



## **ACCOMPLISHMENT REPORT**

### **FY 2023**

#### **MANDATE**

The PIACO is mandated to conduct an evaluation or appraisal of the Internal Control System to determine if internal controls are well designed and properly implemented. It is also mandated to conduct compliance audit, management audit and operations audit.<sup>1</sup>

#### **VISION**

An impartial, accountable and efficient Internal Audit Office committed to advancing an Efficient Government Service Delivery through an effective management control, governance processes and operations performance.

#### **MISSION**

To support the Provincial Government of Isabela in the effective performance of its responsibilities by appraising the effectiveness of its internal controls, thereby enhancing management controls, governance process and operations performance, in order to achieve optimum productivity and Efficient Government Service Delivery.

#### **CORE VALUES**

##### **Professional Competence**

The PIACO maintains and applies the required professional knowledge, skills, and experience in the performance of its internal audit functions.

##### **Integrity**

The PIACO exhibits honesty, straightforwardness, and truthfulness in all of its professional and business dealings.

##### **Accountability**

The PIACO takes responsibility for all its actions, inputs and decisions.

##### **Confidentiality**

The PIACO refrains from disclosing information acquired without appropriate authorization unless there is a legal or professional obligation to do so.

##### **Objectivity**

The PIACO performs its duties without bias, conflict of interest or undue influence or for its own interest.

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<sup>1</sup> RPGIAM, page 108



**PROVINCIAL INTERNAL AUDIT AND CONTROL OFFICE**

**FUNCTIONAL STATEMENT**

Internal Audit, as defined, is the evaluation of management controls and operations performance, and the determination of the degree of compliance with laws, regulations, managerial policies, accountability measures, ethical standards, and contractual obligations. It involves the appraisal of the plan of organization and all the coordinated methods and measures, in order to recommend courses of action on matters relating to operations and management control. Internal audit, being a separate component of internal control, is instituted to determine whether internal controls are well designed, and properly operated.<sup>2</sup>

The functions of the PIACO mainly is a conduct of Management and Operations Audit to determine the degree of compliance with laws, regulations, managerial policies, accountability measures, ethical standards, and contractual obligations.

Management Audit is the separate evaluation of the effectiveness of internal controls adopted in the operating and support services units/systems to determine whether they achieve the control objectives over a period of time or as of a specific date. This includes the determination of the degree of compliance of control or supervision with laws, regulations, managerial policies, accountability measures, ethical standards and contractual obligations covering specific timeframes. It is a review and appraisal of the systems and processes, organizational and staffing structures, operations and management practices, records, reports, and performance standards of the agencies/unit concerned.<sup>3</sup>

Operations Audit is a separate evaluation of the outcome, output, process, and input to determine whether government operations, programs, and projects are effective, efficient, ethical and economical (4Es). It likewise includes the determination of the degree of compliance of supervision or controls with laws regulations, managerial policies, accountability measures, and contractual obligations. It involves an evaluation of whether or not performance targets and expected results were achieved.<sup>4</sup> This is not yet implemented by the Office since it has focused on Management audit as mandated by the Head of Agency as a priority.

**ACCOMPLISHMENT**

1. The PIACO conducted an evaluation of Management Controls through the review of financial documents to determine whether effective controls is implemented, vis-a-vis the degree of compliance with laws, regulations, managerial policies, accountability measures, ethical standards and contractual obligations. The Review of Financial documents includes, among others, implementation of controls on the following procedures: Procurement Control Procedure (Purchasing Process); Small Value Procurement Control Procedure (Purchasing Process); Budget Control Procedures (Processing of OBRs); Accounting Operations Control Procedure (Disbursement Process & payroll preparation), and Human Resource and Management Procedures.

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<sup>2</sup> RPIAM, page 5

<sup>3</sup> RPIAM, page 10

<sup>4</sup> RPIAM, Page 13



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Correspondingly, summary results of the review follows:

- 1.a. 100% or all of the 27,398 sets of financial documents received were efficiently reviewed on a timely manner or within the prescribed processing time in accordance with RA 11032, the Ease of doing Business and Efficient Government Service Delivery Act of 2018;
  - 1.b. 5.21% or 1428 sets have minor findings, and returned for action and/or compliance of the documentary requirements and/or documentary discrepancies;
  - 1.c. 100% % or all of the 1428 findings were fully complied.
2. In support to the Implementation and/or compliance on Executive Agenda and issuances that implement policies, plans, programs, the PIACO has accomplished on a timely action and/or compliance on all of the Seven hundred Twenty-Nine (729) Executive Orders, Memorandums, Issuances, Orders, and Communications received.
  3. In Support to the achievement of a quality, strengthened positive institutional image for PG-Isabela as an LGU that is compliant with laws, policies and procedures which is distinguished in service delivery, the PIACO has the following accomplishments:
    - 3.1. Assisted in the implementation of ISO 9001:2015 Quality Management System. The PGI has passed the Annual Surveillance Audit for the FY 2023. Likewise, the PIACO has received, reviewed and maintained four hundred twenty-three (423) sets of ISO Records;
    - 3.2. Assisted in the efficient and timely compliance on the uploading and posting of all the annual and four (4) Quarterly required documents in the DILG Full Disclosure Policy portal (<https://fdpp.dilg.gov.ph>), and in three (3) conspicuous places @Provincial Capitol, Isabela Museum and Library, and GFNDY Hospital;
    - 3.3. Assisted in the efficient and timely compliance on the uploading of two (2) Semesters Reporting Forms and attachments in the DILG Peace and Order and Public Safety Plan-Policy Compliance Monitoring System (POPS-PCMS) (<https://pops.dilg.gov.ph>)
    - 3.4. Assisted in the efficient and timely compliance on the uploading of documents in In the DILG Anti-Drug Abuse Council Functionality Monitoring System (ADAC-FMS) (<https://adac.dilg.gov.ph>)
    - 3.5. The PIACO is one of the offices in charge in the FY 2023 SGLG documentation, particularly in the Area of Financial Administration. Additionally, the PIACO assisted in the collection and/or review of compliance of Entry Documents of the other areas of the SGLG.
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**PROVINCIAL INTERNAL AUDIT AND CONTROL OFFICE**

- 3.6. Effectively performed all other tasks as directed and/or as required within the prescribed processing time as applicable, to include, attendance in various Department Head's/Committee Members meetings, Budget Deliberations and/or Hearings, and other meetings, functions, programs and activities. The activities includes among others, assistance in the Papal Nuncio Visit, were three (3) PIACO Personnel acted as support staff to the Committee on Reception; and assistance in the Bambanti Festival Celebration were Three (3) PIACO Personnel acted as support staff to the Committee on Tabulation.
4. An Internal Auditor should commit to the highest degree of professional competence, both in the technical and ethical sense, through empowerment and continuing self-development. He/she must possess and continually develop the knowledge, skills and other competencies needed to perform their responsibilities in order to enhance the quality of audit<sup>5</sup>.

Accordingly, forty (40) Capacity Development trainings and seminars were undertaken and thirteen (13) PIACO Personnel were benefited. Said trainings and Seminars was conducted among others, by the Civil Service Commission, Commission on Audit, the Association of Government Internal Auditors (AGIA), the Development Academy of the Philippines and the Center for Global Best Practices. Said trainings and seminars were primarily on matters pertaining to Internal Audit, Internal Control, Quality Management Systems, Reengineering of Systems and Procedures and about Leadership.

Likewise, the Provincial Administrator has organized and conducted seminar aimed at further enhancing employee's knowledge and capabilities within and outside their core competencies, but are very essential and/or significant in the effective performance of their functions. To wit: The ABCs of BOCs & Other Office Documents; Different but The Same, a Seminar on Diversity, Equity, and Inclusion (DEI) and Management of Multi-Generational Workforce; and Office Gizmos: Understanding Budget Basics, The Safe Spaces Act, The Freedom of Information Act, and Diversity/ Multigenerational Workforce

The PGI has once again passed the Seal of Good Local Governance (SGLG). A Seal that gives distinction to remarkable Local Government performance across several areas, and highlights integrity and good performance. It is an honor and privilege to be part of the PGI. The PIACO personnel in turn commits to uphold the PG-Isabela's Institutional Vision – *"A PLGU reputed for operating under an unyielding system of courtesy, competence, transparency, and accountability, and distinguished in the delivery of public service"* - by discharging its duties and functions with utmost responsibility, integrity, competence and loyalty, and to adhere to the principle of.....*"A public office is a public trust"*.

Submitted by:

**MARILYN G. LOPEZ**

Head, PIACO

<sup>5</sup> RPGIAM, Page 30