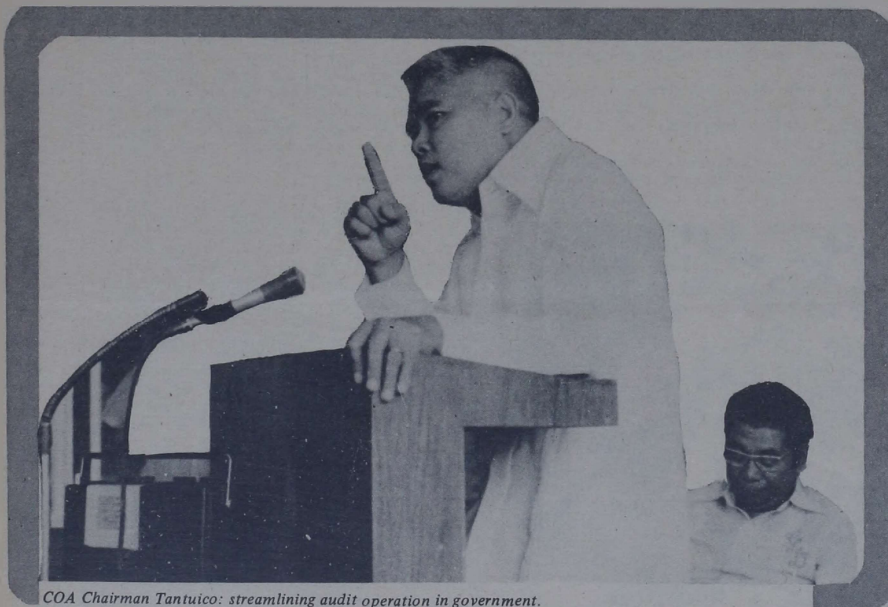
COLLECTION OF DEBT

IN aid of its responsibility to see to it that government funds and property are fully protected and conserved, as explicitly mandated by Presidential Decree No. 111, dated January 26, 1973, the Commission shall, through proper channels, supervise and procure the collection and enforcement of all debts and claims, and the restitution of all funds and property, found to be due the government or any of its subdivisions, agencies, or instrumentalities, as any government-owned or controlled corporation or self-governing board, commission or agency of the government, in its settlement and adjustment of its accounts. If any legal proceeding is necessary to that end, the Commission may institute it or request the Solicitor General, the Government Corporate Counsel, or the legal staff of the creditor government office or agency concerned to institute such legal proceeding.

The Commission shall be entitled to collect and receive 20 percent of the amount of debts collected when such collection is made from a judgment in a case intended and handled by the Commission, or assistance in the professionalization of its services and the computerization of its accounting and data gathering functions. These receipts shall be deposited with the National Treasury to the credit of the Commission.

SOUND INTERNAL CONTROL

IT shall be the direct responsibility of the chief or head of each government subdivision, agency, or instrumentality, including government-owned or controlled corporation and other self-governing board, commission, or agency, to install, implement, and monitor a sound system of internal control. For this purpose, the chief or head of agency may seek the assistance of the Commission in the design and installation of the internal control system. □



COA Chairman Tantuico: streamlining audit operation in government.