



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



No.: 2010-015
 Date: May 18, 2010

MEMORANDUM

- To : The Assistant Commissioners, Cluster/Regional Directors, Supervising Auditors, Audit Team Leaders, Audit Team Members, and all others concerned
- Subject : Uniform guidelines for the signing and transmittal of the Annual Audit Reports (AARs), Consolidated Annual Audit Reports (CAARs), and Management Letters (MLs) of the National Government Sector and Local Government Sector, for CY 2009 and onwards.

The full implementation of the COA Organizational Restructuring under COA Resolution No. 2008-012 dated October 10, 2008 has been operationalized under various policy issuances on downstream restructuring, as follows:

Number/Date	Subject
COA Resolution No. 2009-011 dated May 19, 2009	2009 COA Organization Downstream Restructuring
COA Resolution No. 2009-014 dated June 19, 2009	Audit Group Structure of the Regional Offices pursuant to COA Resolution No. 2009-011 dated May 19, 2009
COA Resolution No. 2009-017 dated August 27, 2009	Audit Group Structure in the National Capital Region pursuant to COA Resolution No. 2009-011 dated May 19, 2009
COA Resolution No. 2009-018 dated September 9, 2009	Audit Group Structure of the COA Regional Offices pursuant to COA Resolution No. 2009-011 dated May 19, 2009

Likewise, the manning complement of the audit groupings under COA Resolution Nos. 2009-017 and 2009-018 have been issued by the undersigned under various office orders assigning the members of the audit teams under each audit group.

To ensure uninterrupted audit operations and provide uniform guidelines in the submission of audit reports while the organization downstream restructuring was in process, COA Resolution No. 2009-005 dated March 12, 2009 was issued providing the transition guidelines on the consolidation and transmittal of AARs and MLs for CY 2008. Likewise, COA Memorandum No. 2010-002 dated January 14, 2010 was issued providing the uniform guidelines in the preparation of the 2009 AARs and MLs, and the inventory of documents and turnover of office between the outgoing and incoming Audit Team Leaders (ATLs).


To provide permanent and uniform guidelines in the preparation and submission of the audit reports for CY 2009 and onwards, the following are herein promulgated:

1. The Regional Directors (RDs) shall ensure that: (a) all the elements of an audit observation are present to facilitate consolidation and prevent guesswork on the part of the consolidator; (b) the status of implementation of prior year's recommendations is updated and validated; and (c) the financial statements and the notes submitted for regional consolidation are in order;
2. The signatories to the audit reports shall be as follows:

Local Government Units (LGUs)/ National Government Agencies (NGAs)	Type of Report/ Document	Signatory/ Transmittal of Report
Provinces and Cities	AAR	SA/RD
Municipalities and Barangays	AAR	ATL/SA
Municipalities and Cities in Metro Manila	AAR	SA/CD
Barangays in Metro Manila	AAR	ATL/SA
NGAs with complete set of books (including specialized agencies, Foreign-Assisted Projects, and Official Development Assistance) and with consolidation	AAR /CAAR Audit Certificate	SA/CD or RD SA/CD
NGAs with incomplete set of books	MLs	SA
NGAs with incomplete set of books and with regional consolidation	Regional MLs	RD
NGAs with field offices with no accounting books and accounts are centrally recorded in the Head Office (HO)/ Regional Office (RO)	Simplified ML Matrix of Observations and Recommendations with Management's Comments and Auditor's Rejoinder	ATL Concerned ATL to submit to the HO/ RO ATL

3. The RDs shall state categorically in the transmittal of the audit report to the CDs whether a particular account/specific sub-account covered by the latter's audit guide was audited or not, with or without significant findings;
4. The RDs shall ensure the timely submission of the transmitted MLs to the CDs;
5. The SAs and ATLs in the central and regional offices, respectively, may communicate directly with each other on matters pertaining to consolidation of reports; and
6. All issuances inconsistent hereof are herein amended accordingly.

For the guidance and strict compliance of all concerned.


REYNALDO A. VILLAR
Chairman