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

ANNUAL AUDIT REPORT

on the

OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE, RECONCILIATION AND UNITY

For the Year Ended December 31, 2023

EXECUTIVE SUMMARY

A. Introduction

The Office of the Presidential Adviser on the Peace Process (OPAPP) was created by virtue of Executive Order (EO) No. 125 dated September 15, 1993 under the immediate control and supervision of the President of the Philippines. It is charged with the task of managing, implementing and supervising all the components of the comprehensive peace process in continuance of the work initiated by the National Unification Commission (NUC).

Administrative Order No. 172 was issued on March 23, 2007, creating the National Commission on Social Integration (NCSI) under the OPAPP to implement the Social Integration Program (SIP) for rebel groups and pursue the government agenda that calls for principled negotiated settlement with all armed rebel groups under the rule of law and in accordance with the constitutional process.

EO No. 3 dated February 28, 2001 was issued defining the government's policy framework for peace, including the systematic approach and the administrative structure for carrying out the comprehensive peace process.

On December 27, 2021, President Rodrigo R. Duterte has signed EO 27 reorganizing and renaming the OPAPP to the Office of Presidential Adviser on Peace, Reconciliation and Unity (OPAPRU).

The OPAPRU is presently headed by Secretary Carlito G. Galvez, Jr., Presidential Adviser on Peace, Reconciliation and Unity, assisted by three Undersecretaries and three Assistant Secretaries.

As of December 31, 2023, OPAPRU has a total personnel compliment of 606, details as follows:

Position	No. of Personnel
Co-Terminus (Presidential Appointees)	10
National Amnesty Commission	29
Contractual (Plantilla)	218
Contract of Service	312
Consultants	33
Special Project Team	118
Total	**720**

B. Operational Highlights

The reported accomplishments of OPAPRU for the Calendar Year (CY) 2023 are presented below:

Organizational Outcomes and Performance Indicators	Physical Targets	Accomplishments	
		Actual	Percentage
Negotiated political settlement of all internal armed conflicts achieved			
Technical Advisory and Support Services on the Comprehensive Peace Process Program			
Outcome Indicators			
1. Percentage of completion of delivery of the components of the Annex on Normalization namely security, socioeconomic component, confidence-building measures and transitional justice and reconciliation	16%	15.5%	96.88
2. Percentage completion of the implementation of remaining commitments under the Final Peace Agreement (FPA)	50%	49%	98
3. Percentage completion of the implementation of agreements	50%	50%	100
4. Number of women beneficiaries provided with National Action Plan on Women, Peace and Security (NAP-WPS) interventions	400	685	171.25
Output Indicators			
1. Number of mechanisms reconstituted and operationalized for the implementation of the Comprehensive Agreement on Bangsamoro (CAB)	19	19	100
2. Number of mechanisms for the implementation of GPH-MNLF peace agreement established and operationalized	10	10	100
3. Number of mechanisms supporting the transition of non-state armed groups (NSAGs) into legitimate political or socioeconomic organizations	28	28	100
Organizational Outcomes and Performance Indicators	**Physical Targets**	Accomplishments	
		Actual	**Percentage**
established and/or operationalized			
4. Number of localized NAP-WPS implemented	12	22	183.33

C. Financial Highlights

The financial position, financial performance and sources and utilization of funds of OPAPRU for CY 2023, with corresponding figures for CY 2022 are presented below:

Particulars	Amount (₱)	
	2023	2022 As Restated
Financial Position		
Assets	4,561,028,096.51	4,336,698,479.35
Liabilities	714,432,802.08	168,788,385.75
Net Assets/Equity	3,846,595,294.43	4,167,910,093.60
Financial Performance		
Revenue	20,000.00	32,531,858.79
Current Operating Expenses	714,423,732.66	690,484,293.66
Net Financial Assistance / Subsidy	730,917,272.82	1,191,204,031.45
Other Non-Operating Income/Loss	(442,380.16)	180.79
Surplus / (Deficit)	16,071,160.00	533,251,777.37
Sources and Utilization of Funds		
Appropriations	2,550,071,861.73	1,967,891,713.59
Allotments	2,550,071,861.73	1,967,891,713.59
Obligations Incurred	2,299,101,365.88	1,883,268,230.52
Disbursements	1,439,833,175.85	1,758,664,634.73
Unobligated Allotments	250,970,495.85	84,623,483.07

The Statement of Appropriations, Allotments, Obligations, Disbursements and Balances for CY 2023 is shown in ***Annex A.***

D. Scope of Audit

The audit covered the accounts and operations of the OPAPRU for CY 2023. It was conducted to (a) ascertain the level of assurance that may be placed on Management's assertion on the financial statements; (b) determine the propriety of transactions as well as extent of compliance on the applicable laws, rules and regulations; and (c) determine the extent of implementation of prior year's audit recommendations. Moreover, the audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs).

E. Independent Auditor's Report

The auditor rendered a modified opinion on the fairness of presentation of the financial statements of OPAPRU as at December 31, 2023 due to accounting errors and omission in recording of the following accounts:

- Overstatement in Inventory and Accumulated Surplus/Deficit accounts amounting to ₱305,028.75 and ₱2,917,785.51, respectively;

- Understatement in PPE accounts, Accumulated Depreciation, and Non-Cash Expenses accounts amounting to ₱977,876.70, ₱6,653,928.59, and ₱63,295.14, , respectively, due to erroneous recording of PPE transactions.

F. Summary of Significant Audit Observations and Recommendations

The following are the significant audit observations and corresponding recommendations, which were discussed with Management officials concerned, details of which are contained in the Part II of this report. Management views and comments were incorporated in the report, where appropriate:

1. The year-end balance of Property, Plant and Equipment accounts totaling ₱106,654,150.46 was unreliable due to: (a) misstatement in Machinery and Transportation Equipment accounts balances resulting to overstatement and understatement amounting to ₱3,397,242.09 and ₱10,869,528.26, respectively; and (b) unreconciled balance of ₱45,266,168.69 between the accounting and property records.

   We recommended and Management agreed to instruct the: (a) Head of the Accounting Division to prepare the necessary adjusting entries to correct the Machinery and Transportation Equipment account balances; and (b) Inventory Committee and Accounting Division to reconcile their records for the one-time cleansing of the PPE accounts.

2. The Due from NGAs balance of ₱3,482,669,652.77as of December 31, 2023 is unreliable due to: a) erroneous recording of fund transfers amounting to ₱158,250,000.00; b) unsubmitted two (2) Disbursement Vouchers amounting to ₱168,250,000.00; and c) discrepancy between the OPAPRU and Implementing Agencies records totaling ₱1,064,946,538.93, thus, affecting the fair presentation of Due from NGAs account.

   We recommended that Management instruct the: (a) Chief, Accounting Division to prepare Journal Entry Voucher to adjust the balances of the affected accounts and regularly reconcile with the IAs for early detection and correction of the discrepancy between the two records; and (b) Chief, Cashier Office to immediately submit the two DVs to avoid suspension of the said transactions.

3. The non-liquidation of funds transferred to various agencies of the government resulting in the accumulation of outstanding year-end balances of the Inter-Agency and Other Receivables accounts amounting to ₱4,349,730,708.99 is contrary to COA Circular No. 94-013 and cast doubts on whether the (a) funds were appropriately utilized for the purpose and (b) projects were implemented and completed.

We reiterated our recommendations that Management direct the: (a) Project Heads to: (1) continue monitoring the project timelines and status of project implementation within the prescribed period;(2) require IAs to comply with the reportorial requirements for liquidation; and (3) validate the IAs' status of projects implementation; and (b) Finance and Administrative Services Head to employ other measures to compel IAs with long outstanding accounts to immediately liquidate in full the FTs on duly completed projects and refund to OPAPRU the unutilized balance, if any.

We also recommended and Management agreed to direct the Chief, Accounting Division, to ensure that all documentary and procedural requirements are complied with prior to the processing of the FTs; and that no FT shall be drawn unless the previous FT has been fully liquidated and taken up in the book of accounts.

4. The deliveries of various Supplies and Materials per Agency Procurement Requests (APRs) were not strictly monitored, resulting in the accumulation of an unused fund transfers to PS, DBM totaling ₱55,407,847.03 as of December 31, 2023, which remained idle for years, and the purpose for which it was transferred was not achieved. Moreover, reconciliation of accounts between OPAPRU and PS-DBM was not regularly done, thus, resulted to unreconciled/discrepancy of ₱45,719,340.03 between the OPAPRU and PS-DBMs book of accounts.

   We recommended and Management agreed to: (a) request PS-DBM to refund the unutilized balance and subsequently remit the same to the Bureau of Treasury, considering that the intended purpose for which it was transferred is no longer necessary and the fiscal year for which this was allotted has already lapsed; and (b) to consider purchasing airfare tickets for local and foreign travel only when needed, directly from the airlines, since government agencies are no longer mandated to purchase from PS-DBM, as stated in GPBB Resolution No. 21-2019 dated September 5, 2019.

5. The allotment received in CY 2023 was not fully utilized, resulting in an unobligated/unutilized allotment of ₱250,970,495.85 or 9.84 percent of the total allotments of ₱2,550,071,861.73 due to unimplemented planned projects for procurement of Capital Outlay and reversal of unutilized funds amounting to ₱272,248,912.94 or 13.90 percent of the Agency's allocation; thus, an indication of poor cash programming and expenditure planning.

   We reiterated our recommendation and Management agreed to maximize utilization of allotments thru proper planning and timely implementation of planned programs during the year and revisit its MCP – BED 3 and expenditure strategies to ensure that allocated funds are spent and utilized as programmed.

The foregoing observations and recommendations were brought to the attention of concerned officials of the agency during the exit conference on April 18, 2024. Management's views and reactions were incorporated in this report, where appropriate.

G. Summary of Audit Suspensions, Disallowances and Charges at year-end

There was no issued Notice of Suspension, Disallowances and Charges for CY 2023. However, there were unsettled balances for Notice of Suspensions and Disallowances amounting to ₱4,289,975,086.20 and ₱51,879,820.33, respectively as of December 31, 2023.

H. Status of Implementation of Prior Years' Audit Recommendations

Out of the 27 prior years' audit recommendations, 21 were implemented while six were not implemented, of which five were reiterated/revised in Part II of this report.

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PART I - AUDITED FINANCIAL STATEMENTS

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BAGONG PILIPINAS

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of the **OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE, RECONCILIATION AND UNITY** is responsible for all information and representation contained in the accompanying Statement of Financial Position as at December 31, 2023 and the related Statement Financial Performance, Statement of Cash Flows, Statement of Comparison of Budget and Actual Amounts, Statement of Changes in Net Assets/Equity and the Notes to Financial Statements for the year then ended. The financial statements have been prepared in conformity with the Philippine Public Sector Accounting Standards and generally accepted accounting principles, and reflect the amounts that are based on the best estimates and informed judgment of Management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use of disposition and that liabilities are properly acknowledged.

SHERY ANNE D. PADERON
PPO IV, Accounting Division

MAY 10, 2024
Date Signed

PA ARNULFO R. PAJARILLO
Presidential Assistant I
Internal Management Cluster

MAY 10, 2024
Date Signed

OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE RECONCILIATION AND UNITY
STATEMENT OF FINANCIAL POSITION
ALL FUNDS
AS AT DECEMBER 31, 2023
(In Philippine Peso)

	Note	2023	2022 (As Restated)
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	48,008,424.19	127,617,489.45
Receivables	6	4,446,442,518.69	4,147,484,712.61
Inventories	7	6,287,768.93	1,515,198.23
Other Current Assets	8	33,999,269.44	23,442,850.91
Total Current Assets		**4,534,737,981.25**	**4,300,060,251.20**
Non-Current Assets			
Property, Plant and Equipment	9	25,831,525.90	35,884,382.86
Intangible Assets	10	458,589.36	753,845.29
Total Non-Current Assets		**26,290,115.26**	**36,638,228.15**
Total Assets		**4,561,028,096.51**	**4,336,698,479.35**
LIABILITIES			
Current Liabilities			
Financial Liabilities	11.1	651,444,657.10	103,412,505.83
Inter-Agency Payables	11.2	62,657,127.98	65,177,362.92
Trust Liabilities	11.3	331,017.00	198,517.00
Total Current Liabilities		**714,432,802.08**	**168,788,385.75**
Total Liabilities		**714,432,802.08**	**168,788,385.75**
Total Assets less Total Liabilities		**3,846,595,294.43**	**4,167,910,093.60**
NET ASSETS/EQUITY			
Accumulated Surplus/(Deficit)		3,846,595,294.43	4,167,910,093.60
Total Net Assets/Equity		**3,846,595,294.43**	**4,167,910,093.60**

This statement should be read in conjunction with the accompanying notes.

OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE RECONCILIATION AND UNITY
STATEMENT OF FINANCIAL PERFORMANCE
ALL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Philippine Peso)

	Note	2023	2022 (As Restated)
Revenue			
Shares, Grants and Donations	12	20,000.00	32,531,858.79
Total Revenue		**20,000.00**	**32,531,858.79**
Less: Current Operating Expenses			
Personnel Services	13	224,970,133.15	173,349,967.42
Maintenance and Other Operating Expenses	14	480,572,314.17	505,625,093.64
Financial Expenses	15	2,000.00	16,798.40
Non-Cash Expenses	16	8,879,285.34	11,492,434.20
Total Current Operating Expenses		**714,423,732.66**	**690,484,293.66**
Surplus/(Deficit) from Current Operations		**(714,403,732.66)**	**(657,952,434.87)**
Net Financial Assistance/Subsidy	17	730,917,272.82	1,191,204,031.45
Other Non-Operating Income/Loss	18	(442,380.16)	180.79
Surplus/(Deficit) for the period		**16,071,160.00**	**533,251,777.37**

This statement should be read in conjunction with the accompanying notes.

OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE RECONCILIATION AND UNITY
STATEMENT OF CASH FLOWS
ALL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Philippine Peso)

	Note	2023	2022 (As Restated)
Cash Flows From Operating Activities			
Cash Inflows			
Receipt of Notice of Cash Allocatio	20	1,958,785,883.00	2,238,274,224.00
Collection of Income/Revenues	21	15,000.00	32,532,039.58
Collection of Receivables	22	762,467.39	10,299.00
Other Receipts	23	99,533,969.81	172,569,484.42
Adjustments	24	24,793,149.40	64,913,699.50
Total Cash Inflows		**2,083,890,469.60**	**2,508,299,746.50**
Cash Outflows			
Remittance to National Treasury	25	151,217,566.13	147,248,474.31
Payment of Expenses	26	481,270,656.28	511,313,109.27
Purchase of Inventories	27	999,992.67	3,500,000.00
Purchase of Semi-Expendable Machinery,Equipment, Furniture, Fixtures and Books	28	7,797,296.09	3,329,326.53
Grant of Cash Advances	29	75,155,767.27	110,562,932.86
Prepayments	30	270,204.09	211,727.59
Payment of Accounts Payable		71,572,077.55	46,310,417.69
Remittance of Personnel Benefit Contributions and Mandatory Deductions	31	36,016,974.22	29,277,381.19
Grant of Financial Assistance/ Subsidy	32	-	358,805,112.74
Release of Inter-Agency Fund Transfers	33	1,028,141,260.00	1,248,785,273.00
Other Disbursements		-	12,453,568.03
Reversal of Unutilized NCA		272,248,912.94	523,105.04
Adjustments	34	38,853,827.62	2,879,921.82
Total Cash Outflows		**2,163,544,534.86**	**2,475,200,350.07**

Net Cash Provided by (Used in) Operating Activities		(79,654,065.26)	33,099,396.43
Cash Flows from Investing Activities			
Cash Inflows			
Proceeds from Sale/Disposal of Property, Plant and Equipment		45,000.00	-
Total Cash Inflows		45,000.00	-
Cash Outflows			
Purchase of Construction/ Property, Plant and Equipment	35	-	5,504,920.47
Total Cash Outflows		-	5,504,920.47
Net Cash Provided By (Used In) Investing Activities		45,000.00	(5,504,920.47)
Increase (Decrese) in Cash and Cash Equivalents		(79,609,065.26)	27,594,475.96
Cash and Cash Equivalents, January 1		127,617,489.45	100,023,013.49
Cash and Cash Equivalents, December 31		48,008,424.19	127,617,489.45

This statement should be read in conjunction with the accompanying notes.

OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE RECONCILIATION AND UNITY
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
ALL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Philippine Peso)

	Note	2023	(2022 As Restated)
Restated Balance at January 1		4,167,910,093.60	3,785,723,344.54
Prior Year Errors/Adjustments		-	-
Restated balance		**4,167,910,093.60**	**3,785,723,344.54**
Add/(Deduct):			
Changes in Net Assets/Equity for the Calendar Year			
Surplus/(Deficit) for the period		16,071,160.00	533,251,777.37
Adjustment of net revenue recognize directly in net assets/equity [1]	19	(337,385,959.17)	(151,065,028.31)
Total recognized revenue and		**(321,314,799.17)**	**382,186,749.06**
Balance at December 31		**3,846,595,294.43**	**4,167,910,093.60**

This statement should be read in conjunction with the accompanying notes.

OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE, RECONCILIATION AND UNITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
ALL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Philippine thousand Peso)

Particulars	Note	Budgeted Amounts		Actual Amounts on Comparable Basis	Difference Final Budget and Actual
		Original	Final		
RECEIPTS	21				
Other Non-Operating Receipts					-
Services and Business Income		-	-	-	-
Shares, Grants and Donations		-	-	-	-
Others		-	15,000.00	15,000.00	-
Total Receipts		-	15,000.00	15,000.00	-
PAYMENTS					
Personnel Services	36	199,342,000.00	226,306,491.00	217,477,180.12	9,029,310.88
Maintenance and Other Operating	37	1,833,183,120.73	2,322,635,239.58	1,435,171,874.08	887,463,365.50
Capital Outlay		2,141,250.00	2,141,250.00	-	2,141,250.00
Total Payments		2,034,666,370.73	2,551,282,980.58	1,652,649,054.20	898,633,926.38
					-
NET RECEIPTS/PAYMENTS		(2,034,666,370.73)	(2,551,267,980.58)	(1,652,634,054.20)	(898,633,926.38)

This statement should be read in conjunction with the accompanying notes.

OFFICE OF THE PRESIDENTIAL ADVISER ON PEACE, RECONCILIATION AND UNITY

Notes to Financial Statements
For the year ended December 31, 2023

1. General Information/Agency Profile

The financial statements of the Office of the Presidential Adviser on Peace, Reconciliation and Unity (OPAPRU) were authorized for issue on May 10, 2024 as shown in the Statement of Management Responsibility for Financial Statements signed by Ms. Shery Anne D. Paderon, Accounting Division Head and Presidential Assistant Arnulfo R. Pajarillo, Finance and Administrative Services, Plans and Programs.

OPAPRU, formerly OPAPP, is an office created under EO No. 125, s. 1993, to provide technical and administrative support to the Presidential Adviser on Peace, Reconciliation and Unity (PAPRU) in the discharge of his/her functions for the coordination and implementation of all components of the comprehensive peace process.

Recognizing the growing demand for peace as a vital component in Philippine development and responding to the changing situation of the country, EO No. 158 s. 2021 was signed to reorganize and rename OPAPP into OPAPRU and reaffirms the government's commitment in achieving just and lasting peace through a comprehensive peace process spearheaded by OPAPRU.

To actualize the guidelines of EO No. 3, s. 2001, and to transform directives on the peace process into actual programs and projects, the National Government dedicated a section for peace on the Philippine Development Plan (PDP) of 2020-2022. Section 1, Chapter 17 of the PDP recognizes the vital role of winning the peace in achieving holistic national development. Specifically, the plan provides concrete directives that the peace process should be geared towards bringing all armed conflict to a permanent and peaceful closure.

The PDP promotes a two-pronged strategy in winning peace, namely:

A. Peace agreements with all internal armed conflict groups successfully negotiated and implemented

1. Pursue the meaningful implementation of the agreement with MILF toward healing in the Bangsamoro;

2. Complete the implementation of the remaining commitments under the GPH-MNLF Peace Agreements;

3. Accelerate the signing and implementation of the final peace agreement with the CPP-NPANDF; and

4. Immediately conclude the peace process with the CBA-CPLA and the RPMP-RPA-ABB.

B. **Communities in conflict-affected and conflict-vulnerable areas protected and developed**

1. Implement peace-promoting and catch-up socioeconomic development in conflict areas;

2. Empower communities by increasing their capacity to address conflicts and reduce their vulnerabilities; and

3. Make government more responsive to peace, conflict, and security issues.

The office of OPAPRU is located at 7F Agustin I Bldg., F. Ortigas Jr. Road, Ortigas Center, Pasig City.

2. Statement of Compliance and Basis of Preparation of Financial Statements

The financial statements of OPAPRU have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) issued by the COA per Resolution No. 2014-003 dated January 24, 2014.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

3. Summary of Significant Accounting Policies and Other Information

3.1 Basis of Accounting

The OPAPRU uses accrual basis of accounting. All expenses are recognized in the accounting records when incurred and reported in the financial statements in the period to which they relate. Income is on accrual basis except for transactions where accrual basis is impractical or some other methods are required by law.

3.2 Adjustments, Restatements and Correction of Errors

Adjustments for changes in accounting policies and restatements to correct fundamental errors in prior years are made retrospectively to the extent practicable, using the Accumulated Surplus/(Deficit) account. The effects of changes in accounting estimate and correction of errors affecting the current year's operation are reflected using the current year's accounts

3.3 Cash and Cash Equivalents

Cash and Cash Equivalents account comprises cash on hand and cash in bank.

This also includes collections remitted to the National Treasury through Authorized Government Depository Banks (AGDBs).

The *Petty Cash* is maintained under the Imprest System and all replenishments are directly charged to the expense account.

3.4 Inventories

Inventories are accounted for under the Perpetual Inventory System. They are initially recognized at cost and subsequently measured using the Weighted Average Method.

Inventories are recorded as current assets. When they are distributed or disposed, their carrying amount is recognized as an expense.

3.5 Property, Plant and Equipment (PPE)

PPE are carried at its cost less any accumulated depreciation and any accumulated impairment losses.

The OPAPRU adopts the straight line method of depreciation using the Schedule of Estimated Useful Life of PPE prescribed by COA and applying a residual value equivalent to at least five percent of the cost of the PPE.

Depreciation begins when the PPE is available for use such as when it is in the location and condition necessary for it to be capable of operating as intended. It is computed for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation starts in the succeeding month. The depreciation charge for each period is recognized as expense.

The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits or service potential is expected from its use or disposal. The gain or loss arising from derecognition of PPE through disposal by sale is the difference between the net disposal proceeds, if any, and the carrying amount of the item.

3.6 Intangible Assets

Intangible assets are measured initially at cost. Where the intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

3.7 Changes in accounting policies and estimates

The OPAPRU recognizes the effects of changes in accounting policy retrospectively. For CY 2023, OPAPRU adopts and complies with COA Circular No. 2022-004 dated May 22, 2022 on the Implementation of Section 23 of the General Provisions of Republic Act (RA) No. 11639 also known as

the General Appropriations Act (GAA) for Fiscal Year (FY) 2022 relative to the increase in the capitalization threshold from ₱ 15,000.00 to ₱ 50,000.00.

The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

The OPAPRU recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit.

3.8 Revenue

Revenue/Income is measured at the fair value of the consideration received or receivable.

3.9 Events after the Reporting Date

There are no material non-adjusting events and transactions after the reporting date that would influence the opinion and decision of users taken on the basis of the financial statements.

3.10 Other Information

Notice of Cash Allocation (NCA) is recorded under the Regular Agency Fund.

The Modified Obligation System is used to record allotments received and obligations incurred; separate registries are maintained to control allotments and obligations for each class of allotment.

3.11 Budget Information

The annual budget is prepared on a cash basis and is published in the website of *DBM*.

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) was prepared since the budget and the financial statements were not prepared on a comparable basis. The SCBAA was presented showing the original and final budget and the actual amounts on comparable basis to the budget. Explanatory comments are provided in the notes to the annual FS.

3.12 Related Party Transaction

OPAPRU is under the supervision and control of the Office of the President as Other Executive Office.

a. Key Management Personnel

There are seven key management personnel in OPAPRU also known as the Executive Committee. These are the Secretary, three (3) Presidential

Assistants and four Executive Directors who are all appointed by the President.

b. Key Management Personnel Remuneration

The aggregate remunerations of the key management personnel determined on a fulltime equivalent basis which also included remunerations of Presidential Assistants and Executive Directors during the year, details as follows:

Particulars	Aggregate Remuneration (₱)		
	Secretary	Presidential Assistants	Executive Directors
No. of Personnel	1	3	4
Salaries and Wages	3,341,208.00	7,757,159.00	8,036,736.00
Personal Economic Relief Allowance	24,000.00	82,000.00	84,000.00
Representation Allowance	168,000.00	396,000.00	420,000.00
Extraordinary and Miscellaneous Expenses	354,000.00	594,000.00	525,000.00
Clothing Allowance	6,000.00	18,000.00	18,000.00
Mid-Year End Bonus	278,434.00	567,597.00	669,728.00
13th Month Bonus and Cash Gift	283,434.00	582,597.00	671,728.00
Service Recognition Incentive	20,000.00	60,000.00	80,000.00
Performance Enhancement Incentive	5,000.00	15,000.00	20,000.00
Total	**4,480,076.00**	**10,072,353.00**	**10,525,192.00**

4. Prior Year Errors/Adjustments

The OPAPRU has prior year errors/adjustments that affected the current Accumulated Surplus/(Deficit) account with the following details:

Particulars	Amount (₱)	
	2023	2022
Credits (Additions) to Accumulated Surplus (Deficits)		
Collection/refund and liquidation of fund transfers to LGU in prior years	-	315,851,664.54
Refund and liquidation of fund transfers to NGO/POs in prior years	-	20.00
Collection/refund and liquidation of cash advances in prior years	-	3,757,182.12
Reverted Stale Checks	-	2,891,040.91
Adjustment of Inter-Agency payable	-	20,651.65
Adjustment of depreciation on PPE	-	6,433,681.44
Adjustment of MOOE	-	4,066.09

Particulars	Amount (₱)	
	2023	2022
Collection/overpayment of salaries	45,072.08	-
Adjustment of liquidations	16,120.97	-
Sub-total	**61,193.05**	**328,958,306.75**
Debits (Deductions) to Accumulated Surplus (Deficits)		
Adjustment of liquidations	-	809,862,170.24
Adjustment of MOOE	-	205,549,962.20
Adjustment of accounts payable	-	3,883,223.11
Collection/refund and liquidation of petty cash fund in prior years	272,328.65	-
Adjustment of Inter-Agency payable	-	15,448,916.28
Collection/refund and liquidation of cash advances in prior years	19,198,087.22	-
Collection/refund and liquidation of fund transfers to LGU in prior years	15,877,701.91	-
Collection/refund and liquidation of fund transfers to NGAs in prior years	623,218.55	-
Collection/MOOE	-	5,753,584.74
Correcting entries on collection	-	36,736,620.08
PPE reclassification	764,660.00	22,627,078.78
Sub-total	**36,735,996.33**	**1,099,861,555.43**
Total	**(36,674,803.28)**	**(770,903,248.68)**

Supporting Information to the Statement of Financial Position

5. Cash and Cash Equivalents

Particulars	Amount (₱)	
	2023	2022 (As Restated)
Cash on Hand	1,175,006.87	53,082,934.74
Cash in Bank- Local Currency Current Account	32,667,894.92	74,534,554.71
Cash – Modified Disbursement System, Regular	14,165,522.40	-
Total	**48,008,424.19**	**127,617,489.45**

5.1 Cash on Hand

Account	Amount (₱)	
	2023	2022 (As Restated)
Cash-Collecting Officer	163,364.00	52,131,673.45
Petty Cash	1,011,642.87	951,261.29
Total	**1,175,006.87**	**53,082,934.74**

5.1.1 Cash-Collecting Officer pertains to cash collections in the last working

day of the year which were remitted to the National Treasury on the succeeding working day.

5.1.2 *Petty Cash* represents the amount of cash in the hands of 20 petty cash custodians for the payment of Agency's petty cash expenses consisting of the following:

Office/Department	Amount (₱)
Admin Motorpool	89,101.77
SHAPED	50,800.00
Admin Dept.	250,000.00
CPAS	8,000.00
CPP-CPD-CDFP PPO	52,695.00
HRMS	60,000.00
FMS	30,000.00
MPPO	65,800.00
OSEC	16,831.73
NAC	60,000.00
TJRO	15,000.00
OED BANGSAMORO TRANSFORMATION	30,000.00
MNLF	20,000.00
OED CONFLICT TRANSFORMATION	20,700.00
OED FOR PLANS & PROGRAMS	51,436.00
OOP FOR BANGSAMORO TRANSFORMATION CLUSTER	15,979.75
OP FOR INTERNAL MANAGEMENT CLUSTER	50,000.00
OPA-LCTPS	31,673.75
SOCIO ECON	37,378.88
RPA-CPLA	21,000.00
PPRMS	6,995.99
PDS & KMS	28,250.00
Total	**1,011,642.87**

5.2 *Cash in Bank-LCCA* consists of cash balances in the bank accounts maintained with AGDB for the following:

Bank Account	Purpose	Amount (₱)
LBP	Peace talks with the MILF to achieve peace in Mindanao and PAMANA-Department of Agriculture (DA) and collections from procurement – related activities and payment of BAC honorarium	29,946,909.62
LBP	Support the benefits of peace in communities affected by armed conflicts as Community Peace Dividend Funds (CPDF) Program - Grant/Fund from the Spanish Government's Agencia Española de Cooperacion	2,720,985.30

Bank Account	Purpose	Amount (₱)
	International para el desarollo (AECID)	
Total		32,667,894.92

5.3 Cash – Modified Disbursement System (MDS), Regular pertains to the balance of the NCA received in CY 2023 that reverted to BTr at year-end.

6. Receivables

Account	Amount (₱)	
	2023	2022 (As Restated)
Inter-Agency Receivables	4,364,776,254.66	3,444,751,825.96
Other Receivables	81,666,264.03	702,732,886.65
Total	4,446,442,518.69	4,147,484,712.61

6.1 Inter-Agency Receivables

Account	Amount (₱)	
	2023	2022 (As Restated)
Due from National Government Agencies	3,482,669,652.77	2,180,889,140.36
Due from Local Government Units	882,106,601.89	1,263,862,685.60
Total	4,364,776,254.66	3,444,751,825.96

6.1.1 *Due from National Government Agencies* pertains to fund transfers to various National Government Agencies (NGAs) for the implementation of projects and advances to DBM-Procurement Services (PS) for the purchase of goods/services.

6.1.2 *Due from Local Government Units* pertains to fund transfers to various Local Government Units (LGUs) for implementation of projects.

For CY 2023, Due from NGAs and Due to LGUs showed a decrease of ₱605,296,172.98 and ₱180,209,663.12, respectively, due to liquidations and return of unutilized funds received from various NGA partners for completed and fulfilled projects, programs and activities of OPAPRU. Demand Letters to submit liquidation reports and refund any unutilized fund to OPAPRU were continuously sent to other peace partners with unliquidated fund transfers on a regular basis, especially to those with completed projects.

6.2 Other Receivables

Account	Amount (₱)	
	2023	2022 (As Restated)
Receivables-Disallowances/Charges	2,912,207.58	2,912,207.58

Account	Amount (₱)	
	2023	2022 (As Restated)
Due from Non-Government Organizations/ People's Organizations	39,027,546.30	661,318,595.11
Other Receivables	39,726,510.15	38,502,083.96
Total	**81,666,264.03**	**702,732,886.65**

6.2.1 *Receivables-Disallowances/Charges* pertains to the disallowances in audit due from individuals which have become final and executory.

6.2.2 *Due from NGOs/POs* pertains to advances granted to various NGOs/POs for implementation of projects. Demand letters were continuously sent on a regular basis to peace partners with unliquidated fund transfers to submit liquidation reports and refund any unutilized fund to OPAPRU, especially those with completed projects.

6.2.3 *Other Receivables* pertains to the unliquidated cash advances of personnel who are no longer connected with the Agency.

The aging of Receivables as of December 31, 2023 are as follows:

Account	Amount (₱)					
	Current	Past Due				Total (₱)
		1 year	2 years	3 - 4 Years	5 Years and above	
Due from NGAs	1,496,496,939.33	997,580,642.73	626,127,812.30	353,686,308.29	8,777,950.12	3,482,669,652.77
Due from LGUs	47,898,000.00	206,722,055.57	270,519,745.71	353,256,574.43	3,710,226.18	882,106,601.89
Receivables-Disallowances/ Charges					2,912,207.58	2,912,207.58
Due from NGOs/POs	2,003,460.00			22,858,357.60	14,165,728.70	39,027,546.30
Other Receivables	420,330.56	8,250.00	2,769,016.00	34,691,623.40	1,837,290.19	39,726,510.15
Total	**1,546,818,729.89**	**1,204,310,948.30**	**899,416,574.01**	**764,492,863.72**	**31,403,402.77**	**4,446,442,518.69**

7. Inventory

Account	Amount (₱)	
	2023	2022 (As Restated)
Inventory Held for Consumption	992,449.61	1,493,798.23
Semi-Expendable Machinery and Equipment	3,723,732.17	-
Semi-Expendable Furniture, Fixtures and Books	1,571,587.15	21,400.00
Total	**6,287,768.93**	**1,515,198.23**

7.1 The reconciliation of the above inventories is as follows:

Particulars	Amount (₱)
	Inventories carried at the lower of cost and net realizable value
Inventory Held for Consumption	
Carrying Amount, January 1, 2023	1,493,798.23
Additions/Acquisitions during the year	999,992.67
Expensed during the year except write-down	(1,501,341.29)
Total Carrying Amount, December 31, 2023	**992,449.61**
Semi-Expendable Machinery and Equipment/ Furniture and Fixtures	
Carrying Amount, January 1, 2023	21,400.00
Additions/Acquisitions during the year	7,797,296.09
Expensed during the year except write-down	(2,523,376.77)
Total Carrying Amount, December 31, 2023	**5,295,319.32**
Total	**6,287,768.93**

7.2 Inventory Held for Consumption

Account	Amount (₱)	
	2023	2022
Office Supplies Inventory	992,449.61	1,493,798.23

7.3 Semi-Expendable Machinery and Equipment

Account	Amount (₱)	
	2023	2022 (As Restated)
Semi-Expendable Macninery	163,990.00	-
Semi-Expendable Office Equipment	1,330,608.60	-
Semi-Expendable-Information and Communications Technology Equipment	2,229,133.57	-
Total	**3,723,732.17**	-

7.4 Semi-Expendable Furniture, Fixtures and Books

Account	Amount (₱)	
	2023	2022 (As Restated)
Semi-Expendable Furniture and Fixtures	1,532,377.50	21,400.00
Semi-Expendable Books	39,209.65	-
Total	**1,571,587.15**	**21,400.00**

8. Other Current Assets

Account	Amount (₱)	
	2023	2022 (As Restated)
Advances	22,906,481.64	12,449,997.75
Prepayments	8,027,381.15	7,927,446.51
Deposits	3,065,406.65	3,065,406.65
Total	**33,999,269.44**	**23,442,850.91**

8.1 Advances

Account	Amount (₱)	
	2023	2022 (As Restated)
Advances for Operating Expenses	921,744.02	1,727,156.25
Advances to Special Disbursing Officer	21,327,777.21	10,678,397.37
Advances to Officers and Employees	656,960.41	44,444.13
Total	**22,906,481.64**	**12,449,997.75**

8.1.1 *Advances for Operating Expenses* pertains to cash advances granted for the monthly operational expenses of OPAPRU Field Offices.

8.1.2 *Advances to Special Disbursing Officers* pertains to cash advances granted to OPAPRU officers relative to the conduct and implementation of OPAPRU various projects and activities.

8.1.3 *Advances to Officers and Employees* pertains to advances granted for local and foreign travelling expenses of OPAPRU officers and employees.

8.2 Prepayments

Account	Amount (₱)	
	2023	2022
Prepaid Rent	7,271,855.34	7,271,855.34
Prepaid Insurance	200,784.39	100,849.75
Other Prepayments	554,741.42	554,741.42
Total	**8,027,381.15**	**7,927,446.51**

8.2.1 *Prepaid Rent* pertains to the two-month deposits and one-month advance of office rentals paid by OPAPRU.

8.2.2 *Prepaid Insurance* pertains to the unexpired insurance policy for the OPAPRU vehicles and building with GSIS.

8.2.3 *Other Prepayments* represents unexpired portion of Fidelity Bond Premium and over- remittance to Pag-IBIG.

8.3 Deposits

Account	Amount (₱)	
	2023	2022
Guaranty Deposits	2,915,406.65	2,915,406.65
Other Deposits	150,000.00	150,000.00
Total	**3,065,406.65**	**3,065,406.65**

8.3.1 *Guaranty Deposits* pertain to deposits made for services availed of including prior years.

8.3.2 *Other Deposits* pertains to the guaranty deposit for gasoline/fuel withdrawals of the OPAPRU in Northern Star Energy Corporation.

The aging of these accounts as of December 31, 2023 are as follows:

Account	Current (₱)	Past Due (₱)				Total (₱)
		1 year	2 years	3 Years	5 Years and above	
Advances for Operating Expenses	682,171.80		239,572.22			921,744.02
Advances to SDOs	18,895,962.33	782,998.04	1,047,170.44	464,287.72	137,358.68	21,327,777.21
Advances to Officers and Employees	637,016.41	-	6,300.00	1,194.00	12,450.00	656,960.41
Prepaid Rent	-	-	-	289,384.00	6,982,471.34	7,271,855.34
Prepaid Insurance	200,784.39	-	-	-	-	200,784.39
Other Prepayments	-	-	-	-	554,741.42	554,741.42
Guaranty Deposits	-	-	-	234,384.00	2,681,022.65	2,915,406.65
Other Deposits	-	-	-	-	150,000.00	150,000.00
Total	**20,415,934.93**	**782,998.04**	**1,293,042.66**	**989,249.72**	**10,518,044.09**	**33,999,269.44**

9. Property, Plant and Equipment

Particulars	Amount (₱)					
	Carrying Amount January 1	Addition	Adjustment	Total	Depreciation	Carrying Amount, December 31
Buildings and Other Structures	754,640.48			754,640.48	(81,660.24)	672,980.24
Machinery and Equipment	23,688,269.86		(1,137,754.83)	22,550,515.03	(4,802,181.85)	17,748,333.18
Transportation Equipment	10,592,370.23		(634,622.57)	9,957,747.66	(3,500,603.20)	6,457,144.46
Furniture, Fixtures and Books	701,940.86		303,549.85	1,005,490.71	(140,471.94)	865,018.77
Leased Assets Improvements	107,161.74			107,161.74	(59,112.18)	48,049.56
Other PPE	39,999.69			39,999.69	-	39,999.69
Total	**35,884,382.86**		**(1,468,827.55)**	**34,415,555.31**	**(8,584,029.41)**	**25,831,525.90**

Account	Amount (₱)	
	2023	2022
Buildings and Other Structures	859,580.85	859,580.85
Machinery and Equipment	57,173,738.08	61,931,081.04
Transportation Equipment	45,406,264.10	49,248,067.14
Furniture, Fixtures and Books	1,584,923.49	1,292,753.49
Leased Assets Improvements	829,643.94	829,643.94
Other Property, Plant and Equipment	800,000.00	800,000.00
Total	**106,654,150.46**	**114,961,126.46**

9.1 Buildings and Other Structures

Account	Amount (₱)		
	Cost	Accumulated Depreciation	Carrying Amount
Other Structures	859,580.85	186,600.61	672,980.24

9.2 Machinery and Equipment

Account	Amount (₱)		
	Cost	Accumulated Depreciation	Carrying Amount
Machinery	1,258,450.00	164,773.11	1,093,676.89
Office Equipment	20,748,556.04	13,329,727.63	7,418,828.41
Information and Communication Technology Equipment	29,890,706.74	21,543,233.56	8,347,473.18
Communication Equipment	5,276,025.30	4,387,670.60	888,354.70
Total	**57,173,738.08**	**39,425,404.90**	**17,748,333.18**

9.3 Transportation Equipment

Account	Amount (₱)		
	Cost	Accumulated Depreciation	Carrying Amount
Motor Vehicles	45,406,264.10	38,949,119.64	6,457,144.46

9.4 Furniture, Fixtures and Books

Account	Amount (₱)		
	Cost	Accumulated Depreciation	Carrying Amount
Furniture and Fixtures	1,584,923.49	719,904.72	865,018.77

9.5 Leased Assets Improvements

Account	Amount (₱)		
	Cost	Accumulated Depreciation	Carrying Amount
Leased Assets Improvements, Buildings	829,643.94	781,594.38	48,049.56

9.6 Other Property, Plant and Equipment

Account	Amount (₱)		
	Cost	Accumulated Depreciation	Carrying Amount
Other Property, Plant and Equipment	800,000.00	760,000.31	39,999.69

10. Intangible Assets

10.1 Computer Software

10.1.1 Computer Software account is composed of computer software which was assessed to have a useful life of three years.

Particulars	Amount (₱)	
	2023	2022
Carrying Amount, January 1	753,845.29	395,768.00
Purchased during the year	-	490,000.00
Total	753,845.29	885,768.00
Amortization (As per Statement of Financial Performance	(295,255.93)	(131,922.71)
Carrying Amount, December 31 (As per Statement of Financial Position)	**458,589.36**	**753,845.29**
Gross Cost (Balance per Statement of Financial Position)	**3,449,118.00**	**3,449,118.00**
Less: Accumulated Amortization	2,990,528.64	2,695,272.71
Carrying Amount, December 31 (As per Statement of Financial Position)	**458,589.36**	**753,845.29**

11. Liabilities

Account	Amount (₱)	
	2023	2022
Financial Liabilities	651,444,657.10	103,404,805.83
Inter-Agency Payables	62,657,127.98	65,177,362.92
Trust Liabilities	331,017.00	198,517.00
Total	**714,432,802.08**	**168,780,685.75**

11.1 Financial Liabilities

Account	Amount (₱)	
	2023	2022 (As Restated)
Accounts Payable	651,444,657.10	103,412,505.83

11.1.1 Accounts Payable consists of indebtedness to contractors/suppliers arising from purchased goods and services and other obligations in connection with the OPAPRU's operations.

Particular	Amount (₱)	
	2023	2022
Prior Years Obligations	634,619,941.72	59,169,698.95
Stale Checks	13,294,734.12	5,358,833.78
Unclaimed Checks	3,532,981.26	38,848,827.62
Check subsequently cancelled	-	35,145.48
Total	**651,447,657.10**	**103,412,505.83**

Aging of Accounts Payable

Account	Amount (₱)			
	Current	Past Due		Total
		1 year	2 years	
Accounts Payable	640,011,477.83	11,436,219.27	-	651,447,697.10

11.2 Inter-Agency Payables

Account	Amount (₱)	
	2023	2022 (As Restated)
Due to BIR	2,315,580.38	6,069,718.50
Due to GSIS	1,889,000.04	1,274,952.09
Due to Pag-IBIG	327,899.63	205,070.53
Due to PhilHealth	511,793.16	14,567.30
Due to NGAs	57,612,854.77	57,613,054.50
Total	**62,657,127.98**	**65,177,362.92**

11.2.1 Due to BIR pertains to the unremitted withholding taxes for salaries and other compensations and for the procurement of goods and services as of year-end.

11.2.2 Due to GSIS pertains to the unremitted GSIS premiums as of year-end.

11.2.3 Due to Pag-IBIG pertains to the unremitted Pag-IBIG premiums as of year-end.

11.2.4 *Due to PhilHealth* pertains to the unremitted PhilHealth premiums as of year-end.

11.2.5 *Due to Other NGAs* pertains to downloading of funds from various NGAs to OPAPRU-Current Account.

Aging of Inter-Agency Payables

Account	Current	Amount (₱)			
		Past Due			
		1 – 2 Years	3 – 4 Years	5 years	Total
Due to BIR	2,315,580.38	-	-	-	2,315,580.38
Due to GSIS	1,889,000.04	-	-	-	1,889,000.04
Due to Pag-IBIG	327,899.63	-	-	-	327,899.63
Due to PhilHealth	511,793.16	-	-	-	511,793.16
Due to NGAs	-	-	-	57,612,854.77	57,612,854.77
Total	5,044,273.21	-	-	57,612,854.77	62,657,127.98

11.3 Trust Liabilities

Account	Amount (₱)	
	2023	2022
Guaranty/ Security Deposits Payable	331,017.00	198,517.00

11.3.1 *Guaranty/Security Deposits Payable* pertains to receipt of bidding fee from the bidders of OPAPRU procurements.

Supporting Information to the Statement of Financial Performance

12. Shares Grants and Donations

Account	Amount (₱)	
	2023	2022
Income from Grants and Donation in Kind	20,000.00	32,531,858.79

Income from Grants and Donation in Kind pertains to foreign grants and donations deposited in the local currency deposit, current account, in support for expenditures for the implementation of the various projects, programs and activities of OPAPRU.

13. Personnel Services

Account	Amount (₱)	
	2023	2022 (As Restated)
Salaries and Wages	144,733,871.97	108,481,369.82
Other Compensation	52,481,105.92	41,026,795.22
Personnel Benefit Contributions	19,732,449.50	15,052,992.70
Other Personnel Benefits	8,022,705.76	8,788,809.68
Total	**224,970,133.15**	**173,349,967.42**

13.1 Salaries and Wages

Account	Amount (₱)	
	2023	2022 (As Restated)
Salaries and Wages-Casual/Contractual	144,733,871.97	108,481,369.82

This account pertains to salaries and wages of contractual employees of OPAPRU occupying plantilla positions.

13.2 Other Compensation

Account	Amount (₱)	
	2023	2022
Personal Economic Relief Allowance	5,088,756.88	3,984,691.84
Representation Allowance	3,976,125.00	2,976,000.00
Transportation Allowance	1,444,375.00	889,500.00
Clothing/Uniform Allowance	954,000.00	1,008,000.00
Honoraria	2,873,135.93	3,345,984.47
Overtime and Night Pay	9,096,765.21	5,916,090.71
Year End Bonus	12,833,202.90	8,855,765.20
Cash Gift	1,187,511.00	812,500.00
Mid-Year Bonus – Civilian	8,896,734.00	9,322,763.00
Other Bonuses and Allowances	6,130,500.00	3,915,500.00
Total	**52,481,105.92**	**41,026,795.22**

Other Bonuses and Allowances pertains to the Service Recognition Incentives (SRI) and Performance Enhancement Incentive (PEI) given to employees at year-end.

13.3 Personnel Benefit Contributions

Account	Amount (₱)	
	2023	2022
Retirement and Life Insurance Premiums	16,984,535.66	12,892,702.56
Pag-IBIG Contributions	273,806.53	197,500.00
PhilHealth Contributions	2,233,507.31	1,766,290.14
Employees Compensation Insurance Premiums	240,600.00	196,500.00
Total	**19,732,449.50**	**15,052,992.70**

13.4 Other Personnel Benefits

Account	Amount (₱)	
	2023	2022
Terminal Leave Benefits	2,758,822.16	5,678,919.71
Other Personnel Benefits	5,263,883.60	3,109,889.97
Total	**8,022,705.76**	**8,788,809.68**

Retrospective Restatement of Personnel Services in CY 2022

Account	Amount (₱)		
	2022 Balances	Effect of Errors (Over)/Under	2022 Restated Balance
Salaries and Wages	108,526,441.90	(45,072.08)	108,481,369.82
Effect in Accumulated Surplus/ Deficit		**(45,072.08)**	

14. Other Maintenance and Operating Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Traveling Expenses	22,025,631.00	27,907,760.81
Training and Scholarship Expenses	35,326,936.26	20,414,982.84
Supplies and Materials Expenses	12,433,773.20	21,128,840.92
Utility Expenses	15,170,977.49	15,021,771.53
Communication Expenses	7,254,617.09	6,859,359.84
Awards, Rewards and Indemnities	107,688.59	-
Confidential, Intelligence and Extraordinary Expenses	53,706,000.00	63,217,000.00
Professional Services	180,633,281.72	193,168,598.50
General Services	5,936,351.19	7,052,097.36
Repairs and Maintenance	5,215,951.16	4,770,329.48
Taxes, Insurance Premiums and Other Fees	2,171,694.92	2,079,872.81
Other Maintenance and Operating Expenses	140,589,411.55	144,004,479.55
Total	**480,572,314.17**	**505,625,093.64**

14.1 Traveling Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Traveling Expenses-Local	18,197,668.38	27,178,561.68
Traveling Expenses-Foreign	3,827,962.62	729,199.13
Total	**22,025,631.00**	**27,907,760.81**

14.2 Training and Scholarship Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Training Expenses	35,326,936.26	20,414,982.84

14.3 Supplies and Materials Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Office Supplies Expenses	5,263,671.93	6,394,592.99
Drugs and Medicines Expenses	-	3,412.70
Medical, Dental and Laboratory Supplies Expenses	1,246.92	2,911,635.72
Fuel, Oil and Lubricants Expenses	5,775,003.52	7,716,689.43
Chemical and Filtering Supplies Expenses	9,600.00	9,800.00
Semi-Expendable Machinery and Equipment Expenses	1,066,815.32	3,906,152.60
Semi-Expendable Furniture, Fixtures	315,409.01	183,412.73
Other Supplies and Materials Expenses	2,026.50	3,144.75
Total	**12,433,773.20**	**21,128,840.92**

14.4 Utility Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Water Expenses	1,174,133.04	1,651,140.95
Electricity Expenses	13,996,844.45	13,356,501.23
Gas / Heating Expenses	-	14,129.35
Total	**15,170,977.49**	**15,021,771.53**

14.5 Communication Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Postage and Courier Services	40,575.30	153,862.52
Telephone Expenses	4,169,356.22	3,507,337.39
Internet Subscription Expenses	2,946,163.51	3,102,082.88
Cable, Satellite, Telegraph and Radio Expenses	98,522.06	96,077.05
Total	**7,254,617.09**	**6,859,359.84**

14.6 Confidential, Intelligence and Extraordinary Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Confidential Expenses	49,500,000.00	60,000,000.00
Extraordinary and Miscellaneous Expenses	4,206,000.00	3,217,000.00
Total	**53,706,000.00**	**63,217,000.00**

14.7 Professional Services

Account	Amount (₱)	
	2023	2022
Consultancy Services	24,187,899.24	21,325,557.84
Other Professional Services	156,445,382.48	171,843,040.66
Total	**180,633,281.72**	**193,168,598.50**

14.7.1 *Consultancy Services* pertains to the salaries paid to consultants contracted by OPAPRU.

14.7.2 *Other Professional Services* pertains to the salaries paid to Agency's personnel under the Contract of Service.

14.8 General Services

Account	Amount (₱)	
	2023	2022
Security Services	5,936,351.19	6,800,097.36
Other General Services	-	252,000.00
Total	**5,936,351.19**	**7,052,097.36**

14.9 Repairs and Maintenance

Account	Amount (₱)	
	2023	2022 (As Restated)
Buildings and Other Structures	6,716.78	-
Machinery and Equipment	358,815.00	294,803.36
Transportation Equipment	1,192,815.27	1,848,464.35
Furniture and Fixtures	53,352.93	115,694.37
Leased Assets	3,214,051.18	2,511,367.40
Leased Asset Improvement – Other Leased / Assets Improvements	390,200.00	-
Total	**5,215,951.16**	**4,770,329.48**

14.10 Taxes, Insurance Premiums and Other Fees

Account	Amount (₱)	
	2023	2022 (As Restated)
Taxes, Duties and Licenses	535,334.68	766,454.49
Fidelity Bond Premiums	1,288,938.75	1,148,257.28
Insurance Expenses	347,421.49	165,161.04
Total	**2,171,694.92**	**2,079,872.81**

14.11 Other Maintenance and Operating Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Advertising Expenses	559,271.93	270,000.00
Printing and Publication Expenses	2,041,778.74	653,107.55
Representation Expenses	55,678,056.29	52,835,590.14
Rent/Lease Expenses	79,249,906.39	85,648,994.85
Subscription Expenses	2,751,981.20	2,875,816.01
Other Maintenance and Other Operating Expenses	308,417.00	1,720,971.00
Total	**140,589,411.55**	**144,004,479.55**

Retrospective Restatement of Maintenance and Other Operating Expenses in CY 2022

Account	Amount (₱)		
	2022 Balances	Effect of Errors (Over)/Under	2022 Restated Balance
Traveling Expenses -Local	26,680,564.48	497,997.20	27,178,561.68
Training Expenses	20,346,394.27	68,588.57	20,414,982.84
Office Supplies Expenses	6,145,066.69	249,526.30	6,394,592.99
Fuel, Oil and Lubricants Expenses	7,373,990.47	342,698.96	7,716,689.43
Semi-Expendable Machinery and Equipment Expenses	3,151,992.60	754,160.00	3,906,152.60
Semi-Expendable Machinery and Equipment Expenses	172,912.73	10,500.00	183,412.73
Water Expenses	1,650,528.45	612.50	1,651,140.95
Postage and Courier Services	145,891.04	7,971.48	153,862.52
Telephone Expenses	3,494,578.81	12,758.58	3,507,337.39
Confidential Expenses	55,000,000.00	5,000,000.00	60,000,000.00
Repairs and Maintenance			
Machinery and Equipment	294,353.36	450.00	294,803.36
Transportation Equipment	1,845,942.15	2,522.20	1,848,464.35
Taxes, Duties and Licenses	697,337.39	69,117.10	766,454.49
Printing and Publication Expenses	616,918.57	36,188.98	653,107.55
Representation Expenses	51,584,984.38	1,250,605.76	52,835,590.14
Rent/Lease Expenses	85,226,775.87	422,218.98	85,648,994.85
Subscription Expenses	2,875,816.01	(5,309.75)	2,870,506.26
Other Maintenance and Operating Expenses	1,709,371.00	11,600.00	1,720,971.00
Net Effect in Accumulated Surplus/ Deficit		**8,732,206.86**	

15. Financial Expenses

Account	Amount (₱)	
	2023	2022 (As Restated)
Bank Charges	2,000.00	16,798.40

Retrospective Restatement of Financial Expenses

Account	Amount (₱)		
	2022 Balance	Effect of Errors (Over)/Under	2022 Restated Balance
Bank Charges	16,698.40	100.00	16,798.40
Effect in Accumulated Surplus/ Deficit		100.00	

16. Non-Cash Expenses

Account	Amount (₱)	
	2023	2022
Depreciation-Other Structures	81,660.24	90,527.08
Depreciation-Machinery and Equipment	4,802,181.85	7,161,995.20
Depreciation-Transportation Equipment	3,500,603.20	3,545,037.12
Depreciation-Furniture, Fixtures and Books	140,471.94	302,744.82
Depreciation-Leased Assets Improvements	59,112.18	78,787.30
Depreciation-Other Property Plant and Equipment	-	181,419.97
Amortization-Intangible Assets	295,255.93	131,922.71
Total	**8,879,285.34**	**11,492,434.20**

17. Net Financial Assistance Subsidy

Account	Amount (₱)	
	2023	2022 (As Restated)
Subsidy from National Government (SNG):		
Receipt of Notice of Cash Allocation	1,958,785,883.00	2,238,274,224.00
Tax Remittance Advice (TRA)	36,236,710.10	40,423,493.96
Reversal of Unutilized NCA	(272,248,912.94)	(523,105.04)
Total SNG	**1,722,773,680.16**	**2,278,174,612.92**
Less: Subsidy to National Government Agencies	-	921,571,382.99
Financial Assistance to NGAs	22,096,112.98	85,126,064.22
Financial Assistance to LGUs	345,465,785.54	16,801,193.98
Financial Assistance to Non-Government Organizations / Civil Society Organizations		-
Subsidies – Others	624,294,508.82	63,471,940.28
Total Financial Assistance/Subsidy	**991,856,407.34**	**1,086,970,581.47**
Net Financial Assistance/Subsidy	**730,917,272.81**	**1,191,204,031.45**

18. Other Non-Operating Income

Particulars	Amount (₱)	
	2023	2022
Other Non-Operating Income	(442,380.16)	180.79

18.1 Sale of Assets

Particulars	Amount (₱)	
	2023	2022
Sale of Unserviceable Property	30,000.00	-

18.2 Miscellaneous Income

Particulars	Amount (₱)	
	2023	2022
Miscellaneous Income	15,000.00	180.79

18.3 Loses

Particulars	Amount (₱)	
	2023	2022
Loss on Sale of PPE	487,380.16	-

Supporting Information to the Statement of Changes in Net Assets/Equity

19. Adjustment of net revenue recognized directly in net assets/equity

The direct adjustment to Net Assets/Equity pertains to the closing of the Cash-Treasury/Agency Deposit, Regular account to the Accumulated Surplus/Deficit) account amounting ₱337,385,959.17 and ₱151,065,028.31 in CY 2023 and CY 2022, respectively.

Supporting Information to the Statement of Cash Flows

20. Receipt of NCA

Account	Amount (₱)	
	2023	2022 (As Restated)
Receipt of NCA	1,958,785,883.00	2,238,274,224.00

The NCA issued for the years 2023 and 2022 are as follows:

2023		
Particulars	Date	Amount (₱)
NCA – BMB – D – 23 – 000074-1	01/03/2023	191,697,000.00
NCA – BMB – D – 23 – 000030-3	03/21/2023	1,547,502,000.00
NCA – BMB – D – 23 – 001367-1	10/02/2023	182,695,000.00
NCA – BMB – D – 23 – 001820-5	12/01/2023	10,000,000.00
NCA – BMB – D – 23 – 001863-6	12/12/2023	26,891,883.00
Total		1,958,785,883.00

2022		
Particulars	Date	Amount (₱)
NCA – BMB – D – 22 – 000017 – 2	01/03/2022	462,973,000.00
NCA – BMB – D – 22 – 000182 – 9	02/17/2022	75,114,000.00
NCA – BMB – D – 22 – 000279 – 5	03/16/2022	673,002,000.00

2022		
Particulars	Date	Amount (₱)
NCA – BMB – D – 22 – 000612 – 5	06/03/2022	355,340,000.00
NCA – BMB – D – 22 – 001042 – 8	08/22/2022	24,000,000.00
NCA – BMB – D – 22 – 001283 – 8	10/13/2022	252,545,000.00
NCA – BMB – D – 22 – 001534 – 8	11/23/2022	83,300,224.00
NCA – BMB – D – 22 – 001622 – 0	12/13/2022	312,000,000.00
Total		**2,238,274,224.00**

21. Collection of Income/Revenues

Account	Amount (₱)	
	2023	2022
Receipt of shares, grants and donations	-	32,531,858.79
Miscellaneous Income	15,000.00	180.79
Total	**15,000.00**	**32,532,039.58**

22. Collection of Receivables

Account	Amount (₱)	
	2023	2022
Collection of Other receivables	762,467.39	10,299.00

23. Other Receipts

Account	Amount (₱)	
	2023	2022
Receipt of refund of fund transfers	92,906,672.82	161,377,765.17
Unused Petty Cash Fund	588,333.96	68,983.92
Refund of overpayment of Personnel Services	343,984.24	-
Refund of overpayment of MOOE	5,557.43	31,354.32
Receipt of refund of cash advances	5,687,725.36	10,880,364.01
Other miscellaneous receipts	1,696.00	211,017.00
Total	**99,533,969.81**	**172,569,484.42**

The receipt of refund of fund transfers pertains to refunds of unused downloaded fund by LGUs, NGAs and NGOs/POs loaded in current and previous years.

The receipt of refund of cash advances pertains to refunds unused cash advances in current and prior years.

24. Adjustments

Account	Amount (₱)	
	2023	2022 (As Restated)
Restoration of cash for cancelled/ lost/ stale checks/ ADA	24,793,149.40	26,064,721.67
Restoration of cash for unreleased checks	-	38,848,827.62

Account	Amount (₱)	
	2023	2022 (As Restated)
Other Adjustments	-	150.21
Total	**24,793,149.40**	**64,913,699.50**

25. Remittance to National Treasury

Account	Amount (₱)	
	2023	2022
Petty Cash	594,264.01	68,053.90
Cash Advances	4,801,273.17	10,627,971.08
Due from NGAs	135,570,460.92	110,505,970.31
Due from LGUs	9,139,114.02	25,793,627.91
Other miscellaneous receipts	11,696.00	211,017.00
Miscellaneous Income	15,000.00	180.79
Other Receivables	685,640.85	10,299.00
Overpayment of salaries	368,441.01	-
Refund of overpayment of Maintenance and Other Operating Expenses	31,676.15	31,354.32
Total	**151,217,566.13**	**147,248,474.31**

26. Payment of Expenses

Account	Amount (₱)	
	2023	2022
Payment of personnel services	174,507,915.59	124,859,036.34
Payment of maintenance and other operating expenses	293,367,877.75	382,803,424.68
Payment of financial expenses	2,000.00	16,698.40
Replenishment of Petty Cash	-	462,460.41
Liquidation of cash advances granted during the year	398,237.21	2,379,382.56
Liquidation of prior year's cash advances	12,994,625.73	792,106.88
Total	**481,270,656.28**	**511,313,109.27**

27. Purchase of Inventories

Account	Amount (₱)	
	2023	2022
Purchase of inventory held for consumption	999,992.67	3,500,000.00

28. Purchase of Semi-Expendable Machinery, Equipment, Furniture, Fixtures and Books

Account	Amount (₱)	
	2023	2022
Purchase of Semi-Expendable Machinery and Equipment	6,967,188.07	2,724,095.54
Purchase of Semi-Expendable Furniture,	830,108.02	605,230.99

Account	Amount (₱)	
	2023	2022
Fixtures and Books		
Total	7,797,296.09	3,329,326.53

29. Grant of Cash Advances

Account	Amount (₱)	
	2023	2022
Advances for operating expenses	1,000,464.57	1,739,610.00
Advances for payroll	7,610,023.80	8,133,425.47
Advances to special disbursing officers	61,843,024.76	97,853,079.81
Advances to officers and employees	4,702,254.14	2,836,817.58
Total	**75,155,767.27**	**110,562,932.86**

30. Prepayments

Account	Amount (₱)	
	2023	2022
Prepaid Insurance	270,204.09	211,727.59

31. Remittance of Personnel Benefit Contributions and Mandatory Deductions

Particulars	Amount (₱)	
	2023	2022
Remittance of taxes withheld not covered by Tax Remittance Advice	2,308,332.17	2,050.00
Remittance to GSIS / Pag-IBIG / PhilHealth	32,601,367.05	27,727,606.19
Remittance of other payables	1,107,275.00	1,547,725.00
Total	**36,016,974.22**	**29,277,381.19**

32. Grant of Financial Assistance/Subsidy

Particulars	Amount (₱)	
	2023	2022
Grant of Financial Assistance to NGOs/POs	-	346,138,100.00
Grant of Other Subsidies	-	12,667,012.74
Total	-	**358,805,112.74**

33. Release of Inter-Agency Fund Transfers

Particulars	Amount (₱)	
	2023	2022
Advances to Procurement Service	34,631,792.65	11,500,000.00
Release of funds to NGAs, GOCCs, LGUs for the implementation of projects	993,509,467.35	1,237,285,273.00
Total	**1,028,141,260.00**	**1,248,785,273.00**

These pertain to release of funds to DBM – Procurement Service for the purchase of supplies and airfare and other NGAs/LGUs for implementation of projects totaling

₱1,028,141,260.00 and ₱1,248,785,273.00 in 2023 and 2022, respectively.

34. Adjustments

Particulars	Amount (₱)	
	2023	2022
Reversing entry for unreleased checks in previous year	38,848,827.62	41,366.48
Other adjustments-Outflows	5,000.00	2,838,555.34
Total	38,853,827.62	2,879,921.82

35. Purchase/Construction of PPE and Intangible Assets

Particulars	Amount (₱)	
	2023	2022
Purchase of machinery and equipment	-	5,504,920.47

36. Personnel Services

Particulars	Amount (₱)	
	2023	2022
General Administration and Support	101,441,549.61	49,470,000.00
Operations	98,701,529.75	106,783,080.94
Locally Funded projects	17,334,100.76	17,087,000.00
Prior Year's Appropriations - Continuing Appropriation	-	50,778.87
Total	217,477,180.12	173,390,859.81

37. Maintenance and Other Operating Expenses

Particulars	Amount (₱)	
	2023	2022
General Administration and Support	104,412,783.35	143,788,283.62
Operations	252,739,478.97	308,387,758.27
Locally Funded projects	1,046,060,848.89	1,351,154,061.38
Special Purpose Fund	-	53,551,397.80
Prior Year's Appropriations - Continuing Appropriation	31,958,762.87	118,955,012.18
Total	1,435,171,874.08	1,975,836,513.25

PART II - OBSERVATIONS AND RECOMMENDATIONS

OBSERVATIONS AND RECOMMENDATIONS

A. Financial Audit

Accounting Error

Erroneous recording of PPE and unreliable balance

1. **The year-end balance of Property, Plant and Equipment accounts totaling ₱106,654,150.46 was unreliable due to: (a) misstatement in Machinery and Transportation Equipment accounts balances resulting to overstatement and understatement amounting to ₱3,397,242.09 and ₱10,869,528.26, respectively; and (b) unreconciled balance of ₱45,266,168.69 between the accounting and property records.**

Paragraph 27 of IPSAS No. 1, states that "Financial statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses set out in IPSASs. The application of IPSASs, with additional disclosures when necessary, is presumed to result in financial statements that achieve a fair presentation."

COA Circular No. 2020-006 dated January 31, 2020, prescribed the guidelines and procedures in the conduct of physical count of PPE, recognition of PPE items found at station, and disposition of non-existing/missing PPE items, for the One-Time Cleansing of PPE account balances of Government Agencies in order to establish PPE balances that are verifiable as to existence, condition and accountability.

a. Misstatement in PPE account balances

The Statement of Financial Position as of December 31, 2023 presented the balances of the following PPE accounts:

Account	Amount	Accumulated Depreciation (AD)	Book Value
Other Structures (OS)	₱ 859,580.85	₱ 186,600.61	₱ 672,980.24
Machinery	1,593,400.00	164,773.11	1,093,676.89
Office Equipment (OE)	20,748,556.04	13,329,727.63	7,418,828.41
Information and Communication Technology Equipment (ICTE)	29,890,706.74	21,543,233.56	8,347,473.18
Communications Equipment (CE)	5,276,025.30	4,387,670.60	888,354.70
Motor Vehicles (MV)	45,406,264.10	38,949,119.64	6,457,144.46
Furnitures and Fixtures (FF)	1,584,923.49	719,904.72	865,018.77

Account	Amount	Accumulated Depreciation (AD)	Book Value
Leased Assets Improvements, Buildings	829,643.94	781,594.38	48,049.56
Other Property, Plant and Equipment (OPPE)	800,000.00	760,000.31	39,999.69
Total	₱106,654,150.46	₱80,822,624.56	₱25,831,525.90

While Computer Software has a book balance of ₱458,589.36 as of December 30, 2023, details below:

Account	Balance
Computer Software	₱ 3,449,118.00
Accumulated Amortization-Computer Software	2,990,528.64
Book Value	₱ 458,589.36

On February 19, 2024, Audit Observation Memorandum No. 2024-005[1] (2023) was issued to discuss the results of the analysis and audit of the transactions pertaining to PPE accounts. The misstatements in the PPE accounts due to erroneous journal entries made on: a) purchases, donation, disposal and depreciation of various PPE accounts; and b) reclassification of equipment costing less than ₱50,000 to semi-expandable PPE are as follows:

Account Title	Over/(Under) Statement
Semi-Expendable OE	₱ 61,280.00
Semi-Expendable ICTE	330,480.00
Semi-Expendable CE	305,028.75
Semi-Expendable FF	42,780.00
Office Equipment	(1,451,108.04)
Information and Communication Technology Equipment	(498,015.00)
Communications Equipment	(308,464.00)
Motor Vehicles	(1,720,289.66)
Accumulated Depreciation – Machinery	101,683.27
Accumulated Depreciation - OE	(3,238,397.97)
Accumulated Depreciation – ICTE	(314,952.51)
Accumulated Depreciation - CE	265,677.65
Accumulated Depreciation - MV	(3,299,364.73)
Accumulated Depreciation – FF	(13,539.98)
Accumulated Depreciation – Lease Assets	2,160.13
Accumulated Amortization – Computer Software	(51,830.85)
Accumulated Surplus/(Deficit)	3,352,325.51
Depreciation -Machinery	101,683.27
Depreciation -OE	(57,683.13)
Depreciation -ICTE	47,032.49

[1] Annex B – AOM No. 2024-005 (2023) dated February 19, 2024

Account Title	Over/(Under) Statement
Depreciation -CE	217,089.88
Depreciation -MV	(202,843.35)
Depreciation -FF	(13,539.98)
Depreciation -Lease Assets	2,160.13
Amortization-Intangible Assets	(51,830.85)
Aggregate Total	**₱ 16,051,241.13**

To correct the misstatement in the PPE accounts discussed in the said AOM, the Accounting Divisions prepared the following JEVs in December 31, 2023:

a. Reversing Entries

JEV No.	Particulars	Debit	Credit
23-12-03663	OE	61,280.00	
	ICTE	330,480.00	
	FF	42,780.00	
	Semi-Expendable OE		61,280.00
	Semi-Expendable ICTE		330,480.00
	Semi-Expendable FF		42,780.00
23-12-03667	Acc. Dep. – Machinery	105,391.84	
	Depreciation -Machinery		105,391.84
23-12-03669	Acc. Dep. - OE	151,702.15	
	Depreciation -OE		151,702.15
23-12-03671	Acc. Dep. – ICTE	131,108.34	
	Depreciation -ICTE		131,108.34
23-12-03673	Acc. Dep. - CE	295,419.76	
	Depreciation -CE		295,419.76
23-12-03675	Acc. Dep. - MV	3,708.57	
	Depreciation -MV		3,708.57
23-12-03677	Acc. Dep. – FF	6,568.02	
	Depreciation -FF		6,568.02
23-12-03679	Acc. Dep. – Lease Assets	8,728.15	
	Depreciation -LA		8,728.15

b. Correcting Entries

JEV No.	Particulars	Debit	Credit
23-12-03664	Acc. Surplus/(Deficit)	434,540.00	
	OE		330,480.00
	ICTE		61,280.00
	FF		42,780.00
23-12-03668	Depreciation -OE	90,850.35	
	Acc. Dep. - OE		90,850.35
23-12-03670	Depreciation -ICTE	150,702.85	
	Acc. Dep. – ICTE		150,702.85
23-12-03672	Depreciation -CE	85,719.45	

JEV No.	Particulars	Debit	Credit
	Acc. Dep. – CE		85,719.45
23-12-03674	Depreciation -MV Acc. Dep. - MV	250,985.84	 250,985.84
23-12-03676	Depreciation -Machinery Acc. Dep. – Machinery	3,708.57	 3,708.57
23-12-03678	Depreciation -LA Acc. Dep. – Lease Assets	6,568.02	 6,568.02
23-12-03680	Depreciation -FF Acc. Dep. – FF	8,728.15	 8,728.15

Analysis of the reversing and correcting entries made showed a final aggregate misstatement amounting to ₱14,266,770.35, thus affecting the fair presentation of the FS. The affected accounts are summarized below, detailed computation in Annex C:

Account Title	Overstatement	Understatement
Semi-Expendable CE	₱305,028.75	
Office Equipment		1,720,308.04
Information and Communication Technology Equipment		228,815.00
Communications Equipment		308,464.00
Motor Vehicles		1,720,289.66
Accumulated Depreciation - OE		3,299,249.77
Accumulated Depreciation – ICTE		295,358.00
Accumulated Depreciation - CE	55,977.34	
Accumulated Depreciation - MV		3,052,087.46
Accumulated Depreciation – FF		11,379.85
Accumulated Amortization – Computer Software		51,830.85
Accumulated Surplus/(Deficit)	2,917,785.51	
Depreciation -OE		118,534.93
Depreciation -ICTE	66,627.00	
Depreciation -CE	7,389.57	
Depreciation -MV	44,433.92	
Depreciation -FF		11,379.85
Amortization-Intangible Assets		51,830.85
Total	₱3,397,242.09	₱10,869,528.26
Aggregate Total		**₱14,266,770.35**

b. Unreconciled PPE balances between Accounting and Property Records

Comparison of the Accounting records and the Supply and Property Office's inventory report as of December 31, 2023 disclosed an unreconciled amount of ₱45,266,168.69. Details are shown below:

Account	Accounting Record	RPCPPE	Discrepancy
Other Structures (OS)	₱ 859,580.85	₱ 369,960.00	₱ 489,620.85
Machinery	1,593,400.00	1,258,450.00	334,950.00
Office Equipment (OE)	20,748,556.04	8,571,083.25	12,177,472.79
Information and Communication Technology Equipment (ICTE)	29,890,706.74	14,541,399.71	15,349,307.03
Communications Equipment (CE)	5,276,025.30	3,159,560.00	2,116,465.30
Motor Vehicles (MV)	45,406,264.10	32,360,200.84	13,046,063.23
Furnitures and Fixtures (FF)	1,584,923.49	787,044.00	797,879.49
Leased Assets Improvements, Buildings	829,643.94	675,233.97	154,409.97
Other Property, Plant and Equipment (OPPE)	800,000.00	-	800,000.00
Total	₱106,989,100.46	₱61,722,931.77	₱ 45,266,168.69

In compliance with COA Circular No. 2020-006, OPPARU created the Inventory Committee in April 2022. In August 2023, the Chairman and Vice-Chairman of the committee were transferred to other post; hence, the reconciliation of accounts was not completed. As of April 30, 2024, new members/composition of the Inventory Committee were not yet designated.

We recommended and Management agreed to instruct the:

a. **Head of the Accounting Division to prepare the necessary adjusting entries to correct the Machinery and Transportation Equipment account balances; and**

b. **Inventory Committee and Accounting Division to reconcile their records for the one-time cleansing of the PPE accounts.**

Management Comment:

The Management instructed the General Administrative Support Service (GASS) to immediately designate new members of the Inventory Committee and complete the reconciliation with the Accounting Division.

Unreliable balance of Due from NGAs account

2. **The Due from NGAs balance of ₱3,482,669,652.77as of December 31, 2023 is unreliable due to: a) erroneous recording of fund transfers amounting to ₱158,250,000.00; b) unsubmitted two (2) Disbursement Vouchers amounting to ₱168,250,000.00; and c) discrepancy between the OPAPRU and Implementing**

Agencies records totaling ₱1,064,946,538.93, thus, affecting the fair presentation of Due from NGAs account.

Paragraph 27 of IPSAS No. 1, states that "Financial statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses set out in IPSASs. The application of IPSASs, with additional disclosures when necessary, is presumed to result in financial statements that achieve a fair presentation."

Review of the FTs to NGAs revealed the following:

a. Fund transfer to Mindanao State University for the implementation of PAMANA project amounting to ₱158,250,000.00 per Check No. 1446501 dated June 29, 2023 was recorded as Due from LGUs/CSO, thus, resulting in an overstatement of account and an understatement of account Due from NGAs by the same amount.

b. Disbursement Vouchers (DVs) for the following issued two (2) checks amounting to ₱168,250,000.00 were not submitted to the Audit Team; hence, the propriety, completeness, and accuracy of the said disbursements could not be ascertained:

DV No. / Date	Check No./ Date	Payee	Amount
23-06-2387 June 20, 2023	1446533 June 20, 2023	Mindanao State University (MSU)	₱ 158,250,000.00
23-06-2517 June 23, 2023	1446501 Jun 29, 2023	Presidential Communication Office (PCO)	10,000,000.00
Total			**₱ 168,250,000.00**

c. Confirmations with the IAs showed discrepancy of at least ₱1,064,946,538.93 between OPAPRU and the six (6) IA records. Details are shown below.

Confirmation No.	Implementing Agency	Accounting Record	Per Confirmation	Discrepancy
2024-001	Procurement Services-Department of Budget and Management (PS-DBM)	₱ 55,407,847.03	₱ 9,688,507.00	₱ 45,719,340.03
2024-002	Department of Social Works and Development (DSWD)	1,340,244,703.72	382,473,670.68	957,771,033.04
2024-008	Philippine Statistics Authority (PSA)	6,550,000.00	3,400,000.00	3,150,000.00

Confirmation No.	Implementing Agency	Accounting Record	Per Confirmation	Discrepancy
2024-009	Department of Agriculture-Office of the Secretary (DA-OSEC)	48,000,000.00	57,206,582.95	9,206,582.95
2024-010	Department of Agriculture-Cordillera Administrative Region (DA-CAR)	46,500,000.00	5,136,984.19	41,363,015.81
2024-011	Department of Interior and Local Government-OSEC (DILG-OSEC)	10,000,000.00	2,263,432.90	7,736,567.10
Total		₱1,506,702,550.75	₱460,169,177.72	₱1,064,946,538.93

The above stated deficiencies cast doubt on the reliability of the account balance of Due from NGAs as of December 31, 2023.

We recommended that Management instruct the:

a. **Chief, Accounting Division to prepare Journal Entry Voucher to adjust the balances of the affected accounts and regularly reconcile with the IAs for early detection and correction of the discrepancy between the two records; and**

b. **Chief, Cashier Office to immediately submit the two DVs to avoid suspension of the said transactions.**

Management Comment:

The FMS prepared Journal Entry Voucher No. 2024-12-03684 to reclassify Due from LGUs to account Due from NGAs and submitted the DVs and its supporting documents of the Mindanao State University (MSU) and the Presidential Communication Office (PCO) to the Audit Team on April 26, 2024.

Unliquidated Inter-Agency and Other Receivables accounts

3. **The non-liquidation of funds transferred to various agencies of the government resulting in the accumulation of outstanding year-end balances of the Inter-Agency and Other Receivables accounts amounting to ₱4,349,730,708.99 is contrary to COA Circular No. 94-013 and cast doubts on whether the (a) funds were appropriately utilized for the purpose and (b) projects were implemented and completed.**

Section 4.6 of COA Circular No. 94-013 dated December 13, 1994 states that: *"Within ten (10) days after the end of each month/end of the agreed period for the Project, the IA shall submit the Report of Checks Issued (RCI) and the Report of Disbursement (RD) to report the utilization of the funds. Only actual project expenses shall be reported. The reports shall be approved by the Head of the IA."*

While Section 4.7 of the same circular states that *"The SA shall draw a Journal Voucher to take up the reports. The amount to take up the liquidation per the RCI shall be net of the cash advances granted by the IA to its accountable officers in accordance with Commission on Audit Circular No. 90-331 dated May 3, 1990."*

The OPAPRU being the Source Agency (SA) transferred funds to concerned National/Local governments and Non-Government Organization for the implementation of PAyapa at MAsaganang PamayaNAn (PAMANA) projects for Peace and Normalization.

The General Ledger as of December 31, 2023 showed the balances of the "Due from" accounts as follows:

Account Title	Amount
Due from National Government Agencies (NGAs)	₱ 3,482,669,652.77
Due from Local Government Units (LGUs)	882,106,601.89
Due from Non-Government Organizations/Civil Society Organizations (NGOs/CSOs)	39,027,546.30
Total	**₱ 4,403,803,800.96**

Among the audit recommendations contained in the Annual Audit Report (AAR) for CY 2021 was to (a) direct the Project Heads to closely monitor project timelines and to require IAs to comply with the reportorial requirements for liquidation within the prescribed period; (b) develop a strategy that would strengthen its system of coordination with the different government agencies to easily address any issues encountered during the implementation of the project to address the backlog of projects; and (c) instruct the Finance Unit Head to send demand letters to IAs particularly those with accounts that have been outstanding for two or more years enjoining them to assess project implementation and cause the full liquidation of their accounts if these projects had been implemented, and if not, require the immediate refund to OPAPP for remittance to the National Treasury.

However, analysis of the account balances as of December 31, 2023 disclosed that the liquidation of the total fund transfers (FT) to the Implementing Agencies (IAs) is only 21.53 percent. Among the three (3) accounts, the Due from NGAs has the lowest liquidation rate, at only 1.29 percent. Details are as follows:

Particulars	Due from NGAs	Due from LGUs	Due from NGOs/CSOs	Total
Balance, 01/01/2023	₱2,183,201,629.55	₱1,278,034,918.19	₱661,318,595.11	₱4,122,555,142.85
PY Adjustment	(2,312,489.19)	(14,172,232.59)	-	(16,484,721.78)
Restated Balance, 01/01/2023	2,180,889,140.36	1,263,862,685.60	661,318,595.11	4,106,070,421.07

Particulars	Due from NGAs	Due from LGUs	Due from NGOs/CSOs	Total
Add: FTs in CY 2023	1,347,412,260.00	-	158,250,000.00	1,505,662,260.00
Total	3,528,301,400.36	1,263,862,685.60	819,568,595.11	5,611,732,681.07
Less: Liquidations in CY 2023	45,631,747.59	381,756,083.71	780,541,048.81	1,207,928,880.11
Balance, 12/31/23	**₱3,482,669,652.77**	**₱882,106,601.89**	**₱39,027,546.30**	**₱4,403,803,800.96**
Percentage of Liquidation	1.29%	30.21%	95.24%	21.53%

Review of the Subsidiary Ledgers (SLs) revealed that the unliquidated balances ranged in age from one (1) to more than 10 years. Details are summarized below:

Aging	Due from NGAs	Due from LGUs	Due from NGOs/CSOs	Total
Current	₱1,496,496,939.33	₱ 47,898,000.00	₱ 2,003,460.00	₱1,546,398,399.33
1-2 years	1,623,708,455.03	477,241,801.28	-	2,100,950,256.31
3-4 years	353,686,308.29	353,256,574.43	22,858,357.60	729,801,240.32
5-10 years	2,416,741.12	480,248.10	659,701.16	3,556,690.38
Over 10 years	6,361,209.00	3,229,978.08	13,506,027.54	23,097,214.62
Total	**₱3,482,669,652.77**	**₱882,106,601.89**	**₱39,027,546.30**	**₱4,403,803,800.96**

The non-submission of the required liquidation reports by the IAs resulted in the accumulation of outstanding balances contrary to the provisions of COA Circular 94-013, thus casting doubts on whether the projects were implemented or the funds have been utilized for the purpose for which the same were transferred.

According to the Chief, Finance and Administrative Services (FAS), Demand Letters were constantly issued to IAs to liquidate the fund transfers. However, because of the change of leadership in LGUs and officials of NGOs, the officials currently in position could not liquidate the PYs fund transfers due to the absence of the required supporting documents. Also, Management raised during interview by the Audit Team, that the physical assets, such as roads, markets, fishing boat, etc., subject of the PAMANA projects for peace and normalization are existing in the respective provinces/cities.

Further analysis of the fund transfers disclosed that eight (8) DVs were not supported with the required certification by the Accountant, contrary to Item 3.1.1 of COA Circular No. 2012-001, as amended by COA Circular No. 2016-002, which states that "Certification by the Accountant that funds previously transferred to the Implementing Agency (IA) has been liquidated and accounted for in the books."

Implementing Agency	Check No.	Date	Amount
Armed Forces of the Philippines (AFP)	1446463	09-Jun-23	₱ 251,731,882.35
	1446506	09-Jun-23	22,000,000.00
DSWD	1444169	28-Apr-23	396,000,000.00
	1446503	29-Jun-23	36,080,000.00
	1446504	29-Jun-23	35,960,000.00

Implementing Agency	Check No.	Date	Amount
Philippine Army (PA)	1444102	31-Mar-23	42,767,585.00
Philippine National Police (PNP)	1446502	29-Jun-23	14,000,000.00
PSA	1446507	29-Jun-23	3,400,000.00
Total			₱ 801,939,467.35

The non-issuance of the said certification by the Accountant contributed to the accumulation of outstanding balances of Due from NGAs accounts.

We reiterated our recommendations that Management direct the:

a. **Project Heads to: 1) continue monitoring the project timelines and status of project implementation within the prescribed period; 2) require IAs to comply with the reportorial requirements for liquidation; and 3) validate the IAs' status of projects implementation; and**

b. **Finance and Administrative Services Head to employ other measures to compel IAs with long outstanding accounts to immediately liquidate in full the FTs on duly completed projects and refund to OPAPRU the unutilized balance, if any.**

We also recommended and Management agreed to direct the Chief, Accounting Division, to ensure that all documentary and procedural requirements are complied with prior to the processing of the FTs; and that no FT shall be drawn unless the previous FT has been fully liquidated and taken up in the book of accounts.

Management Comments:

The Management closely monitors the implementation of the programs, projects, and activities as programmed by the implementing partners and the timely submission of the liquidation documents and the physical and financial reports. Further, the Management has created a committee, the Program and Budget Advisory Committee (PBAC) to review and evaluate the funds appropriately and judiciously utilized in collaboration with different Program Units and Offices to present and monitor the funds through the designed Program Dashboard, for effective and efficient monitoring of physical and financial targets.

The Financial Management Services (FMS) regularly monitors the liquidation of the fund transfers as committed in the Finance Performance and Strategy Planning, with the target of increasing the liquidation rate of the NGAs and LGUs. However, the FMS is exerting effort, particularly with the unliquidated balances aged over 10 years, of which there are no available documents to support the recording in the books of accounts and the request for authority to write off dormant accounts. Further, the Management continuously sends demand letters.

Undelivered Procurement of Supplies and Materials

4. **The deliveries of various Supplies and Materials per Agency Procurement Requests (APRs) were not strictly monitored, resulting in the accumulation of an unused fund transfers to PS, DBM totaling ₱55,407,847.03 as of December 31, 2023, which remained idle for years, and the purpose for which it was transferred was not achieved. Moreover, reconciliation of accounts between OPAPRU and PS-DBM was not regularly done, thus, resulted to unreconciled/discrepancy of ₱45,719,340.03 between the OPAPRU and PS-DBMs book of accounts.**

Section 5 of Administrative Order No. 17 dated July 28, 2011 provides that the national government hereby reiterates the policy that procurement of government supplies, materials, and equipment shall be done in the most transparent and competitive manner by purchasing from legally, technically, and financially capable sources in economic lot sizes, by observing cost-efficient specifications, and by making prompt payment. In line with this, all government agencies shall procure their common-use supplies from the PS and use the Philippine Government Electronic Procurement System (PhilGEPS) in all their procurement activities, including publishing all their bid opportunities and posting all their awards and contracts in it, in accordance with Republic Act (RA) No. 9184.

The Subsidiary Ledger (SL) for Due from NGAs - PS-DBM showed an account balance of ₱55,407,847.03 as of December 31, 2023, broken down as follows:

Particulars	Amount
Advances to PS-DBM for Supplies and Materials	₱ 2,428,678.70
Advances to PS-DBM for Airfare	52,979,168.33
Total	**₱ 55,407,847.03**

Review of the funds transferred to PS-DBM for supplies and materials revealed that the balance of ₱2,428,678.70 pertained to undelivered common-use supplies in CY 2013 to present. Details are summarized below:

Year	Fund Transferred	Delivered	Undelivered Balance	Age	% of Undelivered Balance
2023	₱2,447,980.24	₱1,254,280.00	₱ 1,193,700.24	≤ 1	48.76
2022	2,500,000.00	1,982,368.21	517,631.79	≥ 2	20.71
2020	7,475,356.10	6,793,652.62	681,703.48	≥ 3	9.12
2014	Data no longer available in the SL		16,914.46	≥ 9	
2013			18,721.40	≥ 10	
Total			**₱2,428,671.37**		

While, the details of the unutilized balance of the fund transferred for airplane fare are summarized next page:

Year	Fund Transferred	Utilized	Unutilized Balance	Age	% of Unutilized Balance
2023	₱32,183,812.41	₱ -	₱32,183,812.41	≤ 1	100.00
2022	12,500,000.00	137,572.78	12,362,427.22	≥ 2	98.90
2019	20,000,000.00	13,167,471.91	6,832,528.09	≥ 4	34.16
2018	10,000,000.00	8,399,599.39	1,600,400.61	≥ 5	16.00
Total	₱74,683,812.41	₱21,704,644.08	₱52,979,168.33		70.94

Failure of Management to strictly monitor and demand delivery of procured items and/or application of the balance on current purchases resulted in the accumulation of idle funds that could have been used for other productive purposes.

We recommended and Management agreed to:

a. **request PS-DBM to refund the unutilized balance and subsequently remit the same to the Bureau of Treasury, considering that the intended purpose for which it was transferred is no longer necessary and the fiscal year for which this was allotted has already lapsed; and**

b. **to consider purchasing airfare tickets for local and foreign travel only when needed, directly from the airlines, since government agencies are no longer mandated to purchase from PS-DBM, as stated in GPBB Resolution No. 21-2019 dated September 5, 2019.**

Management Comments:

The Ticketing Section of the General Administrative Support Service, in collaboration with the Financial Management Service (FMS) will reconcile with the PS-DBM the status of the submission of the billing statement of the purchased airline tickets as well as the liquidation report prepared by the GASS subject for recording in the books of accounts by the FMS.

During the reconciliation with the PS-DBM, it was discussed that any unutilized balance shall be directly remitted to the Bureau of Treasury (BTr), and a corresponding certification from the BTr shall be provided to the Audit team, as well to the agency.

It has been observed by the management the procurement of airfare tickets, particularly foreign travel through Direct Retail Purchase.

Utilization of Funds

5. **The allotment received in CY 2023 was not fully utilized, resulting in an unobligated/unutilized allotment of ₱250,970,495.85 or 9.84 percent of the total allotments of ₱2,550,071,861.73 due to unimplemented planned projects for procurement of Capital Outlay and reversal of unutilized funds amounting to**

₱272,248,912.94 or 13.90 percent of the Agency's allocation; thus, an indication of poor cash programming and expenditure planning.

Paragraph 3.10 of DBM NBC No. 590 dated January 3, 2023 states that, "Pursuant to Section 80, GPs of the FY 2023 General Appropriation Act (GAA), the general rule is that departments, bureaus and offices of the National Government, including Constitutional Offices enjoying fiscal autonomy and SUCs shall spend their respective programmed appropriations under the FY 2023 GAA."

One of the audit recommendations contained in the CY 2022 Annual Audit Report (AAR) on the operations and financial transactions of OPAPRU was for Management to maximize utilization of allotments through proper planning and timely implementation of planned programs during the year.

For CY 2023, OPAPRU has a total appropriation of ₱1,961,164,000.00, broken down by allotment class below:

Allotment Class	Amount
Personnel Services (PS)	₱ 199,342,000.00
Maintenance and Other Operating Expenses (MOOE)	1,759,703,000.00
Capital Outlay (CO)	2,119,000.00
Total	**₱ 1,961,164,000.00**

Review of the submitted Financial Accountability Report (FAR) No. 1 for CY 2023 disclosed that OPAPRU had received allotments totaling ₱2,550,071,861.73. Out of the total allotments, ₱2,299,101,365.88 or 90.16% were obligated, leaving an unobligated/unutilized allotment of ₱250,970,495.85 or 9.84% of the total allotments received for the year. The details are shown below:

Account Class	Adjusted Appropriations	Adjusted Allotment	Obligations	Unobligated Allotment	% of Utilization	% of Unobligated/ Unutilized Balance
Regular Appropriation						
PS	P 226,506,491.00	P 226,506,491.00	P 225,663,692.01	P 842,798.99	99.63	0.37
MOOE	2,247,944,000.00	2,247,944,000.00	2,002,633,794.44	245,308,205.56	89.09	10.91
CO	2,119,000.00	2,119,000.00	-	2,119,000.00	0.00	100.00
Continuing Appropriation						
MOOE	73,480,120.73	73,480,120.73	70,801,879.43	2,678,241.30	96.36	3.64
CO	22,250.00	22,250.00	-	22,250.00	0.00	100.00
Total	**₱2,550,071,861.73**	**₱2,550,071,861.73**	**₱2,299,101,365.88**	**₱250,970,495.85**	**90.16**	**9.84**

OPAPRU received a total allotment of ₱2,141,250.00 for Capital Outlay. This was programmed for the procurement of Machinery and Information and Communication Technology Equipment amounting to ₱270,000.00 and ₱1,871,250, respectively. However, the procurement of the said equipment was not undertaken in CY 2023.

The inability of the OPAPRU to fully utilize the allotments received did not conform with the objective of efficient spending as required in Paragraph 3.10 of

DBM NBC No. 590. Moreover, the unobligated allotment of ₱250,970,495.85 may have an impact on the overall cash program of the government if utilized for other priority projects. Also, had the PPE been acquired as programmed, the intended users could have benefited.

Further, review of the allocations and utilization of funds for CY 2023, disclosed that OPAPRU received Notice of Cash Allocations (NCAs) totaling ₱1,958,785,883.00. Out of the NCAs received, ₱1,686,536,970.06 were utilized, and ₱272,248,912.94 or 13.90 percent was unutilized/reverted back to the BTr., details as follows:

NCA No.	Amount	Utilized	Unutilized/ Reversion	% of Unutilized NCA
NCA-BMB-D-23-				
0000741	₱ 191,697,000.00	₱ 191,696,354.41	₱ 645.59	0.00
0003003	1,547,502,000.00	1,275,891,076.78	271,610,923.22	17.55
0013671	182,695,000.00	182,057,655.87	637,344.13	0.35
0018205	10,000,000.00	10,000,000.00	-	-
0018636	26,891,883.00	26,891,883.00	-	-
Total	₱1,958,785,883.00	₱1,686,536,970.06	₱272,248,912.94	13.90

Not maximizing the utilization of the NCAs, is contrary to the provision of Section 3 of RA 11936 GAA, FY 2023 and NBC Circular No. 590 indicating poor cash programing and expenditure planning which may affect performance and accomplishments of its mandate.

We reiterated our recommendation and Management agreed to maximize utilization of allotments thru proper planning and timely implementation of planned programs during the year and revisit its MCP – BED 3 and expenditure strategies to ensure that allocated funds are spent and utilized as programmed.

Management Comment:

The Management shall continue to observe and conduct early procurement and fast–track its process to ensure the utilization of the appropriations provided; further, to regularly monitor the status of the programs, projects, activities, and fund balances so that they can make timely adjustments and/or actions and ensure that the allotments are fully utilized and disbursed as programmed.

The Management continues to monitor the utilization of the funds released on programmed disbursements in the Monthly Cash Program; however, a reprogramming of PAPs under the Normalization Program has requested approval from the Head of the Agency to continuously implement a certain activity spread through the months, thus reverting the unutilized funds to the BTr but the validity of the allotment spills over to the following year as a continuing fund and is subject to the request of additional NCA from the DBM.

B. Compliance Audit

Implementation of PAMANA Projects

6. **The OPAPRU has validated the socio-economic profiling conducted by the DSWD on 1,704 combatants in conflict-affected areas. Moreover, no reports were submitted on the validation conducted on the implementation of PAMANA Projects by the NCIP and PhilHealth, hence, compliance with Special Provision No. 1 of RA No. 11936 could not be ascertained. Moreover, the fund transferred to DSWD was not fully utilized, hence, resulted in unliquidated balance at year-end of ₱447,128,952.00 or 95.53 percent of the funds transferred in CY 2023 totaling ₱468,040,000.00.**

Special Provision No. 1 of RA 11936 also known as the FY 2023 GAA – General Appropriation of the OPAPRU states that: "*The OPAPRU shall validate the quarterly reports on the status of the implementation of the PAyapa at MAsaganang PamayaNAn (PAMANA) Program within ten (10) calendar days from the submission thereof by the following implementing agencies and evaluate the progress, results and outcome of the Program to ensure its proper implementation:*"

Implementing Agency	Amount
Department of Social Welfare and Development (DSWD)	₱ 900,112,000.00
National Commission on Indigenous People (NCIP)	68,518,000.00
PhilHealth	61,229,000.00
Total	**₱ 1,029,859,000.00**

Likewise, under the Monitoring and Evaluation Phase, Paragraph C.24 of the PAMANA Manual of Operations of OPAPRU, states that: The PAMANA National Program Management Office (NPMO) and Peacebuilding and Development Cluster (PBDC) shall (a) conduct of monthly and quarterly physical and financial monitoring, (b) annual outcomes and process monitoring, (c) mid-term and final impact monitoring, and (d) reporting to the peace agreement partners. These set of activities shall be undertaken by the PAMANA-NPMO and the Peacebuilding and Development Cluster (PBDC).

Out of the total appropriation of ₱1,029,859,000.00 for PAMANA Projects in CY 2023, OPAPRU received only cash allocation of ₱468,040,000.00 under NCA Nos. NCA-BMB-D-23-0000741 and 0003003 dated January 3 and March 21, 2023, respectively, for implementation of projects by DSWD. The funds were allotted/budgeted for the following:

Program	Financial Assistance	Cash-for-work Program	Amount
Support for the implementation of Socio-economic Component: MNLF	₱ 36,080,000.00	₱ 35,960,000.00	₱ 72,040,000.00

Program	Financial Assistance	Cash-for-work Program	Amount
MILF	396,000,000.00	-	396,000,000.00
Total	₱ 432,080,000.00	₱ 35,960,000.00	₱ 468,040,000.00

The appropriations/allocations to implement the programs with National Commission on Indigenous People (NCIP) and PhilHealth were included in the appropriations of the said IAs, hence, the allocations were directly released to the IAs. The special provisions are as follows:

Special Provision No. 1 of the NCIP general appropriation for FY 2023 provides that: "PAyapa at MAsaganang PamayaNAn Program. The amount of Sixty Eight Million Five Hundred Eighteen Thousand Pesos (68,518,000) appropriated herein for the PAyapa at MAsaganang PamayaNAn (PAMANA) Program shall be used exclusively to implement projects in conflict-affected areas already identified by OPAPRU."

Special Provision No. 3 of the Philippine Health Insurance Corporation budgetary support for FY 2023 provides that: "Payapa at Masaganang Pamayanan Program. The amount of SixtyOne Million Two Hundred Twenty Nine Thousand Pesos (P61,229,000) appropriated herein shall be used for the health insurance premiums of the beneficiaries under the PAyapa at MAsaganang PamayaNAn (PAMANA) Program. The DOH, OPAPRU and PhilHealth shall ensure that there shall be no duplication of the enrolled beneficiaries with other indirect contributors covered by the abovementioned subsidy under the immediately preceding Section, and with members of direct contributors."

Review of OPAPRU's compliance with Special Provision No. 1 of the GAA in CY 2023 revealed the following:

I. DSWD

a. The implementation of the PAMANA Program under the DSWD is under two tracks: (1) Peace and Development Track, implemented by the KALAHI-CIDSS which is focused on the empowerment of Conflict-Affected and -Vulnerable Areas, and those with Certificates of Ancestral Domain Title (CADT) by involving them in the local development process and following the Community Driven Development (CDD) framework; and (2) Local Government Unit – Led, composed of the Livelihood Assistance Program, Psychosocial Interventions, and the Modified Shelter Assistance Program (MSAP) with its Cash for Work (CFW) Component

b. Two Memorandum of Agreements (MOAs) were entered into and between OPAPRU and Department of Social Works and Development (DSWD) in June 2023 to actualize the fund amounting to ₱72,040,000.00 for the Moro National Liberation Front (MNLF) transformation program were as follows:

Allotted For	MOA No. 1	MOA No. 2
Financial Assistance	₱ 36,000,000.00	₱ 9,000,000.00
Cash-for-work program	-	18,960,000.00
Administrative cost	80,000.00	8,000,000.00
Sub-Total	**36,080,000.00**	**35,960,000.00**
Total	**₱ 72,040,000.00**	

Section 2(e), Article III of the two MOAs provides that: "The OPAPRU, through the MNLF PPO and respective area management offices, and the DSWD, through the pertinent bureau or office of its Central Office and FOs IX, X and XII shall conduct Joint Implementation Review of activities covered by this MOA in order to determine the outcome and impact of program implementation and to formulate ways toward the enhancement thereof;"

While, Section 4, Article III of the same MOA provides that:

"(a) X x x

(h) The DSWD, through its Project Management Team (PMT), shall submit to the OPAPRU-MNLF PPO monthly status reports (both physical and financial reports) five (5) days before the end of every month and quarterly project status updates on the funded activities every 25th of the last month of every quarter;

(i) The DSWD, through its PMT, and the OPAPRU, through its MNLF PPO and area management offices, shall conduct a Joint Implementation Review of activities covered by this MOA in order to determine the impact and outcome of the implementation of the financial assistance and cash-for-work program under the socio-economic components of the MNLF Transformation Program;"

c. Out of the total fund of ₱72,040,000.00 transferred to DSWD on June 29, 2023 for financial assistance for MNLF, ₱20,911,048.00 was liquidated, leaving an unliquidated balance of ₱51,128,952.00 as of December 31, 2023.

d. Validation conducted by OPAPRU confirmed that out of the listed 1,804 MNLF Combatants, DSWD has undertaken socio-economic profiling on 1,704[2] MNLF Combatant or 94.46 percent.

e. DSWD allocated a total amount of ₱18,960,000.00[3] for cash-for-work assistance (CFWA) in CY 2023. However, the intended assistance was not distributed to MNLF Combatants as of year-end.

[2] Annex D – Summary of Profiled MNLF Combatants
[3] Annex E – Summary of CFWA Beneficiaries

f. The MOA for the transferred fund of ₱396,000,000.00 intended for financial assistance for MILF was not submitted to the Audit Team.

g. Out of the fund transferred to DSWD, ₱447,128,952.00 remained unliquidated as at year-end, details below:

Check/ADA		Purpose	Amount	Liquidation	Balance
Date	No.				
4/28/23	1444169	Transitional Financial Assistance to MILF	₱396,000,000.00	-	₱396,000,000.00
6/29/23	1446503	Financial Assistance-MNLF	36,080,000.00	₱20,911,048.00	15,168,952.00
6/29/23	1446504	Cash-for-work Program-MNLF	35,960,000.00	-	35,960,000.00
Total			**₱468,040,000.00**	**₱20,911,048.00**	**₱447,128,952.00**

II. PhilHealth

a. The amount appropriated for the PAMANA Program was for the implementation of Republic Act No. 11223 or the Universal Health Care Act (UHCA) particularly to subsidizes premium payment for insurance contracts of the beneficiaries of the different peace processes in Peace and Development Areas.

b. The report on the validation conducted by NPMO and the report of PhilHealth on the number of combatant members covered by the UHCA and the total amount of premium paid on the said insurance contracts were not submitted to the Audit Team despite numerous verbal request and issuance of AOM.

III. NICP

The program conducted by NICP relative to the PAMANA Projects of OPAPRU in conflict-affected areas could not be established due to non-submission of NCIP's status report on their implementation and the report on the validation conducted by the NPMO.

In view of the above, compliance of OPAPRU, in all material respects with the Special Provision of RA No. 11936 could not be ascertained

We recommended and Management agreed to:

a. **submit the report on the validation conducted on the status of PhilHealth and NCIP's implementation of PAMANA Programs; and**

b. **require the DSWD to regularly liquidate the fund transferred.**

Non-submission of Notice of Delivery

7. **The Notices of Delivery on the procured supplies, materials, and equipment totaling ₱18,963,206.59 were not submitted to the Office of the Audit contrary to Section 6.06 of COA Circular No. 95-006.**

Section 6.06 of COA Circular No. 95-006 requires that, *"the official responsible for or in charge of accepting deliveries of procured items shall, within twenty-four (24) hours from such acceptance, shall notify the auditor of the time and date of the scheduled deliveries."*

In CY 2023 OPAPRU purchased supplies, material, and semi-expendable property, plant and equipment (PPE) totaling ₱18,963,2063.59. Details in Annex F, summarized below:

Particulars	Amount
Supplies and Materials	₱ 14,212,807.69
Semi-Expendable PPE	4,750,398.90
Total	**₱ 18,963,206.59**

Review of the procurement activities showed that the mode of procurement was either public bidding or small-value procurement. The Purchase Orders (PO) and Notices of Awards (NOA) were issued and received by all concerned suppliers. The PO, NOA and the Inspection and Acceptance Report (IAR) were attached to the Disbursement Vouchers.

Further review revealed that the goods were delivered and accepted within the specified term of delivery. However, no Notice of Delivery was submitted to the Office of the Audit Team as required in the Procurement Manual. This practice precluded the Audit Team from witnessing the actual delivery of goods purchased; hence, the reliability of the procurement could not be ascertained.

We recommended and Management agreed to instruct the Property, Procurement and Supplies Section Chief to submit explanation why the Notices of Delivery were not submitted to the Audit Team and henceforth notify the Audit Team whenever there is delivery of supplies and equipment.

C. Others

Gender and Development (GAD) Plan and Budget

Annual GAD Plan and Budget not endorsed by the PCW

8. **The Annual Gender and Development Plan and Budget for CY 2023 of the OPAPRU was tagged "Unendorsed" by Commission on Women (PCW). Also, the allocated ₱53,430,173.20 or 2.72 percent of the total appropriation for 44 GAD programs and activities in CY 2023, contrary to the required five (5) percent allocation.**

Section 35 of the General Provisions of RA No. 11936 or GAA, FY 2023 requires that "All agencies of the government shall formulate a Gender and Development (GAD) Plan designed to address gender issues within their concerned sectors or mandate and implement applicable provisions under RA 9710 or the Magna Carta of Women, Convention on the Elimination of All Forms of Discrimination Against Women, the Beijing Platform of Action, the Philippine Plan for Gender-Responsive Development (1995-2025) and the Philippine Development Plan."

For FY 2023, OPAPRU submitted an Annual Gender and Development Plan and Budget (GADPB) to the Philippine Commission on Women (PCW). The GADPB showed that 44 projects/activities were planned for GAD with a total budget of ₱53,430,173.20 or 2.72 percent of the total appropriation of ₱1,961,164,000.00. However, the GADPB was tagged as "Unendorsed" by the PCW.

Review of the submitted GAD Accomplishment Report (GADAR) for CY 2023 showed that:

a. The status as of April 5, 2024 of the GADAR in the PCW-Gender Mainstreaming Monitoring System (GMMS) is "Under Review";

b. OPAPRU completed 41 or 93.18 percent of the 44 programmed projects; and

c. The total cost incurred on the 41 completed projects was ₱47,626,956.24 or 89.14 of the total budget.

We recommended and Management agreed to:

a. **allocate five percent of the agency's appropriation for GAD programs in furtherance of the welfare and well-being of the intended beneficiaries; and**

b. **continue to maximize the use of allocated budget for GAD programs in the implementation of GAD related activities and carefully plan projects and activities in order to maximize utilization of said programmed GAD Funds.**

Programs and Projects related to Senior Citizens and Persons with Disability

9. **The OPAPRU has not formulated/identified plans, programs and projects related to senior citizens and persons with disabilities for CY 2023, contrary to the provisions of Section 36 of RA No. 11936, also known as the General Appropriation Act (GAA), FY 2023.**

Section 36 of the General Provisions of No. 11936 or the GAA for FY 2023 provides that "All agencies of the government shall formulate plans, programs and projects intended to address the concerns of senior citizens and persons with disability, insofar as it relates to their mandated functions, and integrate the same in their regular activities.

Moreover, all government infrastructures and facilities shall provide architectural or structural features, designs or facilities that will reasonably enhance the mobility, safety and welfare of persons with disability pursuant to Batas Pambansa Blg. 344 and RA No. 7277, as amended."

Among the recommendations contained in the Annual Audit Report (AAR) on OPAPRU for CY 2022, to which management agreed, was for Management to formulate plans, programs and projects intended to address the concerns of SCs and PWDs.

Verification of the agency's compliance with the audit recommendation and compliance with the above-stated provision revealed that for CY 2023; the OPAPRU still did not formulate/identify programs and projects for SCs and PWDs.

The failure of the OPAPRU to formulate/identify plans, programs and projects related to their mandated functions and integrated in their regular activities for SC and PWD is contrary to the provisions of the GAA of 2023, thus, the SCs and PWDs were deprived of the benefits that could have been derived from the welfare and well-being programs.

We reiterated our recommendation that Management strictly observe compliance with the provisions of the GAA and formulate plans, programs and projects intended to address the concerns of senior citizens and persons with disabilities as integrated into their regular activities.

Management Comment:

The Human Resource and Management Services (HRMS) has adopted a proactive approach towards the welfare of senior citizens and persons with disabilities. Through the creation and facilitation of various welfare activities, the HRMS aims to enhance the quality of life of senior citizens and persons with disabilities by providing them with the necessary support and care.

Auditor's Rejoinder:

The list of programs submitted by HRMS on April 16, 2024, which were participated by Senior Citizens according to Management has yet to be verified and validated.

Compliance with tax laws, RA 8291 (GSIS), RA 9679 (Pag-IBIG), and RA 7875 (PhilHealth)

10. **In CY 2023, OPAPRU complied with the provisions of laws/regulations on the proper deduction and remittance to BIR, GSIS, Pag-IBIG, and PhilHealth.**

The deductions for taxes and mandatory contributions, and the corresponding remittances to BIR, GSIS, Pag-IBIG and PhilHealth in CY 2023 are presented below.

Particulars	Total Deductions/ Contribution	Amount Remitted	Balance
BIR	₱ 33,223,027.32	₱ 30,907,446.94	₱ 2,315,580.38
GSIS	24,743,550.94	22,868,389.08	1,875,161.86
Pag-IBIG	2,930,488.29	2,602,588.66	327,899.63
PhilHealth	6,250,145.86	5,738,352.70	511,793.16
Total	₱ 67,147,212.41	₱ 62,116,777.38	₱ 5,030,435.03

The balances of the accounts as of December 31, 2023 were remitted to BIR, GSIS, Pag-IBIG and PhilHealth, respectively, in January 2024.

Compliance with the Property Insurance Law

11. **The OPAPRU insured its insurable properties with the GSIS in compliance with COA Circular No. 92-390 dated November 17, 1992 on the Inventory of Physical Assets, Insurance and Bonding of Risks with the General Insurance Fund (GIF) of the GSIS as required under RA No. 656, Property Insurance Law, as amended by PD No. 245 dated July 13, 1973. The amount of insurance premiums paid with the GSIS for CY 2023 totaled to ₱347,421.49. However, the Property Inventory Form for CY 2023, wherein the list of PPE insured, was not submitted to the Audit Team, hence, propriety, completeness and correctness of the insured properties could not be ascertained.**

We recommended and Management agreed to submit the Property Inventory Form for CY 2023.

Contract of Service (COS)/Job Order (JO)

12. **OPAPRU paid ₱21,531,449.17 in CY 2023 for the 20 percent premium on salaries of 312 Contract of Service/Job Order employees; hence, substantially**

complied with the pertinent rules and regulations concerning Contract of Service (COS) and Job Order (JO) particularly COA-DBM Joint Circular No. 2 of 2020.

Item 11.5 of aforementioned Joint Circular provides that the services of individuals engaged through COS basis, excluding persons or entities engaged through RA No. 9184, and JO shall be paid wages equivalent to the daily wage/salary of comparable positions in government. Subject to the availability of funds, the COS and JO workers may also be granted a premium of up to 20% of their respective wage/salary.

In CY 2023, OPAPRU paid a total amount of ₱21,531,449.17 for the 20 percent premium on salary of 312 Contract of Service/Job Order employees. Details of the disbursements are as follows:

Date	ADA No.	Gross Amount	Withholding Tax	Net Amount
6/21/2023	002007	₱ 9,303,400.61	₱ 231,279.78	₱ 9,072,120.83
6/21/2023	002008	224,243.20	10,101.96	214,141.24
6/21/2023	002009	71,846.44	-	71,846.44
6/21/2023	002010	144,060.86	-	144,060.86
07/06/2023	002204	182,208.22	7,082.89	175,125.33
07/06/2023	002205	113,041.44	4,976.04	108,065.40
12/14/2023	004359	888,204.70	42,929.57	845,275.13
12/14/2023	004361	236,311.03	-	236,311.03
12/14/2023	004365	94,074.40	-	94,074.40
12/14/2023	004367	9,408,159.92	342,255.33	9,065,904.59
12/14/2023	004368	347,265.08	9,256.03	338,009.05
12/20/2023	004558	336,162.00	18,108.89	318,053.11
12/21/2023	004575	72,424.84	-	72,424.84
12/21/2023	004579	33,492.39	-	33,492.39
12/21/2023	004580	76,554.04	-	76,554.04
Total		**₱21,531,449.17**	**₱665,990.49**	**₱20,865,458.68**

Disaster Risk Reduction and Management

13. In CY 2023, OPAPRU personnel attended training course related to Disaster Risk Reduction and Management (DRRM) and conducted earthquake/fire drills to raise awareness and develop security and safety practices in line with the goal of the government on DRRM.

Climate Change Tagging

14. The Management failed to submit to DBM the identified climate change P/P/As for CY 2023 and to the Climate Change Commission (CCC) the agency's duly accomplished quality review and assurance (QAR), which is not in compliance with DBM-CCC Joint Memorandum Circular No. 2015-01 dated March 24, 2015.

Yolanda, Marawi and End Local Communist Armed Conflict (ELCAC) Funds

15. The OPAPRU did not receive funds for Typhoon Yolanda, Marawi and ELCAC funds during the year.

Status of Audit Suspensions and Disallowances

16. **Audit suspension and disallowances amounting to ₱4,289,975,086.20 and ₱51,879,820.33, respectively, were unsettled as of December 31, 2023.**

There were no issued Notice of Suspension, Disallowances and Charges for CY 2023.

As of December 31, 2023 the balance of Notice of Suspension and Disallowances amounting to ₱4,289,975,086.20 and ₱51,879,820.33, respectively remained unsettled and dormant for over two years now.

We reiterated our recommendation that Management strictly enforce the settlement of the audit suspensions and disallowances particularly those with Notice of Finality of Decisions (NFDs) issued pursuant to the provisions of COA Circular No. 2009-006.

Management Comment:

The Management particularly the office of the PAMANA/NPMO shall continuously practice due diligence to complete the inventory of the lacking documents to address the settlement of the audit suspensions. Relative to the audit disallowances, the FMS further coordinated with the former concerned personnel and officials who are no longer connected with the Agency.

PART III - STATUS OF IMPLEMENTATION OF PRIOR YEAR'S AUDIT RECOMMENDATIONS

PART III - STATUS OF IMPLEMENTATION OF PRIOR YEAR'S AUDIT RECOMMENDATIONS

We have followed-up the actions taken by Management in the implementation of prior years' audit recommendations and noted the following:

Status of Implementation	No. of Recommendations
Implemented	21
Not implemented	6*
Total	27

*Out of six not implemented audit recommendations, five were reiterated/revised in Part II of this report.

The results of our validation are as follows:

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
	CY 2022		
1. The Advances to Special Disbursing Officer account balance of ₱29,525,205.38 as of December 31, 2022 was overstated by ₱1,969,770.64 due to non-reclassification and erroneous reclassification of unliquidated cash advances of SDOs no longer connected with the agency amounting to ₱1,994,010.64 and ₱24,240.00, respectively.	42		
We recommended that Management instruct the Head of the Accounting Division to observe the proper classification of accounts in accordance with the Revised Chart of Accounts.		Prepared the JEVs to reclassify receivables to its proper account.	**Implemented** Corrected under JEV Nos. 23-07-01194I dated July 31, 2023.
2. The year-end balance of PPE accounts totaling ₱114,961,126.46 was unreliable due to: (a)	43		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
erroneous recording of prior year depreciation, purchased equipment, reclassification of semi-expendable PPE, disposal of unserviceable PPE, and inter-agency transfer of motor vehicle, and (b) discrepancy between Accounting and Property Records. We recommended that Management instruct the (a) Head of the Accounting Division to prepare the necessary adjusting entries to correct the balances of the affected accounts; and (b) Heads of the Accounting Division and Supply and Property Office to strictly comply with COA Circular No. 2020-006.		Prepared the necessary JEVs to reflect the correct balances of the affected accounts. Issue Memorandum for the conduct of physical inventory.	**Implemented** Corrected under JEV Nos. 23-07-011952 and 23-07-011953 dated July 31, 2023. Conducted physical count of PPE in December 2023
3. Failure to monitor the grant and liquidation of cash advances, demand liquidation, and impose sanctions on officers and employees with unliquidated cash advances resulted in the accumulation of dormant unliquidated cash advances totaling ₱50,639,753.32 as of December 31, 2022, contrary to COA Circular 97-002. We reiterated our recommendation that Management direct the	47	Notified the concerned personnel that salary deductions	**Implemented**

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
concerned SDOs to liquidate their past due cash advances on or before June 30, 2023, otherwise the penalty prescribed in CSC Memorandum Circular No. 23, s. 2019 shall be imposed. Henceforth, liquidate the cash advances in accordance with COA Circular 97-002.		will be implemented starting June 2023 payroll.	Salary deductions were validated from Payroll.
We further recommended that Management:			
a. submit explanation on the lapses in monitoring and non-imposition of sanction;		Explained during the Exit Conference	**Implemented**
b. file legal action on irresponsible former officials and employees;		Cases were filed with the Ombudsman.	**Implemented** One of the Accountable Officer was dismissed from service by the Ombudsman.
c. instruct the Head of the Accounting Division to strictly monitor the grant and liquidation of CAs to avoid accumulation of unliquidated CAs; identify the persons with unpaid PLDT billings; and prepare the necessary journal entry to correct the balances of the		Closely monitor the new cash advances granted to ensure non-accumulation of unliquidated cash advances.	**Implemented** In CY 2023, no CA was granted to AO with unliquidated CA.

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
affected accounts; and			
d. require the Head of the Human Resource Management to properly maintain and regularly update the Agency's Personnel Database.		HRM updated the personnel database.	**Implemented**
4. Out of the total Notice of Cash Allocations received amounting to ₱2,238,274,224.00, ₱2,237,750,714.96 or 99.97 percent was utilized in CY 2022, thus, an improvement with that of last year's allotment utilization of only 88.10 percent. However, OPAPRU did not fully utilize the allotment received for the year, resulting in an unobligated/unutilized allotment of ₱172,114,985.81 or 7.77 percent of the total allotments of ₱2,214,445,552.91 due to unimplemented planned projects for Capital Outlay, contrary to Paragraph 3.13 of the Department of Budget and Management - National Budget Circular No. 587; thus, affecting the performance and accomplishments of its mandate.	51		
We recommended and Management agreed to		Will continue to observe and conduct	**Not Implemented**

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
maximize the utilization of allotments thru proper planning and timely implementation of planned programs during the year.		early procurement and fast–track its process to ensure the utilization of the appropriations provided, to regularly monitor the status of the programs, projects, activities, and fund balances so the management can make timely adjustments and/or actions to ensure that the allotment is fully utilized and disbursed as programmed.	Allotments in CY 2023 were not fully utilized. Reiterated under Observation No. 6 in Part II of this report.
5. The handling of the Cash Advance of three (3) AOs in the total amount of ₱1,934,460.00 were characterized by various deficiencies such as: a) excessive expenditures for hotel accommodation, and b) use of payroll bank account in lieu of a vault, a safety deposit box or a separate bank account, in violation of pertinent provisions of COA Circular No. 2012-003, Executive Order No. 77, Government Accounting Manual for National Government Agencies, and Government Accounting and Auditing Manual. We recommended and Management agreed to require the:	54		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
a. concerned SDO to submit justification for the incurrence of the excessive expenditures; and		Discussed with the Head and the team of the NPMO/ PAMANA to refrain from excessive expenditures and practically observe the provisions of EO77. Submitted justification letter was submitted and received by COA on July 7, 2023.	**Implemented** Justification letter received on July 7, 2023. Excess claims were refunded.
b. SDOs to open a separate bank account in the name of OPAPRU for use solely on CA of SDO or install a vault or a safety deposit box to ensure the safekeeping of the cash advances.		Shall continue to practice the opening of a separate account as part of the Finance policies and guidelines and in compliance with EO 77, in coordination with the Collecting Officer/Cashier and with prior endorsement from authorized depositary bank.	**Implemented** In CY 2023, no noted payroll bank account used by AOs.
6. Eleven paid Disbursement Vouchers for payment of rental fees/lease of motor vehicles totaling ₱269,310.00 were not supported with Official Receipts, hence, proof of payment made could not be ascertained which might place OPPARU at a disadvantage. Also, the absence of the OR is contrary to COA Circular No. 2012-001 and	56		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
Section 53, Chapter 6, Volume 1 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs). We recommended and Management agreed to require the:			
a. Cashier to ensure the receipt of ORs for all payments made to supplier, attach the ORs to the DVs, and strictly adhere with laws, rules and regulations; and		Management shall continuously practice due diligence to ensure that complete documents are attached to the DVs.	**Implemented** The subject ORs were submitted in July 2023.
b. Accountant to ensure that the complete supporting documents are attached to the DVs.			**Not Implemented** CY 2023 DVs were not duly supported with required documents. Restated under Observation No. 4 in Part II of this report.
7. Purchase Orders were not submitted to the Audit Team as required under COA Circular No. 2009-001, and some information in the POs were not completely filled out, thereby causing delay in the conduct of timely review and imposition of liquidated damages in case of delayed delivery.	58		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
We reiterate our prior year recommendation and Management agreed to require the Administrative Services Office to submit all the issued POs as of December 31, 2022, and henceforth, submit the POs within the prescribed deadline in accordance COA Circular No. 2009-001. We further recommended that Management issue a memorandum to designate Supply and Property personnel who will be responsible for the proper accomplishment and monitoring of the POs.		The General Administrative Support Service formulated an extensive process to address the centralization of the submission and proper monitoring of POs and adhere to the requirements of COA Circular No. 2009-001. In addition, the GASS shall continue to conduct orientations and reiterate the COA rules and regulations to comply with the guidelines on the proper filling out of POs to OPAPRU personnel, and avail of trainings and workshops offered by GACPA, PAGBA, and AGIA.	**Implemented** The subject POs were submitted to the Audit Team. **Implemented** The preparation of POs was centralized/ assigned to the General Administrative Support Service.
8. The contents of the OPAPRU's Transparency Seal did not include the following information: a) modification in allotment, b) contracts awarded and report on procurement monitoring, c) major activities or projects, d) status of implementation, evaluation or assessment report of programs or projects, and e) budget	60		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
and financial accountability report; thus, the purpose of its maintenance which is for enhancing transparency and enforcing accountability was not fully achieved.			
We recommended that Management direct the: a. concerned offices/officials responsible for the reports/information to be posted in the Transparency to submit to CPAD for uploading in the Agency's website; and		The Communications and Public Affairs Services (CPAS) continuously coordinate with concerned OPAPRU units to provide documents under the Transparency Seal and Procurement Sections of the OPAPRU's website.	**Implemented** Required information were uploaded in July 2023
b. CPAD to monitor the Bureau's compliance with the Transparency Seal requirements in conformity with the general provisions of the GAA.		To date, all contents mentioned in the observations under the CY 2022 Management Letter have been substantially complied with and uploaded to the Agency's website.	**Implemented** In CY 2023, Management complied with the Transparency Seal requirements.
9. The OPAPRU has allocated ₱17,255,879.41 or 0.87 percent of its total budget of ₱1,991,030,000.00 for twenty-three GAD programs and activities in CY 2022. Out of the allocated funds, only ₱11,105,295.00 or 64.36 percent were utilized; and the planned programs/activities, objectives and allocated	62		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
budget were not fully implemented and utilized during the year. We recommended that Management direct the Chief of the implementing offices to ensure that GAD programs, projects and activities are implemented as planned to attain the GAD objectives.		Continued implementation of GPBs in support of the advancement of women's rights and welfare In addition, the Agency's GAD Focal Point System is reconstituted to facilitate the implementation of the agency's GAD and WPS initiatives	**Implemented** In CY 2023, 93 percent of the programmed projects were completed.
10. The OPAPRU has no formulated/identified plans, programs, and projects related to senior citizens and persons with disability for CY 2022, contrary to Section 35 of the General Appropriation Act, Fiscal Year 2022. We reiterated our prior year recommendation that Management strictly observe compliance with the provisions of the GAA; and formulate plans, programs and projects intended to address the concerns of senior citizens and persons with disability as integrated in their regular activities.	66	Coordinated with other government medical agencies to facilitate medical check-ups for senior citizens. As to the PWDs, it was reflected in the HR's Merit and Selection to give equal opportunities to all persons, regardless of age, sex, and even	**Not Implemented** Reiterated under Observation No. 10 in Part II of this report.

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
		persons with disabilities	
11. In CY 2022, OPAPRU complied with the provisions of laws/regulations on the proper deduction and remittance to BIR, GSIS, Pag-IBIG, and PhilHealth, however, prior years unreconciled balance of account Due to BIR of ₱14,010.55, remained unreconciled as of December 31, 2022.	67		
We recommended and Management agreed to instruct the Head of the Accounting Division to prioritize the reconciliation of the Inter-Agency accounts and review properly the monthly deductions and remittances to ensure full remittance of taxes and mandatory deductions.		Updated and constantly review remittances.	**Implemented** The year-end balance of the account was fully remitted in January 2024.
12. The OPAPRU insured its insurable properties with the GSIS in compliance with COA Circular No. 92-390 dated November 17, 1992 on the Inventory of Physical Assets, Insurance and Bonding of Risks with the General Insurance Fund (GIF) of the GSIS as required under RA No. 656, Property Insurance Law, as amended by PD No. 245 dated July 13, 1973. The amount of insurance premiums paid	68		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
with the GSIS for the CY 2022 totaled to ₱165,161.04. However, properties in Region XI-Davao amounting to ₱374,790.00 were not insured with GSIS. We recommended and Management agreed to ensure that all the insurable assets are covered with insurance.		Insured all insurable assets.	**Implemented** Insurance premium was paid in Sept 2023.
13. Various accounting deficiencies were noted in the recording and reporting of financial transactions aggregating ₱2,134,393,303.16 had undermined the fair presentation of the year-end balance of assets, liabilities, and net assets/equity. We reiterated our recommendations that Management: a. Require the Chief Accountant to request an authority from COA to write-off the receivables which are dormant or remained outstanding for 10 years and more following the requirements stated under COA Circular No. 2016-005 dated December 19, 2016;	CY 2021 Page 46	Submitted request for authority to write-off dormant receivables.	**Implemented** Request for write-off of dormant receivables is under review.

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
b. Direct the Project Heads to closely monitor project timelines and to require IAs to comply with the reportorial requirements for liquidation within the prescribed period;		Monitored strict implementation of projects and issued Demand Letters to IAs to fully liquidate the fund transferred.	**Not Implemented** Unliquidated fund transfers to IA were still noted in CY 2023. Restated under Observation No. 2 in Part II of this report.
c. Develop a strategy that would strengthen its system of coordination with the different government agencies to easily address any issues encountered during the implementation of the project to address the backlog of projects;		Conducted monthly ocular inspections in the Region/beneficia-ries and strengthen coordination with the IAs.	**Implemented** CY 2023 implementation of PAMANA programs and projects by IAs were closely monitored.
d. Instruct the Finance Unit Head to send demand letters to IAs particularly those with accounts that have been outstanding for two or more years enjoining them to assess project implementation and cause the full liquidation of their accounts if these projects had been implemented, and if not, require the immediate refund to OPAPP for		Continuously coordinated with the IAs the status of implementation and liquidation of the projects.	**Not Implemented** Prior years' fund transferred to IAs were still not fully liquidated. Restated under Observation No. 2 in Part II of this report.

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
remittance to the National Treasury. We recommended that Management to review and analyze the discrepancy between the amounts recorded in the Aging of AP and the results of the confirmation, and prepare adjustments where necessary.		Adjusted the identified discrepancies and corrected the balances of the accounts.	**Implemented** Discrepancies were adjusted in CY 2023.
14. Management issued check for Fund Transfers to LGUs in the total amount of ₱99,610,000.00 despite non-liquidation or partial liquidation of previous tranches, in violation of the Memorandum of Agreement (MOA) between the agency and the LGUs and pertinent COA Circulars and PD 1445. We recommended that Management ensure that all documentary/ procedural requirements are complied with prior to the processing of the FTs and that no FTs shall be drawn unless the previous FTs had been properly liquidated and taken up in the books.	59	Instructed the Financial Management Services strictly comply with COA rules and regulations applicable to transfer of funds. Financial Management Services monitored the fund transfers and ensured compliance with COA Circulars.	**Not Implemented** In CY 2023, release of FTs to IAs with prior unliquidated fund transfer were still noted.
15. For CY 2021, OPAPP allocated ₱102,963,979.05 or 4.02	68		

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
percent of its total budget of ₱2,570,678,256.36 for the implementation of various GAD related activities, utilizing a total of ₱9,500.00, which is only 0.01 percent of the allocated budget and only 0.0004 percent of its regular appropriations, thus, the intended benefits of the plan were not fully achieved. We recommended and Management agreed to require the concerned GAD Focal Point System to strictly adhere with the provisions of the GP of the GAA and ensure that at least five percent of its budget is allocated to provide more comprehensive and responsive GAD plans and programs.		Instructed the GAD Focal Point to strictly adhere with the provisions of GAA.	**Implemented** Programmed GAD Projects and Budget for CY 2023 adhered with the provision in GAA.
16. Audit suspension and disallowances amounting to ₱4,289,975,086.20 and ₱51,879,820.33, respectively are unsettled as of December 31, 2022. We recommended and Management agreed to strictly enforce the settlement of the audit suspensions and disallowances particularly those with Notice of Finality of Decisions (NFDs) issued pursuant to the	73	Deducted from monthly payroll of concerned officers and employees the suspensions/disallowances.	**Implemented** Validated the deductions made in the monthly payroll of concerned officers and employees.

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
provisions of COA Circular No. 2009-006			

Observations and Recommendations	References AAR Page No.	Action/s Taken by Management	Results of Auditor's Validation
provisions of COA Circular No. 2009-006			

PART IV - ANNEXES

TABLE OF ANNEXES

Annex	Title
A	Financial Accountability Report No. 1
B	AOM on PPE
C	Reversing/Correcting Journal Entries Made and the Effects on the Misstatements in PPE Accounts As of December 31, 2023
D	Summary of Profiles MNLF-Combatants
E	Summary of CFW Beneficiaries
F	Acquired Supplies and Semi-Expendables

| | | |

CERTIFIED CORRECT:

LORNA B. LORZA
Acting Budget Officer

CERTIFIED CORRECT:

ROSELLA D. BARRIOS
Acting Chief Accountant

CERTIFIED:

ATTY. ROMEO M. MAGNO
Director IV, Financial Management Service

RECOMMENDING APPROVAL:

PA. MERCEDES P. PALAMPLIN
Foundation Anti-Land Banditry and Public Order Building Peace Program

APPROVED BY:

DIRECTOR MARIANO MARCOS JR.
Presidential Adviser on Peace, Reconciliation and Unity

STATEMENT OF APPROPRIATIONS, ALLOTMENTS, OBLIGATIONS, SUBALLOTMENTS AND BALANCES
As of the Quarter Ending December 31, 2021

	CURRENT YEAR APPROPRIATIONS - FY 2021 GAA RA 11513
2	CONTINUING APPROPRIATIONS - FY 2021 GAA RA 11513

Department : Office Secretary Office

Agency Group : Office of the Presidential Adviser on Peace, Reconciliation and Unity (OPAPRU)

Operating Unit : Executive Protocol

Organizational Unit Code : 01 000 0000000

Fund Cluster : 01 Regular Agency Fund

PARTICULARS	MFO CODE	APPROPRIATIONS			ALLOTMENTS					CURRENT YEAR OBLIGATIONS					CURRENT YEAR DISBURSEMENTS					BALANCES			
		[illegible] APPROPRIATIONS	ADJUSTMENTS (TRANSFER [illegible])	[illegible] APPROPRIATIONS	[illegible] RECEIVED	[illegible]	[illegible]	[illegible]	[illegible] TOTAL ALLOTMENTS	1ST QUARTER [illegible]	2ND QUARTER [illegible]	3RD QUARTER [illegible]	4TH QUARTER [illegible]	TOTAL	1ST QUARTER [illegible]	2ND QUARTER [illegible]	3RD QUARTER [illegible]	4TH QUARTER [illegible]	TOTAL	[illegible]	[illegible]	UNREALIZED SAVINGS DUE TO ECONOMY	UNREALIZED SAVINGS DUE TO [illegible]
1	2	3	4	5=3+4	6	7	8	9	10=[illegible]	11	12	13	14	15=[illegible]	16	17	18	19	20=[illegible]	21=[illegible]	22=[illegible]	23	24
I. REPUBLIC ACT NO. 11513 GAA CONTINUING APPROPRIATION FY 2021		[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	
General Administration and Support		[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	
PAP																							
PS	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
MOOE	[illegible]	[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
Fin Exp	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CO	[illegible]	[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-	-	-	-	-	[illegible]		
Management and Supervision of the Comprehensive Peace Process		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	
National Agency and Sectoral Advocacy for Comprehensive Peace Process																							
PAP																							
PS	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
MOOE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
Fin Exp	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CO	[illegible]			-			-	-	-											-	-	-	-
Designate Implement - NPOH		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	
PAP																							
PS	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
MOOE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	-
Fin Exp	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CO	[illegible]		-	-		-	-	-	-											-	-	-	-
Locally Funded Projects - Rationalization Program in the Bangsamoro		[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
PAP																							
PS	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
MOOE	[illegible]	[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
Fin Exp	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CO	[illegible]		-	-		-	-	-	-											-	-	-	-
SUB-TOTAL, AGENCY SPECIFIC BUDGET		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	
PS	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MOOE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
Fin Exp	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CO	[illegible]	[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]											-	[illegible]		-
GRAND TOTAL		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	
PS	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MOOE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
Fin Exp	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CO	[illegible]	[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-	-	-	-	-	[illegible]	-	-
RECAPITULATION BY MOOE																							
I. Agency Specific Budget		[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
Continuing Allotments for Support Services and Operations for Peace Process		[illegible]	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-

CERTIFIED CORRECT:

LEZAIA R. HOPIA
ADV. Budget Division

CERTIFIED CORRECT:

[illegible]
ATTY. Accounting Division

NOTED BY:

DR. [illegible]
Director III, Financial Management Service

RECOMMENDING APPROVAL:

[illegible]
Assistant Secretary for Finance and Administrative Services, Plans and Programs

APPROVED BY:

SECRETARY [illegible]
Presidential Adviser on Peace, Reconciliation and Unity

COA-OPAPRU
FILE COPY

Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE AUDITOR
Office of the Presidential Adviser on Peace, Reconciliation and Unity
3rd Floor Agustin I Bldg., F. Ortigas, Jr. Road, Ortigas Center, Pasig City

Annex B

AOM No. : 2024-003 (2023)
Date : March 11, 2024

AUDIT OBSERVATION MEMORANDUM

For : **HON. CARLITO G. GALVEZ, Jr.**
Secretary
Office of the Presidential Adviser on Peace, Reconciliation and Unity
Pasig City

Attention : **Mr. Arnulfo R. Pajarillo**
Presidential Assistant
Finance and Administrative Services (FAS)

Ms. Ma. Corazon B. Almario
Director IV
FAS

Ms. Shery Anne D. Paderon
PPO IV, Accounting Division Head

We analyzed the Property, Plant and Equipment (PPE) accounts of the Office of the Presidential Adviser on Peace, Reconciliation and Unity's (OPAPRU) as of November, 2023 and noted the following:

The year-end balance of PPE accounts totaling ₱109,338,813.60 was misstated due to erroneous recording of: (a) acquisitions, (b) disposal, (c) provisions for depreciation, and (d) adjusting and correcting journal entries. Likewise, the book value of the Intangible Assets of ₱483,194.02 was misstated by ₱13,611.12; thus, affecting the fair presentation of the Financial Statements (FS).

Paragraph 27 of International Public Sector Accounting Standards (IPSAS) No. 1, states that: *"Financial statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses set out in IPSASs. The application of IPSASs, with additional disclosures, when necessary, is presumed to result in financial statements that achieve a fair presentation."*

The balances as of November 30, 2023 of the PPE accounts per General Ledger (GL) are presented in the next page:

Account	Amount	Accumulated Depreciation (AD)	Book Value
Other Structures (OS)	₱ 859,580.85	₱ 179,795.59	₱ 679,785.26
Machinery	1,258,450.00	262,747.81	995,702.19
Office Equipment (OE)	24,421,441.50	12,405,934.08	12,015,507.42
Information and Communication Technology Equipment (ICTE)	29,477,412.99	21,203,956.27	8,273,456.72
Communications Equipment (CE)	5,276,025.30	4,503,207.02	772,818.28
Motor Vehicles (MV)	45,406,264.10	38,406,422.61	6,999,841.49
Furnitures and Fixtures (FF)	1,459,994.92	635,154.83	824,840.09
Leased Assets Improvements, Buildings	829,643.94	783,754.51	45,889.43
Other Property, Plant and Equipment (OPPE)	350,000.00	332,500.31	17,499.69
Total	**₱109,338,813.60**	**₱78,713,473.03**	**₱30,625,340.57**

While the GL for Computer Software has a book balance of ₱483,194.02 as of November 30, 2023, details below:

Account	Balance
Computer Software	₱ 3,449,118.00
Accumulated Amortization-Computer Software	2,965,923.98
Book Value	**₱ 483,194.02**

Audit of the above accounts showed that the account balances as of November 30, 2023 were misstated due to the following deficiencies:

a. Erroneous Journal Entries

JEV No.	Journal Entry Made (JEM)			Should be		
1. Purchased various equipment						
a. To reclassify equipment costing less than ₱50,000.00 to semi-expendable PPE						
21-12-03454 12/29/2021	OE ICTE OE ICTE	362,220.00 246,050.00	 61,280.00 546,990.00	SE-ICTE SE-OE SE-FF ICTE OE FF	330,480.00 61,280.00 42,780.00	 330,480.00 61,280.00 42,780.00
b. To correct journal entry made in JEV No. 22-04-00683						
23-03-00396 3/31/2023	SE-ICTE SE-OE SE-FF ICTE OE FF	330,480.00 61,280.00 42,780.00	 330,480.00 61,280.00 42,780.00	AS/D OE ICTE FF (Note: The semi-expendable equipment was issued to end-users in CY 2022, hence, AS/D should have been debited in JEV No. 23-03-00396 since these SE-PPE are considered expense when issued to end-users)	434,540.00	 330,480.00 61,280.00 42,780.00

JEV No.	Journal Entry Made (JEM)			Should be		
2. Acquired Communication Equipment						
a. To take up the acquired equipment						
22-09-01526-3 9/29/22	CE AP	180,000.00	180,000.00	Semi-Expendable (SE)-CE AP	180,000.00	180,000.00
b. To reclassify CE costing P30,000.00 per unit						
22-10-01860R 10/31/2022	SE-CE CE	180,000.00	180,000.00	SE-CE AD-CE CE AS/D	180,000.00 3,430.25	180,000.00 3,430.25
c. To correct JEM in JEV No. 22-10-01860R						
23-03-00397 3/31/2023	SE-CE AD-CE CE	176,564.75 3,435.25	180,000.00	(Note: As of 10/31/2022, the Book Value of the CE was P176,564.75		
3. Donation of motor vehicle to Philippine Army						
a. To take-up donation in the books of accounts						
22-10-01860RR 10/31/2022	AS/D MV	106,112.00	106,112.00	AD-MV AS/D MV	955,008.00 106,112.00	1,061,120.00
22-10-01860S 10/31/2022	AD-MV AS/D	955,008.00	955,008.00			
a. To correct JEM in JEV Nos. 22-10-01860RR and 22-10-01860S						
23-03-00398 3/31/2023	AD-MV AS/D MV	955,008.00 106,112.00	1,061,120.00			
23-03-00399 3/31/2023	AD-MV MV	955,008.00	955,008.00			
4. CE costing less than P50,000.00 acquired in CY 2018						
a. To reclassify CE to SE-CE						
22-11-2055Z9A 11/2022	SE-CE CE	128,464.00	128,464.00	AD-CE AS/D CE	122,040.80 6,423.00	128,464.00
b. To correct JEM in JEV No. 22-11-2055Z9A						
23-03-00400 3/31/2023	AD-CE AS/D CE	122,040.80 6,423.20	128,464.00			
5. Disposal of unserviceable PPE						
a. To record the disposal						
22-12-03187 12/31/2022	AS/D OE ICTE MV	243,690.09	161,690.62 16,082.50 65,916.97	AD-OE AD-ICTE AD-MV Loss on Sale of Unserviceable Property	1,590,357.42 180,992.50 593,252.69 243,690.08	
22-12-03188 12/31/2022	AD-OE AD-ICTE AD-MV AS/D	1,590,357.42 180,992.50 593,252.69	2,364,602.61	Unserviceable Property OE ICTE MV		1,752,048.04 197,075.00 659,169.65
b. To correct JEM in JEV Nos. 22-12-03187 and 22-12-03188						
23-03-00401 3/31/2023	AD-OE AD-ICTE AD-MV Loss on Sale of PPE OE ICTE	1,590,357.42 180,992.50 593,252.69 243,690.08	1,752,048.04 197,075.00			

JEV No.	Journal Entry Made (JEM)			Should be		
	MV		659,169.65			
23-03-00402 3/31/2023	AD-OE AD-ICTE AD-MV Loss on Sale of PPE OE ICTE MV AS/D	1,590,357.42 180,992.50 593,252.69 243,690.08	1,590,357.42 180,992.50 593,252.69 243,690.08			
6. December 2021 provision for depreciation recorded in January 2022						
a. To record the depreciation						
22-01-00124 1/31/2022	Dep Exp-CE AD-CE	48,587.76	48,587.76	AS/D AD-CE	48,587.76	48,587.76
b. To correct JEM in JEV No. 22-01-00124						
23-03-00395 3/31/2023	AS/D AD-CE	48,587.76	48,587.76			

b. Erroneous recording of depreciation

JEV No.	Journal Entry Made (JEM)			Should be		
23-03-00480T 3/31/2023	Depreciation-Machinery AD-Machinery	105,391.84	105,391.84	Depreciation-OE AD-OE	90,850.35	90,850.35
23-03-00480TT 3/31/2023	Depreciation-OE AD-OE	151,702.15	151,702.15	Depreciation-ICTE AD-ICTE	150,702.85	150,702.85
23-03-00480U 3/31/2023	Depreciation-ICTE AD-ICTE	131,108.34	131,108.34	Depreciation-CE AD-CE	85,719.45	85,719.45
23-03-00480UU 3/31/2023	Depreciation-CE AD-CE	295,419.76	295,419.76	Depreciation-MV AD-MV	250,985.84	250,985.84
23-03-00480V 3/31/2023	Depreciation-MV AD-MV	3,708.57	3,708.57	Depreciation-Machinery AD-Machinery	3,708.57	3,708.57
23-03-00480VV 3/31/2023	Depreciation-FF AD-FF	6,568.02	6,568.02	Depreciation-Lease Asset AD-Lease Asset	6,568.02	6,568.02
23-03-00480W 3/31/2023	Depreciation-Lease Asset AD-Lease Asset	8,728.15	8,728.15	Depreciation-FF AD-FF	8,728.15	8,728.15
23-08-01285 8/22/2023	Depreciation-ICTE AD-FF	182,793.52	182,793.52	Depreciation-ICTE AD-ICTE	182,793.52	182,793.52

c. Erroneous computation of provision for depreciation and amortization of PPE and Intangible Asset

JEV No.	Date	PPE Account	Amount		
			Recorded	Should be	Over/(Under) Stated
23-02-00276	2/28/2023	OE	168,490.50	181,700.70	(13,210.20)
23-02-00277	2/28/2023	ICTE	306,966.80	304,968.20	1,998.60
23-02-00278	2/28/2023	CE	119,716.66	171,438.90	(51,722.24)
23-04-00645	4/30/2023	OE	231,136.66	125,811.93	105,324.73

JEV No.	Date	PPE Account	Amount		
			Recorded	Should be	Over/(Under) Stated
23-04-00648	4/30/2023	ICTE	235,018.17	170,389.77	64,628.40
23-04-00651	4/30/2023	MV	295,419.76	250,985.84	44,433.92
23-06-01017 23-07-01195C 23-08-01286 23-09-01367 23-09-01561 23-11-01822	May to December 2023	CE	659,147.23	600,035.42	59,111.81
23-02-00280C	2/28/2023	Computer Software	35,598.23	49,213.32	13,615.09
23-03-00480WW	3/31/2023	Computer Software	38,215.76	24,604.66	13,611.10

d. Depreciation not posted in the GL

JEV No.	Date	Particulars		
23-04-00652	4/30/2023	Depreciation-FF AD-FF	11,379.85	 11,379.85

e. No provision for amortization of Computer Software amounting to ₱24,604.66 in August 2023.

The above errors resulted in an aggregate misstatement of ₱16,051,241.12 in PPE, Inventory, Accumulated Surplus/(Deficit), and Non-Cash Expenses accounts which affected the fair presentation of the financial statements. The affected accounts are summarized below, detailed computation in Schedule 1 and Schedule 2:

Account Title	Over/(Under) Statement
Semi-Expendable OE	₱ 61,280.00
Semi-Expendable ICTE	330,480.00
Semi-Expendable CE	305,028.75
Semi-Expendable FF	42,780.00
Office Equipment	(1,451,108.04)
Information and Communication Technology Equipment	(498,015.00)
Communications Equipment	(308,464.00)
Motor Vehicles	(1,720,289.66)
Accumulated Depreciation – Machinery	101,683.27
Accumulated Depreciation - OE	(3,238,397.97)
Accumulated Depreciation – ICTE	(314,952.51)
Accumulated Depreciation - CE	265,677.65
Accumulated Depreciation - MV	(3,299,364.73)
Accumulated Depreciation – FF	(13,539.98)
Accumulated Depreciation – Lease Assets	2,160.13
Accumulated Amortization – Computer Software	(51,830.85)

Account Title	Over/(Under) Statement
Depreciation -Machinery	101,683.27
Depreciation -OE	(57,683.13)
Depreciation -ICTE	47,032.49
Depreciation -CE	217,089.88
Depreciation -MV	(202,843.35)
Depreciation -FF	(13,539.98)
Depreciation -Lease Assets	2,160.13
Amortization-Intangible Assets	(51,830.85)
Aggregate Total	**P 16,051,241.12**

Had the Head of the Accounting Division meticulously reviewed the journal entries made in the JEV, above errors could have been detected and corrected immediately.

We recommend that Management instruct the Accounting Division to prepare the necessary adjusting entries to correct the balances of the affected accounts.

May we have your comment/s on the foregoing audit observations within five (5) calendar days from receipt hereof.

MELINDA B. CLARIN
Audit Team Leader

RACHEL S. POLICARPIO
Supervising Auditor

Proof of Receipt of AOM:

Name	Position	Received By:	Date
Hon. Carlito G. Galvez, Jr.	Acting PAPRU, OPAPRU		3/13/24; 2:09 pm
Mr. Arnulfo R. Pajarillo	Presidential Assistant, FAS		3/13/2024
Ms. Shery Anne D. Paderon	Accounting Division Head		

Schedule 1

Effect of Erroneous Journal Entries on PPE Transactions
As of November 30, 2023

Account Title	Over/(Under)Statement										
	a						b	c	d	e	Net Effect
	1	2	3	4	5	6					
SE-OE	61,280.00										61,280.00
SE-ICTE	330,480.00										330,480.00
SE-CE		176,564.75		128,464.00							305,028.75
SE-FF	42,780.00										42,780.00
OE	300,940.00				(1,752,048.04)						(1,451,108.04)
ICTE	(300,940.00)				(197,075.00)						(498,015.00)
CE		(180,000.00)		(128,464.00)							(308,464.00)
MV			(1,061,120.00)		(659,169.66)						(1,720,289.66)
AD-Machinery							101,683.27				101,683.27
AD-OE					(3,180,714.84)		60,851.80	(105,324.73) (13,210.20)			(3,238,397.97)
AD-ICTE					(361,985.00)		(19,594.51)	64,628.40 1,998.60			(314,952.51)
AD-CE						48,587.76	209,700.31	59,111.81 (51,722.24)			265,677.64
AD-MV			(1,910,016.00)		(1,186,505.38)		(247,277.27)	44,433.92			(3,299,364.73)
AD-FF							(2,160.13)		(11,379.85)		(13,539.98)
AD-LA							2,160.13				2,160.13
AA-CS								(13,615.09) (13,611.10)		(24,604.66)	(51,830.85)
AS/(D)	434,540.00	(3,435.25)	848,896.00		2,120,912.52	(48,587.76)					3,352,325.51
Dep-Machinery							101,683.27				101,683.27
Dep-OE							60,851.80	(105,324.73) (13,210.20)			(57,683.13)
Dep-ICTE							(19,594.51)	64,628.40 1,998.60			47,032.49
Dep-CE							209,700.31	59,111.81 (51,722.24)			217,089.88
Dep-MV							(247,277.27)	44,433.92			(202,843.35)
Dep-FF							-2,160.13		(11,379.85)		(13,539.98)
Dep-LA							2,160.13				2,160.13
Amortization-IA								(13,615.09) (13,611.10)		(24,604.66)	(51,830.85)

Prepared by:

MELINDA B. CLARIN
Audit Team Leader

Annex C

Reversing/Correcting Journal Entries Made and the Effects on the Misstatements in PPE Accounts
As of December 31, 2023

Account Title	Over/(Under) Statement per AOM	JEV No.	Reversal Entry Made		JEV No.	Correcting Entry Made		Effect	Over(Under) Statement After Reversing/ Correcting Entries
		DEC31, 2023	Debit	Credit	DEC31, 2023	Debit	Credit	Increase/ (Decrease)	
Semi-Expendable OE	61,280.00	23-12-03663		61,280.00				(61,280.00)	0.00
Semi-Expendable ICTE	330,480.00	23-12-03663		330,480.00				(330,480.00)	0.00
Semi-Expendable CE	305,028.75								305,028.75
Semi-Expendable FF	42,780.00	23-12-03663		42,780.00				(42,780.00)	0.00
Office Equipment	(1,451,108.04)	23-12-03663	61,280.00		23-12-03664		330,480.00	(269,200.00)	(1,720,308.04)
Information and Communication Technology Equipment	(498,015.00)	23-12-03663	330,480.00		23-12-03664		61,280.00	269,200.00	(228,815.00)
Communications Equipment	(308,464.00)								(308,464.00)
Motor Vehicles	(1,720,289.66)								(1,720,289.66)
Furniture and Fixtures		23-12-03663	42,780.00		23-12-03664		42,780.00	0.00	0.00
Accumulated Depreciation – Machinery	101,683.27	23-12-03667	105,391.84		23-12-03676		3,708.57	(101,683.27)	0.00
Accumulated Depreciation - OE	(3,238,397.97)	23-12-03669	151,702.15		23-12-03668		90,850.35	(60,851.80)	(3,299,249.77)
Accumulated Depreciation – ICTE	(314,952.51)	23-12-03671	131,108.34		23-12-03670		150,702.85	19,594.51	(295,358.00)
Accumulated Depreciation - CE	265,677.65	23-12-03673	295,419.76		23-12-03672		85,719.45	(209,700.31)	55,977.34
Accumulated Depreciation - MV	(3,299,364.73)	23-12-03675	3,708.57		23-12-03674		250,985.84	247,277.27	(3,052,087.46)
Accumulated Depreciation – FF	(13,539.98)	23-12-03677	6,568.02		23-12-03680		8,728.15	2,160.13	(11,379.85)

Account Title	Over/(Under) Statement per AOM	JEV No.	Reversal Entry Made		JEV No.	Correcting Entry Made		Effect	Over(Under) Statement After Reversing/ Correcting Entries
		DEC31, 2023	Debit	Credit	DEC31, 2023	Debit	Credit	Increase/ (Decrease)	
Accumulated Depreciation – Lease Assets	2,160.13	23-12-03679	8,728.15		23-12-03678		6,568.02	(2,160.13)	0.00
Accumulated Amortization – Computer Software	(51,830.85)								(51,830.85)
Accumulated Surplus/(Deficit)	3,352,325.51				23-12-03664	434,540.00		(434,540.00)	2,917,785.51
Depreciation -Machinery	101,683.27	23-12-03667		105,391.84		3,708.57		(101,683.27)	0.00
Depreciation -OE	(57,683.13)	23-12-03669		151,702.15	23-12-03668	90,850.35		(60,851.80)	(118,534.93)
Depreciation -ICTE	47,032.49	23-12-03671		131,108.34	23-12-03670	150,702.85		19,594.51	66,627.00
Depreciation -CE	217,089.88	23-12-03673		295,419.76	23-12-03672	85,719.45		(209,700.31)	7,389.57
Depreciation -MV	(202,843.35)	23-12-03675		3,708.57	23-12-03674	250,985.84		247,277.27	44,433.92
Depreciation -FF	(13,539.98)	23-12-03677		6,568.02	23-12-03680	8,728.15		2,160.13	(11,379.85)
Depreciation -Lease Assets	2,160.13	23-12-03679		8,728.15	23-12-03678	6,568.02		(2,160.13)	0.00
Amortization-Intangible Assets	(51,830.85)								(51,830.85)
Aggregate Total	**₱16,051,241.12**		**1,137,166.83**	**1,137,166.83**		**1,031,803.23**	**1,031,803.23**	**(1,079,807.20)**	**14,266,770.35**

Prepared by:

MELINDA B. CLARIN
Audit Team Leader

Annex D

Summary of Socio-Economic Profiling
As of December 31, 2023

Province	Target	Listed	Profiled	Amount	
				Allocation	Disbursed
Basilan	560	492	463	₱ 25,200,000.00	₱ 20,835,000.00
Lanao del Sur	606	478	444	27,270,000.00	19,980,000.00
Maguindanao del Norte	834	834	797	37,530,000.00	35,865,000.00
Total	**2,000**	**1,804**	**1,704**	**₱ 90,000,000.00**	**₱76,680,000.00**

Prepared by:

MELINDA B. CLARIN
Audit Team Leader

Annex E

Summary of Cash-for-Work Beneficiaries
As of December 31, 2023

Province	Profiled	Served	Allocation	Distributed
Basilan	463	None	₱ 5,308,800.00	None
Lanao del Sur	444	None	5,744,880.00	None
Maguindanao del Norte	797	None	7,906,320.00	None
Total	**1,704**	-	₱18,960,000.00	-

Prepared by:

MELINDA B. CLARIN
Audit Team Leader

Date	PO No.		Particulars	Qty	UC	Supplies	Semi-Expendable PPE
3/23/2023	2023-04-0044	Gifts and Graces Fair Trade	Wind catcher, prayer bell			5,400.00	
4/13/2023	2023-04-0042	Onesimus Corporation	jusi fabric, silk cocoon fabric			7,496.00	
04/11/2023	2023-04-0038	Epartners Solution Inc	All-in-one printer	2	15,364.00		30,728.00
			LG Smart TV	1	31,464.00		31,464.00
3/20/2023	2023-03-0033	Progressive Home and Office Furnishings	Executive table	1	13,275.00		13,275.00
			Mobile pedestal	1	6,705.00		6,705.00
			Sliding glass door metal cabinet	2	11,250.00		22,500.00
4/14/2023	2023-04-0031	ECOBUDGET Corp	tissue, diswashing liquid, etc			49,548.74	
3/16/2023	2023-03-0028	Autoblitz Tire Center	tire, battery			40,170.00	
3/29/2023	2023-03-0027	Epartners Solution Inc	Multifunction printer	1	14,555.00		14,555.00
3/24/2023	2023-03-0024	Progress Home and Office Furnishings	Mesh office chair	6	4,320.00		25,920.00
2/13/2023	2023-02-0019	Carolina House of Barong	Piña Cocoon Barong	5	1,900.00	9,500.00	
3/21/2023	2023-03-0017	Epartners Solution Inc	toner, ink			49,821.00	
02/10/2023	2023-02-0011	CVA-Interior Home and Office Décor Trading	Combi blinds			46,148.92	
01/09/2023	2023-01-006	PC Express	Extreme External Drive	1	7,100.00		7,100.00
1/25/2023	2023-01-004	BJM Sison Marketing	Ink			8,850.00	
1/31/2023	2023-01-003	Design & Function Inc	Sliding door filing cabinet	4	10,800.00		43,200.00
1/18/2023	2023-01-001	BJM Sison Marketing	Ink			40,320.00	
Sub-Total						**14,212,807.69**	**4,750,398.90**
Total						**P 18,963,206.59**	

Prepared by:

MELINDA B. CLARIN
Audit Team Leader

Annex F

Schedule of Acquired Supplies and Semi-Expendable PPE
For the Calendar Year 2023

Date	PO No.		Particulars	Qty	UC	Supplies	Semi-Expendable PPE
12/21/2023	2023-12-0328	Tanjer Enterprises	golf umbrella, notebook, sign pen, packaging box			383,600.00	
12/21/2023	2023-12-0329	Santawood Home and Office Inc	Office chair	77	3,800.00		292,600.00
			Steel type cabinet	11	11,880.00		130,680.00
			Lateral filling cabinet	13	10,000.00		130,000.00
12/27/2023	2023-12-0323	Carolina House of Barong	Piña Cocoon Barong	5	2,083.30	10,416.50	
12/06/2023	2003-12-0320	Isource Asia Business Solutions	Toner			200,014.30	
12/22/2023	2023-12-0317	Carolina House of Barong	Piña Cocoon Barong	5	2,083.33	10,416.65	
12/21/2023	2023-12-0316	Carolina House of Barong	Piña Cocoon Barong	5	2,083.33	10,416.65	
12/15/2023	2023-12-0313	Mia Maison	Oil diffuser w/refill	13	1,380.00	17,940.00	
12/15/2023	2023-12-0312	National Bookstore	Parker Ballpen	34	1,299.00	44,166.00	
12/15/2023	2023-12-0311	YVES ROCHER	YVES Body wash set	13	499.00	6,487.00	
12/22/2023	2023-12-0308	3Tech Innovation Master Corp	Laptop	20	40,150.00		803,000.00
10/20/2023	2023-10-0307	Progressive Home and Office Furnishings	Executive office table	1	45,540.00		45,540.00
11/13/2023	2023-11-0301	GSST Auto Repair Shop	Bridgestone tire	4	12,500.00	50,000.00	
12/06/2023	2023-12-0300	Commsource System & Integrated Solutions	Laptop	20	47,890.00		957,800.00
12/06/2023	2023-12-0299	BLC Variety Store	Customized OPAPRU beer mugs and paper bags	100	500.00	50,000.00	
11/10/2023	2023-11-0298	GSST Auto Repair Shop	Bridgestone tire	4	12,500.00	50,000.00	
12/11/2023	2023-12-0286	Fast Retaining Phil, UNIQLO	Jacket	18	2,492.00	44,856.00	
11/03/2023	2023-11-0279	Kultura Store, Inc	Rafaella shawl (orig/polypina)	3		6,297.00	
11/03/2023	2023-11-0278	Onesimus Corporation	Jusi Barong Tagalog	1	3,998.00	3,998.00	

Date	PO No.		Particulars	Qty	UC	Supplies	Semi-Expendable PPE
			Jule Barong Tagalog	2	2,498.00	4,996.00	
11/08/2023	2023-11-0277	Carolina House of Barong	Piña Cocoon Barong	5	1,979.17	9,895.85	
11/20/2023	2023-11-0276	Kerulai Mktg Inc	Heavy-duty air cooler	2	22,000.00		44,000.00
12/06/2023	2023-12-0288	Seag Enterprises	Colored Printer	10	15,540.00		155,400.00
			Portable Printer	4	18,354.00		73,416.00
			Hard Drive	10	3,118.00		31,180.00
			Wireless Presenter	4	1,320.00		5,280.00
			HDMI cable	2	3,169.20		6,338.40
11/23/2023	2023-11-0271	New AG Stylist Furniture	Steel document cabinet	5	8,500.00		42,500.00
11/20/2023	2023-11-0270	Apex Office Supplies & Equipment Trading	Office supplies			931,400.00	
11/23/2023	2023-11-0269	LAM Marketing Co	Office supplies			49,747.00	
11/23/2023	2023-11-0268	Epartners Solution Inc	Printer Ink			49,714.00	
10/27/2023	2023-10-0263	National Book Store	Office supplies			7,688.25	
11/21/2023	2023-11-0260	PhilCopy Corporation	Toner			260,516.70	
11/13/2023	2023-11-0252	Thrifty Enterprises	Printer Ink			37,500.00	
10/31/2023	2023-10-0251	New AG Stylist Furniture	Office chair	4	3,200.00		12,800.00
			Executive office chair	1	6,000.00		6,000.00
			Office desk	4	6,000.00		24,000.00
			Metal filling cabinet	2	12,000.00		24,000.00
			White board	1	7,000.00		7,000.00
			Lateral cabinet	2	6,500.00		13,000.00
			Movable pedestal cabinet	3	3,700.00		11,100.00
10/26/2023	2023-10-0250	EESM Bookstore	Books			21,390.25	
11/13/2023	2023-11-0242	Zioneyes General Merchandize	Jacket	24	1,500.00	36,000.00	
11/06/2023	2023-11-0235	Anson Home. Inc	Refrigerator	1	8,798.00	8,798.00	
			Digital body weigth scale	1	1,490.00	1,490.00	
			Digital blood pressure monitor	1	3,630.00	3,630.00	
11/06/2023	2023-11-0234	SM Megamall	bootle steam sterilizer, baby wipes, etc			27,931.50	
10/26/2023	2023-10-0230	ECOBUDGET Corp	Cleaning materials			49,751.19	

Date	PO No.		Particulars	Qty	UC	Supplies	Semi-Expendable PPE
06/06/2023	2023-06-0227	Commsource System & Integrated Solutions	Desktop computer	2	40,500.00		81,000.00
			Zkteco biometrics device	4	16,250.00		65,000.00
07/10/2023	2023-07-0225	Lyric Pionos & Organ Corp	Dual Channel Wireless Mic	5	27,000.00		135,000.00
10/16/2023	2023-10-0223	New AG Stylist Furniture	Mid higback office chair	24	5,300.00		127,200.00
10/19/2023	2023-10-0222	Progressive Home and Office Furnishings	PU BK chair	6	7,650.00		45,900.00
10/24/2023	2023-10-0219	Anson Home, Inc	Percolator	1	5,220.00		5,220.00
9/27/2023	2023-09-0218	Yours Printshop and Printing Supplies	Office supplies			11,720.00	
10/23/2023	2023-10-0217	Watsons/Family Health & Beauty Corp	Health kit, efficascent oil			15,975.50	
10/02/2023	2023-10-0213	Progressive Home and Office Furnishings	Executive Table	2	13,275.00		26,550.00
10/09/2023	2023-10-0212	D Squared Technology Inc	Cleaning Kit, panel ribbon			17,700.00	
10/04/2023	2023-10-0209	LAM Marketing Co	copy paper	190	257.00	48,830.00	
10/12/2023	2023-10-0208	BLC Variety Store	Tote bag, notebook, flash drive, etc			207,900.00	
02/10/2023	2023-02-0205	ACK-VGT Non-Specialized Wholesale Trading	Mid higback office chair	6	6,500.00		39,000.00
2/14/2023	2023-02-0202	Progressive Home and Office Furnishings	Office Table	6	7,969.50		47,817.00
02/10/2023	2023-02-0201	Epartners Solution Inc	Printer	4	11,471.00		45,884.00
10/05/2023	2023-10-0200	Progressive Home and Office Furnishings	Executive Table	1	39,100.00		39,100.00
10/10/2023	2023-10-0198	National Book Store	Office supplies			19,403.50	
9/26/2023	2023-09-0194	Carolina House of Barong	Piña Cocoon Barong	5	1,979.17	9,895.85	
9/21/2023	2023-09-0185	Progressive Home and Office Furnishings	Metal mobile pedestal	1	3,402.00		3,402.00
9/20/2023	2023-09-0184	Progressive Home and Office Furnishings	Office Table	1	9,832.50		9,832.50

Appendix 64

Office of the President of the Philippines
Office of the Presidential Adviser on Peace, Reconciliation and Unity
7th Floor, Agustin 1 Building, F. Ortigas Jr. Road, Ortigas Center, 1605 Pasig City Tel (+632) 636-0701 Fax No: (+632) 638-2216

REPORT OF SUPPLIES AND MATERIALS ISSUED

Entity Name: (OPAPRU)
Fund Cluster: REGULAR AGENCY FUND 01

Serial No: 2024-01-0538
Date: 3-Jan-2024

To be filled up in the Supply and Property Unit					To be filled up in the Accounting Unit		
RIS No.	Responsibility Center Code	Stock No.	Item	Unit	Quantity Issued	Unit Cost	Amount
2024-01-0538	HRMS	OPAPRU-FO-T02	**FOLDER**; *TAGBOARD, Legal size documents*	piece	100	4.14	413.92
2024-01-0538	HRMS	OPAPRU-EN-D02	**ENVELOPE**; *DOCUMENTARY for Legal size docum*	piece	30	1.96144	58.84
2024-01-0538	HRMS	OPAPRU-TT-P01	**TOILET TISSUE PAPER**; *2 ply, 150 pulls, 12 rolls/p*	pack	2	99.84	199.68
2024-01-0538	HRMS	OPAPRU-BF-C01	**CLIP, BACKFOLD**; *19mm (-1mm) all metal clampin*	box	10	8.72	87.20
2024-01-0538	HRMS	OPAPRU-BF-C02	**CLIP, BACKFOLD**; *25mm (-1mm) all metal clampin*	box	6	15.60	93.60
2024-01-0538	HRMS	OPAPRU-AF-A01	**AIR FRESHENER**; *Arosol, 280ml/150g min.*	can	6	87.31	523.86
2024-01-0538	HRMS	OPAPRU-AL-E01	**ALCOHOL**; *Ehyl, 68%-70%, scented, 500ml (-5ml)*	bottle	6	50.43	302.58
2024-01-0538	HRMS	OPAPRU-PP-M01	**PAPER**; *Multicopy A4 size, 210mmX297mm, 80gsm*	ream	20	165.65	3,313.00
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Recapitulation:

Stock No.	Quantity			Unit Cost	Total Cost	UACS Object Code
OPAPRU-FO-T02	100	FOLDER; TAGBOARD, Legal size documents	piece	4.14	413.92	
OPAPRU-EN-D02	30	ENVELOPE; DOCUMENTARY for Legal size doc	piece	1.96	58.84	
OPAPRU-TT-P01	2	TOILET TISSUE PAPER; 2 ply, 150 pulls, 12 rolls/	pack	99.84	199.68	
OPAPRU-BF-C01	10	CLIP, BACKFOLD; 19mm (-1mm) all metal clamp	box	8.72	87.20	
OPAPRU-BF-C02	6	CLIP, BACKFOLD; 25mm (-1mm) all metal clamp	box	15.60	93.60	
OPAPRU-AF-A01	6	AIR FRESHENER; Arosol, 280ml/150g min.	can	87.31	523.86	
OPAPRU-AL-E01	6	ALCOHOL; Ehtyl, 68%-70%, scented, 500ml (-5ml	bottle	50.43	302.58	
OPAPRU-PP-M01	20	PAPER; Multicopy A4 size, 210mmX297mm, 80gs	ream	165.65	3,313.00	
					4,992.68	

I hereby certify to the correctness of the above information

LEILANNIE T. DISOMANGCOP, CPA
HEAD- ADMIN. SERVICE

Posted by:

AFRIL SATIOQUIA APOLINAR
Administrative Officer IV

Date	PO No.		Particulars	Qty	UC	Supplies	Semi-Expendable PPE
8/31/2023	2023-08-0181	AVF Air-conditioning Center	Split type air conditioning unit	1	49,790.00		49,790.00
08/02/2023	2023-08-0175	Carolina House of Barong	Piña Cocoon Barong	5	1,979.17	9,895.85	
09/07/2023	2023-09-0174	Electroworld	Macbook Air	1	48,990.00		48,990.00
09/04/2023	2023-09-0168	ACK-VGT Non-Specialized Wholesale Trading	Steel Locker cabinet	2	21,500.00		43,000.00
08/04/2023	2023-08-0162	Thrifty Enterprises	Ink Cartridge	3	3,875.00		11,625.00
08/08/2023	2023-08-0159	Progressive Home and Office Furnishings	Conference Table	1	11,160.00		11,160.00
08/08/2023	2023-08-0157	ECOBUDGET Corp	Tissue, interfolded paper towel			49,198.94	
08/02/2023	2023-08-0155	Mercury Drug Store	wet wipes, folded tissue, etc			7,118.75	
08/02/2023	2023-08-0154	National Book Store	Office supplies			6,875.00	
08/02/2023	2023-08-0151	Progressive Home and Office Furnishings	Connex CS-90D vault	1	19,620.00		19,620.00
07/10/2023	2023-07-0150	Progressive Home and Office Furnishings	Executive Table	2	13,275.00		26,550.00
7/27/2023	2023-07-0148	Thrifty Enterprises	alcohol, ink, broom, etc			45,580.00	
07/01/2023	2023-07-0147	Fast Retaining Phil, UNIQLO	HRMS Uniformed Jacket	12	1,490.00	17,880.00	
2/20/2023	2023-02-0146	Anson Home, Inc	Two-Door Fujidenzo	1	9,999.00		9,999.00
06/06/2023	2023-06-0145	Yakan Weavers	Sword with Frama, native table runner			7,500.00	
06/07/2023	2023-06-0144	Palawan Souvenir Shop	Pen holder, Marawi Sword of Life			7,800.00	
3/30/2023	2023-03-0142	St. Pio Printing Services	Polo Shir with new OPAPRU Logo	40	600.00	24,000.00	
7/28/2023	2023-07-0140	SM Megamall	Prepaid Load (Globe, Smart, TM)			6,670.00	
7/13/2023	2023-07-0137	Carolina House of Barong	Piña Cocoon Barong	3	1,900.00	5,700.00	
07/06/2023	2023-07-0134	National Food Authority	Well-milled rice 50 kgs, plus handling and delivery fee	7142	1,400.00	9,998,800.00	
06/12/2023	2023-06-0133	Progressive Home and Office Furnishings	Office chair	11	4,320.00		47,520.00

Annendix 64

Office of the President of the Philippines
Office of the Presidential Adviser on Peace, Reconciliation and Unity
7th Floor, Agustin I Building, F. Ortigas Jr. Road, Ortigas Center, 1605 Pasig City Tel (+632) 636-0701 Fax No: (+632) 638-2216

REPORT OF SUPPLIES AND MATERIALS ISSUED

Entity Name: (OPAPRU)
Fund Cluster: REGULAR AGENCY FUND 01

Serial No: 2024-01-0539
Date: 4-Jan-2024

To be filled up in the Supply and Property Unit					*To be filled up in the Accounting Unit*		
RIS No.	Responsibility Center Code	Stock No.	Item	Unit	Quantity Issued	Unit Cost	Amount
2024-01-0539	LCPSC-SCPO	OPAPRU-AL-E01	**ALCOHOL**, *Ethyl, 68%-70%, scented, 500ml (-5ml)*	bottle	6	50.00	300.00
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Recapitulation:					
Stock No.	Quantity		Unit Cost	Total Cost	UACS Object Code
OPAPRU-AL-E01	6	ALCOHOL, Ethyl, 68%-70%, scented, 500ml (-5ml	50.00	300.00	

I hereby certify to the correctness of the above information

LEILANNIE T. DISOMANGCOP, CPA
HEAD- ADMIN. SERVICE

Posted by:

AFRIL SATIOQUIA APOLINAR
Administrative Officer IV

Date	PO No.		Particulars	Qty	UC	Supplies	Semi-Expendable PPE
1/20/2023	2023-01-0130	Office Warehouse, Inc	Office supplies			5,046.50	
1/20/2023	2023-01-0129	Suyen Corporation	Office supplies			7,694.00	
07/04/2023	2023-07-0125	Star Appliance Inc	LG Refrigerator	1	14,995.00		14,995.00
07/03/2023	2023-07-0121	TTCS Trading	Toner	36	1,477.00	53,172.00	
06/07/2023	2023-06-0120	Thrifty Enterprises	Office supplies			19,590.00	
6/20/2023	2023-06-0111	Mini Depato Corp	Wet wipes, food storage, etc			6,402.00	
6/20/2023	2023-06-0110	Surplus Marketing Corp	Jacket			19,169.00	
6/23/2023	2023-06-0109	Motor Shopping Management Corp	Prepaid Load (Globe, Smart, TM)			6,670.00	
6/22/2023	2023-06-0107	Phoneville Mobile Inc	Samsung Galaxy S21 FE 5g	1	28,990.00		28,990.00
5/24/2023	2023-05-0106	Carolina House of Barong	Piña Cocoon Barong	5	1,900.00	9,500.00	
6/21/2023	2023-06-0105	Octagon Computer Superstore	Printer	1	8,795.00		8,795.00
06/05/2023	2023-06-0101	New AG Stylist Furniture	Lateral filling cabinet	2	10,500.00		21,000.00
			High back office chair	3	8,000.00		24,000.00
			Office sofa	1	15,000.00		15,000.00
			4-chair dining set	1	9,000.00		9,000.00
			Office staff table	3	9,000.00		27,000.00
			2-door inverter refrigerator	1	36,000.00		36,000.00
			4-layered steel adjustable shelves	3	10,000.00		30,000.00
5/15/2023	2023-05-0099	Digital Walker Corp	APP ACC USB-C Power Adapter	1	6,090.00	6,090.00	
5/26/2023	2023-05-0094	AVF Air-conditioning Center	Split type air conditioning unit	1	49,790.00		49,790.00
5/26/2023	2023-05-0093	Progressive Home and Office Furnishings	Office guest chair	6	5,670.00		34,020.00
5/29/2023	2023-05-0091	Epartners Solution Inc	Colored Printer	1	11,471.00		11,471.00
			Monochrome printer	2	7,500.00		15,000.00
5/29/2023	2023-05-0090	LAM Marketing Co	toilet cleaner, bleach, etc			49,830.00	
05/05/2023	2023-05-0089	Progressive Home and Office Furnishings	Connex Safety vault	1	12,420.00		12,420.00
5/30/2023	2023-05-0088	Octagon Computer Superstore	1TB External Drive	3	2,250.00	6,750.00	
			HD Webcam	3	1,899.00	5,697.00	

Appendix 64

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REPORT OF SUPPLIES AND MATERIALS ISSUED

Entity Name: (OPAPRU)
Fund Cluster: REGULAR AGENCY FUND 01

Serial No: 2024-01-0540
Date: 4-Jan-2024

To be filled up in the Supply and Property Unit					*To be filled up in the Accounting Unit*		
RIS No.	Responsibility Center Code	Stock No.	Item	Unit	Quantity Issued	Unit Cost	Amount
2024-01-0540	GPH-PS	OPAPRU-TD-T01	**TAPE DISPENSER**; *TABLE TOP, heavy duty, 24mm*	piece	4	72.80	291.20
2024-01-0540	GPH-PS	OPAPRU-IT-T01	**INDEX TAB**; *Self-adhesive, transparent 5 set per box*	box	5	63.11	315.55
2024-01-0540	GPH-PS	OPAPRU-SR-P01	**STAPLE REMOVER**; *Plier type, wedge shape slide*	piece	1	27.87	27.87
2024-01-0540	GPH-PS	OPAPRU-PP-M01	**PAPER**; *Multicopy A4 size, 210mmX297mm, 80gsm*	ream	5	165.65	828.25
2024-01-0540	GPH-PS	OPAPRU-FO-L01	**FOLDER**; *L-TYPE, Plastic A4 size, plastic transparen*	piece	20	3.7508	75.02
2024-01-0540	GPH-PS	OPAPRU-EN-D01	**ENVELOPE**; *DOCUMENTARY for A4 size documen*	piece	20	1.52880	30.58
2024-01-0540	GPH-PS	OPAPRU-EN-D02	**ENVELOPE**; *DOCUMENTARY for Legal size docum*	piece	20	1.96144	39.23
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Recapitulation:

Stock No.	Quantity			Unit Cost	Total Cost	UACS Object Code
OPAPRU-TD-T01	4	TAPE DISPENSER; TABLE TOP, heavy duty, 24n	piece	72.80	291.20	
OPAPRU-IT-T01	5	INDEX TAB; Self-adhesive, transparent 5 set per l	box	63.11	315.55	
OPAPRU-SR-P01	1	STAPLE REMOVER; Plier type, wedge shape slid	piece	27.87	27.87	
OPAPRU-PP-M01	5	PAPER; Multicopy A4 size, 210mmX297mm, 80gs	ream	165.65	828.25	
OPAPRU-FO-L01	20	FOLDER; L-TYPE, Plastic A4 size, plastic transpar	piece	3.75	75.02	
OPAPRU-EN-D01	20	ENVELOPE; DOCUMENTARY for A4 size docum	piece	1.53	30.58	
OPAPRU-EN-D02	20	ENVELOPE; DOCUMENTARY for Legal size doc	piece	1.96	39.23	
					1,607.69	

I hereby certify to the correctness of the above information

LEILANNIE T. DISOMANGCOP, CPA
HEAD- ADMIN. SERVICE

Posted by:

AFRIL SATIOQUIA APOLINAR
Administrative Officer IV

Date	PO No.		Particulars	Qty	UC	Supplies	Semi-Expendable PPE
3/23/2023	2023-04-0044	Gifts and Graces Fair Trade	Wind catcher, prayer bell			5,400.00	
4/13/2023	2023-04-0042	Onesimus Corporation	jusi fabric, silk cocoon fabric			7,496.00	
04/11/2023	2023-04-0038	Epartners Solution Inc	All-in-one printer	2	15,364.00		30,728.00
			LG Smart TV	1	31,464.00		31,464.00
3/20/2023	2023-03-0033	Progressive Home and Office Furnishings	Executive table	1	13,275.00		13,275.00
			Mobile pedestal	1	6,705.00		6,705.00
			Sliding glass door metal cabinet	2	11,250.00		22,500.00
4/14/2023	2023-04-0031	ECOBUDGET Corp	tissue, diswashing liquid, etc			49,548.74	
3/16/2023	2023-03-0028	Autoblitz Tire Center	tire, battery			40,170.00	
3/29/2023	2023-03-0027	Epartners Solution Inc	Multifunction printer	1	14,555.00		14,555.00
3/24/2023	2023-03-0024	Progress Home and Office Furnishings	Mesh office chair	6	4,320.00		25,920.00
2/13/2023	2023-02-0019	Carolina House of Barong	Piña Cocoon Barong	5	1,900.00	9,500.00	
3/21/2023	2023-03-0017	Epartners Solution Inc	toner, ink			49,821.00	
02/10/2023	2023-02-0011	CVA-Interior Home and Office Décor Trading	Combi blinds			46,148.92	
01/09/2023	2023-01-006	PC Express	Extreme External Drive	1	7,100.00		7,100.00
1/25/2023	2023-01-004	BJM Sison Marketing	Ink			8,850.00	
1/31/2023	2023-01-003	Design & Function Inc	Sliding door filing cabinet	4	10,800.00		43,200.00
1/18/2023	2023-01-001	BJM Sison Marketing	Ink			40,320.00	
Sub-Total						**14,212,807.69**	**4,750,398.90**
Total						**P 18,963,206.59**	

Prepared by:

MELINDA B. CLARIN
Audit Team Leader