



Republic of the Philippines
Provincial Government of Isabela

PROVINCIAL INTERNAL AUDIT AND CONTROL OFFICE

**ACCOMPLISHMENT REPORT
FY 2019**

The Provincial Internal Audit and Control Office (PIACO) is the newest office in the Provincial Government of Isabela, established by virtue of Ordinance No. 17 dated December 16, 2018. The PIACO became operational in January of this year with a new office space in the Provincial Capitol building.

Internal Audit as defined in the Local Government Unit Internal Audit Manual 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.

Internal Audit Objectives are designed to contribute in the realization of the Provincial Government of Isabela's VISION, attainment of its MISSION and in the effective performance of its MANDATE.

The Functions of the PIACO mainly is the 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 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.¹

¹IAM for LGU, 2016 p10

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 including compliance with laws regulations, managerial policies, accountability measures, ethical standards and contractual obligations. It involves an evaluation of whether or not performance targets and expected results were achieved²

In line therewith, the PIACO performed its functions accordingly, and the following were its accomplishments:

1. In accordance with the Annual Work Plan and the provisions of the Internal Audit Manual for LGUs, and in alignment and/or compliance with the Agency Reform Action Plan (ARAP) for the Internal Audit Area of the Provincial Governance Reform Roadmap 2019-2022, the PIACO conducted audit on the two (2) Priority 1 Road Related Offices. The following were the Documents evaluated:

- 1.1. Provincial Human Resource Office

- a. Daily Time Record
 - b. Application for Leave of Absences
 - c. Locator Slip
 - d. Travel/Office Order
 - e. Leave Cards

- 1.2. Provincial Engineering Office

- a. Inspection Reports
 - b. Report on Status of Roads, Buildings and Bridges

2. Conducted evaluation of the implementation of controls in the documented processes through the review and evaluation of financial documents and its attachments, to identify if controls were effectively implemented, vis-à-vis its compliance with applicable Rules and regulations. i.e. RA 9184, or the Procurement Law; and Payroll System. Financial documents evaluated numbers to Twenty Seven Thousand One Hundred Seventy Two (27,172)) sets to include, but not limited to the following:

²IAM for LGU, 2016 p10

- 2.1 Financial document such as: Obligation Requests; Disbursement Vouchers; Payroll; Purchase Request; Small Value Purchase Request; Price Quotation; Abstract of Canvass; Purchase Order; Inspection and Acceptance Report; Waste Materials Report; Acknowledgement Receipt for Equipment; Invoice, etc;
 - 2.2. Procurement thru public bidding documents such as: Bidding documents; Contract agreement; Notice of award; Notice to proceed; BAC Resolutions, etc.
3. Conducted evaluation on the implementation of programs and projects of the following nine (9) Implementing offices to determine if expected results were achieved and set targets were attained.
 - 3.1. Provincial Youth Development Office
 - 3.2. Isabela Provincial Health Office
 - 3.3. Provincial Cooperative Development Office
 - 3.4. Provincial Veterinary Office
 - 3.5. Provincial Agriculture Office
 - 3.6. Provincial Social Welfare and Development Office
 - 3.7. Provincial Engineering Office
 - 3.8. Provincial Rural Development Projects
 - 3.9. Provincial Social Welfare and Development Office
4. Monitored the implementation of Prior Years Recommendation. For the FY 2018, PIACO conducted a Baseline Assessment of Internal Control in the Provincial Engineers Office and correspondingly prepared the Baseline Assessment Report for the PEO. The report has 2 recommendations. The same was acted upon.
(Details and Results of Audit/Review in items 1-4 will be presented in the FY2019 Internal Audit Report)
5. The PIACO collected documents and conducted a cursory review on the procedures and processes of the 33 offices of the PGI for the on-going upgrade of its ISO Certification from 9001:2008 to 9001:2015; and for the Updating of its Citizens Charter and Reengineering of its systems and procedures in compliance with Republic Act 11032 or the EODB-EGSD (Ease of doing Business-Efficient Government Service Delivery) Act of 2018. Said documents were submitted to the Provincial Administrator for his checking, review and/or action.

6. One of the Internal Audit Principles and standards is Professional Competence, where the Auditors are required to maintain highest standards of competence and the highest degree of professional integrity, commensurate with his/her responsibilities and functions. He/she must continuously develop the knowledge, skills, and competencies needed to perform responsibilities to enhance the quality of the audit. In reference therewith the officers and staff of the Provincial Internal Audit and Control Office have undergone twenty four (24) seminars, trainings and workshops in the year 2019, to name a few: Preparation of Project Procurement Management Plan (PPMP) and the Annual Procurement Plan (APP) Concepts, Principles and Techniques; Basic Accounting and Internal Control For Non-Accountants; Convention of the 2016 IRR, RA 9184 and Accountability; Capacity Enhancement Workshop on Compliance Monitoring on Government Procurement for LGUs and DILG; LGU Quality Forum: "Gearing Toward World Class Public Service Through QMS ISO 9001:2015"; Audit 101: Internal Auditing for Non-Auditors.

The PIACO led the team who attended the Conduct of consultation-workshop on the prioritization of Capability Development Activities conducted by the DILG. The said activity was conducted in connection to the achievement/compliance of the FY 2019 Agency Reform and Action Plan (ARAP) to the Provincial Governance Reform Roadmap (PGRR) 2019-2022. Output of the team on the said workshop resulted, among others, to the conduct of In-house trainings on the Coaching and Mentoring on Constructor's Performance Evaluation System (CPES), and the Write shop on the Updating of the Provincial Revenue Code of Isabela, wherein funds were provided by the Department of Interior and Local Government.

7. The PIACO is the Focal Person and/or led the team in the collection and compilation of documentary requirements for the following:
- 7.1. SGLG 2019 Regional Assessment and National Validation.
 - 7.2. Provincial Peace and Order Council (PPOC) Performance Audit
 - 7.3. Provincial Anti-Drug Abuse Council (PADAC) Performance Audit
 - 7.4. Full Disclosure Policy compliance
 - 7.5. COA Agency Action Plan and Status of Implementation (AAPSI) of Audit Observation and Recommendation compliance

8. The PIACO have led the team in the maintenance and uploading of documents on the following websites in compliance with DILG directives and/or requirements:

- 8.1. <https://pops.dilg.gov.ph/plan/my-plan> for the compliance on Peace and Order and Public Safety Plan-Policy Compliance Monitoring System (POPSP-PCMS)
- 8.2. <https://idmris3.ddb.gov.ph/> for the compliance on Provincial Anti-Drug Abuse Council Functionality Monitoring Systems (ADAC-FMS)
- 8.3. <https://fdpp.dilg.gov.ph/> for the compliance on Full Disclosure Policy portal
- 8.4. <http://www.provinceofisabela.ph/> for the compliance on Transparency Seal and updates on the PGI's website

9. The PIACO has attended and participated in the following:

- 9.1. Provincial Governance Reform Roadmap compliance monitoring
- 9.2. Peace and Order and Public Safety Planning
- 9.3. Budget Deliberation and hearing
- 9.4. Updating of Revenue Code
- 9.5. Various department head's meeting
- 9.6. Other activities/functions as required/needed.

10. The PIACO officers and staff have participated in the following major activities of the Province of Isabela:

- 10.1. Brigada Eskwela, *(with a team "Matatag na Bayan para sa Manulad na Paaralan)* at Fugu Elementary School, City of Ilagan, Isabela on May 24, 2019;
- 10.2. Todas Dengue Todo na'to Ikaanim na kagat on July 26, 2019;
- 10.3. One Million Trees in 1-day tree Planting activities on December 20, 2019 at Sitio Lagis Sindun Bayabo, City of Ilagan Isabela.

The PGI has its documented processes through the ISO Certification. Its operations stemmed with certified procedures, effective controls, and compliance with laws, rules and regulations. The PIACO is privileged as the designated office in leading its implementation.

The PGI has crafted its Freedom of Information Manual and likewise, The PIACO is privileged to be nominated as the Receiving Office/Officer in its implementation, having led the team that prepared the manual.

The PGI is one of the most awarded LGU in the Philippines. It has been a Hall of famer in SGLG and best Anti Red Tape Act implementer, true to its mission of delivering excellent public service to its constituents. The PIACO is honoured to be part of the team in the documentary requirements; and privileged to be part of the most awarded LGU in the Philippines. The PIACO in turn, commits to uphold the principle of "a public office is a public trust".

Thank you.

Respectfully Submitted:

MARILYN G. LOPEZ
PIACO

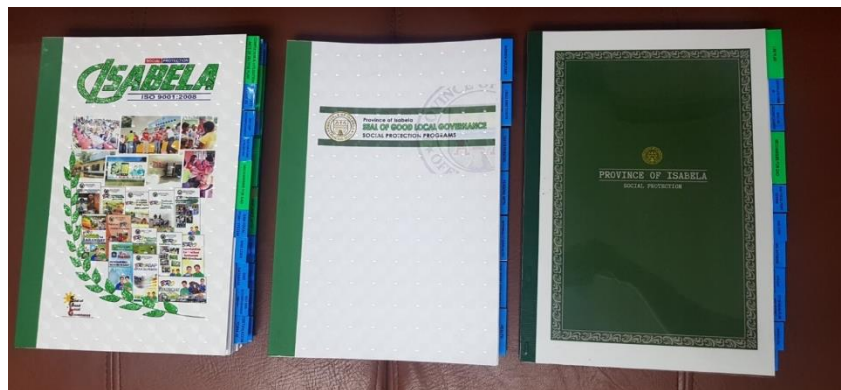
Noted:

RODOLFO T. ALBANO III
Governor

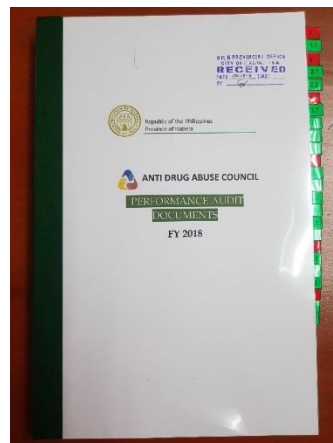
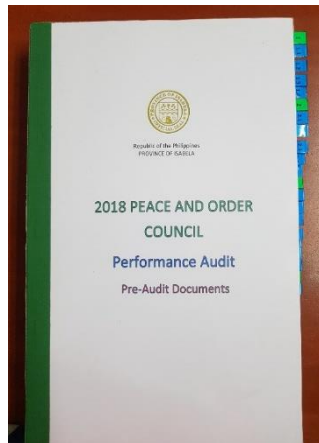
CONSULTATION-WORKSHOP ON THE PRIORITIZATION OF CAPABILITY DEVELOPMENT ACTIVITIES – JULY 16-18, 2019, STA. ANA CAGAYAN



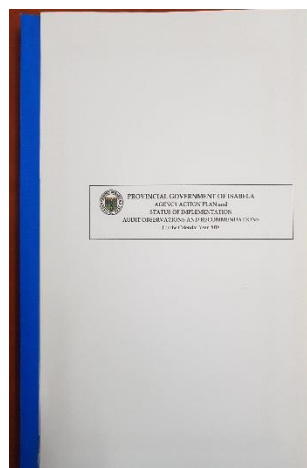
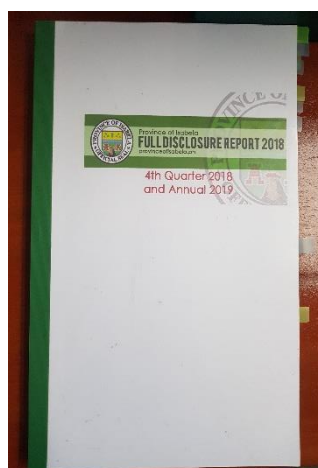
SAMPLE DOCUMENTS COLLECTED AND COMPILED
(DESIGNED BY THE PROVINCIAL ADMINISTRATOR ATTY NOEL MANUEL R. LOPEZ)



SEAL OF GOOD LOCAL GOVERNANCE (SGLG)



PROVINCIAL PEACE AND ORDER COUNCIL (PPOC) and
PROVINCIAL ANTI DRUG ABUSE COUNCIL (PADAC)



FULL DISCLOSURE POLICY AND
COA AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION (AAPS)

**BRIGADA ESKWELA AT FUGU ELEMENTARY SCHOOL, CITY OF ILAGAN ISABELA
MAY 24, 2019**



TODAS DENGUE TODO NA'TO IKAANIM NA KAGAT, JULY 26, 2019



ONE MILLION TREES IN 1-DAY TREE PLANTING ACTIVITIES- DECEMBER 20, 2019

