

[COA CIRCULAR NO. 2009-006, September 15, 2009]

PRESCRIBING THE USE OF THE RULES AND REGULATIONS ON SETTLEMENT OF ACCOUNTS

This Circular is issued to prescribe the use of the Rules and Regulations on Settlement of Accounts (RRSA), thereby superseding COA Circular No. 94-001 and COA Memorandum No. 2002-053, dated 20 January 1994 and 26 August 2002, respectively. The RRSA^[*], a copy of which is hereto attached as integral part of this Circular, comprises the following Chapters:

I. Introduction

II. General Principles, Rules and Procedures

III. Guidelines in the Issuance of Audit Observation Memorandum, Notice of Suspension/Notice of Disallowance/Notice of Charge, Notice of Settlement of Suspension/Disallowance/Charge and Statement of Audit, Suspensions, Disallowances and Charges

IV. Decisions and Appeals

V. Finality and Enforcement of Decisions

VI. Transitory Provisions

VII. Final Provisions

Its main features include:

1. The RRSA shall cover all accounts audited pertaining to the revenues and receipts of and expenditures or uses of government funds. It shall not cover settlement of property accounts.
2. The Auditor shall issue a Notice of Disallowance/Notice of Charge for differences/balances resulting from the audit of accounts. A Notice of Suspension may be issued pending compliance with various requirements for transactions which may result in pecuniary loss to the government.
3. The Statement of Audit Suspensions, Disallowances and Charges (SASDC) shall be issued by the Auditor in place of the Certificate of Settlement and Balances to summarize the total suspensions, disallowances, and charges pertaining to the agency as of the end of each quarter.
4. The first SASDC issued under the RRSA shall reflect a zero (0) balance for uniformity and simplicity in the application of the rules and for facility in the monitoring of agency suspensions/disallowances/charges. It does