HOW IMPORTANT IS COA TO THE PHILIPPINES?

by:
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What is the significance of COA to the Philippines? They've been termed the "guardians of public coffers," the "supreme auditing arm of the Philippine government," for ensuring that officials aren't pocketing monies that should be utilized for, among other things, the efficient operation of government services.

The COA currently has 54,694 audit agencies spread among a variety of government offices, including water districts, state colleges and universities, local government units, and national government agencies, to name a few. COA audits these government entities and issues reports and issuances, which often indicate transactions that are judged irregular or inappropriate based on audit guidelines.

The annual reports are the product of a year-long audit conducted by resident auditors stationed at government agencies. The private audit observation memorandum (AOM) is handed to agencies first, which they can address or explain. The findings, the agency's explanation, and, in some situations, the auditors' rebuttal will all be included in the public annual report.

Annual audit reports do not include any findings of corruption. COA can conduct a fraud audit or even a customized audit in exceptional circumstances. COA can also issue disallowance notices, which invalidate the transaction and require the agency to refund the funds to the national treasury. Because the COA lacks prosecution authority, agencies can challenge these notices for years. It also means that agencies can disregard the suggestions, but COA can report annually on whether the agencies have complied.
Reference: