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FOR / TO : Undersecretaries
Assistant Secretaries
Service Directors
Bureau Directors
Regional Directors
Heads of UPMOs
District Engineers
This Department

For information and guidance, attached is a copy of COA Circular No. 2019-002 dated March 20, 2019 entitled "**GUIDELINES IMPLEMENTING COA RESOLUTION NO. 2018-008, AMENDING COA MEMORANDUM NO. 2016-023, RELATIVE TO THE JURISDICTIONS OF CLUSTER DIRECTORS VIS-À-VIS REGIONAL DIRECTORS OVER APPEALS FROM NOTICES OF DISALLOWANCE/CHARGE AND DENIALS OF REQUESTS FOR RELIEF FROM ACCOUNTABILITY AND REQUEST FOR WRITE-OFF OF DORMANT ACCOUNTS, UNLIQUIDATED CASH ADVANCES AND FUND TRANSFERS, ALIGNING THE SAME WITH RULE V OF THE 2009 REVISED RULES OF PROCEDURE OF THE COA (RRPC) AND COA RESOLUTION NO. 2016-022 WITHIN THE CONTEXT OF THE UNIFORM AUDIT APPROACH**".

A copy of said National Budget Circular may also be downloaded from the **DPWH website: <http://dpwhweb>**. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS upon request.

For dissemination to all concerned.


B. ELIZABETH E. YAP, Ph.D., CESO II
Assistant Secretary for Support Services

Encl: COA Circular No. 2019-002 dated March 20, 2019

Cc: Office of the Secretary

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Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City, Philippines



CIRCULAR

No. : 2019-002
Date : MAR 20 2019

TO : All Heads of Departments, Bureaus, Offices, Agencies and Instrumentalities of the National Government, Heads of the Local Government Units, Managing Heads of Government-Owned and/or Controlled Corporations, Commission on Audit (COA) Assistant Commissioners, COA Directors, COA Auditors, and All Others Concerned

SUBJECT : Guidelines implementing COA Resolution No. 2018-008, amending COA Memorandum No. 2016-023, relative to the jurisdictions of Cluster Directors vis-à-vis Regional Directors over appeals from Notices of Disallowance/Charge and denials of requests for relief from accountability and requests for write-off of dormant accounts receivables, unliquidated cash advances and fund transfers, aligning the same with Rule V of the 2009 Revised Rules of Procedure of the COA (RRPC) and with COA Resolution No. 2016-022, within the context of the Uniform Audit Approach

I. BACKGROUND

Under the Unified Audit Approach, COA Memorandum No. 2016-023¹ dated November 14, 2016, which amended COA Memorandum No. 2014-008² dated August 18, 2014, vested upon the Regional Directors (RDs) the appellate jurisdiction over Notices of Disallowance (NDs)/Charge (NCs) and other audit decisions of the Regional Supervising Auditors (RSAs)/Audit Team Leaders (ATLs) of the National Government Sector (NGS) and the Corporate Government Sector (CGS) within their respective regions,³ in addition to the audit decisions of their own Supervising Auditors (SAs)/ATLs; whereas the Cluster Directors (CDs) were left with appellate jurisdiction over NDs/NCs and other decisions of their SAs/ATLs within the National Capital Region (NCR) alone.⁴

COA Resolution No. 2018-008⁵ dated February 1, 2018 visited the resulting imbalance created by the current arrangement, which affected the speedy resolution and the uniformity in the actions of the RDs/CDs on these cases. Consequently, the appellate jurisdictions of the RDs/CDs are delineated anew and aligned with Rule V of the 2009 RRPC.

¹ Revised Guidelines on the Implementation of the Uniform Audit Approach

² Guidelines on the Implementation of the Unified/Integrated Audit Strategy

³ Item IV(C)(6), *supra* Note 1.

⁴ Item IV(B)(10), *ibid.*

⁵ Amendment of the authority of the Cluster Director and Regional Director to act on appeals from Notice of Disallowance/Notice of Charge and other decisions of the Supervising Auditor/Regional Supervising Auditor/Audit Team Leader, under Commission on Audit Memorandum No. 2016-023 dated November 14, 2016, on the Revised Guidelines in the Implementation of the Unified Audit Approach

Further, the new delineation is extended to appeals from denials of requests for write-off of dormant account receivables, unliquidated cash advances and fund transfers, under COA Resolution No. 2016-022⁶ dated December 19, 2016.

II. COVERAGE

This Circular sets out the guidelines/procedure for appeals from NDs/NCs and from denials of requests for relief from accountability and requests for write-off of dormant accounts receivables, unliquidated cash advances and fund transfers, relative to Rule V of the RRPC and COA Resolution No. 2016-022, under the Unified Audit Approach.

III. GUIDELINES

For purposes of the Unified Audit Approach:

- A. Jurisdiction over appeals from NDs/NCs and from denials of requests for relief from accountability, pursuant to Rule V of the RRPC, shall be, as follows:
1. The CDs of the Corporate Government Sector (CGS) and the National Government Sector (NGS) shall have jurisdiction over the following:
 - a. Appeals from NDs/NCs issued by their respective SAs/RSAs/ATLs; and
 - b. Appeals from decisions of their respective SAs/RSAs/ATLs denying requests for relief from accountability;
 2. The RDs shall have jurisdiction over the following:
 - a. Appeals from NDs/NCs issued by the SAs/ATLs of local government units (LGUs), water districts (WDs), state universities and colleges (SUCs), and stand-alone agencies, within their respective regions; and
 - b. Appeals from decisions of the SAs/ATLs of LGUs, WDs, SUCs, and stand-alone agencies, within their respective regions, denying requests for relief from accountability;
- B. Jurisdiction over appeals from denials of requests for write-off of dormant accounts receivables, unliquidated cash advances and fund transfers, pursuant to COA Resolution No. 2016-022, shall be as follows:
1. The CDs of the CGS and the NGS shall have jurisdiction over appeals from decisions rendered by their respective SAs/RSAs/ATLs; and
 2. The RDs shall have jurisdiction over decisions of the SAs/ATLs of LGUs, WDs, SUCs, and stand-alone agencies, within their respective regions.

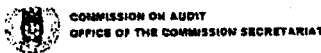
⁶ Delegation to lower adjudicating bodies of this Commission of the approval of requests for write-off of dormant accounts receivable, unliquidated cash advances, and fund transfers of national government agencies, local government units, and government-owned and controlled corporations

- C. All appeals shall be filed with the RD having jurisdiction over the place where the auditee is situated. Appeals shall be by Appeal Memorandum, with proof of service of copy thereof to the Auditor concerned, as well as proof of payment of the filing fee.
- D. Within five calendar days from receipt of the Appeal Memorandum, the RD shall issue an Order to Answer to the SA/RSA/ATL concerned.
- E. The SA/RSA/ATL shall have 15 calendar days within which to file the Answer, together with the entire records of the case.
- F. Within five calendar days from receipt of the Answer and the entire records of the case, the RD shall transmit the same to the concerned CD of the NGS/CGS, for adjudication. The RD shall ensure that the documentary requirements in Rule V of the RRPC or COA Circular No. 2016-005, as the case may be, are complete and that every page thereof is numbered in continuous sequence, prior to transmittal to the CD. The transmittal communication shall indicate the number of pages consisting the records of the case.
- G. Should additional documentary requirements be needed by the CD, the same shall be addressed to the SA/RSA/ATL concerned, through the RD. The SA/RSA/ATL shall have five calendar days within which to comply. The transmittal of these additional documents back to the CD, shall likewise be coursed through the RD, who shall act on them in the same manner and within the same period prescribed in the immediately preceding paragraph.
- H. The RD shall monitor the status of cases within his/her regional jurisdiction and shall include the same in the required regional reports.
- I. The RD shall be furnished a copy of final decisions at the level of the CD, for information and monitoring.

IV. EFFECTIVITY

This Circular shall take effect immediately.

Status quo ante shall govern the disposition of cases pending before the RDs and CDs prior to the effectivity of COA Resolution No. 2018-008 on February 1, 2018.




MICHAEL G. AGUINALDO
Chairperson


JOSE A. FABIA
Commissioner


ROLAND C. PONDOC
Commissioner