

[COA RESOLUTION NO. 2006-002, January 31, 2006]

CONDUCT OF COMPREHENSIVE AUDITS BY THE OFFICES OF THIS COMMISSION

WHEREAS, Article IX-D of the 1987 Constitution vested in this Commission the authority to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to, the Government, or any of its subdivisions, agencies, or instrumentalities and recommend measures to improve efficiency and effectiveness of government operations;

WHEREAS, this mandate requires that the Commission conduct comprehensive audit composed of financial, compliance, and performance audits;

WHEREAS, for the past four (4) years the focus has been financial audit which subsumed compliance audit, and the aspect of performance audit became the primary responsibility of the Management Services with specific emphasis on the Government Wide and Sectoral Performance Audits (GWSPA) of programs projects or functions;

WHEREAS, after evaluation of its performance and assessment of its stakeholders' requirements, this Commission finds the need to redirect its efforts to the conduct of comprehensive audit as it in fact has commenced the same by issuing COA Resolutions Nos. 2005-004 dated March 17, 2005 which included among the audit strategies, the "conduct of financial, compliance and performance audits in agencies of government" and 2006-001 dated January 31, 2006 delineating the responsibility to issue notices of suspension, disallowance or charges;

NOW, THEREFORE, this Commission RESOLVES, as it is HEREBY RESOLVED, that -

1. Auditors shall conduct compliance as well as performance or value-for-money (VFM) audits, complementary, to their financial audit under the Risk Based Audit Approach. In this connection, they shall include the gist of their significant findings, observations and recommendations in the Annual Audit Report under the Comments and Observation Section prescribed in COA Memorandum No. 2002-047 dated August 13, 2002, indicating that separate reports on the compliance/VFM audits are available in more detail; and
2. The Management Services shall continue conducting the Government Wide and Sectoral Performance Audits and when necessary, to coordinate with the audit sectors for more concerted efforts in the conduct of performance audits in the agencies implementing government programs and/or projects.

BE IT RESOLVED FURTHER, that the Chairman shall issue the necessary guidelines to implement this Resolution.

This Resolution takes effect immediately.

Adopted: 31 Jan. 2006

(SGD.) GUILLERMO N. CARAGUE
Chairman

(SGD.) EMMANUEL M. DALMAN
Commissioner

(SGD.) REYNALDO A. VILLAR
Commissioner

