



## ADMINISTRATIVE ORDER NO. 23 COMPLIANCE REPORT

NAME OF DEPARTMENT/AGENCY/LGU: INTERNAL AUDIT SERVICES – LGU ORMOC CITY

SUBMITTED UPDATED CITIZEN'S CHARTER TO ARTA ON JULY 25, 2020:     Yes         No

### LIST OF ALL FRONTLINE SERVICES AND CORRESPONDING LEGAL BASIS:

GOVERNMENT SERVICE	LEGAL BASIS		OFFICE/AGENCY REGULATIONS		
	Governing Law(s) (Number and Short Title)	Specific Provision in the Governing Law(s) as Basis	Issuance/Policy Title	Date of Effectivity	Other Issuances/Policies it Effectively Repeals/Amends
Internal Audit Service	Administrative Order No. 119	Section 1. Agency Responsibility. – The responsibility for the fiscal operations of offices and agencies of government is hereby declared to reside primarily in the respective Heads of each office, agency, government-owned or controlled corporation, and local government unit. For this purpose, each and every office, agency, corporation and local government unit is mandated to strengthen its internal control system and/or organize systems and procedures to that effect in coordination with the Department of Budget & Management.	Directing the Strengthening of the Internal Control Systems of Government Offices, Agencies, Government-Owned or Controlled Corporations and Local Government Units in their Fiscal Operation	March 29, 1989	
	Memorandum Order No. 277	Direct the Department of Budget and Management to promulgate the necessary rules, regulations or circulars for the strengthening of the internal control systems of government offices, agencies, government-owned or controlled corporations and local government units, in implementation of Administrative Order No. 119.	Directing the Department of Budget and Management to Promulgate the Necessary Rules, Regulations or Circulars for the Strengthening of the Internal Control Systems of Government Offices, Agencies, Gov't. Owned or Controlled Corporations and Local Gov't. Units.	January 17, 1990	



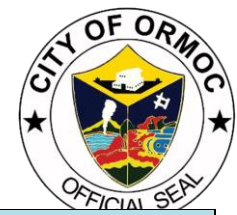
	Administrative Order No. 278	<p>Sec. 1. In addition to the provisions of Section 1 of Administrative Order No. 119, Series of 1989, all heads of government offices, agencies, Government-Owned and/or Controlled Corporations, including government financial institutions and Local Government Unit, shall organize Internal Audit Services (IAS) in their respective offices, as follows:</p> <p>1.1 The Internal Audit Services (IAS) shall be an integral part of the office/organization and shall assist the institution management in the effective discharge of its responsibilities insofar as the same would not encroach on or be adversarial with those of the auditors of COA. It shall function in accordance with the policies established by the provisions of Republic Act No. 3456, as amended by the Republic Act No. 4177, and shall perform staff functions with primary responsibilities encompassing the examination and evaluation of the adequacy and effectiveness of internal control and the quality of performance.</p> <p>2.0 In addition to its above duties, the IAS may be called upon to perform special assignment by the Head of the Agency. However, it shall not be responsible for or required to participate in procedures which are essentially a part of a regular operating activity or in operation which are primarily responsibility of another unit in the organization. The IAS shall be detached from all functions of routine operating character.</p>	Directing the Strengthening of the Internal Control Systems of Government Offices, Agencies, GOCC including Gov't. Financial Institutions and LGU	April 28, 1992	
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	Administrative Order No. 70	<p>Section 1. Creation of Internal Audit Service.</p> <p>– All heads of government offices, agencies, government-owned and/or controlled corporations, including government financial institutions, State Universities and Colleges and local government units, shall organize an Internal Audit Service (IAS) in their respective offices.</p> <p>The IAS shall be an integral part of the office and shall assist in the management and effective discharge of the responsibilities of the office, without intruding into the authority and mandate of the Commission on Audit (COA) granted under the Constitution. It shall function in accordance with the policies established by the provisions of Republic Act No. 3456 as amended by Republic Act No. 4177.</p> <p>The IAS shall be provided with sufficient support from the top management to gain the cooperation/confidence of the auditee.</p> <p>Section 2. Conduct of Internal Audit – Internal Audit shall be performed with proficiency and due professional care.</p>	Strengthening of the Internal Control System of Government Offices, Agencies, Government-Owned and/or Controlled Corporation, including Government Financial Institutions, State Universities and Colleges and Local Government Units	April 14, 2003	
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	Local Budget Circular No. 110	<p>1.1 This circular is being issued to encourage all provinces, cities, and municipalities to adopt the Internal Audit Manual for Local Government Units (IAM for LGUs) as guide in establishing, maintaining and operating an Internal Audit Services/Unit (IAS/U)</p> <p>2.1 Considering that internal audit is one of the vital aspects of an open and orderly public financial management (PFM) system, the IAM for LGUs aims to help LGUs: (i) establish and maintain a functional and operational IAS/U, which prepares and timely submits regular internal audit reports; and, (ii) follow up and implement audit recommendations.</p> <p>2.2 The IAM for LGUs is a comprehensive step by step guide, consistent with the provisions of laws, rules and regulations.</p> <p>2.3 The Manual reiterates that internal audit is not an adversarial function. Instead, it enables the LGUs to independently evaluate whether internal controls are well designed and properly operated.</p> <p>Accordingly, it provides a clear description of internal audit roles and responsibilities, organizational structure and staffing of the IAS/U, and the methodology for performing compliance, operations and management audits.</p>	Internal Audit Manual for Local Government Units	June 15, 2016	
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**SERVICE INFORMATION PER GOVERNMENT SERVICE**

**GOVERNMENT SERVICE: COMPLIANCE AUDIT**

<b>SERVICE INFORMATION</b>					
<b>LIST OF REQUIREMENTS</b>		<b>LIST OF STEPS AND PROCEDURES</b>		<b>Total Processing Time</b>	<b>Total Fees to be Paid</b>
<b>Requirement</b>	<b>Legal Basis</b>	<b>Client Steps/Procedures as indicated in the Citizen's Charter</b>	<b>Legal Basis</b>		
1. Submit the Endorsement Letter/Written Instructions from the City Mayor to the IAS Office		1.0 Receive the Endorsement Letter/Written Instructions and forward to the Head of IAS		5 minutes	<b>None</b>
		1.1 Evaluation if the audit request is under the scope of IAS		3 Hours, 30 minutes	<b>None</b>
		1.2 If the audit request is:			
		1.2.1 Not under the scope of IAS:		4 Hours	<b>None</b>
		1.2.1.1 Preparation of letter stating the basis why the audit request is declined and submit to the Head of IAS for review and approval.			
		1.2.1.2 Review and approval of the letter		4 Hours	<b>None</b>
		1.2.1.3 Submit the letter to the City Mayor		25 minutes	<b>None</b>
		1.2.2 Under the scope of IAS:		4 Hours	<b>None</b>
		1.2.2.1 Assignment and discussion of the Project to the IAS staff			
		1.3 Conduct of Compliance Audit		13 Days	<b>None</b>
		1.4 Draft audit report and submit to the Head of IAS for review and approval		3 Days	<b>None</b>
		1.5 Review and approval of audit report		3 Days	<b>None</b>
		1.6 Submit audit report to City Mayor		25 Minutes	<b>None</b>



<b>TOTAL</b>	<p>If Project is:</p> <p>Not under the scope of IAS:</p> <p>1 Day, 4 Hours</p> <p>Under the scope of IAS:</p> <p>20 days</p>	<b>None</b>
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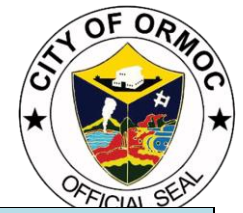
**SERVICE INFORMATION PER GOVERNMENT SERVICE**

**GOVERNMENT SERVICE: Management Audit**

<b>SERVICE INFORMATION</b>					
<b>LIST OF REQUIREMENTS</b>		<b>LIST OF STEPS AND PROCEDURES</b>		<b>Total Processing Time</b>	<b>Total Fees to be Paid</b>
<b>Requirement</b>	<b>Legal Basis</b>	<b>Client Steps/Procedures as indicated in the Citizen's Charter</b>	<b>Legal Basis</b>		
1. Submit the Endorsement Letter/Written Instructions from the City Mayor to the IAS Office		1.0 Receive the Endorsement Letter/Written Instructions and forward to the Head of IAS		5 minutes	<b>None</b>
		1.1 Evaluation if the audit request is under the scope of IAS		3 Hours, 30 minutes	<b>None</b>
		1.2 If the audit request is:			
		1.2.1 Not under the scope of IAS:			
		1.2.1.1 Preparation of letter stating the basis why the audit request is declined and submit to the Head of IAS for review and approval.		4 Hours	<b>None</b>
		1.2.1.2 Review and approval of the letter		4 Hours	<b>None</b>



		1.2.1.3 Submit the letter to the City Mayor		25 minutes	None
		1.2.2 Under the scope of IAS:		4 Hours	None
		1.2.2.1 Assignment and discussion of the Project to the IAS staff			
		1.3 Conduct of Management Audit		13 Days	None
		1.4 Draft audit report and submit to the Head of IAS for review and approval		3 Days	None
		1.5 Review and approval of audit report		3 Days	None
		1.6 Submit audit report to City Mayor		25 Minutes	None
<b>TOTAL</b>				<b>If Project is:</b> <b>Not under the scope of IAS:</b> <b>1 Day, 4 Hours</b> <b>Under the scope of IAS</b> <b>20 days</b>	None



**SERVICE INFORMATION PER GOVERNMENT SERVICE**

**GOVERNMENT SERVICE: OPERATIONS AUDIT**

<b>SERVICE INFORMATION</b>					
<b>LIST OF REQUIREMENTS</b>		<b>LIST OF STEPS AND PROCEDURES</b>		<b>Total Processing Time</b>	<b>Total Fees to be Paid</b>
<b>Requirement</b>	<b>Legal Basis</b>	<b>Client Steps/Procedures as indicated in the Citizen's Charter</b>	<b>Legal Basis</b>		
1. Submit the Endorsement Letter/Written Instructions from the City Mayor to the IAS Office		1.0 Receive the Endorsement Letter/Written Instructions and forward to the Head of IAS		5 minutes	<b>None</b>
		1.1 Evaluation if the audit request is under the scope of IAS		3 Hours, 30 minutes	<b>None</b>
		1.2 If the audit request is:			
		1.2.1 Not under the scope of IAS:			
		1.2.1.1 Preparation of letter stating the basis why the audit request is declined and submit to the Head of IAS for review and approval.		4 Hours	<b>None</b>
		1.2.1.2 Review and approval of the letter		4 Hours	<b>None</b>
		1.2.1.3 Submit the letter to the City Mayor		25 minutes	<b>None</b>
		1.2.2 Under the scope of IAS:			
		1.2.2.1 Assignment and discussion of the Project to the IAS staff		4 Hours	<b>None</b>
		1.3 Conduct of Operations Audit		13 Days	<b>None</b>
		1.4 Draft audit report and submit to the Head of IAS for review and approval		3 Days	<b>None</b>
		1.5 Review and approval of audit report		3 Days	<b>None</b>
		1.6 Submit audit report to City Mayor		25 Minutes	<b>None</b>





TOTAL	If Project is: Not under the scope of IAS:  1 Day, 4 Hours  Under the scope of IAS  20 days	None
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