

PREAUDIT PHASEOUT □

Wider latitude for managers

Why is preparatory audit being phased out?

To give management a wider latitude of decision on its financial activities and a deeper sense of fiscal responsibility, and to make possible a detached and objective review of financial transactions by the auditor. Phaseout of pre-audit would of course give way to full adoption of post-audit.

How long will this phaseout program take?

About five years or so depending on how soon management would be fully willing and able to assume the management-imposed fiscal responsibility.

What is the extent of the initial phaseout?

As defined under Commission on Audit (COA) Circular No. 76-26, dated April 6, 1976.

Why has it become necessary to project post-audit as our more important functions?



Post-audit is more comprehensive. As of now, the auditor is practically limited to financial and compliance audit. He has little time for performance or operational audits which cover managerial and program results. Besides, post-audit does not interfere with management prerogatives and to a certain extent reduces "red tape" for which auditors are often blamed for.

Will there be greater efficiency as a result of the pre-audit phaseout?

This is of course our expectation in directing the withdrawal of pre-audit and fully implementing post-audit with certain limitations defined in COA Circular No. 76-26.

Will it mean a decrease in the number of auditing personnel?

Not necessarily.

How will the phaseout affect graft and corruption in the government?

This phaseout would not affect the graft and corruption in the government. Under PD 898 the Commission on Audit aside from being granted visitorial powers, is enjoined, among other things, to institute control measures through the promulgation of rules and regulations governing the receipts, disbursements, and uses of funds and property.

Is the pre-audit legal and constitutional? Has there been an abdication of constitutionally mandated functions and duties?

The Constitution in granting to the Commission on Audit the power and function to examine, audit, and settle accounts pertaining to the government and its agencies and instrumentalities, does not specifically state that such powers and function shall be exercised before the consummation of the transaction. It is believed that the pre-audit phaseout is legal and constitutional and that there is no abdication of constitutionally mandated functions and duties.

Is management ready to assume this pre-audit functions?

At this stage, agency management may not yet be ready to cope with complete and full implementation of post-audit. But given adequate time, government managers are sure to effectively cope with it.

Does post-audit prevent the incurrence of irregular, unnecessary, excessive or extravagant expenditure of funds?

Yes, because of the existence of double check—first, by the head of the agency and supervisory management level, and second, by the auditor. The first check must have been developed, strengthened and improved as a result of recommendations incident to post-audit.

To whom will management assign this pre-audit functions?

Pre-audit functions may be assigned to either the internal audit unit or a new unit.

What is the quality of controls in present-day agency management?

Generally fair, although some are lax.

Why is there a general weakness in agency internal control?

To a certain extent, due to the awareness of the auditor's presence who is expected to go over the transaction anyway.

Is this situation due to poor quality of personnel?

A combination of three factors namely: defective system and procedures, poor record keeping and reporting, and employee attitude and integrity.

Is this due more to lack of internal review in management as that given by an independent internal audit unit?

Not necessarily.

Is this just the solution for strong internal control in management?

Basically, a strong internal control within an agency at the same time maintaining economy, efficiency and effectiveness is a must in the full withdrawal of pre-audit. □

The greening of Metro Manila

IN early November last year when the First Lady, Mrs. Imelda Romualdez Marcos, accepted the governorship of Metropolitan Manila, one of the very first things that she announced was that she will make Manila "a beautiful city." Immediately she launched a massive tree-planting program to transform Manila into another "garden city" in Asia, like Singapore. The "greening" of Manila calls for the planting of shade trees in all major thoroughfares and avenues in the city. Palms and shrubs will also be planted in congested areas or secondary streets where there is little room for large trees.

The tree-planting program is being coordinated by a technical committee headed by Ramon Binamira of the Green Revolution national committee. The technical group is composed of representatives from the Bureau of Forest Development of the Department of Natural Resources, Department of Public Highways, Bureau of Plant Industry, Bureau of Soils, Bureau of Agricultural Extension, National Food and Agriculture Council, and local governments.

For Phase I of the program which ended last April 27, about 30,000 seedlings and saplings were planted along the main thoroughfares of Metro Manila.

Only shade and ornamental trees will be planted in all major streets with the exception of Roxas Boulevard where coconut trees were already planted.

The major thoroughfares and the kind of trees planted along them are as follows:

□ Manila International Airport Road and Domestic Airport Road—fire trees.

□ Epifanio delos Santos Avenue (EDSA)—narra for the sides and MacArthur palms for the center isles.

□ Quirino Avenue to Nagtahan-talisay trees.

□ Quezon Boulevard (from Welcome Arch to Elliptical Road, Quezon City)—mahogany.

□ East Avenue—cherry blossom.

□ Espana Boulevard—narra.

□ Magsaysay Avenue (up to Aurora Boulevard)—narra.

□ Ayala Boulevard (from Ayala Bridge to Taft Avenue)—golden showers and palo santo.

□ Abad Santos—narra.

Under the present set-up, all kinds of shade trees are to be supplied by the Bureau of Forest Development (BFD) while ornamental and fruit trees will come from the Bureau of Plant Industry (BPI). The Department of Public Highways and the highway engineering districts are given the task of planting and caring for the trees until they grow up.

Aside from the BFD and BPI, the University of the Philippines College of Forestry at Los Baños also distributes seedlings. The Nasipit Lumber Company, a private firm, has donated 2,000

saplings of forest trees which the committee has already utilized in Phase I. The Chamber of Commerce of the Philippines has likewise promised to donate 100,000 seedlings for the tree-planting program of Metro Manila.

Phase II of the program call for the involvement of more than 1,500 barangay units in Metro Manila in the massive undertaking. On July 2, the date set for Phase II to start off, 500,000 barangay members, to be headed by their respective chairmen, will simultaneously plant trees in their areas of responsibility. The plan calls for the Metro Manila governor to launch the second phase of the program.

Phase III, which will be the last phase, calls for the turn-over of the responsibility of caring for the planted trees to the local governments, notably the barangay units. By then, a municipal tree-planting action team shall have been formed in every municipality or city in Metro Manila. The team will be composed of the municipal engineer, agriculturist, district supervisor and the barangay coordinator, with the municipal or city mayor as honorary chairman. On the barangay level, the implementing body will be composed of the barangay chairman and the chairman of the kabataang barangay in the locality.

According to the technical committee secretariat, the entire Metro Manila which has a total of 2,800 kilometers of road network needs about 560,000 seedlings or saplings, with trees planted at a distance of 10 meters from each other on one side alone of the street. In its nursery, the BFD has a stock of about a million seedlings while the BPI has more than half-a-million seedlings. We, therefore, have enough seedlings to make Metro Manila completely "green" in the next few years.

The estimate of the secretariat is that five years from now, Metro Manilans will be able to feel the impact of the tree-planting program of the city administration because by that time the

trees will be tall enough and their leaves can help supply the much needed oxygen for the city dwellers.

Trees are not only anti-pollutant. They can also help in the flood control project of the government. Roots of giant shade trees absorb rain water during heavy downpour and certainly this will greatly help in draining water from our perennially flooded streets.

For the benefit of the different barangay leaders and other citizens interested in planting trees, here are some important tips on how to grow young trees.

TREE-PLANTING GUIDE

1. Clear the area to be planted using a bolo or sharp knife.
2. Dig holes (1 foot wide and 1 foot deep) and maintain spacing of 2 meters by 2 meters.
3. In planting potted seedlings using plastic bags, compress the soil first in such a way that the ball of earth around the plant is solid. Then remove the plastic when bag soil is already loose.
4. Put about 10 grams or a handful of fertilizer in the hole then plant the seedling in such a way that the root collar is i. level with the ground surface.
5. Set plant with the ball of earth. Fill the hole with the top soil first, followed by subsoil.
6. Tamp soil around seedling with feet.
7. Water generously after planting.

PROTECTION AND MAINTENANCE

1. Water plants thoroughly after planting and every other day thereafter. This should be observed strictly when saplings are planted during dry season.
2. Provide much materials such as dried grass or leaves around stem to check rapid evaporation of soil moisture around the plant.
3. Provide fence guard around plant for protection from being trampled by animals. □

