



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City

ANNUAL AUDIT REPORT

on the

NATIONAL IRRIGATION ADMINISTRATION (NIA)

For the Years Ended December 31, 2022 and 2021



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
COMMONWEALTH AVENUE, QUEZON CITY

RECEIVED
JUL 31 2023

BY: *Normie Dacanay*

CORPORATE GOVERNMENT AUDIT SECTOR
Cluster 5 – Agriculture and Natural Resources

July 31, 2023

ENGR. EDUARDO EDDIE G. GUILLEN
Acting Administrator
National Irrigation Administration
NIA Complex, EDSA, Diliman, Quezon City

Dear Administrator GUILLEN:

Pursuant to Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree (PD) No. 1445, otherwise known as the Government Auditing Code of the Philippines, we transmit herewith our Report on the results of the audit of the accounts and transactions of the **National Irrigation Administration (NIA)**, for the years ended December 31, 2022 and 2021.

The Report consists of the Independent Auditor's Report, the Audited Financial Statements, the Observations and Recommendations, the Status of Implementation of Prior Years' Audit Recommendations and the Annex.

The Auditor did not express an opinion on the accompanying financial statements of the NIA. The Auditor was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements, in view of the following:

1. The faithful representation in the financial statements and verifiability of the balances as at December 31, 2022 of four major assets accounts, i.e. Cash and cash equivalents, Receivables, Other current assets, and Property, plant and equipment (PPE) in the amounts of P19.220 billion, P1.870 billion, P2.804 billion and P300.892 billion, respectively; and five major liabilities accounts, i.e. Financial liabilities, Inter-agency payables, Trust liabilities, Provisions and Other payables accounts in the amounts of P3.234 billion, P76.286 billion, P3.074 billion, P1.108 billion and P2.359 billion, respectively, could not be established, in view of the deficiencies noted in the keeping of these accounts which are not in conformity with Paragraph 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Conceptual Framework) and Paragraph 27 of the International Public Sector Accounting Standard (IPSAS) 1, viz.:
 - a. Non-maintenance of complete subsidiary ledgers (SLs) to support the General ledger (GL) accounts on nine assets and ten liabilities accounts with balances in the aggregate amounts of P662.269 million and

P1.606 billion, respectively; while SLs maintained for four assets accounts in the aggregate amount of P312.140 million in Central Office (CO) and two Regional Offices (ROs), and 11 liabilities accounts in the total amount of P3.882 billion in CO and in five ROs have no/incomplete data/details, rendering the balances of these accounts doubtful;

- b. Absence of complete accounting and property records/documents on PPE and Cash and cash equivalents accounts, such as: (i) PPE Ledger Cards (PPELCs) and Construction-in-progress Ledger Cards (CIPLCs) for various PPE items in the total amount of P74.029 billion, while PPELCs/CIPLCs maintained for PPE account in the total amount of P25.913 billion have incomplete data; and (ii) Bank Reconciliation Statements (BRSS) for Cash in banks in the total amount of P29.991 million;
 - c. Unreconciled variances in the total absolute amount of P41.046 billion between the PPE balances per GLs vis-à-vis balances per Reports on the Physical Count of PPE (RPCPPEs) in CO, 12 ROs, and Jalaur River Multipurpose Project Stage II (JRMP-II); and
 - d. Presence of abnormal balances in 12 accounts, i.e. five assets accounts and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively.
2. The faithful representation in the financial statements and verifiability of the balance of the Accumulated surplus/(deficit) account in the amount of P228.230 billion as at December 31, 2022 were not obtained due to the recognition of Prior period adjustments and other adjustments covering calendar years (CYs) 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, without supporting documents to substantiate the adjustments made to restate various assets, liabilities, income and expense accounts in prior years due to errors, omissions and misstatements, arising from failure to use, or misuse of reliable information, contrary to Paragraph 27 of IPSAS 1 and Paragraph 3.26 of the Conceptual Framework.
3. The non-disclosure in the Notes to Financial Statements to conform with the requirements of the IPSASs on the: (a) estimation of financial effects, indication of uncertainties of amount and timing of cash flows on the 128 outstanding legal cases pending before the Courts; and (b) the nature of the Prior period adjustments and other adjustments on various assets, liabilities, income and expense accounts, deprived the intended users of the financial statements of the vital information in making economic decisions, contrary to Paragraphs 7, 15, 28, and 127 of IPSAS 1 and Paragraphs 33 and 54 of IPSAS 3.

For the afore-cited observations, which caused the issuance of a disclaimer opinion, we recommended that top Management:

- 1.1 Direct the Finance Manager of the CO and Regional Managers of the ROs concerned to instruct the Accounting Division of CO and Accounting Sections of ROs to:

- a. Prepare and maintain complete SLs for all accounts to come up with verifiable and reliable account balances in the financial statements;
 - b. Prepare and maintain PPELCs/CIPLCs with complete information for all PPEs in accordance with the forms prescribed under the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume II;
 - c. Exert efforts to locate the supporting documents to provide the necessary data on SLs without details;
 - d. Prepare BRSs for Cash in bank accounts of RO Nos. VI and IX;
 - e. Reconcile the variances in the total absolute amount of P41.046 billion between the PPE balances per GLs and per RPCPPEs, and effect necessary corrections/adjustments on the affected records to arrive at reconciled balances of accounting and property records; and
 - f. Analyze and verify the abnormal balances in five assets and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively, and make necessary corrections or adjustments accordingly, for fair presentation of the balances of the accounts in the financial statements.
- 1.2 Consider the one-time cleansing of PPE accounts pursuant to COA Circular No. 2020-006 dated January 31, 2020 to establish PPE balances that are verifiable as to existence, conditions and accountability as well as to provide reliable and useful information in decision-making and accountability for these assets.
 - 2.1 Direct the Finance Manager of the CO and Regional/Project Managers of the ROs/Project Management Offices (PMOs) to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/Irrigation Management Offices (IMOs) to: (a) submit immediately for audit the documents supporting the Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, recognized under the Accumulated surplus/(deficit) account; and (b) henceforth, ensure that all Journal Entry Vouchers (JEVs) drawn to recognize the Prior period adjustments are duly supported with complete documentations and approved by authorized officials.
 - 3.1 Require the Accounting Division of CO to ensure that all significant and relevant information required by IPSASs are fully disclosed in the Notes to Financial Statements so as the financial reports are fairly presented, useful and supportive to the achievement of financial reporting objectives and, for better understandability of the financial statements by the users and other stakeholders.

The other significant audit observations and recommendations that need immediate action are as follows:

4. Deficient planning and monitoring of the implementation of the irrigation contracts/projects by the NIA resulted in, among others:
 - a. Irrigation contracts/projects with total cost of P1.229 billion, programmed to be completed in CYs 2020, 2021 and 2022 incurred significant delays, ranging from 31 to 780 calendar days in the completion thereof, and suspension of and/or granting of contract time extensions (CTEs) on 47 irrigation projects amounting to P570.325 million which further delay their completion, thus deprived the intended beneficiaries of the timely use of these irrigation projects;
 - b. Negative slippages ranging from 2.01 to 67.86 per cent incurred by the contractors in the implementation of 22 on-going irrigation projects costing P303.541 million, further delaying the completion thereof;
 - c. Termination of 14 irrigation contracts with total contract cost of P139.464 million due to, among others, contractor's fault or as mutually agreed upon by the parties in view of the discontinuance of the funding or the projects are no longer needed resulted in wastage of government's funds; and
 - d. In two ROs, four IMO's and Magat River Integrated Irrigation System (MARIIS), various deficiencies were noted during the technical inspection conducted by the COA Technical Inspector and ocular inspection conducted by the Audit Teams concerned on 31 completed infrastructure projects with total contract cost of P801.353 million. These irrigation projects were found to be either not operational, not fully operational or operational but with damages/defects, thereby depriving the intended beneficiaries of the full use of the irrigation projects.
- 4.1 We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, and PMOs concerned to:
 - a. Adhere strictly to the pertinent provisions of Republic Act (RA) No. 9184 and its 2016 Revised Implementing Rules and Regulations (RIRR), in the planning of the irrigation contracts/projects to be implemented, to ensure that no bidding and awarding of contract for infrastructure projects are made unless detailed engineering investigations, surveys and designs, including the acquisition of the Right-of-Way (ROW), peace and order situation and other relevant conditions are duly considered to ensure that all irrigation contracts/projects are efficiently carried out;
 - b. Require the contractors to regularly submit progress billings and status of work accomplishments, ensure immediate validation of the reports and inspection of projects, address the causes on the delays/suspension and grant of time extensions, and enforce the forfeiture of performance securities and/or imposition of liquidated damages for delays where contractors are at fault;

- c. Review the post-qualification procedures conducted by the respective Bids and Awards Committee (BAC) for the terminated contracts to determine areas for improvement and ensure that contracts are only awarded to eligible and responsive contractors;
 - d. Consider rescinding/terminating the contracts and forfeit the contractor's performance security for projects with negative slippages of more than 15 per cent resulting from contractor's fault or negligence and initiate the immediate take over process of the terminated projects to facilitate its completion; and
 - e. Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress billing is conducted and that the detailed status reports showing the accurate actual work accomplished, percentage of slippage, reasons for delay, suspension and/or termination, and other pertinent data are prepared, to avoid payments of defective works.
- 4.2 We, likewise, reiterated our previous years' recommendations that top Management:
- a. File appropriate charges against erring/defaulting contractors; and
 - b. Consider imposing administrative sanctions against NIA officials and personnel who are remiss of their duties, specifically in planning and monitoring of the implementation of irrigation contracts/projects, that resulted in delays, suspensions, terminations of infrastructure contracts/projects, and wastage of government funds.
5. The pertinent provisions of RA No. 9184 and its 2016 RIRR were not strictly observed in 269 awarded infrastructure contracts with total contract cost of P2.492 billion considering the: (a) eligibility and other documentary requirements, i.e. Approved Program of Works (POW), Abstract of Bids, Contract Agreement, etc. for 166 contracts with total contract cost of P1.135 billion were either lacking, deficient or not at all submitted to the respective Audit Teams for evaluation; and (b) procedures in the procurement of infrastructure projects through public bidding for 103 contracts costing P1.356 billion were not properly followed, thus posing risk that the infrastructure contracts were awarded to the contractors who might not be eligible and responsive with the requirements of the contracts.
- 5.1 We reiterated our previous year's recommendations and top Management agreed to require the Regional/Project Managers of ROs and PMO concerned to:
- a. Direct the BAC and its Technical Working Group (TWG) to submit the lacking documentary requirements of 166 contracts to their respective Audit Teams for audit purposes, to avoid suspension of the transactions in audit; and

- b. Comply strictly with the procurement procedures prescribed under RA No. 9184 and its 2016 RIRR to ensure transparency and efficiency in the NIA's procurement activities by:
 - b.1. Posting the Notice of Award (NOA) and Notice to Proceed (NTP) in the Philippine Government Electronic Procurement System (PhilGEPS), the NIA website, and in any conspicuous place in the premises of NIA within the period required under Section 37.1.6 and Section 37.4.2, respectively, of the 2016 RIRR of RA No. 9184;
 - b.2. Posting of Supplemental/Bid Bulletin issued by the BAC in the PhilGEPS, the NIA website, and in any conspicuous place in the premises of NIA within the period prescribed under Section 25.5.2 of the 2016 RIRR of RA No. 9184;
 - b.3. Conducting pre-bid conference at least 12 calendar days before the deadline for the submission and receipt of bids, but not earlier than seven calendar days from the PhilGEPS posting of the Invitation to Bid (ITB) or Bidding documents as required under Section 22.2 of the 2016 RIRR of RA No. 9184; and
 - b.4. Designating at least five but not more than seven members to the BAC, with unquestionable integrity and procurement proficiency (Section 11.2 of the 2016 RIRR of RA No. 9184).
- 6. In NIA CO, six ROs, JRMP-II, and one IMO, the Advances to Contractors for 110 contracts/projects in the total amount of P922.954 million were not recouped despite the termination/completion of the contracts, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5th Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the immediate use of the funds for its other priority projects and could result in potential loss as some of the contractors could no longer be located and the performance securities posted by them were already expired.
- 6.1 We reiterated our prior year's audit recommendations that top Management:
 - a. Require the officers and personnel concerned in the CO and ROs to exert utmost efforts to recoup the advance payments made to the contractors of the 110 terminated/completed contracts in the total amount of P922.954 million and, hold them liable in case of non-recoupment, if warranted, to avoid issuance of a Notice of Disallowance; and
 - b. Formulate a policy or guidelines, consistent with the existing rules and regulations, particularly in ensuring that all approved Notices of Termination are timely communicated/furnished to the Accounting Division in the CO and Accounting Section in the ROs and the advances to contractors are recouped within 28 days from the date of Notice of Termination pursuant to Paragraph 46, GCC of the 5th Edition of the PBD for the Procurement of Infrastructure Projects.

- 6.2 We also recommended that Management consider blacklisting the contractors who did not return the advance payments for the 110 terminated/completed contracts pursuant to Item 6 of Appendix 17 of the 2016 RIRR of RA No. 9184.

The observations together with the recommended courses of action which were discussed by the Audit Team with the concerned Management officials and staff during the exit conference conducted on June 9, 2023 are discussed in detail in Part II of the Report. We also invite your attention to the prior years' partially and unimplemented audit recommendations embodied in Part III of the Report.

We respectfully request that the recommendations contained in Part II and Part III of the Report be implemented and that this Commission be informed of the actions taken thereon by accomplishing the Agency Action Plan and Status of Implementation Form (copy attached) and returning the same to us within 60 days from the date of receipt hereof.

We acknowledge the support and cooperation that Management extended to the Audit Team, thus facilitating the completion of the Report.

Very truly yours,

COMMISSION ON AUDIT

By:


MAY LINDA M. VEGAFRIA
Director IV
Cluster Director

Copy furnished:

*The President of the Republic of the Philippines
The Vice President
The President of the Senate
The Speaker of the House of Representatives
The Chairperson – Senate Finance Committee
The Chairperson – Appropriations Committee
The Secretary of the Department of Budget and Management
The Bureau of the Treasury
The Governance Commission for Government-Owned or Controlled Corporations
The National Library
The UP Law Center*

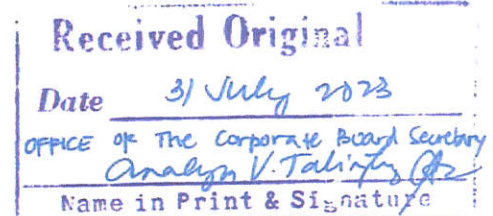


REPUBLIC OF THE PHILIPPINES
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CORPORATE GOVERNMENT AUDIT SECTOR
Cluster 5 – Agriculture and Natural Resources

July 31, 2023

THE BOARD OF DIRECTORS
National Irrigation Administration
NIA Complex, EDSA, Diliman, Quezon City



GENTLEMEN/MESDAMES:

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 - e. Reconcile the variances in the total absolute amount of P41.046 billion between the PPE balances per GLs and per RPCPPEs, and effect necessary corrections/adjustments on the affected records to arrive at reconciled balances of accounting and property records; and
 - f. Analyze and verify the abnormal balances in five assets and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively, and make necessary corrections or adjustments accordingly, for fair presentation of the balances of the accounts in the financial statements.
- 1.2 Consider the one-time cleansing of PPE accounts pursuant to COA Circular No. 2020-006 dated January 31, 2020 to establish PPE balances that are verifiable as to existence, conditions and accountability as well as to provide reliable and useful information in decision-making and accountability for these assets.
 - 2.1 Direct the Finance Manager of the CO and Regional/Project Managers of the ROs/Project Management Offices (PMOs) to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/Irrigation Management Offices (IMOs) to: (a) submit immediately for audit the documents supporting the Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, recognized under the Accumulated surplus/(deficit) account; and (b) henceforth, ensure that all Journal Entry Vouchers (JEVs) drawn to recognize the Prior period adjustments are duly supported with complete documentations and approved by authorized officials.
 - 3.1 Require the Accounting Division of CO to ensure that all significant and relevant information required by IPSASs are fully disclosed in the Notes to Financial Statements so as the financial reports are fairly presented, useful and supportive to the achievement of financial reporting objectives and, for better understandability of the financial statements by the users and other stakeholders.

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 - b. Require the contractors to regularly submit progress billings and status of work accomplishments, ensure immediate validation of the reports and inspection of projects, address the causes on the delays/suspension and grant of time extensions, and enforce the forfeiture of performance securities and/or imposition of liquidated damages for delays where contractors are at fault;

- c. Review the post-qualification procedures conducted by the respective Bids and Awards Committee (BAC) for the terminated contracts to determine areas for improvement and ensure that contracts are only awarded to eligible and responsive contractors;
 - d. Consider rescinding/terminating the contracts and forfeit the contractor's performance security for projects with negative slippages of more than 15 per cent resulting from contractor's fault or negligence and initiate the immediate take over process of the terminated projects to facilitate its completion; and
 - e. Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress billing is conducted and that the detailed status reports showing the accurate actual work accomplished, percentage of slippage, reasons for delay, suspension and/or termination, and other pertinent data are prepared, to avoid payments of defective works.
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- a. File appropriate charges against erring/defaulting contractors; and
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5. The pertinent provisions of RA No. 9184 and its 2016 RIRR were not strictly observed in 269 awarded infrastructure contracts with total contract cost of P2.492 billion considering the: (a) eligibility and other documentary requirements, i.e. Approved Program of Works (POW), Abstract of Bids, Contract Agreement, etc. for 166 contracts with total contract cost of P1.135 billion were either lacking, deficient or not at all submitted to the respective Audit Teams for evaluation; and (b) procedures in the procurement of infrastructure projects through public bidding for 103 contracts costing P1.356 billion were not properly followed, thus posing risk that the infrastructure contracts were awarded to the contractors who might not be eligible and responsive with the requirements of the contracts.
- 5.1 We reiterated our previous year's recommendations and top Management agreed to require the Regional/Project Managers of ROs and PMO concerned to:
- a. Direct the BAC and its Technical Working Group (TWG) to submit the lacking documentary requirements of 166 contracts to their respective Audit Teams for audit purposes, to avoid suspension of the transactions in audit; and

- b. Comply strictly with the procurement procedures prescribed under RA No. 9184 and its 2016 RIRR to ensure transparency and efficiency in the NIA's procurement activities by:
 - b.1. Posting the Notice of Award (NOA) and Notice to Proceed (NTP) in the Philippine Government Electronic Procurement System (PhilGEPS), the NIA website, and in any conspicuous place in the premises of NIA within the period required under Section 37.1.6 and Section 37.4.2, respectively, of the 2016 RIRR of RA No. 9184;
 - b.2. Posting of Supplemental/Bid Bulletin issued by the BAC in the PhilGEPS, the NIA website, and in any conspicuous place in the premises of NIA within the period prescribed under Section 25.5.2 of the 2016 RIRR of RA No. 9184;
 - b.3. Conducting pre-bid conference at least 12 calendar days before the deadline for the submission and receipt of bids, but not earlier than seven calendar days from the PhilGEPS posting of the Invitation to Bid (ITB) or Bidding documents as required under Section 22.2 of the 2016 RIRR of RA No. 9184; and
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- 6. In NIA CO, six ROs, JRMP-II, and one IMO, the Advances to Contractors for 110 contracts/projects in the total amount of P922.954 million were not recouped despite the termination/completion of the contracts, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5th Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the immediate use of the funds for its other priority projects and could result in potential loss as some of the contractors could no longer be located and the performance securities posted by them were already expired.
- 6.1 We reiterated our prior year's audit recommendations that top Management:
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 - b. Formulate a policy or guidelines, consistent with the existing rules and regulations, particularly in ensuring that all approved Notices of Termination are timely communicated/furnished to the Accounting Division in the CO and Accounting Section in the ROs and the advances to contractors are recouped within 28 days from the date of Notice of Termination pursuant to Paragraph 46, GCC of the 5th Edition of the PBD for the Procurement of Infrastructure Projects.

- 6.2 We also recommended that Management consider blacklisting the contractors who did not return the advance payments for the 110 terminated/completed contracts pursuant to Item 6 of Appendix 17 of the 2016 RIRR of RA No. 9184.

The observations together with the recommended courses of action which were discussed by the Audit Team with the concerned Management officials and staff during the exit conference conducted on June 9, 2023 are discussed in detail in Part II of the Report. We also invite your attention to the prior years' partially and unimplemented audit recommendations embodied in Part III of the Report.

In our transmittal letter of even date, we request the Acting Administrator of the NIA to implement the recommendations contained in the Report and to inform this Commission of the actions taken thereon within 60 days from receipt of the Report.

We acknowledge the support and cooperation that Management extended to the Audit Team, thus facilitating the completion of the Report.

Very truly yours,

COMMISSION ON AUDIT

By:


MAY LINDA M. VEGAFRIA
Director IV
Cluster Director

Copy furnished:

*The President of the Republic of the Philippines
The Vice President
The President of the Senate
The Speaker of the House of Representatives
The Chairperson – Senate Finance Committee
The Chairperson – Appropriations Committee
The Secretary of the Department of Budget and Management
The Bureau of the Treasury
The Governance Commission for Government-Owned or Controlled Corporations
The National Library
The UP Law Center*

EXECUTIVE SUMMARY

INTRODUCTION

The National Irrigation Administration (NIA) was formally created as a government corporation under Republic Act (RA) No. 3601 on June 22, 1963, with an authorized capital of P300 million. In Calendar Year (CY) 1974, under Presidential Decree (PD) No. 552, its authorized capital was increased to P2 billion, and later, under PD No. 1702 dated July 18, 1980, it was further increased to P10 billion. The capital was to be subscribed and paid for entirely by the Philippine Government. Section 2, Paragraph (b) of PD No. 552 provides NIA's sources of operating funds. The increase in Capital Stock is already included in the Government Equity.

The NIA was originally attached to both the Department of Public Works and Highways (DPWH) and the Department of Agriculture (DA) and was later transferred to the Office of the President of the Philippines. Under Administrative Order (AO) No. 17 dated October 14, 1992, the NIA was again attached to the DA. On May 5, 2014, per Executive Order (EO) No. 165, Series of 2014, the supervision over the NIA together with the National Food Authority, Philippine Coconut Authority, and Fertilizer and Pesticide Authority had been transferred from the DA to the Office of the Presidential Assistant for Food Security and Agricultural Modernization (OPAFSAM), in order to enhance and coordinate the efforts of these agencies in fulfilling their respective mandates. In view of the change in Administration in CY 2016, the OPAFSAM was abolished. In a Memorandum dated November 3, 2016 of the then Executive Secretary, the Cabinet Secretary was designated as the Acting Chairperson of the NIA Board of Directors (BOD). Through EO No. 168, Series of 2022 dated April 25, 2022, the NIA was transferred back as an attached agency under the DA.

The principal function of the NIA was initially to develop, maintain, operate, improve and rehabilitate irrigation systems including communal and pump irrigation projects. However, with the reorganization of the government that occurred after NIA's creation, the Corporation also assumed the irrigation activities of other government agencies, including those of the Irrigation Service Unit of the then Presidential Assistance on Community Development. Thereafter, with the passage of RA No. 6978, otherwise known as "An Act to Promote Rural Development by Providing for an Accelerated Program within a Ten-Year Period of the Construction of Irrigation Projects," the activities of NIA significantly increased to cover the remaining 1.5 million unirrigated but irrigable hectares of land nationwide.

The NIA has the following powers and functions pursuant to the provisions of RA No. 3601 and PD Nos. 552 and 1702:

- a. To investigate, study and develop all available water resources in the country, primarily for irrigation purposes; to plan, design, construct and/or improve all types of irrigation projects and appurtenant structures; to operate, maintain and administer all national irrigation systems; to supervise the operation, maintenance and repair;

- b. To administer temporarily all communal and pump irrigation systems constructed, improved and/or repaired wholly or partially with government funds; to delegate the partial or full management of national irrigation systems to duly organized cooperatives or associations; and
- c. To charge and collect from the beneficiaries of all irrigation systems constructed by or under administration such fees or administrative charges as may be necessary to cover the cost of operation, maintenance and insurances; and to cover the cost of construction within a reasonable period of time to the extent consistent with government policy; to cover funds or portions thereof expended for the construction of communal irrigation systems, which shall accrue to a special fund for irrigation development.

The NIA is headed by an Administrator who is assisted by a Senior Deputy Administrator and supported by Deputy Administrator for Administrative and Finance and Deputy Administrator for Engineering and Operations. Besides the Central Office (CO), it has 17 Regional Offices (ROs) including the Upper Pampanga River Integrated Irrigation System (UPRIIS) and the Magat River Integrated Irrigation System (MARIIS), 54 regular Irrigation Management Offices (IMOs) inclusive of seven interim IMOs, six Satellite Offices, and nine Project Management Offices (PMOs).

As at December 31, 2022, the NIA had personnel complement of 9,933 composed of 3,812 permanent employees; 3,247 casual/daily; and 2,874 project-based paid personnel.

FINANCIAL HIGHLIGHTS (In Philippine Peso)

I. Comparative Financial Position

	2022	2021 (As restated)	Increase/ (Decrease)
Total assets	324,935,624,949	316,890,168,501	8,045,456,448
Total liabilities	91,145,955,904	93,869,648,468	(2,723,692,564)
Equity	233,789,669,045	223,020,520,033	10,769,149,012

II. Comparative Results of Operations

	2022	2021 (As restated)	Increase/ (Decrease)
Revenue	817,395,177	781,101,861	36,293,316
Current operating expenses	24,589,118,067	28,044,596,012	(3,455,477,945)
Deficit from current operations	(23,771,722,890)	(27,263,494,151)	3,491,771,261
Other non-operating income	566,015	4,482,588	(3,916,573)
Gains	9,847,814	7,097,557	2,750,257
Losses	(400,600,000)	(2,617,093)	(397,982,907)
Deficit before tax	(24,161,909,061)	(27,254,531,099)	3,092,622,038
Income tax expense	-	-	-
Deficit after tax	(24,161,909,061)	(27,254,531,099)	3,092,622,038
Assistance and subsidy	42,925,928,025	42,904,661,656	21,266,369
Net surplus for the period	18,764,018,964	15,650,130,557	3,113,888,407

III. Comparison of Budget and Actual Amounts

	Budget	Actual Amount	Difference
Personnel services	4,932,082,305	4,527,152,893	404,929,412
Maintenance and other operating expenses	3,380,988,897	5,282,118,944	(1,901,130,047)
Capital outlay	30,077,923,943	22,218,101,496	7,859,822,447
Financial expenses	420,400	1,086,216,235	(1,085,795,835)
	38,391,415,545	33,113,589,568	5,277,825,977

SCOPE OF AUDIT

The audit covered the examination, on a test basis, of the accounts and financial transactions of the NIA for the period January 1 to December 31, 2022 in accordance with the International Standards of Supreme Audit Institutions to enable us to express an opinion on the fairness of presentation of the financial statements for the years ended December 31, 2022 and 2021. Also, we conducted our audit to assess compliance by the NIA with the pertinent laws, rules and regulations, as well as adherence to the prescribed policies and procedures.

AUDITOR'S OPINION

We do not express an opinion on the accompanying financial statements of the NIA. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements, in view of the following:

1. The faithful representation in the financial statements and verifiability of the balances as at December 31, 2022 of four major assets accounts, i.e. Cash and cash equivalents, Receivables, Other current assets, and Property, plant and equipment (PPE) in the amounts of P19.220 billion, P1.870 billion, P2.804 billion and P300.892 billion, respectively; and five major liabilities accounts, i.e. Financial liabilities, Inter-agency payables, Trust liabilities, Provisions and Other payables accounts in the amounts of P3.234 billion, P76.286 billion, P3.074 billion, P1.108 billion and P2.359 billion, respectively, could not be established, in view of the deficiencies noted in the keeping of these accounts which are not in conformity with Paragraph 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Conceptual Framework) and Paragraph 27 of the International Public Sector Accounting Standard (IPSAS) 1, viz.:
 - a. Non-maintenance of complete subsidiary ledgers (SLs) to support the General ledger (GL) accounts on nine assets and ten liabilities accounts with balances in the aggregate amounts of P662.269 million and P1.606 billion, respectively; while SLs maintained for four assets accounts in the aggregate amount of P312.140 million in CO and two ROs, and 11 liabilities accounts in the total amount of P3.882 billion in CO and in five ROs have no/incomplete data/details, rendering the balances of these accounts doubtful;

- b. Absence of complete accounting and property records/documents on PPE and Cash and cash equivalents accounts, such as: (i) PPE Ledger Cards (PPELCs) and Construction-in-progress Ledger Cards (CIPLCs) for various PPE items in the total amount of P74.029 billion, while PPELCs/CIPLCs maintained for PPE account in the total amount of P25.913 billion have incomplete data; and (ii) Bank Reconciliation Statements (BRSs) for Cash in banks in the total amount of P29.991 million;
 - c. Unreconciled variances in the total absolute amount of P41.046 billion between the PPE balances per GLs vis-à-vis balances per Reports on the Physical Count of PPE (RPCPPEs) in CO, 12 ROs, and Jalaur River Multipurpose Project Stage II (JRMP-II); and
 - d. Presence of abnormal balances in 12 accounts, i.e. five assets accounts and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively.
2. The faithful representation in the financial statements and verifiability of the balance of the Accumulated surplus/(deficit) account in the amount of P228.230 billion as at December 31, 2022 were not obtained due to the recognition of Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, without supporting documents to substantiate the adjustments made to restate various assets, liabilities, income and expense accounts in prior years due to errors, omissions and misstatements, arising from failure to use, or misuse of reliable information, contrary to Paragraph 27 of IPSAS 1 and Paragraph 3.26 of the Conceptual Framework.
3. The non-disclosure in the Notes to Financial Statements to conform with the requirements of the IPSASs on the: (a) estimation of financial effects, indication of uncertainties of amount and timing of cash flows on the 128 outstanding legal cases pending before the Courts; and (b) the nature of the Prior period adjustments and other adjustments on various assets, liabilities, income and expense accounts, deprived the intended users of the financial statements of the vital information in making economic decisions, contrary to Paragraphs 7, 15, 28, and 127 of IPSAS 1 and Paragraphs 33 and 54 of IPSAS 3.

For the afore-cited observations, which caused the issuance of a disclaimer opinion, we recommended that top Management:

- 1.1 Direct the Finance Manager of the CO and Regional Managers of the ROs concerned to instruct the Accounting Division of CO and Accounting Sections of ROs to:
 - a. Prepare and maintain complete SLs for all accounts to come up with verifiable and reliable account balances in the financial statements;
 - b. Prepare and maintain PPELCs/CIPLCs with complete information for all PPEs in accordance with the forms prescribed under the Government

Accounting Manual (GAM) for National Government Agencies (NGAs), Volume II;

- c. Exert efforts to locate the supporting documents to provide the necessary data on SLs without details;
 - d. Prepare BRSs for Cash in bank accounts of RO Nos. VI and IX;
 - e. Reconcile the variances in the total absolute amount of P41.046 billion between the PPE balances per GLs and per RPCPPEs, and effect necessary corrections/adjustments on the affected records to arrive at reconciled balances of accounting and property records; and
 - f. Analyze and verify the abnormal balances in five assets and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively, and make necessary corrections or adjustments accordingly, for fair presentation of the balances of the accounts in the financial statements.
- 1.2 Consider the one-time cleansing of PPE accounts pursuant to COA Circular No. 2020-006 dated January 31, 2020 to establish PPE balances that are verifiable as to existence, conditions and accountability as well as to provide reliable and useful information in decision-making and accountability for these assets.
- 2.1 Direct the Finance Manager of the CO and Regional/Project Managers of the ROs/PMOs to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs to: (a) submit immediately for audit the documents supporting the Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, recognized under the Accumulated surplus/(deficit) account; and (b) henceforth, ensure that all Journal Entry Vouchers (JEVs) drawn to recognize the Prior period adjustments are duly supported with complete documentations and approved by authorized officials.
- 3.1 Require the Accounting Division of CO to ensure that all significant and relevant information required by IPSASs are fully disclosed in the Notes to Financial Statements so as the financial reports are fairly presented, useful and supportive to the achievement of financial reporting objectives and, for better understandability of the financial statements by the users and other stakeholders.

OTHER SIGNIFICANT AUDIT OBSERVATIONS AND RECOMMENDATIONS

The other significant audit observations and recommendations that need immediate action are as follows:

- 4. Deficient planning and monitoring of the implementation of the irrigation contracts/projects by the NIA resulted in, among others:
 - a. Irrigation contracts/projects with total cost of P1.229 billion, programmed to be completed in CYs 2020, 2021 and 2022 incurred significant delays,

ranging from 31 to 780 calendar days in the completion thereof, and suspension of and/or granting of contract time extensions (CTEs) on 47 irrigation projects amounting to P570.325 million which further delay their completion, thus deprived the intended beneficiaries of the timely use of these irrigation projects;

- b. Negative slippages ranging from 2.01 to 67.86 per cent incurred by the contractors in the implementation of 22 on-going irrigation projects costing P303.541 million, further delaying the completion thereof;
- c. Termination of 14 irrigation contracts with total contract cost of P139.464 million due to, among others, contractor's fault or as mutually agreed upon by the parties in view of the discontinuance of the funding or the projects are no longer needed resulted in wastage of government's funds; and
- d. In two ROs, four IMOs and MARIIS, various deficiencies were noted during the technical inspection conducted by the COA Technical Inspector and ocular inspection conducted by the Audit Teams concerned on 31 completed infrastructure projects with total contract cost of P801.353 million. These irrigation projects were found to be either not operational, not fully operational or operational but with damages/defects, thereby depriving the intended beneficiaries of the full use of the irrigation projects.

4.1 We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, and PMOs concerned to:

- a. Adhere strictly to the pertinent provisions of RA No. 9184 and its 2016 Revised Implementing Rules and Regulations (RIRR), in the planning of the irrigation contracts/projects to be implemented, to ensure that no bidding and awarding of contract for infrastructure projects are made unless detailed engineering investigations, surveys and designs, including the acquisition of the Right-of-Way (ROW), peace and order situation and other relevant conditions are duly considered to ensure that all irrigation contracts/projects are efficiently carried out;
- b. Require the contractors to regularly submit progress billings and status of work accomplishments, ensure immediate validation of the reports and inspection of projects, address the causes on the delays/suspension and grant of time extensions, and enforce the forfeiture of performance securities and/or imposition of liquidated damages for delays where contractors are at fault;
- c. Review the post-qualification procedures conducted by the respective Bids and Awards Committee (BAC) for the terminated contracts to determine areas for improvement and ensure that contracts are only awarded to eligible and responsive contractors;

- d. Consider rescinding/terminating the contracts and forfeit the contractor's performance security for projects with negative slippages of more than 15 per cent resulting from contractor's fault or negligence and initiate the immediate take over process of the terminated projects to facilitate its completion; and
 - e. Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress billing is conducted and that the detailed status reports showing the accurate actual work accomplished, percentage of slippage, reasons for delay, suspension and/or termination, and other pertinent data are prepared, to avoid payments of defective works.
- 4.2 We, likewise, reiterated our previous years' recommendations that top Management:
- a. File appropriate charges against erring/defaulting contractors; and
 - b. Consider imposing administrative sanctions against NIA officials and personnel who are remiss of their duties, specifically in planning and monitoring of the implementation of irrigation contracts/projects, that resulted in delays, suspensions, terminations of infrastructure contracts/projects, and wastage of government funds.
5. The pertinent provisions of RA No. 9184 and its 2016 RIRR were not strictly observed in 269 awarded infrastructure contracts with total contract cost of P2.492 billion considering the: (a) eligibility and other documentary requirements, i.e. Approved Program of Works (POW), Abstract of Bids, Contract Agreement, etc. for 166 contracts with total contract cost of P1.135 billion were either lacking, deficient or not at all submitted to the respective Audit Teams for evaluation; and (b) procedures in the procurement of infrastructure projects through public bidding for 103 contracts costing P1.356 billion were not properly followed, thus posing risk that the infrastructure contracts were awarded to the contractors who might not be eligible and responsive with the requirements of the contracts.
- 5.1 We reiterated our previous year's recommendations and top Management agreed to require the Regional/Project Managers of ROs and PMO concerned to:
- a. Direct the BAC and its Technical Working Group (TWG) to submit the lacking documentary requirements of 166 contracts to their respective Audit Teams for audit purposes, to avoid suspension of the transactions in audit; and
 - b. Comply strictly with the procurement procedures prescribed under RA No. 9184 and its 2016 RIRR to ensure transparency and efficiency in the NIA's procurement activities by:
 - b.1. Posting the Notice of Award (NOA) and Notice to Proceed (NTP) in the Philippine Government Electronic Procurement System (PhilGEPS), the NIA website, and in any conspicuous place in the

premises of NIA within the period required under Section 37.1.6 and Section 37.4.2, respectively, of the 2016 RIRR of RA No. 9184;

- b.2. Posting of Supplemental/Bid Bulletin issued by the BAC in the PhilGEPS, the NIA website, and in any conspicuous place in the premises of NIA within the period prescribed under Section 25.5.2 of the 2016 RIRR of RA No. 9184;
 - b.3. Conducting pre-bid conference at least 12 calendar days before the deadline for the submission and receipt of bids, but not earlier than seven calendar days from the PhilGEPS posting of the Invitation to Bid (ITB) or Bidding documents as required under Section 22.2 of the 2016 RIRR of RA No. 9184; and
 - b.4. Designating at least five but not more than seven members to the BAC, with unquestionable integrity and procurement proficiency (Section 11.2 of the 2016 RIRR of RA No. 9184).
- 6. In NIA CO, six ROs, JRMP-II, and one IMO, the Advances to Contractors for 110 contracts/projects in the total amount of P922.954 million were not recouped despite the termination/completion of the contracts, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5th Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the immediate use of the funds for its other priority projects and could result in potential loss as some of the contractors could no longer be located and the performance securities posted by them were already expired.
- 6.1 We reiterated our prior year's audit recommendations that top Management:
 - a. Require the officers and personnel concerned in the CO and ROs to exert utmost efforts to recoup the advance payments made to the contractors of the 110 terminated/completed contracts in the total amount of P922.954 million and, hold them liable in case of non-recoupment, if warranted, to avoid issuance of a Notice of Disallowance; and
 - b. Formulate a policy or guidelines, consistent with the existing rules and regulations, particularly in ensuring that all approved Notices of Termination are timely communicated/furnished to the Accounting Division in the CO and Accounting Section in the ROs and the advances to contractors are recouped within 28 days from the date of Notice of Termination pursuant to Paragraph 46, GCC of the 5th Edition of the PBD for the Procurement of Infrastructure Projects.
- 6.2 We also recommended that Management consider blacklisting the contractors who did not return the advance payments for the 110 terminated/completed contracts pursuant to Item 6 of Appendix 17 of the 2016 RIRR of RA No. 9184.

SUMMARY OF UNSETTLED AUDIT DISALLOWANCES, CHARGES AND SUSPENSIONS

As of December 31, 2022, the total unsettled suspensions, disallowances and charges for all funds amounted to P1.186 billion, P3.975 billion, P2.225 million, respectively. In addition, there is an unsettled audit suspension of USD3.864 million under the General Fund. The summary of the audit suspensions, disallowances and charges at year-end is shown in Table 27, Part II of this Report, while the details and status of the unsettled balances are presented in **Annex A**, Part IV of this Report.

STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS

Of the 175 audit recommendations embodied in Part II and Part III of the Annual Audit Report on the NIA for the years ended December 31, 2021 and 2020, 83 were reiterations of prior years' recommendations and 15 were fully implemented, hence, deleted from the Status. Of the remaining 77 recommendations, 14 were fully implemented; 22 were partially implemented; 31 were not implemented; and 10 were closed as the recommendations are no longer doable, details are presented in Part III of this Report.

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REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
COMMONWEALTH AVENUE, QUEZON CITY

INDEPENDENT AUDITOR'S REPORT

THE BOARD OF DIRECTORS

National Irrigation Administration
NIA Complex, EDSA, Diliman, Quezon City

Report on the Audit of the Financial Statements

Disclaimer Opinion

We were mandated to audit the financial statements of the **National Irrigation Administration (NIA)**, which comprise the statements of financial position as at December 31, 2022 and 2021 and the statements of financial performance, statements of changes in net assets/equity, and statements of cash flows for the years then ended, statement of comparison of budget and actual amounts for the year ended December 31, 2022, and notes to financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the **NIA**. Because of the significance and pervasiveness of the matters described in the *Bases for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Bases for Disclaimer of Opinion

The faithful representation in the financial statements and verifiability of the balances as at December 31, 2022 of four major assets accounts, i.e. Cash and cash equivalents, Receivables, Other current assets, and Property, plant and equipment (PPE) in the amounts of P19.220 billion, P1.870 billion, P2.804 billion and P300.892 billion, respectively; and five major liabilities accounts, i.e. Financial liabilities, Inter-agency payables, Trust liabilities, Provisions and Other payables accounts in the amounts of P3.234 billion, P76.286 billion, P3.074 billion, P1.108 billion and P2.359 billion, respectively, could not be established, in view of the deficiencies noted in the keeping of these accounts which are not in conformity with Paragraph 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Conceptual Framework) and Paragraph 27 of the International Public Sector Accounting Standard (IPSAS) 1, viz.:

- a. Non-maintenance of complete subsidiary ledgers (SLs) to support the General ledger (GL) accounts on nine assets and ten liabilities accounts with balances in the aggregate amounts of P662.269 million and P1.606 billion, respectively; while SLs maintained for four assets accounts in the aggregate amount of P312.140 million in Central Office (CO) and two Regional Offices (ROs), and 11 liabilities

accounts in the total amount of P3.882 billion in CO and in five ROs have no/incomplete data/details, rendering the balances of these accounts doubtful;

- b. Absence of complete accounting and property records/documents on PPE and Cash and cash equivalents accounts, such as: (i) PPE Ledger Cards (PELCs) and Construction-in-progress Ledger Cards (CIPLCs) for various PPE items in the total amount of P74.029 billion, while PELCs/CIPLCs maintained for PPE account in the total amount of P25.913 billion have incomplete data; and (ii) Bank Reconciliation Statements for Cash in banks in the total amount of P29.991 million;
- c. Unreconciled variances in the total absolute amount of P41.046 billion between the PPE balances per GLs vis-à-vis balances per Reports on the Physical Count of PPE in CO, 12 ROs, and one Project; and
- d. Presence of abnormal balances in 12 accounts, i.e. five assets accounts and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively.

Moreover, the faithful representation in the financial statements and verifiability of the balance of the Accumulated surplus/(deficit) account in the amount of P228.230 billion as at December 31, 2022 were not obtained due to the recognition of Prior period adjustments and other adjustments covering calendar years (CYs) 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, without supporting documents to substantiate the adjustments made to restate various assets, liabilities, income and expense accounts in prior years due to errors, omissions and misstatements, arising from failure to use, or misuse of reliable information, contrary to Paragraph 27 of IPSAS 1 and Paragraph 3.26 of the Conceptual Framework.

Further, the non-disclosure in the Notes to Financial Statements to conform with the requirements of the IPSASs on the: (a) estimation of financial effects, indication of uncertainties of amount and timing of cash flows on the 128 outstanding legal cases pending before the Courts; and (b) the nature of the Prior period adjustments and other adjustments on various assets, liabilities, income and expense accounts, deprived the intended users of the financial statements of the vital information in making economic decisions, contrary to Paragraphs 7, 15, 28, and 127 of IPSAS 1 and Paragraphs 33 and 54 of IPSAS 3.

We were unable to obtain sufficient appropriate audit evidence about the balances of the above-mentioned accounts, as well as other affected accounts, due to inadequacy of accounting and property records, schedules and working papers. Consequently, we were unable to determine the possible cumulative effect on the financial statements and whether adjustments to these accounts were necessary.

Other Matters

In our report dated July 21, 2022, we expressed an adverse opinion on the CYs 2021 and 2020 financial statements because of the following: (a) NIA had not recognized in its books of accounts its 40 per cent interest in the joint operation of the Casecan Multipurpose Irrigation and Power Project (CMIPP) under a Build-Operate-and-Transfer scheme/contract by and between the NIA and the California Energy Casecan Water

and Energy Company, Inc.; (b) the non-elimination of Receivables-Intra-agency Receivables and Intra-agency Payables accounts as at December 31, 2021 in the amounts of P1.717 billion and P1.708 billion which overstated the total assets and total liabilities by said amounts, respectively; and (c) the PPE account was net understated by P661.497 million due to recognition under Repairs and Maintenance – Other Structures expense account of P675.777 million payment for progress billing of a contractor in one Project, instead of PPE-Construction in Progress-Other Structures account, non-recognition of Office Building costing P58.782 million in one RO and non-derecognition of unserviceable PPE items totaling P73.062 million.

In CY 2022, NIA already recognized and adjusted in its books of accounts its 40 per cent interest in the joint operation of the CMIPP with a Government Corporation in the amount of P5.427 billion and the corresponding current and prior year's depreciation expenses in the amounts of P184.245 million and P15.354 million, respectively. Relative to the non-elimination of Receivables-Intra-agency receivables and Intra-agency payables accounts, there was significant decrease on the balances of these accounts since the remaining uneliminated balances as at December 31, 2022 amounted to P30.779 million and P56.042 million, respectively, as compared to the CY 2021 balances of P1.717 billion and P1.708 billion. As to the understatement in the PPE account, some of the noted errors were already adjusted in the books of accounts by restating the previous year's balances. Accordingly, our present opinion on the CY 2021 restated financial statements, as presented herein, is already qualified on these matters.

Considering, however, the significance and pervasiveness of the effects of the matters described in the *Bases for Disclaimer of Opinion* section of our report, our present opinion is different from that expressed in our previous report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSASs and for such internal control as Management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the NIA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the NIA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the NIA's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of NIA's financial statements in accordance with International Standards of Supreme Audit Institutions and to issue an auditor's report. However, because of the matters described in the *Bases for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of NIA in accordance with the Revised Code of Conduct and Ethical Standards for the Commission on Audit Officials and Employees (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2022 required by the Bureau of Internal Revenue as disclosed in Note 40 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with IPSASs. Such supplementary information is the responsibility of Management of the NIA.

COMMISSION ON AUDIT



CARMENCITA P. MODINA
State Auditor IV
OIC-Supervising Auditor
Audit Group B-NIA
Cluster 5 – Agriculture and Natural Resources
Corporate Government Audit Sector

July 17, 2023



Republic of the Philippines
National Irrigation Administration
Central Office

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR THE FINANCIAL STATEMENTS**

The management of NATIONAL IRRIGATION ADMINISTRATION (NIA) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2022 and 2021, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing NIA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate NIA or to cease operations, or has no realistic alternative to do so.

The NIA Management reviews and the NIA Board of Directors approves the financial statements, including the schedules therein, and submits the same to the stakeholders.

The Commission on Audit, through its authorized representative, has examined the financial statements of NIA pursuant to Section 2, Article IX-D of the Philippine Constitution and Section 28 of the Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions and the auditor, in its report to the Board of Directors, and shall express its opinion on the fairness of presentation upon completion of such audit.

USEC. LEOCADIO S. SEBASTIAN, Ph.D.
Chairman of the Board

ENGR. EDUARDO EDDIE G. GUILLEN

Vice - Chairman of the Board / Acting Administrator

RALPH LAUREN A. DU

Deputy Administrator
For Administrative and Finance Sector

MILCA B. CAYANGA, MBA, MPA

Manager
Financial Management Department

Signed this 29th day of June, 2023

NATIONAL IRRIGATION ADMINISTRATION
STATEMENTS OF FINANCIAL POSITION

As at December 31, 2022 and 2021
(In Philippines Peso)

	Note	2022	2021 (As restated)	January 1, 2021 (As restated)
ASSETS				
Current Assets				
Cash and cash equivalents	6	19,220,053,203	11,283,168,960	6,621,274,804
Receivables, net	7	1,870,092,536	5,692,250,258	7,371,280,413
Inventories, net	8	48,603,365	87,858,939	189,300,693
Other current assets	9	2,803,514,414	4,474,937,825	4,677,980,164
Total Current Assets		23,942,263,518	21,538,215,982	18,859,836,074
Non-Current Assets				
Other investments	10	-	-	34,008,681
Investment property, net	11	-	-	1,500,000
Property, plant and equipment, net	12	300,891,538,981	295,305,606,015	284,455,847,237
Intangible assets	13	101,822,450	46,346,504	2,506,976
Total Non-Current Assets		300,993,361,431	295,351,952,519	284,493,862,894
TOTAL ASSETS		324,935,624,949	316,890,168,501	303,353,698,968
LIABILITIES				
Current Liabilities				
Financial liabilities	14	3,233,635,405	5,375,666,602	7,029,271,334
Inter-agency payables	15	76,285,608,783	75,518,447,778	69,166,736,849
Intra-agency payables	16	-	56,042,939	76,000
Trust liabilities	17	3,074,074,541	3,019,508,736	2,457,486,542
Provisions	18	1,107,580,445	1,173,235,844	1,098,490,868
Other payables	19	2,359,116,588	3,235,882,272	4,237,367,213
Total Current Liabilities		86,060,015,762	88,378,784,171	83,989,428,806
Non-Current Liabilities				
Deferred credits / Unearned Revenue	20	5,085,940,142	5,490,864,297	7,901,890,625
Total Non-Current Liabilities		5,085,940,142	5,490,864,297	7,901,890,625
TOTAL LIABILITIES		91,145,955,904	93,869,648,468	91,891,319,431
NET ASSETS (TOTAL Assets less Total Liabilities)		233,789,669,045	223,020,520,033	211,462,379,537
NET ASSETS/EQUITY				
Government Equity	21	5,559,191,865	5,559,191,865	5,559,191,865
Accumulated surplus/(deficit)	22	228,230,477,180	217,461,328,168	205,903,187,672
NET ASSETS/EQUITY		233,789,669,045	223,020,520,033	211,462,379,537

The notes on pages 11 to 99 form part of these financial statements.

NATIONAL IRRIGATION ADMINISTRATION
STATEMENTS OF FINANCIAL PERFORMANCE
For the Years Ended December 31, 2022 and 2021
(In Philippines Peso)

	Note	2022	2021 (As restated)
REVENUE			
Service and business income	23	814,547,571	781,101,861
Shares, grants and donations	24	2,847,606	-
TOTAL REVENUE		817,395,177	781,101,861
CURRENT OPERATING EXPENSES			
Personnel services	25	4,527,152,893	3,911,800,603
Maintenance and other operating expenses	26	4,881,518,943	16,029,802,312
Financial expenses	27	1,086,216,235	1,105,913,993
Non-cash expenses	28	14,094,229,996	6,997,079,104
TOTAL CURRENT OPERATING EXPENSES		24,589,118,067	28,044,596,012
DEFICIT FROM CURRENT OPERATIONS		(23,771,722,890)	(27,263,494,151)
Other non-operating income	29	566,015	4,482,588
Gains	30	9,847,814	7,097,557
Losses	31	(400,600,000)	(2,617,093)
DEFICIT BEFORE TAX		(24,161,909,061)	(27,254,531,099)
Less: Income tax expense	32	-	-
DEFICIT AFTER TAX		(24,161,909,061)	(27,254,531,099)
Assistance and subsidy	33	42,925,928,025	42,904,661,656
NET SURPLUS FOR THE PERIOD		18,764,018,964	15,650,130,557

The notes on pages 11 to 99 form part of these financial statements.

NATIONAL IRRIGATION ADMINISTRATION
STATEMENTS OF CHANGES IN NET ASSETS/EQUITY
For the Years Ended December 31, 2022 and 2021
(In Philippine Peso)

	Government equity (Note 21)	Accumulated surplus/(deficit) (Note 22)	Total
BALANCE AS AT DECEMBER 31, 2020	5,559,191,865	200,762,345,589	206,321,537,454
CHANGES IN EQUITY FOR 2020			
Prior period adjustments, as restated	-	5,140,842,083	5,140,842,083
RESTATED BALANCE AS AT DECEMBER 31, 2020	5,559,191,865	205,903,187,672	211,462,379,537
CHANGES IN EQUITY FOR 2021			
Surplus for the period, as restated	-	15,650,130,557	15,650,130,557
Prior period adjustments, as restated	-	(4,091,990,061)	(4,091,990,061)
RESTATED BALANCE AS AT DECEMBER 31, 2021	5,559,191,865	217,461,328,168	223,020,520,033
CHANGES IN EQUITY FOR 2022			
Surplus for the period	-	18,764,018,964	18,764,018,964
Other adjustments	-	(7,994,869,952)	(7,994,869,952)
BALANCE AS AT DECEMBER 31, 2022	5,559,191,865	228,230,477,180	233,789,669,045

The notes on pages 11 to 99 form part of these financial statements.

NATIONAL IRRIGATION ADMINISTRATION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021
(In Philippine Peso)

	Note	2022	2021 (As restated)
CASH FLOWS FROM OPERATING ACTIVITIES	35		
Cash inflows:			
Receipt of assistance/subsidy		40,743,743,764	41,740,533,975
Collection of income/revenue		591,531,925	231,946,669
Trust receipts		401,158,971	266,408,348
Receipt of inter-agency fund transfers		257,782,685	144,334,126
Collection of receivables		238,286,439	175,973,622
Proceeds from sales of goods and services		556,724	-
Receipt of intra-agency fund transfers		-	510,199,789
Other receipts		287,676,153	169,835,668
Other adjustments		837,761,149	368,275,054
Total cash inflows		43,358,497,810	43,607,507,251
Cash outflows:			
Payment of expenses		7,553,000,751	6,252,708,298
Remittance of personnel benefit contributions and mandatory deductions		2,320,258,212	3,130,038,641
Payment of accounts payable and other payables		1,004,721,454	1,044,008,711
Grant of cash advances		816,871,938	721,439,027
Other disbursements		507,655,992	417,503,929
Release of intra-agency fund transfers		326,801,995	131,157,817
Release of inter-agency fund transfers		273,829,024	194,338,284
Refund of deposits		214,677,847	174,689,905
Purchase of inventories		77,186,108	42,635,594
Prepayments		8,847,813	17,756,116
Other adjustments		212,520,792	215,358,628
Total cash outflows		13,316,371,926	12,341,634,950
Net cash provided by operating activities		30,042,125,884	31,265,872,301
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash inflows:			
Receipt of interest earned		9,198,056	-
Proceeds from sale/disposal of property, plant and equipment		236,403	4,333,262
Proceeds from sale of other assets		96,083	-
Other adjustments		-	1,819,078
Total cash inflows		9,530,542	6,152,340
Cash outflows:			
Purchase/construction of property, plant and equipment		21,867,931,191	23,502,663,777
Purchase/acquisition of investments		303,649,312	3,102,900,551
Purchase of intangible assets		46,520,993	3,270,671
Other adjustments		1,272,653	2,844,542
Total cash outflows		22,219,374,149	26,611,679,541
Net cash used in investing activities		(22,209,843,607)	(26,605,527,201)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash inflows:			
Proceeds from domestic and foreign loans		133,307,408	2,336,193
Total cash inflows		133,307,408	2,336,193
Cash outflows:			
Payment of long-term liabilities		27,148,917	790,401
Payment of foreign loans		8,775	-
Total cash outflows		27,157,692	790,401
Net cash provided by financing activities		106,149,716	1,545,792
Net increase in cash and cash equivalents		7,938,431,993	4,661,890,892
Effect of exchange rate changes		(1,547,750)	3,264
Cash and cash equivalents, January 1		11,283,168,960	6,621,274,804
Cash and cash equivalents, December 31	6	19,220,053,203	11,283,168,960

The notes on pages 11 to 99 form part of these financial statements.

NATIONAL IRRIGATION ADMINISTRATION
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
For the Year Ended December 31, 2022
(In Philippine Peso)

	Note	Budget Amount		Actual amounts on comparable basis	Difference Final budget and Actual
		Original	Final		
RECEIPTS					
Service and business income	23	543,782,191	543,782,191	814,547,571	(270,765,380)
Shares, grants and donations	24	-	-	2,847,606	(2,847,606)
Other non-operating income	29	75,988,996	75,988,996	566,015	75,422,981
Gains on foreign exchange	30	-	-	8,709,609	(8,709,609)
Gains on sale of property, plant and equipment	30	-	-	1,138,205	(1,138,205)
Assistance and subsidy	33	37,771,644,358	37,771,644,358	42,925,928,025	(5,154,283,667)
Total Receipts		38,391,415,545	38,391,415,545	43,753,737,031	(5,362,321,486)
PAYMENTS					
Personnel services	25	4,932,082,305	4,932,082,305	4,527,152,893	404,929,412
Maintenance and other operating expenses		3,380,988,897	3,380,988,897	5,282,118,944	(1,901,130,047)
Capital outlay	39	30,077,923,943	30,077,923,943	22,218,101,496	7,859,822,447
Financial expenses	27	420,400	420,400	1,086,216,235	(1,085,795,835)
Total Payments		38,391,415,545	38,391,415,545	33,113,589,568	5,277,825,977
NET RECEIPTS / (PAYMENTS)		-	-	10,640,147,463	(10,640,147,463)

The notes on pages 11 to 99 form part of these financial statements.

**NATIONAL IRRIGATION ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
ALL FUNDS**

(All amounts in Philippine Peso unless otherwise stated)

1. CORPORATE INFORMATION

The National Irrigation Administration (NIA) was formally created as a Government Corporation (GC) under Republic Act (RA) No. 3601 on June 22, 1963, with an authorized capital of P300 million. In calendar year (CY) 1974, under Presidential Decree (PD) No. 552, its capitalization was increased to P2 billion, and under PD No. 1702 dated July 17, 1980, it was further increased to P10 billion. The capital was to be subscribed and paid for entirely by the Philippine Government. Section 2, paragraph (b) of PD No. 552 provides the NIA's sources of operating capital.

The NIA was originally attached to both the Department of Public Works and Highways (DPWH) and the Department of Agriculture (DA), but was later transferred to the Office of the President (OP) of the Philippines, and subsequently attached to the DA under Administrative Order (AO) No. 17 dated October 14, 1992. On May 5, 2014, under Executive Order (EO) No. 165, Series of 2014, the NIA was transferred together with the National Food Authority, the Philippine Coconut Authority, and the Fertilizer and Pesticide Authority from the DA to the OP of the Philippines under the Office of the Presidential Assistant for Food Security and Agricultural Modernization (OPAFSAM). In view of the change in Administration in CY 2016, the OPAFSAM was abolished. Under EO No. 1, Series of 2016 dated June 30, 2016, the NIA was not included among the agencies listed under the supervision of the Cabinet Secretary. However, in a Memorandum dated November 3, 2016 of the Executive Secretary, the Cabinet Secretary was designated as the Acting Chairperson of the NIA Board of Directors (BOD). Through EO No. 168, Series of 2022 dated April 25, 2022, the NIA was transferred back as an attached Agency under the DA. The NIA houses its Central Office (CO) at the NIA Complex, EDSA, Diliman, Quezon City.

The NIA no longer collects Irrigation Service Fee (ISF) from landowners with landholdings of eight (8) hectares and below. This is in consonance with RA No. 10969, otherwise known as the Free Irrigation Service Act of 2018, amending RA No. 3601, which was approved by the former President of the Philippines on February 2, 2018, implementing the scope of Free Irrigation Service and the Condonation and Writing Off of Loans, Past Due Accounts and Penalties of Farmers and Irrigators Association with landholdings of eight (8) hectares and below only.

The principal function of the NIA was initially to develop, maintain, operate, improve, and rehabilitate irrigation systems including communal and pump irrigation projects. However, with the reorganization of the government that occurred after the NIA's creation, it also assumed the irrigation activities of other government agencies, including those of the Irrigation Service Unit of the then Presidential Assistance on Community Development. Thereafter, with the passage of RA No. 6978 on January 24, 1991, otherwise known as "An Act to Promote Rural Development by providing for an Accelerated Program within a Ten-Year Period for the Construction of Irrigation Projects," the activities of the NIA were significantly increased to cover the remaining 1.5 million unirrigated, but irrigable hectares of land nationwide.

In order to achieve its mandate, the NIA has the following objectives:

- a. Develop and maintain irrigation systems in support of the agricultural program of the government;
- b. Provide adequate level of irrigation service on a sustainable basis in partnership with the farmers and local government units (LGUs);
- c. Provide technical assistance to institutions in the development of water resources for irrigation; and
- d. Improve and sustain the operation of NIA as a viable Corporation and service-oriented Agency.

With these objectives, the NIA is tasked to:

- a. Investigate, study, and develop all available water resources in the country, primarily for irrigation purposes;
- b. Plan, design, construct, and/or improve all types of irrigation projects and appurtenant structures;
- c. Operate, maintain, and administer all national irrigation systems (NIS);
- d. Supervise the operation, maintenance, and repair, or otherwise, administer temporarily all communal and pump irrigation systems constructed, improved, and/or repaired wholly or partially with government funds;
- e. Delegate the partial or full management of NIS to duly organized cooperatives or associations; and
- f. Construct multiple-purpose water resources projects designed primarily for irrigation, and secondarily for hydraulic power development and/or other uses such as flood control, drainage, land reclamation, domestic water supply, roads and highway construction, and reforestation, among others, provided, that the plans, designs, and the construction thereof, shall be undertaken in coordination with the agencies concerned.

Vision

By 2022, NIA is a professional and efficient irrigation agency contributing to the inclusive growth of the country and in the improvement of the farmers' quality of life.

Mission

To construct, operate and maintain irrigation systems consistent with integrated water resource management principles to improve agricultural productivity and increase farmers' income.

1.1 Personnel Profile and Organizational Structure

The NIA is headed by an Administrator, assisted by a Senior Deputy Administrator and supported by Deputy Administrator for Administrative and Finance, and Deputy Administrator for Engineering and Operations. The NIA had 9,933 and 8,354 personnel in CYs 2022 and 2021, respectively. The breakdown is as follows:

	2022	2021
Monthly Paid – Rationalized		
Permanent - Corporate Operating Budget (COB) charged filled	3,812	3,391
Casual/Daily Paid		
COB charged	3,247	2,839
Project charged	2,874	2,124
	9,933	8,354

The NIA is composed of the CO, 17 Regional Irrigation Offices (RIOs), including the Upper Pampanga River Integrated Irrigation System (UPRIIS) and the Magat River Integrated Irrigation System (MARIIS), 54 regular Irrigation Management Offices (IMOs), seven (7) Interim IMOs, six (6) Satellite Offices, and nine (9) Project Management Offices (PMOs).

1.2 Projects and Operational Profile

The NIA pursued the implementation of 144 irrigation programs for CY 2022 including carry-overs from previous years. Of the total number, 39 projects are in Luzon, 28 in Visayas, and 19 in Mindanao and 58 programs are implemented in selected provinces nationwide. Activities for the year include planning and development of irrigation projects; repair, rehabilitation and restoration projects of national and communal irrigation systems; organization and development of Irrigators Associations (IAs), implementation and monitoring of Irrigation Management Transfer (IMT), and execution and monitoring of climate change adaptation works.

The CY 2022 program included the: generation of 25,841 hectares of newly irrigated areas; restoration of 12,872 hectares of non-operational areas; repair and rehabilitation works of 186.70 kilometers earth canal, 306.22 kilometers concrete-lined canal, 36.32 kilometers high-density polyethylene (HDPE) pipe, 53.72 kilometers concrete roads, 94.08 kilometers gravel roads and 866 units of canal structures.

As of December 2022, the NIA has Physical and Financial Accomplishments of 68.90 per cent and 47.47 per cent, respectively. This is equivalent to the generation of a newly irrigated area of 16,663 hectares, restoration of 7,677 hectares, repair of a total of 401.56 kilometers of earth canals, 449.93 kilometers of concrete-line canal, 33.93 kilometers of HDPE pipe, 41.11 kilometers of concrete roads, 98.90 kilometers of gravel roads and 1,823 units canal structure.

The NIA operated and maintained 257 NISs with an aggregate service area of 929,291 hectares and a firm-up service area (FUSA) of 826,939 hectares at the beginning of the year. The irrigation-programmed service area for this crop year is 1,494,965 hectares. The actual irrigated area was 754,006 hectares during the dry season, 759,470 hectares during the wet season, and 27,628 hectares for the third crop – equivalent to a total of 1,541,104 hectares (103 per cent of the irrigation-programmed service area). Cropping intensity achieved was 186.36 per cent based on the FUSA.

There are 10,144 Communal Irrigation Systems (CISs) at the beginning of the year with an aggregate service area of 716,848 hectares and a FUSA of 630,158 hectares. In Crop Years 2021-2022, total irrigated area in the CISs was 1,006,037 hectares: 503,157 hectares during wet season, 485,335 hectares during the dry season, and 17,545 hectares for the third crop-equivalent to a cropping intensity of 159.65 per cent based on FUSA.

As of December 31, 2022, the total service area developed was 2,088,449.84 hectares or 66.75 per cent of the total 3,128,631 hectares of estimated total irrigable area nationwide. The service area is distributed as follows: 990,559.15 hectares are under NIS, 744,023.45 hectares in CIS, 207,173.79 hectares in private irrigation system, and 146,693.45 hectares in other government agency assisted. The remaining irrigable area for development is 1,040,181.16 hectares, which comprises those rice and other croplands with up to three (3) per cent field slope.

1.3 Allotments/Cash Allocations - from National Government

Funding sources for the implementation of the NIA Irrigation Development Program were appropriated under the General Appropriations Act (GAA) of Fiscal Year (FY) 2022, RA No. 11639 for NIA (Section XXXVI - Budgetary Support to Government Corporations, M.7. Other Executive Offices-NIA), summarized as follows:

	CY 2022 Irrigation Program (In Thousand Pesos)			
	Appropriation	Allotment	Release Cash/Non-Cash	Obligation
CY 2022 Irrigation Programs:				
General Administration and Support	7,546,420,000	7,546,420,000	4,897,425,645	5,952,198,281
Support to Operations	1,275,881,000	1,275,881,000	455,266,048	649,679,937
Operations	22,646,538,000	22,646,538,000	12,996,805,896	20,794,128,651
Total	31,468,839,000	31,468,839,000	18,349,497,589	27,396,006,869
Others:				
Section 6 of the Special Provisions for NIA under GAA FY 2022	-	1,434,978,576	530,356,183	910,316,572
Grand Total	31,468,839,000	32,903,817,576	18,879,853,772	28,306,323,441

	Carry Over Funds (In Thousand Pesos)		
	Unobligated Balance CY 2021	Release Cash/ Non-Cash	Obligation
FY 2015 - 2020 GAA			
Various Projects	6,243,368,000	9,866,725,542	4,114,251,027
Other Sources:			
Integrated Resources and Environment Management Project - International Fund for Agricultural Development - LP	55,505,000		(2,623,072)
Section 7 of the Special Provisions for NIA under GAA 2021	702,000		606,932
Section 7 of the Special Provisions for NIA under GAA 2020	1,509,000		(1,467,959)
Section 9 of the Special Provisions for NIA under GAA 2021	861,000		-
National Disaster Risk Reduction Management Fund	860,000		208,647
	6,302,805,000	9,866,725,542	4,110,975,575

2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of Compliance with International Public Sector Accounting Standards (IPSASs)

The financial statements have been prepared in compliance with IPSASs prescribed for adoption by the Commission on Audit (COA) under COA Resolution No. 2014-003 dated January 24, 2014. The term IPSAS includes all applicable IPSASs and the corresponding Philippine Application Guidance. The Philippine Public Sector Accounting Standards were renamed to IPSASs under COA Resolution No. 2020-001 dated January 9, 2020.

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

The financial statements are presented in Philippine Peso, which is also the country's functional currency and amounts are rounded off to the nearest peso, unless otherwise stated.

The financial statements are presented in comparative figures with the immediately preceding year.

The financial statements, in compliance with the adopted IPSASs, require the use of certain accounting estimates. It also requires the entity to exercise judgment in applying the entity's accounting policies.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Accounting

The NIA's financial statements are prepared on an accrual basis in accordance with the IPSASs.

3.2 Presentation of Financial Statements

The financial statements consist of the financial reports of NIA CO and 17 RIOs including the UPRIS and the MARIS, and nine (9) PMOs in accordance with NIA's One Fund Accounting System Manual.

All significant intra-agency receivables/intra-agency payables transactions are eliminated in the preparation of the financial statements.

The financial statements reflect the assets, liabilities, revenues, and expenses of NIA CO, RIOs including the UPRIS and the MARIS, and PMOs.

Financial statements of inactive accounts with total Net Assets/Equity of P19.331 billion as at December 31, 2022, from RIOs/PMOs are included in the preparation of the financial statements. These inactive accounts represent balances from completed projects in the Corporate and General Funds that were forwarded from previous years despite their being turned over to their respective RIOs/PMOs. Of the 75 inactive accounts reported since CY 2018, the following 23 accounts were already closed to Corporate Fund:

RO/PMO	Project or Program Title
Region 1	Fund 102
Region 2	Cagayan Integrated Agricultural Development Project
Region 2	Communal Irrigation Development Project
Region 2	Casacnan Multipurpose and Power Project
Region 2	El Niño
Region 2	Grain Sector Development Program
Region 2	Irrigation Operation Systems Project I
Region 2	102 - Water Resource Development Project
Region 3	Comprehensive Agrarian Reform Program - Irrigation Component
Region 3	Irrigation Operation Support Project I
Region 3	QUAKE Fund
Region 5	Irrigation Operation Support Project I
Region 5	102 - Communal Irrigation Development Project
Region 5	102 - Water Resource Development Project
Region 5	102 - Grain Sector Development Program
Region 5	102 - El Niño
Region 6	Alapasco Project
Region 9	102 - El Niño
Region 9	102 - Water Resource Development Project
Region 12	Water Resource Development Project
Region 12	Irrigation Operation Support Project
Region 12	Malitubog Maridagao Irrigation Project 1
Region 12	Irrigation Operation Support Project I

3.3 Financial Instruments

a. Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29, *Financial Instruments: Recognition and Measurements* are classified as financial assets at fair value through surplus or deficit, held-to-maturity investments, loans and receivables or available-for-sale financial assets, as appropriate. The NIA determines the classification of its financial assets at initial recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the NIA commits to purchase or sell the asset.

The NIA's financial assets include: Cash and cash equivalents and Receivables accounts. (See Notes 6 and 7)

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification.

1. Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading and financial assets designated upon initial recognition at fair value through surplus or deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through surplus or deficit are carried in the Statement of Financial Position (SFP) at fair value with changes in fair value recognized in surplus or deficit.

2. Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit. (See Note 7)

3. Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the NIA has the positive intention and ability to hold it to maturity.

Held-to-maturity investments, which consist of government treasury bills, are initially measured at its selling price upon placement and as indicated on the Confirmation of Sale without Recourse. Upon termination of the treasury bills, any discount or premium on acquisition and fees/costs and taxes due are recognized in the surplus or deficit. In CY 2022, the NIA had no held-to-maturity investments (See Note 10).

Derecognition

The NIA derecognizes a financial asset or where applicable, a part of a financial asset or part of similar financial assets of the NIA when:

1. The contractual rights to the cash flows from the financial asset expired or waived; and
2. The NIA has transferred its contractual rights to receive the cash flows of the financial assets, or retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement that meets the conditions set forth in IPSAS 29, *Financial Instruments: Recognition and Measurement*; and either the entity has:
 - a. transferred substantially all the risks and rewards of ownership of the financial asset; or

- b. neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, but has transferred the control of the asset.

Impairment of financial assets

The NIA assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. (See Notes 7 and 10)

Evidence of impairment may include the following indicators:

1. The debtors or a group of debtors are experiencing significant financial difficulty.
2. Default or delinquency in interest or principal payments.
3. The probability that debtors will enter bankruptcy or other financial reorganization.
4. Observable data indicate a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults).

b. Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

The NIA's financial liabilities include Trade payables to suppliers, employees, and other contractors. (See Note 14)

Subsequent measurement

The measurement of financial liabilities depends on their classification.

1. Financial liabilities at fair value through surplus or deficit.

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through surplus or deficit.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

This category includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by IPSAS 29.

2. Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Derecognition

A financial liability is derecognized when the obligation under the liability expires or is discharged or cancelled.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

c. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the SFP if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash in bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. (See Note 6)

3.5 Receivables

Receivables are recognized initially at transaction cost. These are subsequently measured at amortized cost less provision for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the NIA will not be able to collect the amounts due according to the original terms of settlement of the receivable accounts. (See Note 7)

Trade receivables are financial assets with fixed or determinable payment that are not quoted in an active market. They arise when the NIA provides money, goods, or services directly to a debtor/customer with no intention of trading receivables. Receivables are carried at cost or amortized cost in the SFP. Receivables are included in current assets if maturity is within 12 months of the financial reporting date while those with maturity beyond 12 months are identified as non-current assets.

Recoverability of specific receivables is evaluated based on the best available facts and circumstances, the length of the NIA's relationship with its debtors, the debtors' payment behavior and known market factors. These specific reserves are re-evaluated and adjusted if additional information received affects the amount estimated to be uncollectible.

Allowance for impairment of Accounts receivable

The policy under NIA Memorandum Circular (MC) No. 158, Series of 2022 prescribes the guidelines and procedures on the impairment of receivables.

Allowance for impairment of Accounts receivable was provided in the books specifically on the NIA fees. The allowance is based on the aging of receivables method of estimating uncollectible accounts. By this method, the accounts are classified according to age from one day to over five years and provisions for the allowance for impairment of accounts receivable shall be as follows:

a. Loans and receivables, Lease receivables and Other receivables

Aging of Accounts	Percentage
1 to 60 days	10
61 to 180 days	20
181 days to 1 year	30
Over 1 year to 3 years	50
Over 3 years to 5 years	100
Accounts with legal constraints	100

b. Inter-agency receivables

Aging of Accounts	Percentage
1 year	30
Over 1 year to 3 years	50
Over 3 years to 5 years	70
Over 5 years	100
Accounts with legal constraints	100

Write-off of receivables

The policy under NIA MC No. 81, Series of 2017 includes that the following conditions must be present to support the request for authority from the COA to write-off receivables:

- a. Absence of records or documents to validate/support the claim and/or unreconciled receivable accounts;
- b. Death of the accountable officer/employee/debtor;
- c. Unknown whereabouts of the accountable officer/employee/debtor, and that he/she could not be located despite diligent efforts to find him/her;
- d. Incapacity to pay or insolvency;
- e. Exhaustion of all possible remedies by Management to collect the receivables and to demand liquidation of each advance and fund transfers; and

- f. No pending case in court involving the subject dormant accounts.

Write-off and condonation of ISF

With the passage of RA No. 10969 or the "Free Irrigation Service Act", the NIA issued its Implementing Rules and Regulations (IRR) under NIA MC No. 108, Series of 2018 to set a policy for collection and write-off of receivables for ISF. The IRR states the following:

- a. Upon the effectivity of RA No. 10969, all farmers with landholdings of eight (8) hectares and below are exempted from paying ISF for water derived from NIS and CIS that were, or are to be, funded, constructed, maintained, and administered by the NIA and other government agencies, including those that have been turned over to the IAs.
- b. A registry of farmers and other irrigation system users shall also be prepared and maintained which shall contain the name of farmer/landowner, actual tiller, size, and location of the landholding, and Original Certificate of Title (OCT) number.
- c. Farmers with more than eight (8) hectares of land, corporate farms, and plantations drawing water for agricultural crop production, fishponds, and other persons, natural or juridical, drawing water for non-agricultural purposes from NIS and CIS, or using the irrigation systems as drainage facilities, shall continue to be subject to the payment of ISF.
- d. All unpaid ISF to the NIA and the corresponding penalties of farmers with eight (8) hectares and below, and all loans, past due accounts and the corresponding interests and penalties of the IAs to the NIA will be condoned and written-off from the books of the NIA. Upon completion of the Registry described in Rule 4.2 of the IRR, the NIA shall, in compliance with Article 1270 of the Civil Code, secure the written acceptance of each farmer or landowner whose debt is to be condoned considering that condonation or remission is essentially gratuitous. Furthermore, the condonation and write-off of indebtedness pursuant to Section 5 of the IRR shall be in accordance with all applicable accounting and auditing guidelines and procedures.

3.6 Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory is received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. The cost of inventories comprised all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Subsequently, inventories are valued using the weighted average method. (See Note 8)

Inventories are recognized as an expense when issued for utilization or consumption in the ordinary course of operations of the NIA.

3.7 Property, plant, and equipment

Recognition

An item is recognized as Property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE.

The characteristics of PPE are as follows:

- a. tangible items;
- b. are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- c. are expected to be used during more than one reporting period.

An item of PPE is recognized as an asset if:

- a. it is probable that future economic benefits or service potential associated with the item will flow to the entity;
- b. the cost or fair value of the item can be measured reliably; and
- c. the cost is at least P50,000.

Measurement at recognition

An item recognized as PPE is measured at cost.

A PPE acquired through non-exchange transaction is measured at its fair value as at the date of acquisition.

The cost of the PPE is the cash price equivalent or, for PPE acquired through non-exchange transaction, its cost is its fair value as at recognition date.

Cost includes the following:

- a. its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- b. expenditure that is directly attributable to the acquisition of the items; and
- c. initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement after recognition

After recognition, all PPE items are stated at cost less accumulated depreciation and impairment losses. (See Note 12)

When significant parts of PPE are required to be replaced at intervals, the NIA recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred.

Depreciation

Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

a. Initial recognition of depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by Management.

For simplicity and to avoid proportionate computation, depreciation shall be 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 shall be for the succeeding month.

b. Depreciation method

The straight-line method of depreciation is adopted unless another method is more appropriate for the NIA's operation.

c. Estimated useful life

The NIA uses the life span of PPE prescribed by COA in determining the specific estimated useful life for each asset based on its experience, as follows:

Account	Life in Years
Water supply system	20 to 50 years
Land improvement	10 years
Buildings	30 years
Machineries and equipment	10 years
Motor vehicles	7 years
Furniture and fixtures	10 years
Office equipment	5 years
Information and communication technology equipment	5 years
Communication equipment	5 years
Sports equipment	10 years
Technical and scientific equipment	10 years
Other machineries and equipment	10 years
Other transportation equipment	7 years
Works of arts and archeological specimens	5 years
Road networks	10 years
Flood control system	10 years
Power supply system	10 years
Communication networks	10 years

d. Residual value

The NIA uses a residual value equivalent to at least five per cent of the cost of the PPE.

Impairment

An asset's carrying amount is written down to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

Derecognition

The NIA derecognizes items of PPE and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized. (See Note 12)

3.8 Leases

Operating lease - NIA as a lessor

Leases other than finance lease are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term. Rent received from an operating lease is recognized as income on a straight-line basis over the lease term.

Leases in which the NIA does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

Contingent rents are recognized as revenue in the period in which they are earned.

The depreciation policies for PPE are applied to similar assets leased by the entity.

Operating lease - NIA as a lessee

The NIA adopts Lease Purchase Agreement (LPA) in acquiring motor vehicles in its RIOs. Rental payments are recognized as Rent/Lease expense and PPE-donation is recognized upon full payment of the motor vehicle equivalent to its contract cost.

3.9 Provisions, Contingent Liabilities, and Contingent Assets

Provisions

Provisions are recognized when the NIA has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the NIA expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the Statement of Financial Performance (SFP) net of any reimbursement.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provisions are reversed.

Employee benefits

The employees of the NIA are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage.

The NIA recognizes the undiscounted amount of short-term employee benefits, like salaries, wages, bonuses, allowances, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

Contingent liabilities

The NIA does not recognize a contingent liability but discloses details of any contingencies in the notes to financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The NIA does not recognize a contingent asset, but discloses in the notes to financial statements details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NIA.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

3.10 Adjustments Due to Changes in Accounting Policies, Estimates, and Errors

The NIA has determined and restated accounts with the net effect in the financial statements due to change in accounting policy.

Changes in accounting estimates

The NIA recognizes the effects of changes in accounting estimates prospectively through surplus or deficit.

Prior period errors

Prior period errors are omissions from and misstatements in an entity's financial statements for one or more period arising from a failure to use or misuse of reliable information that was available and could reasonably be expected to have been obtained and taken into account in preparing those statements. The NIA shall correct in accordance with material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- a. restating the comparative amounts for prior period(s) presented in which the error occurred; or
- b. if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

3.11 Revenue

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

Rendering of services

The NIA recognizes revenue from rendering of services based on the stage of completion when the outcome of the transaction can be measured reliably. The stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours. (See Note 23)

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the NIA.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

3.12 Gains and losses

Gains and losses presented in the financial statements comprised of the following:

- a. Gains and losses on disposal of PPE; and
- b. Gains and losses from foreign currency transactions.

Disposal of PPE

Derecognition of PPE (IPSAS 17, paragraph 82)

The carrying amount of an item of PPE shall be derecognized:

- a. On disposal; or
- b. When no future economic benefits or service potential is expected from its use or disposal.

Recognition of Gains and Losses (IPSAS 17, paragraphs 83 and 86)

The gain or loss arising from the derecognition of an item of PPE shall be included in surplus or deficit when the item is derecognized.

The gain or loss arising from the derecognition of an item of PPE shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Foreign currency transactions

Initial Recognition (IPSAS 4, paragraph 24)

A foreign currency transaction shall be recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Reporting at Subsequent Reporting Dates (IPSAS 4, paragraph 27)

At each reporting date:

- a. Foreign currency monetary items shall be translated using the closing rate;
- b. Nonmonetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and
- c. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined.

Recognition of Exchange Differences (IPSAS 4, paragraphs 32, 35 and 37)

- a. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in surplus or deficit in the period in which they arise;
- b. When a gain or loss on a non-monetary item is recognized directly in net assets/equity, any exchange component of that gain or loss shall be recognized directly in net assets/equity. Conversely, when a gain or loss on a non-monetary item is recognized in surplus or deficit, any exchange component of that gain or loss shall be recognized in surplus or deficit; and
- c. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation shall be recognized in surplus or deficit in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a controlled entity), such exchange differences shall be recognized initially in a separate component of net assets/equity and recognized in surplus or deficit on disposal of the net investment.

3.13 Budget information

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

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) is prepared since the budget and the financial statements are not prepared on comparable basis. The SCBAA is presented showing the original and final budget and the actual amounts on comparable basis to the budget. Explanatory comments are provided in *Note 39*.

These budget figures are those approved by the governing body.

3.14 Related parties

The NIA regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the NIA, or vice versa.

Members of key management are regarded as related parties and comprise of the Chairman, Members of the Governing Board, and the Principal Officers. (*See Note 37*)

3.15 Measurement uncertainty

The preparation of financial statements in conformity with IPSASs requires Management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of a capital asset, estimated employee benefits, impairment of assets, etc.

Estimates are based on the best information available at the time of the preparation of financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

4. RISK MANAGEMENT OBJECTIVES AND POLICIES

This note presents information about the NIA's exposure to risks and the NIA's objectives, policies, and processes for measuring and managing risks.

The NIA has an overall responsibility for the establishment and oversight of the NIA's risk management framework. The NIA has established a committee and technical working group which is responsible for the preparation of outline of Disaster Risk Reduction and Management Plan (DRRMP).

The Committee's role is to design the framework which will help the NIA to develop and implement an effective and pro-active risk management plan in response to the circumstances the organization may face, perform risk assessment, and develop strategies to mitigate risks using the resources available. The NIA DRRMP 2019-2023 was covered by NIA MC No. 2019-035 dated May 10, 2019. The Plan is aligned with the objectives of the NDRRMP 2011-2028 that will address four areas of components such as: (a) Disaster Prevention and Mitigation, (b) Disaster Preparedness, (c) Disaster Response, and (d) Disaster Rehabilitation and Recovery.

4.1 Risk management framework

The Risk Management Team shall perform oversight function in ensuring that the established risk controls and related activities are consistently implemented; plan and coordinate effective and efficient use of risk control tools; and ensure that risk-related information are maintained and retained.

5. RESTATEMENT OF FINANCIAL STATEMENTS

In CY 2022, Management adjusted the CY 2021 and prior period balances of some accounts due to prior period errors and adjustments, resulting in the retrospective restatement of comparative balances in the financial statements.

5.1. Statement of Financial Position as at December 31, 2021

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
ASSETS				
Current assets				
Cash and cash equivalents	11,283,168,960	11,283,163,503	5,457	6
Receivables – net	5,692,250,258	28,715,170,714	(23,022,920,456)	7
Inventories - net	87,858,939	87,988,231	(129,292)	8
Prepayments	-	4,382,572,787	(4,382,572,787)	9
Other current assets	4,474,937,825	92,315,152	4,382,622,673	9
Total current assets	21,538,215,982	44,561,210,387	(23,022,994,405)	

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
Non-current assets				
Other investments -net	-	468,083,200	(468,083,200)	10
Property, plant, and equipment – net	295,305,606,015	292,434,646,117	2,870,959,898	12
Intangible assets – net	46,346,504	46,346,504	-	
Total non-current assets	295,351,952,519	292,949,075,821	2,402,876,698	
TOTAL ASSETS	316,890,168,501	337,510,286,208	(20,620,117,707)	
LIABILITIES				
Current liabilities				
Financial liabilities	5,375,666,602	4,967,922,354	407,744,248	14
Inter-agency payables	75,518,447,778	95,234,030,072	(19,715,582,294)	15
Intra-agency payables	56,042,939	1,708,473,619	(1,652,430,680)	16
Trust liabilities	3,019,508,736	3,016,086,107	3,422,629	17
Provisions	1,173,235,844	2,036,231,441	(862,995,597)	18
Other payables	3,235,882,272	3,301,656,160	(65,773,888)	19
Total current liabilities	88,378,784,171	110,264,399,753	(21,885,615,582)	
Non-current liabilities				
Deferred credits/unearned revenue	5,490,864,297	5,638,017,020	(147,152,723)	20
Total non-current liabilities	5,490,864,297	5,638,017,020	(147,152,723)	
TOTAL LIABILITIES	93,869,648,468	115,902,416,773	(22,032,768,305)	
NET ASSETS (TOTAL ASSETS LESS TOTAL LIABILITIES)	223,020,520,033	221,607,869,435	1,412,650,598	
EQUITY				
Government equity	5,559,191,865	5,559,191,865	-	
Accumulated surplus/(deficit)	217,461,328,168	216,048,677,570	1,412,650,598	22
TOTAL NET ASSETS/EQUITY	223,020,520,033	221,607,869,435	1,412,650,598	

5.2. Statement of Financial Position as at January 1, 2021

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
ASSETS				
Current assets				
Cash and cash equivalents	6,621,274,804	6,621,309,706	(34,902)	6
Receivables – net	7,371,280,413	31,448,866,463	(24,077,586,050)	7
Inventories - net	189,300,693	192,117,600	(2,816,907)	8
Prepayments	-	4,582,384,978	(4,582,384,978)	9
Other current assets	4,677,980,164	95,599,622	4,582,380,542	9
Total current assets	18,859,836,074	42,940,278,369	(24,080,442,295)	
Non-current assets				
Other investments -net	34,008,681	433,953,577	(399,944,896)	10
Investment property – net	1,500,000	1,500,000	-	
Property, plant, and equipment – net	284,455,847,237	281,386,099,593	3,069,747,644	12
Intangible assets – net	2,506,976	2,506,976	-	
Total non-current assets	284,493,862,894	281,824,060,146	2,669,802,748	
TOTAL ASSETS	303,353,698,968	324,764,338,515	(21,410,639,547)	
LIABILITIES				
Current liabilities				
Financial liabilities	7,029,271,334	8,276,081,154	(1,246,809,820)	14
Inter-agency payables	69,166,736,849	90,416,542,217	(21,249,805,368)	15
Intra-agency payables	76,000	3,010,716,494	(3,010,640,494)	16
Trust liabilities	2,457,486,542	2,454,063,913	3,422,629	17
Provisions	1,098,490,868	1,936,843,861	(838,352,993)	18
Other payables	4,237,367,213	4,299,510,074	(62,142,861)	19
Total current liabilities	83,989,428,806	110,393,757,713	(26,404,328,907)	

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
Non-current liabilities				
Deferred credits/unearned revenue	7,901,890,625	8,049,043,348	(147,152,723)	20
Total non-current liabilities	7,901,890,625	8,049,043,348	(147,152,723)	
TOTAL LIABILITIES	91,891,319,431	118,442,801,061	(26,551,481,631)	
NET ASSETS (TOTAL ASSETS LESS TOTAL LIABILITIES)	211,462,379,537	206,321,537,454	5,140,842,083	
EQUITY				
Government equity	5,559,191,865	5,559,191,865	-	
Accumulated surplus/(deficit)	205,903,187,672	200,762,345,589	5,140,842,083	22
TOTAL NET ASSETS/EQUITY	211,462,379,537	206,321,537,454	5,140,842,083	

5.3. Statement of Financial Performance for the Year Ended December 31, 2021

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
REVENUE				
Service and business income	781,101,861	678,691,067	102,410,794	23
TOTAL REVENUE	781,101,861	678,691,067	102,410,794	
CURRENT OPERATING EXPENSES				
Personnel services	3,911,800,603	3,891,152,924	20,647,679	25
Maintenance and other operating expenses	16,029,802,312	15,794,318,293	235,484,019	26
Financial expenses	1,105,913,993	1,128,317,075	(22,403,082)	27
Non-cash expenses	6,997,079,104	6,813,923,320	183,155,784	28
TOTAL CURRENT OPERATING EXPENSES	28,044,596,012	27,627,711,612	416,884,400	
SURPLUS/(DEFICIT) FROM CURRENT OPERATIONS	(27,263,494,151)	(26,949,020,545)	(314,473,606)	
Other non-operating income	4,482,588	100,129,486	(95,646,898)	29
Gains	7,097,557	11,580,145	(4,482,588)	30
Losses	(2,617,093)	(2,607,702)	(9,391)	31
DEFICIT BEFORE TAX	(27,254,531,099)	(26,839,918,616)	(414,612,483)	
Less: Income tax expense	-	-	-	
DEFICIT AFTER TAX	(27,254,531,099)	(26,839,918,616)	(414,612,483)	
Less: Assistance and subsidy	42,904,661,656	42,978,025,096	(73,363,440)	33
NET SURPLUS FOR THE PERIOD	15,650,130,557	16,138,106,480	(487,975,923)	

6. CASH AND CASH EQUIVALENTS

This account includes the following:

	2022	2021 As restated	January 1, 2021 As restated
Cash on hand	9,216,815	8,363,617	10,711,846
Cash in bank-local currency (LC)	19,164,797,979	11,229,884,363	6,571,129,905
Cash in bank-foreign currency (FC)	46,012,463	44,895,034	39,433,053
Cash equivalent	25,946	25,946	-
	19,220,053,203	11,283,168,960	6,621,274,804

The Cash on hand consists of the following:

	2022	2021 As restated	January 1, 2021 As restated
Cash-collecting officers	5,634,748	4,562,425	7,371,925
Petty cash	3,582,067	3,801,192	3,339,921
	9,216,815	8,363,617	10,711,846

The Cash in bank-LC consists of the following:

	2022	2021 As restated	January 1, 2021 As restated
Cash in bank - LC, current account (CA)	18,653,727,579	10,731,654,653	6,079,139,999
Cash in bank - LC, time deposits (TDs)	461,313,826	455,243,242	449,856,554
Cash in bank - LC, savings account (SA)	49,756,574	42,986,468	42,133,352
	19,164,797,979	11,229,884,363	6,571,129,905

The Cash in bank-FC consists of the following:

	2022	2021 As restated	January 1, 2021 As restated
Current account			
Cash in bank - FC, TDs	45,157,857	40,824,217	38,578,443
Cash in bank - FC, SA	854,606	4,070,817	854,610
	46,012,463	44,895,034	39,433,053

The Cash equivalent consists of the following:

	2022	2021 As restated	January 1, 2021 As restated
Cash, treasury/agency deposit, regular (T/ADR)	25,946	25,946	-
	25,946	25,946	-

Cash in bank-LC, CA includes the amount of cash maintained with authorized government depository banks by the CO, RIOs, PMOs and IMOs.

Cash in bank-FC, SA represents amounts deposited with authorized government depository banks denominated in US dollars (\$). These constitute monies from foreign lending banks for the implementation of irrigation projects. The account represents US dollar deposit with the Land Bank of the Philippines (LBP). The year-end balance of the foreign currency deposit was translated using the Bangko Sentral ng Pilipinas (BSP) closing rate of P56.12 : US\$1.00 as at December 31, 2022.

Cash, T/ADR account represents the balance of "Due from national treasury" account before it was converted to conform with the Revised Chart of Accounts.

Included in the Cash in bank account are Trust Fund (TF) and working fund (WF) treated as restricted cash in compliance with the Operations and Maintenance (O&M) Agreement of the NIA with the First Gen Hydro Power Corporation (FGHPC) and the SN Aboitiz Power (SNAP)-Magat, Incorporated, dated November 13, 2006 and December 13, 2006, respectively, viz.:

	2022	2021
Cash in bank-LC, TD		
SNAP-Magat, Incorporated – TF	137,436,968	126,300,401
FGHPC – TF	127,992,581	135,619,179
	265,429,549	261,919,580

	2022	2021
Cash in bank - LC, CA		
SNAP-Magat, Incorporated – WF	826,536,674	849,497,973
FGHPC – WF	156,869,097	197,008,269
	983,405,771	1,046,506,242

The O&M agreements have term of 25 years. Under the said agreements, the NIA will manage, operate, maintain, and rehabilitate the non-power components of Pantabangan-Masiway Hydroelectric Power Plants (PMHEPP) and Magat Power Plant Complex.

As provided under the agreements, the FGHPC and the SNAP-Magat, Incorporated are required to provide a TF amounting to P100 million, payable in 24 monthly payments from the date the agreements were entered, which will be billed by the NIA in addition to service fee. Seventy (70) per cent of the amount available in the TF shall be allocated for self-insurance and 30 per cent shall be allocated for the performance security.

Furthermore, a WF shall be established wherein a portion of the service fee shall be deposited to the NIA's bank account that will be made readily available to the NIA UPRIIS-Dams and Reservoir Division and the NIA MARIIS to fund the O&M cost of PMHEPP and Magat Power Plant Complex, respectively.

Included in the Cash and cash equivalents account are the following inactive accounts balances:

	2022	2021
Cash in bank - LC, CA	47,196,421	46,912,360
Petty cash	425,343	425,343
Cash - T/ADR	25,946	25,946
Cash-collecting officers	7,550	7,550
Cash in bank - LC, SA	(4,890,670)	(4,890,670)
	42,764,590	42,480,529

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Cash and cash equivalents account for CYs 2021 and 2020 was restated as follows:

Particulars	Amount
Cash and cash equivalents, December 31, 2021	11,283,163,503
Add: Prior period adjustment	
Adjustment due to negative balance of cash collecting officer account	5,457
Cash and cash equivalents, December 31, 2021, as restated	11,283,168,960

Particulars	Amount
Cash and cash equivalents, December 31, 2020	6,621,309,706
Add/(deduct): Prior period adjustments	
Adjustment due to cancellation of check deposit returned for lack of signature	(40,360)
Adjustment of negative balance of petty cash fund	5,458
Net restatements	(34,902)
Cash and cash equivalents, December 31, 2020, as restated	6,621,274,804

7. RECEIVABLES

This account consists of the following:

	2022	2021 As restated	January 1, 2021 As restated
Loans and receivable accounts	217,338,082	4,367,150,389	5,094,474,763
Inter-agency receivables	117,236,800	951,269,657	1,006,269,676
Intra-agency receivables	30,779,354	35,200	22,113,418
Lease receivables	636,660	568,200	-
Other receivables	1,504,101,640	373,226,812	1,248,422,556
	1,870,092,536	5,692,250,258	7,371,280,413

Included in the Receivables accounts are the following inactive account balances:

	2022	2021
Accounts receivable		
Accounts receivable – others	157,340	157,340
	157,340	157,340
Inter-agency receivables		
Due from LGUs	148,925	521,259
Due from national government agencies (NGAs)	45,264	32,311,524
Due from other GCs	1,423	1,423
	195,612	32,834,206
Intra-agency receivables		
Due from other funds	1,505,891	2,365,175
Due from regional offices (ROs)	17,000	17,000
Due from CO	200	200
	1,523,091	2,382,375
Other receivables		
Due from officers and employees	493,082	493,082
Receivables-disallowances and charges	350,721	350,721
Loans receivable	44,921	-
Other receivables	6,738,714	6,738,714
	7,627,438	7,582,517
	9,503,481	42,956,438

Aging of receivables:

	0 to 1 year	More than one year to 5 years	Over 5 years and onwards	Total
Accounts receivable	91,039,880	558,587,662	4,767,338,634	5,416,966,176
Interest receivables	-	-	228,744	228,744
Lease receivables	590,800	250,600	87,600	929,000
Loans receivable	-	-	3,842,915	3,842,915
Due from NGAs	3,555,509	2,296,354	715,617,750	721,469,613
Due from LGUs	-	250,000	83,941,049	84,191,049
Due from other GCs	1,511,130	3,109,042	100,637,737	105,257,909
Receivables-disallowances/charges	20,989,861	27,619,209	38,234,884	86,843,954
Due from officers and employees	731,980	1,139,450	5,895,562	7,766,992
Other receivables	607,117,814	832,269,175	473,284,523	1,912,671,512
	725,536,974	1,425,521,492	6,189,109,398	8,340,167,864

Gross of Allowance for impairment of P6,500,854,682; excluding Intra-agency receivables of P30,779,354

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Receivables account-net for CYs 2021 and 2020 was restated as follows:

Particulars	Amount
Receivables-net, December 31, 2021	28,715,170,714
Add/(deduct): Prior period adjustments	
Adjustment due to recognition of receivables from prior years disallowances	7,506,034
To reverse the recorded transaction pertaining to the unpaid advances and interest	214,648
Adjustment made to set up receivables, due from officers and employees on prior years	63,568
Adjustments on the erroneous entry on interest income and interest receivable	(10,753)
Closing of dormant accounts and recognition of receivables for income and expenses	(30,803,816)
Adjustments to the payment of Fund 101 to Fund 501 COB for the corporate advances made in July and August 2011	(1,717,163,944)
Adjustment on the expenses that are chargeable to tenants	(21,282,726,193)
Net restatements	(23,022,920,456)
Receivables-net, December 31, 2021, as restated	5,692,250,258

Particulars	Amount
Receivables-net, December 31, 2020	31,448,866,463
Add/(deduct): Prior period adjustments	
Write-off of accounts receivable	(2,492)
Adjustments on the erroneous entry on interest income and interest receivable for CY 2020	(10,753)
Reversal of the recorded transaction pertaining to the unpaid advances and interest expense of National Power Corporation (NPC) under Power Purchase Agreement dated June 30, 1995, as Due from other GCs	(21,011,383,423)
Adjustment made for reconciliation of due from NGAs	(3,240,697)
Adjustment made for reconciliation of due from LGUs	(69,129,917)
Adjustment made for reconciliation of intra-agency accounts	(3,001,041,140)
Adjustments made to due from officers and employees	1,157
Adjustment due to recognition of receivables from disallowances in prior years	7,607,034
Adjustments made to other receivables	(385,819)
Net restatements	(24,077,586,050)
Receivables-net, December 31, 2020, as restated	7,371,280,413

7.1 Loans and Receivable Accounts

	2022	2021	January 1, 2021
Accounts receivable-ISF-back account	4,597,982,950	3,687,166,225	5,196,390,302
Accounts receivable-pump/communal irrigation programs/CIS-non-current	522,179,208	940,546,789	1,012,256,818
Accounts receivable-ISF	219,327,913	307,464,258	417,747,408
Accounts receivable-others	53,987,443	53,512,530	60,616,385
Accounts receivable-pump/communal irrigation programs/CIS-current	23,488,662	446,507,146	713,494,916
Total accounts receivable	5,416,966,176	5,435,196,948	7,400,505,829
Loans receivable	3,842,915	4,997,662	4,997,662
Interest receivables	228,744	177,693	324,224
Total loans and receivable accounts	5,421,037,835	5,440,372,303	7,405,827,715
Less: Allowance for impairment – accounts receivable	(5,199,901,759)	(1,071,004,143)	(2,311,352,952)
Less: Allowance for impairment - loans receivable-others	(3,797,994)	(2,217,771)	-
	217,338,082	4,367,150,389	5,094,474,763

Accounts receivable account comprises trade/business receivables from ISF. NIA MC No. 26 dated June 7, 1976, requires annual adjustment of the account in the books due to increase in the government support price for palay. Pursuant to NIA MC No. 62 dated

December 5, 1977 and NIA MC No. 62-A dated December 22, 1977, the NIA grants 10 per cent discount to farmers for payment of irrigation fees on or before due dates. The account also includes current installment receivables from amortization of irrigation pumps, communal irrigation projects, and CIS. NIA MC No. 54, Series of 2013 serves as a follow up to the Incentive Policy on the Payment of Back Accounts since previous related MCs had lapsed on December 31, 2009. This policy covers all irrigation users of the NIS with Bank Accounts in ISF.

For CY 2022, the balance of the Accounts receivable-ISF decreased due to the implementation of RA No. 10969. Majority of the remaining balances include receivables from farmers with more than eight (8) hectares of land, corporate farms, and plantations drawing water for agricultural crop production; fishponds, and other persons, natural or juridical, drawing water for non-agricultural purposes from NIS and CIS, or using the irrigation systems as drainage facilities who shall continue to be subject to the payment of ISF pursuant to RA No.10969.

The amount of the allowance for impairment is in accordance with MC No. 158 that prescribes the guidelines and procedures for the impairment of receivables in line with Government Accounting Manual (GAM) and IPSASs.

Interest receivables account refers to interest earned from current and savings accounts and placement of TDs with government depository banks. The impairment is in accordance with MC No. 158 that prescribes the guidelines and procedures for the impairment of receivables in line with GAM and IPSASs.

7.2 Lease Receivables

	2022	2021 As restated	January 1, 2021 As restated
Lease receivable	929,000	568,200	-
Less: Allowance for impairment	(292,340)	-	-
	636,660	568,200	-

Operating lease receivables account represent receivables for the staff house rentals in NIA RO No. VI.

7.3 Inter-agency Receivables

	2022	2021 As restated	January 1, 2021 As restated
Due from NGAs	721,469,613	750,526,811	795,296,369
Due from other GCs	105,257,909	112,737,882	101,061,528
Due from LGUs	84,191,049	88,119,966	109,911,779
Total	910,918,571	951,384,659	1,006,269,676
Less: Allowance for impairment-		-	-
Due from NGAs	(688,624,826)	-	-
Due from LGUs	(71,967,737)	-	-
Due from other GCs	(33,089,208)	(115,002)	-
	117,236,800	951,269,657	1,006,269,676

Due from other GCs account includes receivable from the NPC relative to the sale of electrical energy generated by the Casecan Multi-Purpose Irrigation and Power Project

(CMPIPP) including the monthly management fee (refer to *Note 23.2*) per Power Purchase Agreement (PPA) dated June 30, 1995, and Supplemental Agreement dated September 25, 2003. In CY 2019, NIA adjusted the amount of P13.290 billion which pertains purely to Energy Delivery Fee (excluding management fee). The amount recorded was already recognized by the NPC through the Power Sector Assets and Liabilities Management Corporation (PSALM) as their payable to the Bureau of the Treasury (BTr), instead of payable to the NIA.

Due from NGAs account includes the amounts of unliquidated advances/fund transfers to the: (a) Department of Environment and Natural Resources (DENR) and Department of Health (DOH), as partners in the implementation of the irrigation component under the Environment and Health per loan package for Southern Philippines Irrigation Sector Project (SPISP) extended by the Asian Development Bank (ADB); (b) DPWH District Offices for the construction/rehabilitation of farm to market roads out of the National Development Company (NDC) loan proceeds; and (c) DPWH-Autonomous Region in Muslim Mindanao (ARMM), now Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), and Philippine Rice Research Institute (PhilRice).

Due from LGUs account represents advances made as a result of Memoranda of Agreement (MOAs) between the NIA and the LGUs to implement repair and rehabilitation of irrigation facilities. Also, this account includes releases to LGUs out of the loan proceeds from the NDC, for the implementation of farm to market road projects. Some NIA ROs have issued demand letters for the LGUs to submit liquidation reports.

7.4 Intra-agency Receivables

	2022	2021 As restated	January 1, 2021 As restated
Due from other funds	30,779,354	-	19,141,441
Due from CO	-	35,200	2,826,321
Due from ROs	-	-	145,656
	30,779,354	35,200	22,113,418

Due from ROs is the reciprocal account of Due to CO, which are both closed at year-end during the preparation of the financial statements. The balances of the reciprocal accounts were due to timing difference in recording the transactions, thus, reconciliation of the accounts shall be undertaken by both CO and concerned ROs.

Due from other funds is the effect of common fund scheme policy of the Department of Budget and Management (DBM) per National Budget Circular No. 583.

7.5 Other Receivables

	2022	2021 As restated	January 1, 2021 As restated
Receivables-disallowances/charges	86,843,954	86,645,625	87,722,824
Due from officers and employees	7,766,992	7,621,276	6,673,047
Other receivables	1,912,671,512	358,193,845	1,154,026,685
Total	2,007,282,458	452,460,746	1,248,422,556
Less:			
Allowance for impairment - due from officers and employees	(4,660,089)	(95,465)	-
Allowance for impairment - other receivables	(498,520,729)	(79,138,469)	-
	1,504,101,640	373,226,812	1,248,422,556

Receivables-disallowances/charges account is used to record the amounts of disallowances/charges in audit due from officers and employees and other persons liable that have become final and executory.

Due from officers and employees account refers to the balance of cash advances which remained unliquidated as at December 31, 2022.

Other receivables account comprises amounts due from debtors and other entities not falling under any of the specific receivable accounts. The Other receivables account includes advances to contractors for contracts which have been terminated.

The Other receivables account also includes SN Aboitiz Power, Inc. – Water Fee which represents unpaid water fees of SN Aboitiz Power, Inc. (SNAPI). There is a significant increase of this account this year due to the billed service fee adjustment for the period April 26, 2007 to April 25, 2021 amounting to P288.069 million and implementation of the New Service Fee Rate adjustment as per O & M agreement Section 3.1.1 in their current billings. Also, additional billings for the discovered undeclared/additional volume used by SNAPI in their power generation amounting to P19.690 million and imposition of double rate on water used above Irrigation Diversion Requirement (IDR) for the months of September to December 2022 caused the increase of this account.

8. INVENTORIES

	2022	2021 As restated	January 1, 2021 As restated
Inventory held for consumption, net	40,884,143	84,899,921	188,277,424
Semi-expendable inventory, net	7,719,222	2,959,018	1,023,269
	48,603,365	87,858,939	189,300,693

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Inventories for CYs 2021 and 2020 was restated as follows:

Particulars	Amount
Inventories, December 31, 2021	87,988,231
Add/(deduct): Prior period adjustment	
Adjustment for issued semi-expendable property -office equipment	(129,292)
Inventories, December 31, 2021, as restated	87,858,939

Particulars	Amount
Inventories, December 31, 2020	192,117,600
Add/(deduct): Prior period adjustment	
Derecognition of non-moving accounts	(2,816,907)
Inventories, December 31, 2020, as restated	189,300,693

8.1 Inventory held for consumption

	2022	2021	January 1, 2021 As restated
Property and equipment for distribution	15,576,531	60,205,082	181,628,661
Construction materials inventory	14,694,761	15,574,030	30,497
Office supplies inventory	7,851,727	6,229,984	3,366,123
Fuel, oil, and lubricants inventory	1,898,073	1,981,463	2,902,345
Medical, dental, and laboratory supplies inventory	42,364	-	-
Non-accountable forms inventory	-	8,880	-
Other supplies and materials inventory	820,687	900,482	349,798
	40,884,143	84,899,921	188,277,424

Property and equipment for distribution account pertains to pumps for distribution to farmer beneficiaries.

Office supplies, fuel, oil and lubricants, spare parts and other supplies inventories are held for consumption.

Included in the Inventories are the following inactive accounts balances:

	2022	2021
Other supplies and materials inventory	106,065	106,065
Construction materials inventory	30,497	30,497
	136,562	136,562

8.2 Semi-expendable Inventory

	2022	2021	January 1, 2021 As restated
Semi-expendable information and communication technology equipment	2,863,854	736,719	195,728
Semi-expendable furniture and fixtures	2,485,389	1,010,687	518,600
Semi-expendable office equipment	878,552	679,859	116,381
Semi-expendable military, police and security equipment	501,430	-	-
Semi-expendable technical and scientific equipment	181,455	6,000	106,800
Semi-expendable medical equipment	22,450	27,240	-
Semi-expendable disaster response and rescue equipment	17,500	-	-
Semi-expendable communication equipment	-	156,748	-
Semi-expendable other machinery and equipment	796,722	341,765	85,760
Total	7,747,352	2,959,018	1,023,269
Less: Allowance for impairment-semi-expendable office equipment	(28,130)	-	-
	7,719,222	2,959,018	1,023,269

Semi-expendable sub-accounts, such as Semi-expendable machinery and equipment, Semi-expendable office equipment, Semi-expendable information and communication technology equipment, and Semi-expendable furniture and fixtures, are used to recognize tangible items with cost below the capitalization threshold of P50,000.

Semi-expendable items remain as inventory and corresponding expense accounts shall be recognized upon their issuance to the end user. The remaining values of semi-expendable accounts are maintained by property and procurement division/section.

9. OTHER CURRENT ASSETS

Other current assets consist of the following:

	2022	2021 As restated	January 1, 2021 As restated
Prepayments	2,748,526,796	4,382,572,787	4,582,385,188
Advances	13,947,851	22,250,978	22,105,446
Other assets	41,039,767	70,114,060	73,489,530
	2,803,514,414	4,474,937,825	4,677,980,164

Included in Other current assets are the following inactive accounts balances:

	2022	2021
Advances		
Advances to officers and employees	1,793,664	1,793,664
Advances to special disbursing officers	1,018,951	1,018,951
Advances for payroll	-	-
	2,812,615	2,812,615
Guaranty deposit	3,259	3,259
Deposit on letters of credit	2,700	2,700
	2,818,574	2,818,574

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Other current assets account for CYs 2021 and 2020 was restated as follows:

Particulars	Amount
Other current assets, December 31, 2021	92,315,152
Add: Prior period adjustments	
Prepayment reclassified as sub-account of other current asset account	4,382,572,787
Other adjustments	49,886
Total restatements	4,382,622,673
Other current assets, December 31, 2021, as restated	4,474,937,825

Particulars	Amount
Other current assets, December 31, 2020	95,599,622
Add/(deduct): Prior period adjustments	
Reclassified as other current asset account line item	4,582,384,978
Other adjustments	(4,436)
Net restatements	4,582,380,542
Other current assets, December 31, 2020, as restated	4,677,980,164

9.1 Prepayments

Prepayments account consists of the following:

	2022	2021 As restated	January 1, 2021 As restated
Advances to contractors	2,742,233,774	4,374,612,421	4,573,628,144
Prepaid insurance	722,630	-	5,795
Prepaid rent	45,960	-	-
Prepaid registration	-	-	21,970
Other prepayments	5,524,432	7,960,366	8,729,279
	2,748,526,796	4,382,572,787	4,582,385,188

Advances to contracts account represents the 15 per cent mobilization fees for the implementation of projects subject to proportionate recoupment from the contractors' progress billings.

Prepaid rent represents amount advanced/deposited for rentals of PPE.

Other prepayments account represents payments to the Procurement Service (PS) of the DBM and to Petron Philippines for the delivery of office supplies and gasoline, respectively. This is subject for further reconciliation.

9.2 Advances

	2022	2021 As restated	January 1, 2021 As restated
Advances to officers and employees	7,180,831	10,448,381	10,270,590
Advances for payroll	3,600,030	6,667,266	8,494,000
Advances to special disbursing officers	2,701,842	4,700,104	3,158,636
Advances for operating expenses	465,148	435,227	182,220
	13,947,851	22,250,978	22,105,446

Advances to officers and employees account includes amounts advanced to officers and employees for official travel.

Advances for payroll account includes amounts related to regular disbursing officers for payment of salaries, wages, honoraria, allowances and other personnel benefits. The balance as of December 31, 2022 has been returned as of January 2023, and shall form part of the transactions for the said month.

Advances to special disbursing officers account consists of amounts granted to NIA's accountable officers and employees for special purpose/time-bound undertaking. The balance as of December 31, 2022 has been returned as of January 2023, and shall form part of the transactions for the said month.

Advances for operating expenses account represents amounts of advances granted to accountable officers for payment of operating expenses.

Aging of Advances:

	0 to 1 year	More than 1 year to 10 years	Over 10 years and onwards	Total
Advances to officers and employees	967,537	449,166	5,764,128	7,180,831
Advances for payroll	26,725	10,569	3,562,736	3,600,030
Advances to special disbursing officers	450,356	51,621	2,199,864	2,701,842
Advances for operating expenses	444,028	21,120	-	465,148
	1,888,646	532,476	11,526,728	13,947,851

9.3 Other Assets

	2022	2021 As restated	January 1, 2021 As restated
Guaranty deposits	33,242,859	29,263,387	26,682,385
Other deposit	2,632,265	-	-
Deposits on the letters of credits	-	2,700	2,700
Total deposits	35,875,124	29,266,087	26,685,085
Other assets	47,778,651	84,573,511	89,601,290
Total other assets	83,653,775	113,839,598	116,286,375
Less: Accumulated impairment loss – other assets	(42,614,008)	(43,725,538)	(42,796,845)
	41,039,767	70,114,060	73,489,530

Guaranty deposits account represents amounts deposited as guarantee in compliance with the terms of an agreement.

10. OTHER INVESTMENTS

This account consists of the following:

	2022	2021 As restated	January 1, 2021 As restated
Investment in stocks	1,225,000	1,225,000	1,225,000
Other investment – marketable securities	15,900	15,900	34,008,681
Total other investments	1,240,900	1,240,900	35,233,681
Less: Allowance for impairment-investment in stocks	(1,225,000)	(1,225,000)	(1,225,000)
Less: Allowance for impairment-other investments	(15,900)	(15,900)	-
	-	-	34,008,681

The Investment in stocks account includes investment in Gasifier and Equipment Manufacturing Corporation (GEMCOR) shares of stocks, 937 shares purchased in CY 1981 and another 250 shares acquired in CY 1984, both at P1,000 per share. In CY 1988, the GEMCOR privatization plan, which called for its dissolution, was approved. As at audit date, NIA's inquiry on the chance of recovering its investment remains unanswered. The account is subject for further verification and adjustment.

Other investment account represents cash advances made by the BTr to California Energy Casecan Water and Energy Company, Inc. (CECWECI) for the account of the NIA for water deliveries under the Build, Operate and Transfer (BOT) scheme of the project agreement entered into by and between the CECWECI and the NIA on November 13, 1994. The project was aimed to: (a) divert certain water in the Casecan Watershed and transfer that water into the Pampanga watershed at the Pantabangan Reservoir for the NIA's subsequent irrigation use in the Central Luzon Valley; (b) make available new installed electrical capacity and electrical energy to NPC Luzon grid; and (c) increase electrical energy generation at the existing Pantabangan and Masiway facilities.

On June 26, 1995, the NIA and the CECWECI entered again into an Amended and Restated Project Agreement to amend and restate in its entirety the original project agreement by reason of the General Agreement on Tariffs and Trade-Uruguay Round (GATT-UR) Agreement on agriculture and for the NIA to implement an accelerated irrigation program for 1,500,000 hectares over the next 10 years.

Consequently, on June 30, 1995, a PPA was entered into by and between the NIA and the NPC relative to the energy delivery for 20 years of commercial operation or such longer period as may be determined in accordance with the contract.

On September 29, 2003, the NIA and the CECWECI entered into another Supplemental Agreement regarding the Amended and Restated Casecan Project Agreement whereby the parties agreed to: (a) Excess Energy Delivery Fees - the excess energy fees chargeable by the NIA to the NPC shall be reduced to the equivalent of the variable energy rates provided under the supplemental agreement, thereby resulting in the accrual of the benefits relating to excess energy in favor of the NPC; (b) Dispatch Protocol - assumption by the NPC of all obligations of the NIA relating to dispatch and contractual obligation for energy; and (c) Cooperation on co-Minimization - both parties acknowledged that the failure or inability to prevent or reduce water spillage or wastage will increase both parties' energy and water delivery fees to the CECWECI.

From the very start of the cooperation period in CY 2002 up to the present, the BTr advances the payment of the NIA's contractual obligation upon approval of its request by the Department of Finance (DOF).

In a meeting called for by the DOF on June 6, 2012, where among the representatives were from the BTr, NIA and COA, it was agreed that the NIA would book up the advances by debiting Other investment - CE Casecnan account and crediting Due to the National Treasury account.

Included also in this account is the 10-year US\$97 million bonds issued on October 15, 2003 by the NIA and guaranteed by the Republic of the Philippines with a guarantee fee of one per cent per annum as approved by the DOF.

Upon the expiration of the BOT Contract on December 11, 2021, the CE-Casecnan project was officially turned over to the NIA and the PSALM under a 40 per cent - 60 per cent ownership in accordance with the MOA dated December 6, 2021 entered by the parties.

Further, the decrease of Other investment account in CY 2022 was due to the reclassification/recognition of the 40 per cent share of NIA to the CE-Casecnan Multi-Purpose mentioned under Note 12 Paragraph 4.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Other investments account for CYs 2021 and 2020 was restated as follows:

Particulars	Amount
Other investments-net, December 31, 2021	468,083,200
Deduct: Prior period adjustments	
Adjustment for the recorded capitalized investment from CMPIPP to expense account	(468,067,300)
Other adjustments	(15,900)
Total restatements	468,083,200
Other investments-net, December 31, 2021, as restated	-

Particulars	Amount
Other investments-net, December 31, 2020	433,953,577
Deduct: Prior period adjustments	
Adjustment for the recorded capitalized investment from CMPIPP to expense account	(399,928,996)
Other adjustments	(15,900)
Total restatements	(399,944,896)
Other investments-net, December 31, 2020, as restated	34,008,681

11. INVESTMENT PROPERTY

This account is composed of:

	Building	Land	Total
Cost, January 1, 2020	-	-	-
Additions	-	1,500,000	1,500,000
Balance, December 31, 2020	-	1,500,000	1,500,000
Adjustment	-	(1,500,000)	(1,500,000)
Balance, December 31, 2021	-	-	-
Adjustment	-	-	-
Balance, December 31, 2022	-	-	-

The Investment property refers to partial payment to the owner of the land where the Panay River Office of the NIA RO No. VI was built as a result of the contract to sell entered by the NIA and the landowner. Total contract amount is P3.000 million, charged to Right of Way as a component of the Panay River Basin Integrated Development Project. This was reclassified to PPE account in CY 2021.

12. PROPERTY, PLANT, AND EQUIPMENT

The analysis of this account as at December 31, 2022 is shown below:

	Land	Land improvements	Infrastructure asset	Building and other structures	Machineries, equipment, furniture and fixtures, and other PPE	Construction in progress (CIP)	Total
Carrying amount, January 1, 2022	4,000,719,167	10,677,921,237	142,174,988,481	2,269,615,097	3,214,267,774	130,097,134,361	292,434,646,117
Changes in accounting policy	-	-	-	-	429,406	-	429,406
Prior period adjustments	-	(5,323,112)	5,377,255,145	(30,542,589)	(56,240,632)	(2,414,618,320)	2,870,530,492
Carrying amount, January 1, 2022, as restated	4,000,719,167	10,672,598,125	147,552,243,626	2,239,072,508	3,158,456,548	127,682,516,041	295,305,606,015
Additions/reclassification	75,374,661	(38,995,840)	38,349,708,301	773,655,887	3,079,350,395	(4,241,439,095)	37,997,654,309
Total	4,076,093,828	10,633,602,285	185,901,951,927	3,012,728,395	6,237,806,943	123,441,076,946	333,303,260,324
Less:							
Disposals/reclassification/adjustments	-	(984,433,724)	(52,047,166)	-	(1,439,242)	(22,059,248,471)	(23,097,168,603)
Depreciation (in financial performance)	-	(220,273,507)	(8,455,795,000)	(178,167,045)	(423,657,188)	-	(9,277,892,740)
Impairment loss (in financial performance)	-	-	(36,660,000)	-	-	-	(36,660,000)
Carrying amount, December 31, 2022	4,076,093,828	9,428,895,054	177,357,449,761	2,834,561,350	5,812,710,513	101,381,828,475	300,891,538,981
Cost (Asset account balance in SFP)	4,076,093,828	25,469,703,745	226,234,037,342	4,049,340,823	9,274,186,710	101,381,828,475	370,485,190,923
Accumulated depreciation	-	(16,040,808,691)	(48,876,587,581)	(1,214,779,473)	(3,452,331,168)	-	(69,584,506,913)
Accumulated impairment losses	-	-	-	-	(9,145,029)	-	(9,145,029)
Net, December 31, 2022	4,076,093,828	9,428,895,054	177,357,449,761	2,834,561,350	5,812,710,513	101,381,828,475	300,891,538,981

The carrying amounts of PPE sub-accounts as at December 31, 2022 are summarized below:

	Gross amount	Accumulated depreciation	Accumulated impairment losses	Carrying amount
Land				
Land	4,076,093,828	-	-	4,076,093,828
Sub-total	4,076,093,828	-	-	4,076,093,828
Land improvements				
Land improvements, aquaculture structures	2,197,816	(1,645,420)	-	552,396
Other land improvements	25,467,505,929	(16,039,163,271)	-	9,428,342,658
Sub-total	25,469,703,745	(16,040,808,691)	-	9,428,895,054
Infrastructure assets				
Water supply systems	219,832,745,364	(48,516,751,891)	-	171,315,993,473
Power supply systems	5,535,260,248	(264,453,874)	-	5,270,806,374
Communications networks	2,374,199	-	-	2,374,199
Road networks	454,551,305	(61,895,415)	-	392,655,890
Flood control system	2,416,696	(2,295,861)	-	120,835
Other infrastructure assets	406,689,530	(31,190,540)	-	375,498,990
Sub-total	226,234,037,342	(48,876,587,581)	-	177,357,449,761
Building and other structures				
Buildings	3,591,554,978	(1,074,466,002)	-	2,517,088,976
Other structures	457,785,845	(140,313,471)	-	317,472,374
Sub-total	4,049,340,823	(1,214,779,473)	-	2,834,561,350

	Gross amount	Accumulated depreciation	Accumulated impairment losses	Carrying amount
Machineries, equipment, furniture and fixtures, and other PPE				
Office equipment	455,668,107	(206,708,488)	(9,145,029)	239,814,590
Construction and heavy equipment	1,330,999,107	(727,227,752)	-	603,771,355
Agricultural and forestry equipment	527,830,875	(8,400,685)	-	519,430,190
Information and communication technology equipment	757,199,837	(330,899,668)	-	426,300,169
Technical and scientific equipment	811,278,399	(293,972,903)	-	517,305,496
Communication equipment	93,712,476	(55,587,609)	-	38,124,867
Military, police, and security equipment	3,238,957	(1,265,617)	-	1,973,340
Other machinery and equipment	1,040,010,061	(602,053,394)	-	437,956,667
Furniture and fixtures	181,081,184	(53,435,924)	-	127,645,260
Motor vehicles	846,767,483	(502,763,432)	-	344,004,051
Other transportation equipment	37,931,082	(26,353,918)	-	11,577,164
Disaster response and rescue equipment	7,266,835	(6,118,624)	-	1,148,211
Printing equipment	4,164,719	(1,205,977)	-	2,958,742
Sports equipment	1,178,337	(316,740)	-	861,597
Medical equipment	3,197,139	(1,822,653)	-	1,374,486
Electrical equipment	15,194,600	(2,761,411)	-	12,433,189
Watercrafts	3,259,690	(2,732,334)	-	527,356
Leased assets, machinery, and equipment	383,480	(4,255)	-	379,225
Books	550,902	(305,007)	-	245,895
Works of arts and archeological specimens	169,000	-	-	169,000
Marine and fishery equipment	227,820	(156,143)	-	71,677
Other PPE	3,152,876,620	(628,238,634)	-	2,524,637,986
Sub-total	9,274,186,710	(3,452,331,168)	(9,145,029)	5,812,710,513
CIP				
CIP-infrastructure assets	100,765,126,221	-	-	100,765,126,221
CIP-building and other structures	577,355,687	-	-	577,355,687
CIP-land improvements	39,346,567	-	-	39,346,567
Sub-total	101,381,828,475			101,381,828,475
	370,485,190,923	(69,584,506,913)	(9,145,029)	300,891,538,981

The analysis of this account as at December 31, 2021 is shown below:

	Land	Land improvements	Infrastructure assets	Building and other structures	Machineries, equipment, furniture and fixtures, and other PPE	CIP	Total
Carrying amount, January 1, 2021, as restated	4,066,308,267	13,340,831,045	121,671,030,537	1,905,404,610	2,854,329,009	137,548,196,125	281,386,099,593
Changes in accounting policy	-	-	-	-	19,256,059	-	19,256,059
Prior period adjustments	-	-	5,524,206,648	-	(86,461,360)	(2,387,253,703)	3,050,491,585
Carrying amount, January 1, 2021, as restated	4,066,308,267	13,340,831,045	127,195,237,185	1,905,404,610	2,787,123,708	135,160,942,422	284,455,847,237
Additions/reclassification	-	112,774,495	27,806,802,677	462,113,651	846,398,271	3,176,126,121	32,404,215,215
Total	4,066,308,267	13,453,605,540	155,002,039,862	2,367,518,261	3,633,521,979	138,337,068,543	316,860,062,452
Less:							
Disposals/reclassification/adjustments	(65,589,100)	(2,326,400,808)	(2,165,429,157)	(35,356,746)	(132,920,601)	(10,654,552,502)	(15,380,248,914)
Depreciation (in financial performance)	-	(454,606,607)	(5,271,983,723)	(93,089,007)	(342,144,830)	-	(6,161,824,167)
Impairment loss (in financial performance)	-	-	(12,383,356)	-	-	-	(12,383,356)
Carrying amount, December 31, 2021	4,000,719,167	10,672,598,125	147,552,243,626	2,239,072,508	3,158,456,548	127,682,516,041	295,305,606,015
Cost (Asset account balance in SFP)	4,000,719,167	26,495,290,926	184,678,858,660	3,212,743,342	6,260,406,740	127,682,516,041	352,330,534,875
Accumulated depreciation	-	(15,822,692,800)	(37,126,615,034)	(973,670,834)	(3,101,861,960)	-	(57,024,840,628)
Accumulated impairment losses	-	-	-	-	(88,232)	-	(88,232)
Net, December 31, 2021	4,000,719,167	10,672,598,125	147,552,243,626	2,239,072,508	3,158,456,548	127,682,516,041	295,305,606,015

The carrying amounts of PPE sub-accounts as at December 31, 2021 are summarized below:

	Gross amount	Accumulated depreciation	Accumulated impairment	Carrying amount, December 31, 2021
Land				
Land	4,000,719,167	-	-	4,000,719,167
Sub-total	4,000,719,167	-	-	4,000,719,167
Land improvements				
Other land improvements	26,495,290,925	(15,822,692,800)	-	10,672,598,125
Sub-total	26,495,290,925	(15,822,692,800)	-	10,672,598,125
Infrastructure assets				
Road networks	362,243,392	(12,171,035)	-	350,072,357
Water supply systems	178,245,532,016	(37,017,119,887)	-	141,228,412,129
Power supply systems	5,556,388,365	(75,202,668)	-	5,481,185,697
Other infrastructure assets	514,694,887	(22,121,444)	-	492,573,443
Sub-total	184,678,858,660	(37,126,615,034)	-	147,552,243,626
Building and other structures				
Buildings	2,974,176,832	(878,899,623)	-	2,095,277,209
Other structures	238,566,510	(94,771,211)	-	143,795,299
Sub-total	3,212,743,342	(973,670,834)	-	2,239,072,508
Machineries, equipment, furniture and fixtures, and other PPE				
Office equipment	494,080,558	(249,293,684)	(88,232)	244,698,642
Information and communication technology equipment	782,783,552	(342,584,398)	-	440,199,154
Agricultural and forestry equipment	522,782,550	(3,323,203)	-	519,459,347
Communication equipment	106,201,947	(67,258,554)	-	38,943,393
Construction and heavy equipment	1,112,856,676	(617,789,590)	-	495,067,086
Military, police, and security equipment	9,539,794	(3,605,282)	-	5,934,512
Sports equipment	1,643,945	(484,137)	-	1,159,808
Electrical equipment	700,000	(33,250)	-	666,750
Watercrafts	3,105,805	(2,579,342)	-	526,463
Other transportation equipment	36,735,975	(25,506,783)	-	11,229,192
Books	585,527	(321,960)	-	263,567
Leased assets, machinery, and equipment	383,480	(3,745)	-	379,735
Works of arts and archeological specimens	169,000	-	-	169,000
Other PPE	3,188,837,931	(1,789,078,032)	-	1,399,759,899
Sub-total	6,260,406,740	(3,101,861,960)	(88,232)	3,158,456,548
CIP				
CIP-infrastructure assets	127,345,459,499	-	-	127,345,459,499
CIP-building and other structures	298,156,671	-	-	298,156,671
CIP-land improvements	38,559,378	-	-	38,559,378
CIP-furniture and fixtures	340,493	-	-	340,493
Sub-total	127,682,516,041	-	-	127,682,516,041
	352,330,534,875	(57,024,840,628)	(88,232)	295,305,606,015

Land and land improvements account includes cost of farm to market roads in various LGUs financed out of the P346 million proceeds of loan from the NDC. Land account consists of lots/land currently occupied and registered under the NIA's name.

Land improvements account refers to the total cost of completed irrigation projects which have generally rebounded to the benefit of the farmers in terms of service areas. This also includes those funded out of appropriations from the National Government through the DPWH and the DA in CYs 1990 to 1996.

The infrastructure assets irrigation systems account includes the share of the NIA on the US\$400 million non-power cost (special cost and non-revenue generating) component of the San Roque Multi-Purpose Project (SRMP) located in San Manuel, Pangasinan. The SRMP which was approved by the Investment Coordination Committee of the National Economic and Development Authority (NEDA) is a power project of the NPC for

commissioning in CY 2005. Because of the multi-purpose benefits of the project, its implementation is a multi-agency effort with the NPC, as the lead Agency, pursuant to the MOA executed in 1998 by the NPC and among the DOF, DBM, DENR, DPWH, and NIA.

The NIA's shares on the non-power cost paid to the PSALM were reclassified and capitalized (CY 2018 and prior years) from Other investments account to PPE account by the NIA under Water supply systems account totaling P5.427 billion (40 per cent of total cost) based on the third-party property valuation of the project contracted by the PSALM.

The CIP account represents cost of projects implemented out of project funds directly released to the NIA by the DBM.

The capitalization threshold of P50,000 represents the minimum cost of an individual asset recognized as a PPE on the SFP. Tangible items which do not meet the PPE's criteria for recognition are recognized as semi-expendable property.

The NIA reviewed the carrying amounts of PPEs for any impairment as at December 31, 2022. No PPE has been pledged as security for liabilities.

Included in PPE account are the following inactive accounts balances:

	2022	2021
Water supply systems	9,792,819,919	9,792,819,919
Other land improvements	4,458,595,282	4,428,165,808
Buildings	515,881,610	515,881,610
Agricultural and forestry equipment	514,220,366	514,220,366
Land	77,586,842	77,586,842
Other infrastructure assets	74,486,215	74,486,215
Machinery	61,430,199	61,430,199
Furniture and fixtures	47,873,998	47,873,998
Power supply systems	-	30,429,473
Technical and scientific equipment	11,127,627	11,127,627
Office equipment	9,671,020	9,671,020
Information and communication technology equipment	7,385,398	7,385,398
Motor vehicles	3,040,969	3,040,969
Communication equipment	1,597,566	1,597,566
Disaster response and rescue equipment	317,500	317,500
Books	7,909	7,909
Military, police, and security equipment	46,410	46,410
Other machineries and equipment	53,604,346	53,604,346
Other PPE	7,215,680	7,215,680
CIP - infrastructure assets	4,851,512,195	4,842,395,571
CIP - land improvement	61,945	61,945
	20,488,482,996	20,479,366,371

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, the PPE account for CY 2021 was restated as follows:

Land improvement

Particulars	December 31, 2021	January 1, 2021
Land improvement, cost	26,495,290,925	28,639,750,958
Accumulated depreciation, before restatement	15,817,369,688	15,298,919,913
Restatement/adjustment:		
Adjustment on prior year's depreciation	5,323,112	-
Accumulated depreciation, as restated	15,822,692,800	15,298,919,913
Carrying amount, as restated	10,672,598,125	13,340,831,045

Infrastructure assets

Particulars	December 31, 2021	January 1, 2021
Infrastructure assets, cost before restatement	179,110,346,694	149,779,354,139
Restatement/adjustment:		
Retrospective adjustments for the recognition of 40 percent share of NIA to the CE-CMPIPP	5,427,236,320	5,427,236,320
Reclassification of completed Irrigation projects	141,275,646	141,275,646
Cost, as restated	184,678,858,660	155,347,866,105
Accumulated depreciation, before restatement	36,901,737,059	28,108,323,602
Restatement/adjustment:		
Depreciation expenses of the 40 percent share of NIA to the CMPIPP	15,323,779	-
Depreciation of prior year water supply system	209,524,196	210,328,311
Adjustment in over depreciation of water supply system	-	(166,022,993)
Accumulated depreciation, as restated	37,126,615,034	28,152,628,921
Carrying amount, as restated	147,552,243,626	127,195,237,185

Building and other structures

Particulars	December 31, 2021	January 1, 2021
Building and other structures, cost	3,212,743,342	2,723,297,179
Accumulated depreciation, before restatement	976,749,399	817,892,569
Restatement/adjustment:		
Adjustment on depreciation	(3,078,565)	-
Accumulated depreciation, as restated	973,670,834	817,892,569
Carrying amount, as restated	2,239,072,508	1,905,404,610

Machineries, equipment, furniture and fixtures and books, and other PPE

Particulars	December 31, 2021	January 1, 2021
Cost, before restatement	6,349,041,059	5,626,259,030
Restatement/adjustments:		
Change in accounting policy	(19,091,977)	(7,315,268)
Prior period errors	(69,542,342)	(95,610,887)
Cost, as restated	6,260,406,740	5,523,332,875
Accumulated depreciation	3,134,773,285	2,771,930,021
Restatement/adjustments:		
Change in accounting policy	(21,263,725)	(26,571,327)
Prior period errors	(11,647,600)	(9,237,759)
Accumulated depreciation, as restated	3,101,861,960	2,736,120,935
Accumulated impairment losses		
Restatement/adjustments:		
Recognition of impairment losses	88,232	88,232
Accumulated impairment losses	88,232	88,232
Carrying amount, as restated	3,158,456,548	2,787,123,708

CIP

	December 31, 2021	January 1, 2021
Cost, before restatement	130,097,134,361	137,548,196,125
Restatement/adjustment:		
Reclassification of completed irrigation projects	(141,275,646)	(141,275,646)
Prior period expenses of various projects to Accumulated surplus/(deficit) account which have been previously recorded in the CIP-infrastructure assets account	(341,858,169)	(350,367,020)
Reclassification of CIP to technical and scientific equipment	-	(430,000)
Transfer of IT equipment that is considered as semi expendable expenses	17,200	17,200
Adjustment to subsidy due to foreign exchange	(43,747,407)	(8,656,050)
Overstatement of recorded transferred PPE	15,571	15,571
Documentary stamp tax expense dated 2018	(154,783)	(154,783)
Reclassification of CIP to feasibility study and depreciation expense	(157,123,524)	(157,123,524)
Derecognition of amount of repairs and rehabilitation charged to CIP	(1,730,491,562)	(1,730,491,562)
Over credited CIP recognized as expense	-	1,212,111
Net restatements	(2,414,618,320)	(2,387,253,703)
Carrying amount, as restated	127,682,516,041	135,160,942,422

13. INTANGIBLE ASSETS

As at December 31, 2022:

Cost, January 1, 2022, as restated	48,642,010
Addition: CIP transferred to PPE accounts/adjustment	72,140,466
Cost, December 31, 2022	120,782,476
Less: Accumulated amortization, January 1, 2022	2,295,506
Amortization charges - computer software	15,615,710
Adjustment	1,048,810
Accumulated amortization, December 31, 2022	18,960,026
Net, December 31, 2022	101,822,450

As at December 31, 2021:

Cost, January 1, 2021, as restated	2,983,387
Addition: CIP transferred to PPE accounts/adjustment	45,658,623
Cost, December 31, 2021	48,642,010
Less: Accumulated amortization, January 1, 2021	476,411
Amortization charges - computer software	1,773,139
Adjustment	45,956
Accumulated amortization, December 31, 2021	2,295,506
Net, December 31, 2021	46,346,504

Included in this account are computer/information technology software and/or software licenses acquired by separate purchase or acquisition and is necessary for the operation of the NIA. These are amortized on a straight-line method for a period of five (5) years.

14. FINANCIAL LIABILITIES

This account consists of:

	2022	2021 As restated	January 1, 2021 As restated
Accounts payable	3,039,483,962	5,072,273,652	6,791,128,893
Due to officers and employees	194,151,443	303,392,950	237,003,801
Finance lease payable	-	-	1,138,640
	3,233,635,405	5,375,666,602	7,029,271,334

Accounts payable account pertains mostly to claims of contractors, who are either foreign or local, on their project accomplishments; and claims of suppliers for the goods delivered. Also included in the account is the cost of prior years' outstanding auditing services due to the COA amounting to P890.611 million.

Due to officers and employees account consists of payables to the NIA employees.

Finance lease payable account refers to the rent-to-own vehicles of Mindoro Oriental-Marinduque-Romblon (MOMARO) IMO contracted with NIA Employees Cooperative (NEMCO), subject to monthly amortization.

Included in Financial liabilities account are the following inactive accounts balances:

	2022	2021
Accounts payable	6,574,807	6,574,807
Due to officers and employees	282,475	282,475
	6,857,282	6,857,282

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Financial liabilities for CY 2021 and 2020 was restated as follows:

Particulars	December 31, 2021	January 1, 2021
Financial liabilities	4,967,922,354	8,276,081,154
Add/(deduct): Prior period adjustments		
Adjustment made on accrual of expenses and capital outlay under Accounts payable	880,169,530	1,826,773,774
Adjustments made on accrual of personnel services and derecognition of excess set up of Due to officers and employees	(73,620,925)	(91,281,106)
Reversal of recognized payable for the unpaid advances of energy delivery fee of the CMPIPP	(398,804,357)	(2,982,302,488)
Net restatements	407,744,248	(1,246,809,820)
Financial liabilities, as restated	5,375,666,602	7,029,271,334

15. INTER-AGENCY PAYABLES

This account consists of:

	2022	2021 As restated	January 1, 2021 As restated
Due to Treasurer of the Philippines	72,410,621,268	71,635,435,733	65,170,775,771
Due to NGAs	3,349,567,087	3,372,981,129	3,415,177,339
Due to Bureau of Internal Revenue (BIR)	284,845,013	278,864,978	361,601,703
Due to GSIS	49,244,439	29,851,888	26,530,834
Due to PhilHealth	9,260,931	5,400,461	4,701,910
Due to Home Development Mutual Fund (HDMF) or Pag-IBIG Fund	8,855,190	7,642,224	9,490,849
Due to LGUs	7,417,199	18,621,722	12,009,824
Due to Social Security System (SSS)	295,898	242,401	54,800
Due to other GCs	165,501,758	169,407,242	166,393,819
	76,285,608,783	75,518,447,778	69,166,736,849

Due to Treasurer of the Philippines account represents the total cash advances of the BTr for the account of the NIA for payment of water delivery fees to the CECWECI. This also includes interest income from Cash in bank under Project Funds subject for remittance to the BTr.

Due to NGAs account represents fund transfers received/trust receipts from NGAs, i.e. DA, Department of Agrarian Reform (DAR), National Agricultural and Fisheries Council (NAFC) and DPWH for the implementation of irrigation projects. In CY 2022, the NIA derecognized negative balances that have been dormant for many years on the account of the DA and DPWH in the total amount of P1.264 billion.

Due to BIR account consists of taxes withheld from employees, suppliers, contractors, and other entities.

Due to other GCs account pertains to trust funds received to finance specific projects or to pay specific obligations.

Due to GSIS, Due to Pag-IBIG, and Due to PhilHealth accounts represent employees' premium payments and other payables withheld for remittance to the concerned government agencies/institutions.

Included in Inter-agency payables account are the following inactive accounts balances:

	2022	2021
Due to NGAs	21,122,491	21,122,491
Due to BIR	3,997,176	3,925,604
Due to other GCs	2,126,998	2,126,998
Due to LGUs	509,564	509,564
Due to GSIS	238,594	238,594
Due to PhilHealth	153,641	153,441
Due to Pag-IBIG Fund	77,758	77,758
Due to Treasurer of the Philippines	203	203
	28,226,425	28,154,653

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Inter-agency payables for CY 2021 and 2020 was restated as follows:

Particulars	Amount
Inter-agency payables, December 31, 2021	95,234,030,072
Add/(deduct) prior period adjustments:	
To close the negative balances of Due to NGAs	1,263,963,093
Adjustments made to Due to other GCs	2,043,395
Accrual of government share to GSIS, PhilHealth, Pag-IBIG and SSS	52,400
Overstatement of Due to Treasurer of the Philippines	(20,981,641,182)
Net restatements	(19,715,582,294)
Inter-agency payables, December 31, 2021, as restated	75,518,447,778

Particulars	Amount
Inter-agency payables, December 31, 2020	90,416,542,217
Add/(deduct) prior period adjustments:	
Adjustments made to Due to NGAs	1,263,958,285
Accrual of government share to GSIS, PhilHealth, and Pag-IBIG	4,828,896
Adjustments made to Due to other GCs	2,051,165
Adjustments made to Due to BIR	687,667
Overstatement of Due to Treasurer of the Philippines	(22,521,331,381)
Net restatements	(21,249,805,368)
Inter-agency payables, December 31, 2020, as restated	69,166,736,849

16. INTRA-AGENCY PAYABLES

This account consists of:

	2022	2021 As restated	January 1, 2021 As restated
Due to other funds	-	55,953,337	-
Due to CO	-	89,602	76,000
	-	56,042,939	76,000

Due to other funds account is the effect of common fund scheme of the DBM per National Budget Circular No. 583.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Intra-agency payables account for CYs 2021 and 2020 was restated as follows:

Particulars	December 31, 2021	January 1, 2021
Intra-agency payables	1,708,473,619	3,010,716,494
Deduct: Prior period adjustments		
Adjustments for elimination of reciprocal accounts	(1,652,430,680)	(3,010,640,494)
Intra-agency payables, as restated	56,042,939	76,000

17. TRUST LIABILITIES

This account consists of:

	2022	2021 As restated	January 1, 2021 As restated
Guaranty/security deposits payable	2,993,891,227	2,992,878,400	2,450,856,579
Trust liabilities	47,168,557	22,815,751	2,815,378
Customers deposit payable	33,014,757	3,814,585	3,814,585
	3,074,074,541	3,019,508,736	2,457,486,542

Guaranty/security deposits payable account represents "retention money" from claims of contractors who are implementing the NIA's projects. It is utilized to cover uncorrected discovered defects and third-party liabilities.

Included in Trust liabilities account are the following inactive accounts balances:

	2022	2021
Guaranty/security deposits payable	487,080	379,657

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Trust liabilities account for CYs 2021 and 2020 was restated as follows:

Particulars	December 31, 2021	January 1, 2021
Trust liabilities	3,016,086,107	2,454,063,913
Add/(Deduct): Prior period adjustments		
Reclassified from guaranty/security deposits payable to customers deposit payable	3,814,585	3,814,585
Adjustment for the unrecorded guaranty/security deposits payable	(391,956)	(391,956)
Net restatements	3,422,629	3,422,629
Trust liabilities, as restated	3,019,508,736	2,457,486,542

18. PROVISIONS

This account consists of:

	2022	2021 As restated	January 1, 2021 As restated
Leave benefits payable	1,057,054,453	1,133,759,081	1,057,501,203
Other provisions	50,525,991	39,476,763	40,989,665
	1,107,580,444	1,173,235,844	1,098,490,868

Leave benefits payable account is used to recognize accrual of the money value of cumulative earned leave credits of the NIA employees in compliance with IPSAS 19, *Provisions, Contingent Liabilities and Contingent Assets*.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Provisions account for CYs 2021 and 2020 was restated as follows:

Particulars	December 31, 2021	January 1, 2021
Provisions	2,036,231,441	1,936,843,861
Deduct: Prior period adjustments		
Adjustments on leave benefits payable	(862,995,597)	(838,352,993)
Provisions, as restated	1,173,235,844	1,098,490,868

18.1 Contingent liabilities/assets

A total of 128 pending cases were filed for and against the NIA as of December 31, 2022, (see attached **Exhibit A**) for the Summary and Status of Outstanding Cases Pending Before the Courts as of December 31, 2022.

19. OTHER PAYABLES

This account consists of:

	2022	2021 As restated	January 1, 2021 As restated
Dividends payable	2,108,308,776	2,108,308,776	2,108,308,776
Other payables	250,807,812	1,127,573,496	2,129,058,437
	2,359,116,588	3,235,882,272	4,237,367,213

Dividends payable account represents unremitted dividends pertaining to CYs 2008 to 2009 and CYs 2012 to 2014. The NIA requested, thru a letter to DOF, for the availment of flexibility clause and/or zero dividend rate.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Other payables account for CYs 2021 and 2020 was restated as follows:

Particulars	December 31, 2021	January 1, 2021
Other payables	3,301,656,160	4,299,510,074
Deduct: Prior period adjustments		
Adjustments made on other payables	(65,773,888)	(62,142,861)
Other payables, as restated	3,235,882,272	4,237,367,213

20. DEFERRED CREDITS/UNEARNED REVENUE

This account includes the following:

	2022	2021 As restated	January 1, 2021 As restated
Deferred credits	5,085,940,142	5,490,861,897	7,901,890,625
Other unearned revenue	-	2,400	-
	5,085,940,142	5,490,864,297	7,901,890,625

Deferred credits account represents income to be realized upon collection of previously billed irrigation fees and unearned income on installment sales, equipment rentals, and CIS amortizations.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Deferred credits/unearned revenue account for CYs 2021 and 2020 was restated, as follows:

Particulars	December 31, 2021	January 1, 2021
Deferred credits/unearned revenue	5,638,017,020	8,049,043,348
Add/(deduct) prior period adjustments:		
Realization of Deferred credits accounts collected	(147,152,723)	(147,152,723)
Deferred credits/unearned revenue, as restated	5,490,864,297	7,901,890,625

21. GOVERNMENT EQUITY

As provided under Section 3(a) of RA No. 3601 as amended by PD No. 1702, the authorized capital stock of the NIA shall be P10 billion which shall be subscribed and paid entirely by the Government of the Republic of the Philippines. The share capital amounted to P5.559 billion as of December 31, 2022.

22. ACCUMULATED SURPLUS/(DEFICIT)

The NIA's Accumulated surplus/(deficit) account amounted to P228.230 billion and P217.461 billion as of December 31, 2022 and 2021, respectively.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Accumulated surplus/(deficit) account for CYs 2021 and 2020 was restated as follows:

Particulars	Amount
Accumulated surplus/(deficit), December 31, 2020	200,762,345,589
Add/(deduct) prior period adjustments:	
Changes in accounting policy:	
PPE to reclass to semi-expendable expenses	(1,946,858)
Prior period adjustments:	
Various adjustments made on assets accounts	89,200,685,780
Adjustments on recording of disbursements	643,291,558
Adjustment on impairment loss	14,344,026
Adjustments on receivables	7,489,535
Reclassification of prior years' expense accounts	(148,278)
Adjustment on depreciation	(20,424,259)
Inter-agency adjustments	(64,359,145)
Adjustments on accounts payable	(918,312,005)
Closing of non-moving accounts/projects	(1,115,410,419)
Set up of provision for auditing services	(1,528,963,585)
Set up of dividends payable	(2,108,308,776)
Adjustments on PPE	(2,331,035,777)
Adjustments on Intra-agency accounts	(76,636,059,714)
Accumulated surplus/(deficit), December 31, 2020, as restated	5,140,842,083
	205,903,187,672

Particulars	Amount
Surplus for the year, as restated	15,650,130,557
Add/(deduct) prior period adjustments:	
Reclassification of prior years' expense accounts	3,962,443,037
Adjustments of inter-agency accounts	2,604,278,357
Closing of non-moving accounts/projects	166,375,597
Adjustments on intra-agency accounts	1,228,887,247
Adjustments on recording of disbursements	(16,850)
Adjustments on receivables	(68,330,243)
Adjustments on accounts payable	(1,230,698,490)
Various adjustments on assets accounts	(1,257,955,210)
Other adjustments	(1,837,694,925)
Adjustment on depreciation	(2,260,330,855)
Adjustments on PPE	(5,398,947,726)
Accumulated surplus/(deficit), December 31, 2021, as restated	217,461,328,168
Surplus for the year, as restated	18,764,018,964
Add/(deduct) Other adjustments:	
Adjustments on intra-agency accounts	1,487,565,176
Closing of non-moving accounts/projects	89,944,956
Adjustments of inter-agency accounts	60,553,272
Adjustments on accounts payable	56,016,254
Other adjustments	9,843,169
Adjustments on receivables	1,872,912
Adjustments to tax remittance advice	393,210
Adjustments on recording of disbursements	(4,035,030)
Adjustment on impairment loss	(16,333,714)
Reclassification of prior years' expense accounts	(314,673,179)
Adjustment on depreciation	(1,328,339,804)
Various adjustments	(3,176,705,450)
Adjustments on PPE	(4,860,971,724)
Accumulated surplus/(deficit), December 31, 2022	228,230,477,180

23. SERVICE AND BUSINESS INCOME

This account comprises the following:

	2022	2021 As restated
Miscellaneous income - water delivery fees	572,838,484	492,690,216
Rent/lease income	50,426,672	92,797,427
Waterworks system fees	35,322,196	25,442,138
Income from hostels dormitories and other like facilities	27,609,541	63,709
Management fees	23,292,956	3,850,000
Interest income	8,925,416	6,819,301
Clearance and certification fees	7,772,905	
Fines and penalties-service income	3,107,150	605,689
Other service income	622,527	
Landing and parking fees	6,000	-
Fines and penalties-other fines and penalties	1,619	1,125,275
Inspection fees	743,250	-
Other miscellaneous income	83,878,855	94,402,510
Miscellaneous income - energy delivery fees	-	63,305,596
	814,547,571	781,101,861

Interest income account includes interest earned from high yield savings account with the Development Bank of the Philippines (DBP), United Coconut Planters Bank (UCPB) and LBP.

Fines and penalties - other fines and penalties account represents income earned from the imposition of penalties/fines due to late deliveries of supplies purchased, equipment, etc., from contractors/suppliers, and surcharges due to late payment of rentals from tenants.

Included in the Other miscellaneous income account are the following:

	2022	2021
Bid documents	19,084,174	21,370,722
Scrap of fixed assets	8,341,601	5,468,031
Drainage fee	2,010,557	-
Land development/irrigation development cost	650,269	2,548,221
Contract price adjustment/liquidated damages	457,258	1,761,681
Income from NIA housing	219,100	589,935
Laboratory analysis - soil and water sample/material testing	138,275	4,170,197
Printing/xerox/radio	95,036	40,530
Disallowance	64,517	93,898
Sale of goods and materials	15,760	1,632,178
Payment for lost items	12,804	9,996
Hauling/milling/drying	9,775	11,887
National Home Mortgage Finance Corporation (NHMFC)	-	329
Other miscellaneous income	52,779,729	56,704,905
	83,878,855	94,402,510

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Service and business income for CY 2021 was restated as follows:

Particulars	December 31, 2021
Service and business income	678,691,067
Add: Prior period adjustments	
Reclassification of miscellaneous income from other non-operating income to service and business income	92,184,910
Reclassification of interest income from other non-operating income to service and business income	6,819,301
Understatement of miscellaneous income	2,217,600
Reclassification of other fines and penalties from non-operating income to service and business income	1,125,275
Understatement of income from hostels dormitories and other like facilities	63,708
Total restatements	102,410,794
Service and business income, December 31, 2021, as restated	781,101,861

23.1 Miscellaneous income – water delivery fees

Included in Water delivery fees are fees collected for the services rendered or performed by the NIA for the operation, maintenance, and rehabilitation of the Non-power Components and other appurtenant structures in the 360 mega Watts (MW) Magat Hydro Electric Power Plant and 112 MW Pantabangan-Masiway Hydro Electric Power Plant in accordance with the O & M Agreements entered into by and between the:

- NIA and SNAP for the Magat Electric Power Plant dated December 13, 2006; and
- NIA and FGHP for the Pantabangan-Masiway Hydro Electric Power Plant dated November 13, 2006.

The service fees are collected on a monthly basis per cubic meter of water used for power generation. The NIA exclusively uses the service fees collected to fulfill its obligations and discharge its responsibilities as provided in the Agreement.

23.2 Miscellaneous income - energy delivery fees

Energy delivery fees-NPC are management fees collected from the PSALM on behalf of the NPC pursuant to the PPA entered between the NIA and the NPC relative to Energy Delivery from CECWECI. The PPA ended in December 2021.

23.3 Waterworks system fees

Included in this account are the Communal Irrigation Project/CIS/River Irrigation System (RIS)/Pump Amortization and Equity and ISF charge or levy being imposed upon users of irrigation water and services provided by an irrigation system. The ISF includes collections from farmers with more than eight (8) hectares of land, corporate farms, and plantations drawing water for agricultural crop production, fishponds, and other persons, natural or juridical, drawing water for non-agricultural purposes from NIS and CIS, or using the irrigation systems as drainage facilities who shall continue to be subject to the payment of ISF pursuant to RA No. 10969.

24. SHARES, GRANTS AND DONATIONS

This account represents the donation of RCL Construction to NIA RO No. XII in the form of motorcycle vehicles.

25. PERSONNEL SERVICES

This account consists of the following:

	2022	2021 As restated
Salaries and wages	2,753,676,386	2,311,754,298
Other compensation	1,285,405,742	1,143,559,200
Personnel benefit contributions	399,362,979	330,995,633
Other personnel benefits	88,707,786	125,491,472
	4,527,152,893	3,911,800,603

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Personnel services account for CY 2021 was restated as follows:

Particulars	December 31, 2021
Personnel services	3,891,152,924
Add/(deduct): Prior period adjustments	
Understatement of prior year' salaries and wages	10,405,072
Understatement of other compensation recorded	48,344,983
Understatement of personnel benefit contributions	49,779
Overstatement of recorded other personnel benefits	(38,152,155)
Net restatements	20,647,679
Personnel services, December 31, 2021, as restated	3,911,800,603

25.1 Salaries and wages

	2022	2021 As restated
Salaries and wages-regular	1,417,800,764	1,210,654,875
Salaries and wages-casual/contractual	1,335,875,622	1,101,099,423
	2,753,676,386	2,311,754,298

Salaries and wages account represents payment of services rendered by the NIA employees occupying regular positions.

25.2 Other compensation

	2022	2021 As restated
Year-end bonus	236,290,972	210,972,142
Mid-year bonus	203,491,943	182,528,277
Personnel economic relief allowance	196,167,694	186,227,111
Cash gift	63,973,893	45,650,804
Clothing/uniform allowance	51,533,267	48,292,586
Overtime and night pay	24,538,879	20,959,261
Directors and committee members' fee	17,467,817	420,000
Representation allowance	11,265,863	11,113,241
Transportation allowance	7,688,150	8,538,766
Longevity pay	5,390,000	3,424,316
Honoraria	3,767,332	9,109,068
Subsistence allowance	241,171	47,850
Laundry allowance	1,358	-
Hazard pay	-	47,946,276
Other bonuses and allowances	463,587,403	368,329,502
	1,285,405,742	1,143,559,200

25.3 Personnel benefit contributions

This account represents NIA's share in premium contributions, i.e., GSIS, Pag-IBIG and PhilHealth:

	2022	2021 As restated
Retirement and life insurance premium	326,672,277	276,490,502
Pag-IBIG contributions	51,704,556	10,632,133
PhilHealth contributions	10,694,211	34,186,344
Employees compensation insurance premiums	10,291,935	9,686,654
	399,362,979	330,995,633

25.4 Other personnel benefits

	2022	2021 As restated
Terminal leave benefits	87,567,431	117,085,360
Others	1,140,355	8,406,112
	88,707,786	125,491,472

26. MAINTENANCE AND OTHER OPERATING EXPENSES

This account consists of the following:

	2022	2021 As restated
Repairs and maintenance	1,614,487,615	1,663,494,357
Training and scholarship expenses	310,517,825	195,018,558
Labor and wages	306,347,040	191,083,474
Supplies and materials expenses	697,362,698	501,197,422
Utility expenses	412,952,014	278,963,446
Professional services	153,250,627	355,409,018
Traveling expenses	150,981,841	50,137,234
Taxes, insurance premiums and other fees	67,464,134	46,733,179
Communication expenses	33,306,604	31,660,970
General services	25,967,670	25,491,621
Awards/rewards and prizes	6,472,763	4,384,250
Survey, research, exploration and development expenses	6,833,839	931,289
Confidential, intelligence and extra ordinary expenses	421,439	986,360
Generation, transmission, and distribution expenses	96,101	11,440,914,590
Assistance/subsidies/contribution-others	77,281	-
Other maintenance and operating expenses	1,094,979,452	1,243,396,544
	4,881,518,943	16,029,802,312

The Generation, transmission, and distribution expenses account reflected in CY 2022 refers to the deferred accounting adjustment on the general rate adjustment mechanism refunded to the NIA UPRIS under the Notice of Collection dated November 14, 2022. While the amount reflected in CY 2021 refers to the reclassification adjustment from other investments account due to erroneous capitalization of the payments made by the National Government through the BTr in behalf of the NIA for the Guaranteed Water Delivery Fees and Guaranteed Energy Delivery Fees under the PPA with the CECWECI.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Maintenance and other operating expenses account for CY 2021 was restated, as follows:

Particulars	Amount
Maintenance and other operating expenses, December 31, 2021	15,794,318,293
Add/(deduct): Prior period adjustments	
Adjustment for the recognition of auditing services payable to COA for CY 2021 recorded in CY 2022	199,999,998
Understatement of supplies and materials expenses	17,749,516
Understatement of repairs and maintenance expenses	5,136,372
Understatement of awards/rewards and prizes	4,384,250
Understatement of general services	3,093,098
Understatement of utility expenses	2,004,933
Understatement of survey, research, exploration and development expenses	931,289
Understatement of traveling expenses-local	874,029
Understatement of communication expenses	689,421
Understatement of recorded other maintenance and operating expenses	790,420
Overstatement of recorded taxes, insurance premiums and other fees	(169,307)
Net restatements	235,484,019
Maintenance and other operating expenses, December 31, 2021, as restated	16,029,802,312

26.1 Repairs and maintenance

	2022	2021 As restated
Repairs and maintenance – infrastructure assets	1,294,953,557	1,405,195,326
Repairs and maintenance – transportation equipment	118,090,706	115,086,117
Repairs and maintenance – buildings and other structures	108,686,738	63,006,962
Repairs and maintenance – machinery and equipment	75,230,885	60,422,900
Repairs and maintenance – land improvements	1,395,811	4,979,043
Repairs and maintenance – furniture and fixtures	1,228,451	730,073
Repairs and maintenance – leased asset improvement	587,278	-
Repairs and maintenance – semi-expendable machinery and equipment	365,600	79,549
Repairs and maintenance – semi-expendable furniture and fixtures	24,919	4,046
Repairs and maintenance – other PPE	13,923,670	13,990,341
	1,614,487,615	1,663,494,357

26.2 Training and scholarship expenses

This account represents expenses incurred in attending various trainings to expand knowledge and skills required.

26.3 Supplies and materials expenses

	2022	2021 As restated
Fuel, oil and lubricants expenses	361,804,692	218,344,648
Office supplies expenses	116,642,209	113,241,876
Semi-expendable-machinery and equipment expenses	83,824,088	40,241,384
Semi-expendable furniture, fixtures and books expenses	28,700,700	13,209,382
Medical, dental and laboratory supplies expenses	8,363,584	11,728,740
Housekeeping/cleaning supplies expenses	2,010,386	580,998
Electrical supplies and materials expenses	1,473,478	2,015,095
Supplies and materials for water system operations expenses	1,444,215	1,139,542
Drugs and medicines expenses	6,896,039	9,609,159
Agricultural and marine supplies expenses	978,420	495,030
Accountable forms expenses	662,316	724,660
Chemical and filtering supplies expenses	649,950	234,600
Linens and beddings expenses	294,060	248,250
Textbooks and instructional materials expenses	42,225	16,085
Military, police and traffic supplies expenses	40,790	3,000
Non-accountable forms expenses	15,480	-
Food supplies expenses	3,231	71,590
Other supplies and materials expenses	83,516,835	89,293,383
	697,362,698	501,197,422

26.4 Utility expenses

	2022	2021 As restated
Electricity expenses	400,718,843	268,370,182
Water expenses	12,127,250	10,443,490
Gas / heating expenses	2,725	4,621
Other utility expenses	103,196	145,153
	412,952,014	278,963,446

26.5 Professional services

	2022	2021 As restated
Auditing services	110,353,191	335,987,224
Consulting services	30,194,464	9,360,628
Legal services	1,239,225	1,029,888
Other professional services	11,463,747	9,031,278
	153,250,627	355,409,018

26.6 Traveling expenses

	2022	2021 As restated
Traveling expenses - local	146,239,009	50,137,234
Traveling expenses - foreign	4,742,832	-
	150,981,841	50,137,234

26.7 Taxes, insurance premiums and other fees

	2022	2021 As restated
Insurance expenses	34,813,331	28,768,855
Taxes, duties and licenses	21,651,392	10,298,600
Fidelity bond premiums	10,999,411	7,665,724
	67,464,134	46,733,179

26.8 Communication expenses

	2022	2021 As restated
Internet subscription expenses	16,042,593	13,311,796
Telephone expenses	14,079,969	14,940,646
Postage and courier services	2,609,186	2,371,565
Cable, satellite, telegraph and radio expenses	574,856	1,036,963
	33,306,604	31,660,970

26.9 General services

	2022	2021 As restated
Janitorial services	16,534,181	15,459,277
Security services	7,366,290	7,102,187
Environment/sanitary services	46,500	105,500
Other general services	2,020,699	2,824,657
	25,967,670	25,491,621

26.10 Awards/rewards and prizes

	2022	2021 As restated
Awards/rewards expenses	6,193,213	4,135,750
Prizes	279,550	248,500
	6,472,763	4,384,250

26.11 Survey, research, exploration and development expenses

	2022	2021 As restated
Cable, satellite, telegraph, and radio expenses	6,589,280	213,572
Survey expenses	244,559	717,717
	6,833,839	931,289

26.12 Other maintenance and operating expenses

	2022	2021 As restated
Representation expenses	94,953,990	49,004,902
Rent/Lease expenses	69,633,232	67,606,625
Donations	20,524,954	154,289,808
Subscription expenses	12,740,751	15,868,576
Printing and publication expenses	4,545,303	8,325,611
Major events and conventions expenses	4,025,431	-
Transportation and delivery expenses	1,850,358	1,628,116
Advertising, promotional and marketing expenses	1,310,697	1,093,622
Documentary stamps expenses	285,297	200,132
Membership dues and contributions to organizations	128,429	144,551
Other maintenance and operating expenses	884,981,010	945,234,601
	1,094,979,452	1,243,396,544

Donations mostly represent the cost of pumps donated to the qualified IAs.

Other maintenance and operating expenses account is further broken down as follows:

	2022	2021
Meals and snacks	68,174,790	33,362,119
Laboratory analysis of soil and water sample	187,011	637,902
Contractual services	105,840,583	84,365,012
Job order	153,024,910	220,823,073
Motorcycle allowance	103,137	-
Sports	7,720,887	3,458,305
Contribution civic/charitable institution	2,458,800	-
Gratuity pay	36,079,797	17,205,730
Annual physical exam	9,850,613	-
Irrigator associations remuneration for maintenance	162,207,816	190,133,339
Irrigator associations remuneration for operations	206,216,604	227,513,598
COVID-19 expenses	6,450,431	20,218,721
Other miscellaneous expense- various expenses	126,665,631	136,694,297
Other maintenance and operating expenses	-	10,822,505
	884,981,010	945,234,601

27. FINANCIAL EXPENSES

This account consists of the following:

	2022	2021 As restated
Interest expense	1,085,925,147	1,105,709,066
Bank charges	231,532	182,471
Other financial charges	59,556	22,456
	1,086,216,235	1,105,913,993

Majority of interest expense pertains to those paid for by the National Government through the BTr in behalf of the NIA for its PPA with the CECWECI.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Financial expenses account for CY 2021 was restated as follows:

Particulars	Amount
Financial expenses, December 31, 2021	1,128,317,075
Deduct: Prior period adjustment	
Adjustment of interest expense for unpaid advances to BTr for CMPIPP delivery fees	(22,403,082)
Financial expenses, December 31, 2021, as restated	1,105,913,993

28. NON-CASH EXPENSES

Non-cash expenses account represents the following: (a) depreciation expenses recognized for PPE; (b) amortization recognized for the computer/information technology software used; (c) impairment loss of other receivables and PPE; and (d) loss on sale of PPE. This account consists of:

	2022	2021 As restated
Depreciation-infrastructure assets	8,455,795,000	5,271,983,723
Depreciation-machinery and equipment	351,773,061	279,839,451
Depreciation-land improvements	220,273,507	454,606,607
Depreciation-buildings and other structures	178,167,045	93,089,007
Depreciation-transportation equipment	62,632,961	48,704,814
Depreciation-furniture, fixtures and books	6,649,833	8,198,911
Depreciation-leased assets	511	2,043
Depreciation-leased assets improvements	-	-
Depreciation-other property, plant and equipment	2,600,822	5,399,611
	9,277,892,740	6,161,824,167
Impairment loss-loans and receivables	-	673,217,208
Impairment loss-lease receivables	3,127,463,169	-
Impairment loss-other receivables	1,205,219,375	86,682,862
Impairment loss-property, plant and equipment	467,341,328	41,773,444
Impairment loss-other investments	-	31,652,188
Impairment loss-other assets	697,675	156,096
	4,800,721,547	833,481,798
Amortization - Intangible assets	15,615,710	1,773,139
	14,094,229,997	6,997,079,104

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Non-cash expenses account for CY 2021 was restated as follows:

Particulars	Amount
Non-cash expenses, December 31, 2021	6,813,923,320
Add/(deduct): Prior period adjustments	
Adjustment made on recognition of depreciation expenses-infrastructure assets	159,167,955
Recognition of impairment loss-other assets	31,636,287
Understatement of recorded depreciation expenses-building and other structures	2,992,286
Understatement of recorded depreciation expenses-transportation equipment	2,177
Adjustment made on recognition of depreciation expenses-furniture and fixtures	(249,745)
Adjustment on recorded depreciation expenses for machinery and equipment	(10,393,176)
Net restatements	183,155,784
Non-cash expenses, December 31, 2021, as restated	6,997,079,104

29. OTHER NON-OPERATING INCOME

This account consists of:

	2022	2021 As restated
Sale of garnished/confiscated/abandoned/seized goods and property	-	1,313,049
Sale of unserviceable property	566,015	3,169,539
	566,015	4,482,588

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Other non-operating income account for CY 2021 was restated as follows:

Particulars	Amount
Other non-operating income, December 31, 2021	100,129,486
Add/(deduct): Prior period adjustments	
Reclassification of gain on sale of unserviceable property	1,313,049
Reclassification of gain on sale of garnished/ confiscated/ abandoned/seized goods and property	3,169,539
Reclassification of miscellaneous income to service and business income	(92,184,910)
Reclassification of interest income to service and business income	(6,819,301)
Reclassification of other fines and penalties to service and business income	(1,125,275)
Net restatements	(95,646,898)
Other non-operating income, December 31, 2021, as restated	4,482,588

30. GAINS

	2022	2021 As restated
Gain on foreign exchange	8,709,609	7,092,917
Gain on sale of PPE	1,138,205	4,640
	9,847,814	7,097,557

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Gains account for CY 2021 was restated as follows:

Particulars	Amount
Gains, December 31, 2021	11,580,145
Deduct: Prior period adjustments	
Reclassification of gain on sale of unserviceable property to other non-operating income	(3,169,539)
Reclassification of gain on sale of garnished/confiscated/abandoned/seized goods and property to other non-operating income	(1,313,049)
Net restatements	(4,482,588)
Gains, December 31, 2021, as restated	7,097,557

31. LOSSES

	2022	2021 As restated
Loss of assets	390,340,682	21,396
Loss on foreign exchange	10,218,620	2,260,507
Loss on sale of unserviceable property	40,698	-
Loss on sale of assets	-	9,391
Other losses	-	325,799
	400,600,000	2,617,093

This account also includes the result of change from the conversion of foreign currency time deposit certificates of the NIA.

The Other losses account pertains to the training fee not refunded in full by the Management Events Malaysia SDN.BHD. This training fee was paid by the representatives of the NIA to the 3rd Digital HR and Analytics in Kuala Lumpur, Malaysia. The event, which was scheduled to take place on March 22-24, 2020, was subsequently cancelled due to the onset of the COVID-19 pandemic not only in Malaysia but also globally. The precarious financial condition of the said Company limited them to refund only 18.53 per cent of the training fee paid to them.

The Loss of assets account pertains to the estimated cost of the damaged Water supply system in NIA RO No. XIII.

In accordance with IPSAS 3 – *Accounting Policies, Changes in Accounting Estimates and Errors*, Losses account for CY 2021 was restated as follows:

Particulars	Amount
Losses, December 31, 2021	2,607,702
Add/(deduct) Prior period adjustment	
Adjustment on other losses	9,391
Losses, December 31, 2021, as restated	2,617,093

32. INCOME TAX EXPENSE

The NIA incurred a net operating loss before subsidy. As a result, no income tax expense was paid during the year.

33. ASSISTANCE AND SUBSIDY

The NIA received subsidy from the National Government in the total amounts of P42.926 billion and P42.905 billion in CYs 2022 and 2021, respectively.

34. EXPLANATION OF DIRECT CASH FLOW

The analysis of the variance between the Notice of Cash Allocation (NCA) per record versus the NCA received is shown below:

Subsidy received based on Statement of Financial Performance	42,925,928,025
Less:	
Loan proceeds – non-cash	
Fund 102 Chico River Pump Irrigation Project (CRPIP)	921,538,282
Fund 102 Jalaur River Multi-Purpose Project (JRMP)	1,111,028,478
	(2,032,566,760)
Tax Remittance Advice	
Fund 101 Modified Disbursement System (MDS)	7,915,793
Fund 102 NISRIP	8,394,300
	(16,310,093)
Subsidy received based on Statements of Cash Flows	40,877,051,172

Subsidy received based on Statements of Cash Flows	
Operating Activity:	
Cash inflow – receipt of assistance/subsidy	40,743,743,764
Financing Activity:	
Cash inflow - proceeds from domestic and foreign loans	133,307,408
Total	40,877,051,172
NISRIIP - National Irrigation Sector Rehabilitation and Improvement Project	

35. EXPLANATION ON THE RESTATEMENT OF NET SURPLUS OF CY 2021

Particulars	Amount
Net surplus for CY 2021 as shown in the audited Statements of Financial Performance for the years ended December 31, 2021 and 2020	16,138,106,480
Less:	
Adjustments made under the following funds for various income and expenses:	
Fund 501 Regular	367,218,752
Fund 501 LFPs	119,209,383
Fund 102 Regular	1,244,439
Fund 101	303,349
	(487,975,923)
Net Surplus for CY 2021 as shown in the audited Statements of Financial Performance for the years ended December 31, 2022 and 2021	15,650,130,557
LFPs – Locally Funded Projects	

36. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS / (DEFICIT)

	2022	2021 As Restated
Surplus for the year	18,764,018,964	15,650,130,557
Non-cash (income/expenses):		
Depreciation (Note 28)	9,277,892,740	6,161,824,167
Impairment loss (Note 28)	4,800,721,547	833,481,798
Terminal leave benefits (Note 25.4)	87,567,431	117,085,360
Amortization (Note 28)	15,615,710	1,773,139
Gain on sale/disposal of PPE (Note 30)	(1,138,205)	(4,640)
(Increase)/decrease in asset accounts:		
Receivables, net	3,822,157,720	1,679,030,156
Inventories	39,255,574	101,441,753
Other non-current assets	1,671,423,411	203,042,340
Investment property – land	-	1,500,000
Other investments	-	34,008,681
Increase/(decrease) in liability accounts:		
Inter-agency payables	767,161,005	(14,931,213,612)
Trust liabilities	54,565,805	562,022,194
Financial liabilities	(2,142,031,197)	(1,653,604,733)
Deferred credits	(404,924,155)	(2,411,026,328)
Intra-agency payables	(56,042,939)	55,966,939
Other payables	(876,765,685)	(1,001,484,940)
Other adjustments	(5,777,351,842)	25,861,899,470
Net cash provided by operating activities	30,042,125,884	31,265,872,301

Other adjustments are due to the following:

- Prior period errors affecting current assets and liabilities;
- Payment of taxes charged under capital outlay;
- Payment of payables charged under capital outlay;
- Advances to contractors charged under capital outlay;
- Differences between the purchase cost of capital outlays and its actual cash payments; and
- Receipt of interest earned under investing activity.

37. RELATED PARTY TRANSACTIONS

37.1 Related party transactions

The NIA does not have control or significant influence over other parties in making financial or operating decisions, nor dealings with related parties involving transfer of resources and obligations between the NIA and other parties.

37.2 Key Management Personnel

The key Management personnel of the NIA are the Administrator, Senior Deputy Administrator, and two Deputy Administrators. The NIA Board consists of the Chairman, Vice-Chairman, and the four board members, representing the DPWH, NPC, NEDA and one from the private sector who are all appointed by the President of the Philippines. The Cabinet Secretary of the Office of the Cabinet Secretary or his authorized representative acts as Ex-officio Chairman of the Board and is not remunerated by the NIA.

37.3 Key Management Personnel Compensation

The aggregate remuneration of the members of the governing body and the key management are shown below:

	2022	2021
Basic salary	8,379,919	6,966,300
Allowances and other benefits	2,657,094	2,505,148
Extraordinary and miscellaneous expenses	364,784	542,632
Per diem	225,000	360,000
Hazard pay	-	96,000
	11,626,797	10,470,080

**Based on the Report on Salaries and Allowances (ROSA) including Extraordinary and Miscellaneous Expenses by Principal Officers and Members of Governing Board*

38. CAPITAL MANAGEMENT

The primary objective of the NIA's capital management is to ensure that resources of the NIA is geared towards the attainment of its mandate and the implementation of its objectives through the programs to be undertaken for the promotion and advancement of the irrigation development with the participation of the private sector and for the improvement of the working conditions of the farmers. The NIA manages its net

assets/equity by establishing controls in collection of fees and other sources of revenues, monitoring status of projects and periodic reporting of funds and disbursements, while maintaining compliance with rules, regulations, and other legal requirements.

39. BUDGET INFORMATION

The proposed NIA COB for FY 2022 in the amount of P38.391 billion was approved by the NIA Board on April 26, 2021 and submitted to the Department of Budget and Management (DBM) for review/evaluation. The COB was approved by DBM on August 16, 2022 amounting to P38.391 billion.

	COB (In Thousand Pesos)		
	Proposed	Approved	Variance
Personnel services	4,708,966	4,932,082	-
Maintenance and other operating expenses	3,604,105	3,380,989	-
Capital outlay	30,077,924	30,077,924	-
Financial expenses	420	420	-
	38,391,415	38,391,415	-

The COB was sourced from the Internally Generated Income of the NIA and the subsidy from the National Government. The allocation covers the NIA's operating requirements, contractual obligations and for the implementation of infrastructure projects.

Material differences between the actual expenses as against the budget as presented in the SCBAA are also noted particularly on the following:

	Original budget	CNA allocation	Final budget
Receipts/Sources			
Service and business income	543,782,191	-	543,782,191
Other non-operating income	75,988,996	-	75,988,996
Assistance and subsidy	37,771,644,358	-	37,771,644,358
	38,391,415,545	-	38,391,415,545
Payments/Uses			
Personnel services	4,708,965,964	231,116,342	4,932,082,305
Maintenance and other operating expenses	3,604,105,238	(231,116,342)	3,380,988,897
Capital outlay	30,077,923,943	-	30,077,923,943
Financial expense	420,400	-	420,400
	38,391,415,545	-	38,391,415,545
Surplus	-	-	-

39.1 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Per Final Budget	Per financial statements	Variance
Receipts/Sources			
Service and business income	543,782,191	814,547,571	(270,765,380)
Shares, grants, and donation	-	2,847,606	(2,847,606)
Other non-operating income	75,988,996	566,015	75,422,981
Gains on foreign exchange	-	8,709,609	(8,709,609)
Gains on sale of PPE	-	1,138,205	(1,138,205)
Assistance and subsidy	37,771,644,358	42,925,928,025	(5,154,283,667)
	38,391,415,545	43,753,737,031	(5,362,321,486)

	Per Final Budget	Per financial statements	Variance
Payments / Uses			
Personnel services			
Basic salaries	2,814,734,708	2,753,676,386	61,058,322
Other compensation	1,244,940,390	1,285,405,742	(40,465,352)
Personnel benefit contributions	412,685,690	399,362,979	13,322,711
Other personnel benefits	459,721,517	88,707,786	371,013,731
	4,932,082,305	4,527,152,893	404,929,412
Maintenance and other operating expenses			
Supplies and materials expenses	415,341,933	697,362,698	(282,020,765)
Professional services	367,600,000	153,250,627	214,349,373
General services	29,284,936	25,967,670	3,317,266
Traveling expenses	83,600,160	150,981,841	(67,381,681)
Training and scholarship expenses	140,440,034	310,517,825	(170,077,791)
Utility expenses	154,325,544	412,952,014	(258,626,470)
Repairs and maintenance	572,290,685	1,614,487,615	(1,042,196,930)
Communication expense	35,384,455	33,306,604	2,077,851
Awards/rewards and prizes	4,678,000	6,472,763	(1,794,763)
Taxes, insurance premiums and other fees	72,701,655	67,464,134	5,237,521
Extraordinary and miscellaneous expenses	848,000	421,439	426,561
Survey, research, exploration and development expenses	-	6,833,839	(6,833,839)
Generation, transmission, and distribution expenses	-	96,101	(96,101)
Labor and wages	-	306,347,040	(306,347,040)
Assistance/subsidies/contribution-others	-	77,281	(77,281)
Other maintenance and operating expenses	976,764,495	1,094,979,453	(118,214,958)
Other MOOE from GAA Projects	527,729,000	-	527,729,000
Loss on foreign exchange	-	10,218,620	(10,218,620)
Other losses	-	390,381,380	(390,381,380)
	3,380,988,897	5,282,118,944	(1,901,130,047)
Capital outlay	30,077,923,943	22,218,101,496	7,859,822,447
Financial expenses	420,400	1,086,216,235	(1,085,795,835)
Total	38,391,415,545	33,113,589,568	5,277,825,977
Net receipts/(payments)	-	10,640,147,463	(10,640,147,463)

Explanation to variances:

- a. The negative variance of personnel services-other compensation is due to the actual indirect costs incurred under project funds amounting to P 41.373 million.
- b. The negative variance under maintenance and other operating expenses amounting to P1.901 billion is due to the recognition of payment of expenses like repairs and maintenance that were previously obligated under FYs 2020 and 2021 GAAs, and the indirect costs that are not directly attributable to the projects recognized as expense.
- c. The positive variance under the Capital outlay represents the unutilized budget and unpaid obligations.
- d. The negative variance under financial expenses is due to the interest expense incurred in CY 2022 amounting to P1.086 billion for the advances made by the National Government in behalf of the NIA for its obligation on the CMPIPP. The expense is already recognized in the books but not yet budgeted in the same year.

40. DISCLOSURES REQUIRED BY BIR UNDER REVENUE REGULATIONS (RR) NO. 15-2010

In compliance with BIR RR No. 15-2010, amending BIR RR No. 21-2002, “[i]n addition to the disclosures mandated under the xxx, and such other standards and/or conventions as may heretofore be adopted, the Notes to Financial Statements shall include information on taxes, duties, and license fees paid or accrued during the taxable year.”

The NIA has been regularly deducting taxes from salaries and other benefits due from its employees as well as from cost of goods and services procured. Likewise, the amounts withheld from the same were remitted to the BIR within the prescribed deadlines.

Taxes and licenses

Taxes, insurance premiums and others fees for local and national, under “Operating expenses” for CY 2022, include licenses and permit fees in the total amount of P21.381 million comprising P123,999 and P21.257 million in the CO and ROs, respectively.

Withholding taxes

The amount of withholding taxes paid/accrued for CYs 2022 and 2021 by the NIA is as follows:

	2022	2021
Creditable withholding taxes	1,069,703,948	1,333,730,319
Withholding taxes on compensation and benefits	124,704,256	84,233,974
Others	5,255	1,594
	1,194,413,459	1,417,965,887

As at year end, the breakdown of creditable withholding taxes for CYs 2022 and 2021 is as follows:

Percentage	2022	2021
5 Withholding Value-added Tax (VAT)	1,958,002	869,781,823
2 Income payments made by GC to suppliers of services	68,667,873	289,768,678
1 Income payments made by GC to suppliers of goods	202,188,175	25,699,263
3 Withholding percentage tax	70,183,709	5,023,581
10 Withholding tax on professionals	55,341,337	1,627,549
5 Withholding tax on professionals	669,013,511	875,776
Others	2,351,341	140,953,649
	1,069,703,948	1,333,730,319

41. COMPLIANCE WITH GSIS LAW, RA NO. 8291

The NIA has been regularly deducting premiums from its employees and remitting the total amount withheld as well as the government share to the GSIS. The employees’ and employer’s shares remitted to the GSIS for CYs 2022 and 2021 are as follows:

	2022	2021
Employer's share	294,224,611	261,106,697
Employees' share	257,178,070	233,175,029
	551,402,681	494,281,726

42. COMPLIANCE WITH HOME DEVELOPMENT MUTUAL FUND (HDMF or PAG-IBIG) LAW AND HDMF CIRCULAR NO. 275

The NIA has been regularly deducting monthly contributions and remitting the total amount withheld as well as the government share to the nearest Pag-IBIG branch or its authorized collecting banks, together with the duly accomplished Membership Contribution Remittance Form, in accordance with HDMF Circular No. 275. The employees' and employer's shares remitted are as follows:

	2022	2021
Employee's share	43,382,309	46,798,108
Employer's share	11,146,370	9,816,300
	54,528,679	56,614,408

43. COMPLIANCE WITH PHILHEALTH CIRCULAR NO. 0001, S. 2014

The NIA has been regularly deducting premiums from its employees and remitting the total amount withheld as well as the government share to the PhilHealth. The employees' and employer's shares remitted to PhilHealth for CY 2022 are as follows:

	2022	2021
Employee's share	49,106,815	32,588,196
Employer's share	43,163,256	31,384,474
	92,270,071	63,972,670

Exhibit 1

National Irrigation Administration Summary and Status of Outstanding Cases Pending Before the Courts As of December 31, 2022

	Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
NIA Central Office (Legal Services)							
1.	To be filed	NIA vs. Spouses Romy G. Natividad and Gina C. Natividad, and Beth A. Natividad, represented by their Attorney-in-fact, Efren G. Natividad	Exportation/Regional Trial Court (RTC) Tarlac City	Office of the Solicitor General (OSG)	Complaint for Expropriation will be filed		Pending determination of just compensation
2.	To be filed	NIA vs. William Aquino	-do-	-do-	-do-		-do-
3.	To be filed	NIA vs. F.Q. Bocobo Realty & Management Services Incorporated and F.Q.B. + 7 Incorporated	-do-	-do-	-do-		-do-
4.	4/25/2022	Civil Case No. 8833-AF Idelpidio V. Castaneda vs. NIA and Department of Budget Management (DBM)	Just Compensation/ RTC, Branch 23, Cabanatuan City	Atty. June J. Barioga, CPA (NIA-UPRIIS)	Just compensation	For pre-trial	-do-
5.	4/13/2022	CA-G.R. Sp No. 172979 PSALM Corporation and NIA vs. NCIP, Rosario K. Camma, Anabel L. Flores, Frederick T. Barcelo, Mamie L. Camingan, John Does and Jane Does	Petition for Certiorari under Rule 65 of the Rules of Court with Prayer for Issuance of a Writ of Preliminary Mandatory and Prohibitory Injunction and/or Temporary Restraining Order/ Court of Appeals Manila, 14 th Division	Atty. Lloyd Allain A. Cudal and Atty. Nastassja Nicole J. Flores	- Private respondents filed their Comments/ Opposition; - NCIP, thru OSG, also filed their Comment/ Opposition; - Submitted for Resolution of the Court of Appeals	N/A	
6.	12/29/2021	Civil Case No. 754 NIA vs. NPC, SNAP-M, Dumaguing, et al.	Ejectment with damages / 14th MCTC Ramon- San Isidro, Isabela	Atty. Lloyd Allain Cudal and Atty. Nastassja Nicole J. Flores	Mediation with PMC	N/A	P1,710,000 accumulated reasonable monthly rentals plus damages
7.	12/29/2021	Civil Case No. 751 NIA vs. NPC, SNAP-M, Bacani, et al.	Ejectment with damages / 14th MCTC Ramon- San Isidro, Isabela	-do-	-do-	N/A	-do-
8.	12/29/2021	Civil Case No. 753 NIA vs. NPC, SNAP-M, Dela Cruz, et al.	Ejectment with damages / 14th MCTC Ramon- San Isidro, Isabela	-do-	-do-	N/A	-do-
9.	12/29/2021	Civil Case No. 752 NIA vs. NPC, SNAP-M, Pinera, et al.	Ejectment with damages / 14th MCTC Ramon- San Isidro, Isabela	-do-	-do-	N/A	-do-

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
10. July 19, 2021	CIAC Case No. 26- 2021 Green Asia Construction and Development Corporation vs. NIA	Construction Industry Arbitration Commission, Makati City	Atty. Mary Annabelle F. Cruz-Domingo/ Atty. June J. Barioga	<ul style="list-style-type: none"> - CIAC ordered the payment to Green Asia Corporation in the amount of P250 million and the counterclaim to NIA in the amount of P27 million - NIA filed a Petition for Certiorari under Rule 65 before the Court of Appeals - Court of Appeals, Eleventh Division, issued a Resolution dated May 24, 2022 ordering dismissal of the Petition for Certiorari, citing that Rule 43 under the revised Rules of Court is the proper mode of appeal, lack of Affidavit of Service and unmarked documents/ annexes - NIA filed an Amended Petition for Certiorari with compliance to the lacking Affidavit of Service and unmarked documents/ annexes as well as Motion for Reconsideration (with Motion to Admit Amended Petition for Certiorari - Court of Appeals, Eleventh Division, issued a resolution dated November 18, 2022 granting the Motion for 	2/24/2022	P296,930,314 Award to Green Asia Construction & Development Corporation: P205 million Award to NIA: P27 million

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				Reconsideration (With Motion to Admit Amended Petition for Certiorari) and reversing/setting aside its previous Resolution dated May 24, 2022 and then Petition for Certiorari is reinstated - Court of Appeals, Eleventh Division, directed the parties to inform the Court whether or not there are related cases pending with the same Court or other courts, involving substantially the same facts or parties - NIA filed its Compliance/Manifestation (Resolution of November 16, 2022) to the directive of the Court of Appeals, Eleventh Division		
11. 7/12/2021	Civil Case No. 21-32 Cabrera vs. NIA, et al.	Cancellation of Title with Damages / RTC Branch 68 Camiling, Tarlac	Atty. Lloyd Allain Cudal and Atty. Nastassja Nicole J. Flores	Presentation of Petitioner's evidence (Third Witness)		P150,000 as damages plus attorneys' fees/cost of suit
12. 7/12/2021	Civil Case No. R-QZN-21-05 - EML Construction and Trading and Tianyuan Construction Group, Ltd. Consortium, both herein represented by Mr. Albert Lacanilao vs. NIA, headed by Gen. Ricardo R. Visaya (Ret.)	Petition for Certiorari with Immediate Prayer for Temporary Restraining Order (TRO) and/or Writ of Preliminary Injunction/ RTC, Branch 216, Quezon City	Atty. Lloyd Allain A. Cudal/Atty. Mary Annabelle F. Cruz-Domingo	- The Court issued Resolution dated May 24, 2022 dismissing EML Construction's Petition for Certiorari with Prayer for Preliminary Injunction - EML Construction filed a Motion for Reconsideration - The Court denied the Motion for Reconsideration	N/A	Approved Budget for Contract P1,356,069,625

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				filed by EML Construction - EML Construction filed a Petition for Certiorari with the Court of Appeals - The Court of Appeals ordered the parties to file their respective Memorandum		
13. 4/20/2021	Civil Case No. 02-21 Leilah Gequillana Pallada and Husband represented by Jeanette Pallada Alarcon vs. NIA	Recovery of Possession and Ownership of real property covered by TCT No. 60178 and Damages/ Municipal Trial Court in Cities at Valencia City, Bukidnon	Atty. Lloyd Allain A. Cudal/ Atty. Nastassja Nicole J. Flores/ Atty. Gemini Fernandez-Villamil	- Still awaiting for the approved Compromise Agreement and Deed of Exchange of Real Property - The Compromise Agreement and Deed of Exchange of Real Property will be subject to the approval of the Municipal Trial Court in Cities		Deed of Sale: P9,912,728, representing purchase price on the negotiated sale of a portion of TCT No. T-60179 with an area equivalent to 3,304.62 square meters (sq.m.) at a selling price of P3,000 per sq.m.
14. 2/19/2021	Premium Megastructures, Inc. vs. NIA, O.P. Case No. 21-B-065	Appeal to the Contract Termination and Blacklisting Order against Premium Megastructures, Inc.	-do-	- Decision: (Appeal filed by Premium Megastructures, Inc. is granted. The Resolution dated January 14, 2021 and Blacklisting Order No. 3 dated January 28, 2021 of NIA is revoked and set aside - NIA filed a Motion for Reconsideration	12/24/2021	Contract Amount: P273,508,917
15. 2/19/2021	MAC Builders vs. NIA, O.P. Case No. 21-B-066	Appeal-Contract Termination and Blacklisting Order against MAC Builders	Atty Lloyd Allain A. Cudal/ Atty. Bjorn M. Madrid	- O.P. Case No. 21-B-066 was decided (NIA Contract Termination was affirmed; Appeal filed by MAC Builders is partially granted in so far	12/24/2021	Contract Amount: P730,945,072

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				Blacklisting Order No. 1 dated January 28, 2021 is hereby pro hac vice reversed and set aside - NIA filed a Motion for Partial Reconsideration		
16. November 2020	DENR-EMB R2 N-EIA-K-2020-10 Notice of Violation (NOV) of Environmental Compliance Certificate (ECC) Conditions No. (9501-012- 12 C)	Notice of Violation of ECC Conditions No. (9501-012-12C)/ Energy Regulatory Board (ERB)	Atty. Rizza A. Ibañez	- Dismissed per last hearing on September 28, 2021; pending issuance of Resolution - Pending issuance of resolution		N/A
17. October 2020	Civil Case No. 1152-2021 NIA vs. Sps. Henry and Gemma Dinong and Ludivico Dinong	Exportation/RTC Branch 64, Tarlac City	OSG	NIA filed a Motion to Deposit Check/s		Pending determination of just compensation
18. 9/28/2020	Civil Case No. 280-20 E. M. Cajucum vs. NIA, et al.	Forcible Entry with Petition for Injunction/ 5th MTC, Gerona, Tarlac	Atty. Lloyd Allain A. Cudal and Atty. Nastassja Nicole J. Flores	- Plaintiff appealed the case to RTC, Branch 10, Tarlac City - Set for Judicial Dispute Resolution on January 25, 2023	4/23/2021	
19. December 2019	NWRB Case Nos. 2020-007, 2020-008, 2020-009 and 2020-010, Petition for Transfer of Water Permit Nos. 6661, 6662, 6658 and 6664 from NIA to Maynilad Water Services, Inc.	Petition for Transfer of Water Permit Nos. 6661, 6662, 6658 and 6664 from NIA to Maynilad Water Services, Inc. / National Water Resources Board (NWRB)	Atty. Rizza A. Ibañez	- Resolution denying Petition - Filed Motion for reconsideration on December 19, 2022		N/A
20. August 2019	NWRB Case No. 2019 - 1145 Petition for the Increase of Approved Flow Rate under Water Permit No. 3359 NIA, Petitioner	Petition for the Increase of Approved Flow Rate under Water Permit No. 3359 / NWRB	-do-	- Submitted for Resolution - Sent to NIA-Region 2		N/A
21. 7/12/2019	ERC Case No. 2019 - 005, DR Petition for DR to Determine Wheeling Rates, with Motion for Issuance of Provisional Authority, ISELCO I vs. NIA	Petition for DR to Determine Wheeling Rates, with Motion for Issuance of Provisional Authority/ ERB	-do-	ERC directed parties to conduct out-of-court Conference		N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
22. 7/3/2019	Civil Case SCA No. 26-19 Sps. D. Dalija and R. Dalija	Expropriation/ RTC, Branch 15, Alfonso Lista, Ifugao	Atty. Lloyd Allain A. Cudal and Atty. Nasatassja Nicole J. Flores	Resolved based on a Compromise Agreement	11/18/2021	P2,000,000
23. 10/23/2018	Spl. Civil Action No. SCC-BAR-060, NIA vs. Heirs of Sps. F. and A. Villafior	Expropriation, RTC, Branch 60, Barili, Cebu	Atty. Bjorn M. Madrid/ Atty. Revneil Jane L. Fabiosa (NIA-Region VII lawyer)	Writ of Possession obtained		Pending determination of just compensation
24. 9/6/2018	Civil Case No. 2018-793-SJC NIA vs. H. Santos	Observance of Easements, Injunction with Preliminary and Permanent Injunction and Damages, RTC 39 San Jose City, Nueva Ecija	Atty. June J. Barioga, CPA, (NIA-UPRIIS)	For Pre-Trial		Pending determination of just compensation
25. 9/6/2018	Civil Case No. 2059-G NIA vs. A. Cayme	Observance of Easements, With Prayer for Preliminary and Permanent Injunction and Damages/ RTC 32 Guimba, Nueva Ecija	Atty. Lloyd Allain A. Cudal	- Case decided based on Compromise Agreement - Defendant ordered to demolish obstruction in NIA Canal		
26. 9/6/2018	Civil Case No. 2060-G NIA vs. E. Capulong	Observance of Easements, With Prayer for Preliminary and Permanent Injunction and Damages; RTC 33 Guimba, Nueva Ecija	Atty. Lloyd Allain A. Cudal	-do-		
27. 7/3/2018	Spl. Civil Action No. 5264-18; NIA vs. V. P. Bote	Expropriation; RTC, Branch 87, Gapan City	Atty. Bjorn M. Madrid	For constitution of Board of Commissioners to determine the amount of just compensation		Pending determination of just compensation
28. 6/22/2018	Civil Case No. 18-07044; NIA vs. New Kanlaon Construction, Inc.	Ejectment through Breach of Contract and Damages; RTC, Br. 217, Quezon City	Atty. Bjorn M. Madrid/ Office of the Government Corporate Counsel (OGCC)	- The Court issued decision dated August 5, 2022 ordering New Kanlaon Construction, Inc. to vacate and immediately surrender the peaceful possession of NIA's lot and pay the reasonable compensation for		P20,379,505 plus legal interest (due rentals from March 18, 2018 to February 28, 2021)

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				the use of said property, attorney's fees and cost of suit		
				- NIA filed a Manifestation with Urgent Motion for the issuance of an Execution praying for the immediate execution of the Decision dated August 5, 2022 in its favor		
				- The Court issued an Order directing New Kanlaon Construction, Inc. to comment on the Manifestation with an Urgent Motion for the Issuance of Writ of Execution filed by the NIA		
				- New Kanlaon Construction, Inc. filed its Comment/ Opposition (to Plaintiff's Manifestation with Urgent Motion for Writ of Issuance and Manifestation and Motion to Admit Comment/ Opposition		
				- New Kanlaon Construction, Inc. filed a Motion to suspend the Execution of the Final Order and to set aside the Supersedeas Bond		
29. 4/6/2018	Civil Case No. R-QZN-18-03716- CV; New Kanlaon Construction, Incorporated vs. NIA	Specific Performance and Injunction with Prayer for the Issuance of TRO and/or Writ of	Atty. Bjorn M. Madrid/OGCC	- The Court issued Order dated August 8, 2019 granting New Kanlaon		P20,379,505 plus legal interest (due rentals from

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
		Preliminary Injunction; RTC, Branch 217, Quezon City		Construction, Inc.'s Manifestation and Motion to maintain Status Quo by suspending the proceedings of the ejectment case (Civil Case No. 18-0744-SC) - NIA filed a Motion for Reconsideration - The Court issued an order denying the Motion for Reconsideration - NIA filed a Petition for Certiorari under Rule 65 praying for the reversal and setting aside of the Court's Order granting new Kanlaon's Motion to maintain Status Quo by suspending the proceedings of the ejectment case - The Court of Appeals granted the petition for Certiorari filed by the NIA and directed the lower court to proceed with the hearing of the ejectment case		3/18/2018 to 2/28/ 2021)
30. 2/21/2018	Civil Case No. 18- 07; NIA vs. Heirs of Sps. D. and C. Caparas	Expropriation; RTC, Branch 68, Camiling, Tarlac	Atty. Rizza A. Ibaliez	With Writ of Possession; Pending submission of Commissioner's Report		Pending determination of just compensation
31. 9/8/2017	Spl. Civil Action Case No. 1273 – B; NIA vs. Dator, et.al	Expropriation; RTC Branch 26, Surallah, South Cotabato	Atty. Rizza A. Ibañez	With Writ of Possession; Pending hearing on Commissioner's Report		Pending determination of just compensation

Exhibit 1

	Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
32.	6/13/2017	Civil Case No. 1574, C. Llamas, Jr. vs. NIA	Ejectment; MCTC Pagsanjan, Laguna	Atty. Lloyd Allain A. Cudal	- Filed Petition for review before the Court of Appeals - Filed a Comment/ Opposition to the Motion for Execution of Judgment before the RTC Sta. Cruz, Laguna		P200,000
33.	5/31/2017	Civil Case No. 5273-21(17); NIA vs. A. Aljo	Accion Publiciana RTC, Branch 21, Pagadian City	Atty. Katherine Grace C. Lumilis (NIA-Region IX)	Waiting for the Decision of the Honorable Court in the Formal Documentary Evidence per Order date January 12, 2022, admitting Plaintiff's evidence		- P1,000 monthly rental from the date of filing of the complaint until the property is peacefully restored and/or surrendered to the NIA - P50,000 on expenses incurred in the filing of the case - P50,000 for exemplary damages - Legal interest to be determined by the Court
34.	10/3/2016	NWRB Case Nos. 2016 - 151 and 2016-153; NIA vs. Luzon Clean Water Development Corporation	Opposition on the Water Permit Application / NWRB	Atty. Rizza A. Ibañez	With pending Motion for Reconsideration by the NIA		N/A
35.	Information dated 9/21/2016	Criminal Case No. 14478 ; People of the Philippines vs. B. Dominguez	Reckless Imprudence Resulting to Slight Physical Injury with Damage to Property; Municipal Trial Court, Talavera, Nueva Ecija	Atty. Lloyd Allain A. Cudal/ Atty. Nastassja Nicole J. Flores	Presentation of witnesses for the defense		
36.	9/13/2016	Civil Case No. I- 128; NIA vs. the Heirs of the Late J. Rojas, as represented by its Administrator, C. Rojas	RTC of Zamboanga Sibugay, Branch 24, Ipil, Zamboanga Sibugay; Expropriation and Damages	Atty. Katherine Grace C. Lumilis (NIA-Region IX)	Will file a Motion to Release Payment for just Compensation and to Terminate the Case with Formal Entry of Appearance on the		P7,406

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				last week of April 2022, after confirming the documents in Court scheduled on April 20, 2022		
37. 7/12/2016	Spl. Civil Action No. 1943; NIA vs. AJF Producers Co., et al.	Expropriation; RTC Branch 62, Bago City	Atty. Rizza A. Ibañez	Awaiting Resolution of the Court of Appeals		
38. 6/13/2016	Civil Case No. 16- 13284-CV; CE CA Water and Energy Company, Inc. and NIA vs. NWRB and the Bugkalot Confederation of Nueva Vizcaya, Quirino and Aurora, Inc.	For Declaration of Nullity of NWRB Board Resolution No. 01-0901 dated 9/24/2001; RTC, Branch 224, Quezon City	Atty. Lloyd Allain A. Cudal/ Atty. Nastassja Nicole J. Flores/OGCC	- Filed a Motion to Implead PSALM as Indispensable Party - Said Motion is submitted for resolution		
39. 4/6/2016	Crim. Case No. 19646-16 People of the Philippines vs. J. Pascual y Mangunay	Reckless Imprudence Resulting to Homicide, Physical Injury, Damages; RTC, Branch 36, Gapan City	Atty. June J. Barioga, CPA (NIA-UPRIIS)	Presentation of witnesses for the defense		
40. 7/21/2015	Civil Case No. DH -1415-15; Sps. Langit vs. NIA, et al.	Damages; RTC Branch 5, Dinalupihan, Bataan	Atty. Rizza A. Ibañez	Dismissed without prejudice to the re-filing (archived tantamount to lack of interest)		- P2 million as compensation; - P50,000 as attorney's fees; - P50,000 as moral damages; - P150,000 as temperate damages; and - P250,000 as exemplary damages
41. 12/12/2012	Civil Case No. 1797 Sps. Besario vs. NIA, et al.	Damages; RTC Br. 62, Bago City	Atty. Rizza A. Ibañez	Trial (Presentation of defendant's witnesses)		- P100,000 as actual damages; - P100,000 as moral and exemplary damages; - P70,000 as attorney's fees and litigation expenses
42. 10/18/2012	Civil Case No. 254-17; NIA vs. Municipality of Alfonso Lista, et al.	For Declaration of Nullity of Notices of Assessment and Statement of Account; RTC 15, Alfonso Lista, Ifugao	Atty. Lloyd Allain A. Cudal	Filed an Appeal before the Court of Appeals		P16,409,661, representing the May 4, 2009 and December 8, 2009 Notices of Assessment and the

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
						December 31, 2010 Statement of Account, Office of the Municipal Assessor and Office of the Municipal Treasurer, Municipality of Alfonso Lista, Ifugao against NIA dams and machineries situated in the Municipality of Alfonso Lista, Ifugao
43. 8/31/2011	Civil Case No. 7564; Heirs of A. Annang Rep. by R. Annang, et. al. vs. City Government of Tuguegarao, et al.	Injunction and Damages; RTC, Branch 2, Tuguegarao City	Atty. Lloyd Allain A. Cudal	Submitted for resolution based on Demurrer to Evidence		- P100,000 as actual damages; - P100,000 as moral damages; and - P25,000 as exemplary damages
44. 12/23/2009	Civil Case No. 312; NIA vs. G. Bagaoisan and S. Purificacion	Collection of Sum of Money; MTC, Branch 2, Calamaniugan, Cagayan	Atty. Lloyd Allain A. Cudal	Submitted for resolution based on Demurrer to Evidence		P187,838 representing the irrigation service fees from 1987 to 2009
Region I - Legal Services						
45. To be filed	N/A	Expropriation; San Fabian, Pangasinan	OSG	Not yet filed/ Awaiting Co Legal Services opinion on proposal of sellers for Conditional Sale	N/A	P5,545,000
Region II Legal Services						
46. 8/12/2012	Civil Case No. 7564 Heirs of Annang vs. City Government of Tuguegarao and NIA	Injunction with Prayer for TRO and Writ of Preliminary Injunction	Atty. Pepito L. Padilla, Atty. Rizza A. Ibanez, Atty. Bjorn M. Madrid, Atty. Nastassja Nicole J. Flores, and Atty. Virgo M. Gulan	Resolution of Motion to Dismiss on Demurrer to Evidence filed by City Government of Tuguegarao and the NIA	N/A	- P295,000 (Claims for Damages of Plaintiff) - P50,000 (Claims for damages of Defendant NIA) plus cost of suit

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
Magat River Integration Irrigation System (MARIIS)						
47. 6/13/1991	Civil Case No. 36-0910 (Collection of unpaid irrigation fee)	Regional Trial Court, Branch 36, Santiago City – 2 nd Judicial Region	OSG (Atty. Julie Rose Castañeda, pending clarity on deputation)	Ongoing resolution of the case		
48. 12/29/2021	Civil Case No. 751 (For ejectment with damage); NIA vs. NPC, SNAP-M, Inc. and H. Bacani	-do-	Atty. Nastassja Nicole J. Flores	Ongoing Pre-Trial Conference (Marking of evidence has been already conducted)		
49. 12/29/2021	Civil Case No. 752 (For ejectment with damage); NIA vs. NPC, SNAP-M, Inc. and M. V. Pinera	-do-	-do-	Ongoing Pre-Trial Conference (Marking of evidence has been already conducted)		
50. 12/29/2021	Civil Case No. 753 (For ejectment with damage) NIA vs. NPC, SNAP-M, Inc. and J T. Dela Cruz	-do-	-do-	Ongoing Pre-Trial Conference (Marking of evidence has been already conducted)		
51. 12/29/2021	Civil Case No. 754 (For ejectment with damage); NIA vs. NPC, SNAP-M, Inc. and Manuel F. Dumaguing	-do-	-do-	Ongoing Pre-Trial Conference (Marking of evidence has been already conducted)		
52. 6/13/2022	Civil Case No. 254-17; NIA vs. Municipality of Alfonso Lista, Ifugao, Jovy C. Magwile, Municipal Assessor-Municipal of Alfonso Lista, Ifugao, Stewart B. Baccay, Provincial Treasurer of Ifugao and Aireen O. Allig, Municipal Treasurer of the Municipality of Alfonso Lista, Ifugao	Court of Appeals	Atty. Lloyd Allain A. Cudal	Ongoing Appeal		
Upper Pampanga River Integrated Irrigation System (UPRIIS)						
53. 4/11/2016	Criminal Case No. 19646-16 People of the Philippines vs. J. Pascual y Mangunay	Reckless Imprudence Resulting to Homicide, Physical Injury, Damages/ RTC, Branch 36, Gapan City	Atty. June J. Barioga, CPA (NIA-UPRIIS) Atty. Lloyd Allan A. Cudal (NIA-Central Office) Atty. Nastassja Nicole J. Flores (NIA-Central Office)	Defense Evidence		To be defined

Exhibit 1

	Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
54.	9/6/2018	Civil Case No. 2018-793-SJC; NIA vs. H. Santos "For Observance of Easements, Injunction with Preliminary and Permanent Injunction and Damages"	Civil; RTC 39 San Jose City, Nueva Ecija	Atty. June J. Barioga, CPA (NIA-UPRIIS) Atty. Lloyd Allan A. Cudal (NIA-Central Office) Atty. Nastassja Nicole J. Flores (NIA-Central Office)	For Pre-Trial		N/A
55.	6/22/2021	CA-G.R. SP No. 173140; Green Asia Construction and Development Corporation vs NIA	Civil Manila City	Atty. June J. Barioga, NIA-UPRIIS Atty. Lloyd Allan A. Cudal, Atty. Nastassja Nicole J. Flores, Atty. Bjorn Madrid NIA-Central Office Atty. Pepito L. Padilla Department Manager, NIA Central Office All Attorneys of Central Office Legal Services, NIA-Central Office	- Pending at the Court of Appeals - Motion for Reconsideration Granted		P205,958,120
56.	4/25/2022	Civil Case No. 8833-AF; Idelpidido V. Castañeda vs. NIA and DBM	Civil; RTC Branch 23, Cabanatuan City	Atty. June J. Barioga, NIA-UPRIIS Atty. Pepito L. Padilla Department Manager, NIA-Central Office All Attorneys of Central Office Legal Services, NIA-Central Office	Answer filed		P39,493,200
Region IV-A CALABARZON							
57.	July 30, 2021	LRC Case No. NC- 1166-931; Petition for Reconstitution of OCT Nos. 0-3062 and 0-3871 of the Office of the Registry	Petition for Reconstitution for Title; RTC, Branch 15, Naic, Cavite	Atty. Jill B. Manangkil	Petitioner submitted amended Petition, as compliance to the Court Order	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	of Deeds for Province of Cavite and Issuance of their Corresponding Duplicate Certificates			dated September 27, 2022		
58. March 2020	Opposition to Lumbo Spring Bulk Water Supply Project	Office of the Provincial Governor of Quezon Province	Atty. Jill B. Manangkil	Data gathered showing the subject project would not affect any NIA system was submitted to Central Office for recommendation	N/A	N/A
59. 11/29/2021	Case No. 2022-115; NWRB Case No. IV-CAV-2021-09-041 NIA Region IV-A vs. Primewater Infrastructure Corporation	Water Use Conflict; NWRB, 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Opposition to application withdrawn after Primewater Infra. Corp. amended its application and lowered the LPS applied for. Submitted for Resolution	N/A	N/A
60. 2/3/2021	Case No. 2021-025; In the matter of the petition to transfer water permit No. 024712 issued to Tubig Pilipinas Group Inc., in favor of Tubig Trece Martires Corp.	Water Permit Conflict; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A
61. 6/15/2021	NWRB Case No. 2021-052; Petition for Change of Name from Blaine Corporation to Refamed Research Laboratory Corporation	NWRB, Quezon City	-do-	Submitted for resolution	N/A	N/A
62. 05/03/2021	NWRB Case Nos. 023279 and 023280; In the matter of the Petition to Increase Allowable Water Discharge under water permit Nos. 023279 and 023280 issued to AJMark Realty and Development Corporation	Petition to Increase Allowable Water Discharge; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A
63. 05/21/2021	NWRB Case No. 2021-090; In the matter of the Petition to Increase Approved Flow Rate under water Permit No. 6084 issued to Canlubang Sugar Estate	-do-	-do-	Submitted for resolution	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
64. 08/03/2021	NWRB Case Nos. 2021-141, 2021-142, 2021-143, and 2021-144	Petition to Increase Allowable Water Discharge; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Submitted for resolution	N/A	N/A
65. 08/15/2021	NWRB Case Nos. 2021-153, 2021-154, and 2021-155; In the Matter of the Petition for Change of Purpose of Appropriation under Water Permit Nos. 14908, 15218 and 16751 Issued to Filinvest Land, Inc.	Petition for Change of Purpose of Appropriation; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Petition Granted	04/05/2022	N/A
66. 2/11/2022 2/14/2022	NWRB Case Nos. 2022-19, 2022-020, and 2022-021; In the Matter of the Petition for Increase under Water Permit Nos. 25294, 25295, and 25635 issued to Laguna AAA Water Corporation	Water Permit Increase Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A
67. 2/11/2022 2/14/2022	NWRB Case Nos. 2022-022, 2022-023, 2022-024, 2022-025, 2022-026, 2022-027, 2022-028, 2022-029, 2022-030, 2022-031, and 2022-032; In the Matter of the Petition for Increase under Water Permit Nos. 25636, 25638, 13411, 13412, 16708, 16709, 16742, 16854, 25445, 25446 and 25447 issued to Laguna AAA Water Corporation	-do-	-do-	Petition Denied	10/28/2022	N/A
68. 2/14/2022	NWRB Case Nos. 2022-033, 2022-034, 2022-036, and 2022-037; In the Matter of the Petition for Increase under Water Permit Nos. 13170, 13173, 23124, and 23459 issued to Laguna AAA Water Corporation	-do-	-do-	Submitted for resolution	N/A	N/A
69. 2/14/2022	NWRB Case No. 2022-035; In the Matter of the Petition for Increase under Water Permit No. 17463 issued to Provincial Government of Laguna	-do-	-do-	Petition Denied	8/10/2022	N/A
70. 2/14/2022	NWRB Case Nos. 2022-038, 2022-039, 2022-040,	-do-	-do-	Submitted for resolution	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	2022-041, 2022-042, 2022-043, 2022-044, and 2022-045; In the Matter of the Petition for Increase under Water Permit Nos. 13174, 13409, 14646, 16704, 23129, 16855, 16826 and 25296 issued to Laguna AAA Water Corporation					
71. 2/28/2022	NWRB Case Nos. 2022-053, 2022-055, 2022-056 and 2022-058; In the Matter of the Petition for Increase under Water Permit Nos. 25710, 25708, 25709 and 25595 issued to Laguna AAA Water Corporation	Water Permit Increase Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Petition Denied	9/13/2022	N/A
72. 2/28/2022	NWRB Case Nos. 2022-054 and 2022-057; In the Matter of the Petition for Increase under Water Permit Nos. 25707 and 25706 issued to Laguna AAA Water Corporation	-do-	-do-	-do-	8/10/2022	N/A
73. 3/1/2022	NWRB Case Nos. 2022-059 and 2022-060; In the Matter of the Petition for Increase under Water Permit No. 16778 from Moldex Realty Inc. to Laguna AAA Water Corporation and for increase of discharge granted under same water permit	-do-	-do-	NWRB Case No. 2022-060 was Denied	8/10/2022	N/A
74. 3/9/2022	NWRB Case Nos. 2022-066 and 2022-067; In the Matter of the Petition for Increase of Water Volume granted under Water Permit Nos. 12813 and 14878 issued to Camelray Industrial Corporation	-do-	-do-	Petition for increase was denied	9/7/2022	N/A
75. 3/9/2022	NWRB Case No. 2022-069; In the Matter of the Petition for Change of Purpose under Water Permit No. 24599 issued to Camelray Industrial Corporation	Petition for Change of Purpose; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A

Exhibit 1

	Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
76.	4/8/2022	NWRB Case Nos. 2022-083, 2022-084, and 2022-085; In the Matter of the Transfer of Transferred Water Permit No. 11-11-027-022578 and Water Permit Nos. 24427 and 24428 from Aboitiz Renewables Inc. to AP Renewables, Inc.	Petition for Transfer of transferred water permit; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	-do-	N/A	N/A
77.	4/8/2022	NWRB Case Nos. 2022-086, 2022-087, 2022-088, 2022-089, 2022-090, and 2022-091; In the Matter of the Petition for Transfer of Transferred Water Permit Nos. 11-11-028-022579, 11-11-029-022580, 11-11-30-022581 and 11-11-031-022582 and Water Permit Nos. 22579, 22580, 22581, 22582, 24429 and 25212 from Aboitiz Renewables, Inc. to AP Renewables, Inc.	Petition for Transfer of transferred water permit; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A
78.	4/8/2022	NWRB Case Nos. 2022-092 and 2022-095; In the Matter of the Petition for Increase of Volume of Water under Water Permit Nos. 20393 and 22231 from 2.00 to 19.68 LPS and 10.44 to 57.87 LPS, respectively	Water Permit Increase Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
79.	4/8/2022	NWRB Case Nos. 2022-096; In the Matter of the Petition for Increase of Volume of Water under Water Permit No. 16692 from 7.68 to 34.72 issued to Laguna AAA Water Corporation	-do-	-do-	-do-	N/A	N/A
80.	4/8/2022	NWRB Case Nos. 2022-093 and 2022-094; In the Matter of the Petition for Increase of Volume of Water under Water Permit Nos. 20393 and 22231 issued to Stateland Investment Corporation and Stateland, Inc.	-do-	-do-	-do-	N/A	N/A
81.	4/8/2022	NWRB Case No. 2022-097; In the Matter of the Petition for Transfer of Water Permit No. 16692	Petition for Transfer of Water Permit;	-do-	-do-	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	issued to Laguna Properties Holdings, Inc.	NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City				
82. 5/5/2022	NWRB Case No. 2022-127; In the Matter of the Petition for Transfer of Water Permit No. 9167 from BJS Development Corporation to Holiday Homes Homeowners Association Phase I	Petition for Transfer of Water Permit; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Submitted for resolution	N/A	N/A
83. 6/6/2022	NWRB Case No. 2022-161; In the Matter of the Petition for Amendment in Volume of Water Permit granted under Water Permit No. 16012 from 0.74 LPS to 5.0 LPS issued to Pathland Development Corporation	Water Permit Increase Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
84.	NWRB Case Nos. 2022-149 and 2022-152; In the Matter of the Petition for Increase under Water Permit Nos. 25844 and 25849 issued to Laguna AAA Water Corporation	-do-	-do-	-do-	N/A	N/A
85. 7/22/2022	NWRB Case No. 2022-068; In the Matter of the Petition for Increase of Water Volume from 11.92 LPS to 32 LPS under Water Permit No. 024599 issued to Carmelray Industrial Corp.	-do-	-do-	-do-	N/A	N/A
86. 6/17/2022	NWRB Case No. 2022-171; In the Matter of the Petition for Transfer under Water Permit No. 12813 issued to Carmelray Developers, Inc.	Water Permit Transfer Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
87. 8/22/2022	NWRB Case No. 2022-291; In the Matter of the Petition for Increase of Water Discharge from 3.31 LPS to 19.31 LPS under Filinvest Land, Inc.	Water Permit Increase Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Initial hearing set on February 2, 2022	N/A	N/A
88. 10/5/2022	NWRB Case No. 2022-339; In the Matter of the Petition for Increase of Volume of Water Discharge under Water	-do-	-do-	Initial Hearing set on February 21, 2022	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	Permit No. 14908 from 4012 LPS to 17.00 LPS					
89. 10/12/2022	NWRB Case No. 2022-360; In the Matter of the Petition for Increase of Volume of Water Discharge under Water Permit No. 024333 from 4.14 LPS to 14.14 LPS issued to Filinvest Land, Inc.	-do-	Atty. Jill B. Manangkil	-do-	N/A	N/A
90. 6/16/2022	NWRB Case No. 2022-165; In the Matter of the Petition for Change of Permittee under Water Permit No. 23756 from Majestic Technical Skills Development Corp. to Majestic Landscape Corp.	Petition for Change of Permittee; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A
91. 6/24/2022	NWRB Case No. 2022-188; In the Matter of the Petition for Transfer of Water Permit No. 16903 from National Power Corporation c/o Kepco Ilijan Corp. to South Premiere Power Corp.	Petition for Transfer of Water Permit; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
92. 7/22/2022	NWRB Case Nos. 2022-231, 2022-232 and 2022-234; In the Matter of the Petition for Increase of Water Volume from 0.3 LPS, 1.39 LPS and 2.40 to 5 LPS each under Water Permit Nos. 025838, 025839 and 025840, respectively, issued to Labrador Multi-Purpose Coop.	Water Permit Increase Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
93. 8/22/2022	NWRB Case Nos. 2022-269; In the Matter of the Petition for Decrease of Water Volume Discharge from 12,442 LPS to 11,863 LPS under Water Permit No. 25075 issued to Wawajco, Inc.	Petition for Decrease of Water Volume; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
94. 9/15/2022	NWRB Case Nos. 2022-310, 2022-311, 2022-312, 2022-313, 2022-314, 2022-315, 2022-316, and 2022-317; In the Matter of the Petition for Increase of	Water Permit Increase Application; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Initial hearing set on January 25, 2022	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	Water Volume Discharge under Water Permit Nos. 20546, 21793, 23106, 25613, 256512, 16311, 20219, and 23107 issued to Starworld Corp. from 10.4 LPS, 0.33 LPS, 14.5 LPS, 15.96 LPS, 1.47 LPS, 13.1 LPS and 15.96 LPS to 18 LPS					
95. 9/9/2022	NWRB Case Nos. 2022-153, 2022-154 and 2022-155; In the Matter of the Petition for Change of Name of Permittee under Water Permit Nos. 16786, 16787, and 16788 from Calatagan Gulf Realty, Inc. to Calatagan bay Realty, Inc.	Petition for Change of Permittee; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Submitted for resolution	N/A	N/A
96. 8/9/2022	NWRB Case Nos. 2022-245 and 2022-246; In the Matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX, Inc., and Petition for Change of Coordinates under Water Permit No. 024142	Petition for Change of Name and Petition for Change of Coordinates; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	- No NIA project will be affected - NIA interposed no objection	N/A	N/A
97. 8/9/2022	NWRB Case Nos. 2022-241 and 2022-242; In the Matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX, Inc., and Petition for Change of Coordinates under Water Permit No. 024140	-do-	-do-	Submitted for resolution	N/A	N/A
98. 8/4/2022	NWRB Case Nos. 2022-248; In the Matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX Inc. under Water Permit No. 024135	Petition for Change of Name; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
99. 8/4/2022	NWRB Case No. 2022-247; In the Matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX, Inc. under Water Permit No. 024133	-do-	-do-	-do-	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
100. 8/9/2022	NWRB Case Nos. 2022-243 and 2022-244 In the matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX, Inc. under Water Permit No. 024141	-do-	-do-	-do-	N/A	N/A
101. 8/9/2022	NWRB Case Nos. 2022-252, 2022-253 and 2022-254, In the Matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX, Inc. and Petition for Change of Coordinates; and Petition for Increase from 0.145 to 1.22 LPS under Water Permit No. 024137	Petitions for: Change of Name, Change of Coordinates and Increase Application NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Submitted for resolution	N/A	N/A
102. 8/9/2022	NWRB Case Nos. 2022-239 and 2022-240; In the Matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX, Inc. under Water Permit No. 024139	Petition for Change of Name; NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
103. 9/8/2022	NWRB Case Nos. 2022-295 and 2022-296; In the Matter of the Petition for Amendment of Volume of Water Discharge under Water Permit Nos. 25957 and 25962 issued to Manila Water Philippines Ventures, Inc. from 3.31 LPS to 9.55 LPS and from 3.31 LPS to 7.44 LPS, respectively	Water Permit Increase Application NWRB 8 th Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Initial hearing set on January 18, 2022	N/A	N/A
104. 4/4/2022	Criminal Case No. 2022-623; For violation of PD No. 533 - Reckless Imprudence Resulting in Slight Physical Injuries and Damage to Property	Criminal Case; Branch 54, Regional Trial Court, Lucena City, Quezon Province	-do-	- Next hearing set in January 2023 - For the Prosecution's initial presentation of evidence	N/A	P204,866
Region VI and Jalaur River Multi-Purpose Project II (JRMP II)						
105. 5/21/2014	Civil Case No. 14-32265 Estate of the Deceased Spouses J. Sale, Jr. and M. C. Sampani Sale, Represented by their	Just Compensation; RTC Branch 26, Iloilo City	Atty. Michael Margarico / Atty. Red Gabriel Convocar	TRO and Preliminary Injunction filed against the NIA are denied. Motion for Reconsideration by		

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	Administrator, R. S. Gabarra vs. NIA Region VI			Plaintiff is also denied. Case is still pending.		
106. 2017	Water Use Conflict Case Nos. 2018-136 and 2018-137; NIA vs. Puro Oro H2O Company, Inc.	Water Protest NWRB, Quezon City	Atty. Red Gabriel Convocar	- NIA submitted its Position Paper. - Case is submitted for Resolution.		
107. 9/13/2017	WPA No. VI-ILO-2017-07-153; NIA Region VI vs. South Balibago Inc., Passi Branch	Water Protest NWRB, Quezon City	-do-	-do-		
108. 1/22/2020	NWRB Case No. 2019-391; In re: Petition for Increase in the Volume of Water Granted Under Water Permit No. 024773 issued to AGSIRAB Water Resource Corporation	Petition for Increase in the Volume of Water Granted NWRB, Quezon City	-do-	NIA submitted its Position Paper last 12/2/2021. Awaiting for resolution of the case.		
109. 12/16/2020	Cadastral Case No. N-12 LRC Cad. Rec. No. IV-405; The Director of Land vs. Lorenza Acelar, et al.	Motion to Revive Case (Cadastral) MCTC Calinog-Bingawan, Calinog, Iloilo	-do-	- Proceeding in rem by Claimants, NIA was summoned. - Property in dispute was not traversed by any canal/structure of the JRMP/NIA and as a result, NIA did not interpose any objection on the matter.		
110. 5/19/2021	EMB Case No. 2020-21-1156; In the Matter of Violation of PD No. 1586 and its Implementing Rules and Regulations (IRR)	Notice of Violation; Environmental Management Bureau (EMB)	-do-	- Respondent NIA liable for penalty of P200,000 - NIA filed its Motion for Reconsideration - Submitted for Resolution		P200,000
111. 8/27/2021	Civil Case No. 797; A. Onate Ferrer, represented by Attorney-in-Fact, A. Angel Ferrer vs. A. Lamig, E. Villarancla, E. Baylon, A. Bohol, NIA, et al.	Quieting of Title, Accion Reinvidicatoria with Damages; MCTC Murcia-Don Salvador Benedicto Murcia, Negros Occidental	-do-	- Plaintiff and NIA signed a Compromise Agreement and filed a Joint Motion for the Approval of Compromise Agreement - Awaiting for the final Resolution		

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
Region VII						
112. 10/23/2018	Sp. Civ. Case No. SCC-BAR-060; NIA vs. Heirs of Sps. F. Villafior	For Expropriation; RTC Branch 60, Barili, Cebu	Atty. Bjorn Madrid Atty. Revneil Jane Fabiosa	For Pre-trial - July 8, 2022 – filed Reply to defendant's comment to the Motion for issuance of writ of possession - August 24, 2022 – the Honorable Court granted the defendant's request to file their rejoinder - September 13, 2022 – filed Manifestation for the immediate issuance of the writ of possession - October 11, 2022 – the Honorable Court ordered for the resolution of the Motion for issuance of the writ of possession		P4.961 (Court deposit)
Region VIII						
113. 8/11/2017 (originally filed by the retainers)	Civil Case No. R-210; Manalog-Badiangon-Tahusan and Sto. Niño 1 Mabatas Irrigators Association Inc., vs. Heirs of V. Calacar	For Recovery of Property, Quieting of Title and Damages; Branch 6, MCTC, Flinunangan, Southern Leyte	Atty. Kimberly Grace R. Peque (previously handled by the retainer-lawyers of NIA Atty. Pacifico M. Borja, and Atty. Joseph N. Escalona)	- On 14 June 2022, the Honorable Court rendered judgment of the case declaring MABATAS IA as the lawful and true owner of the lot; Ordering the heirs to surrender and turn-over possession, remove all metals, structures and barb wires and to allow MABATAS IA, its member and officers to have free ingress and egress over the lot; Ordering the heirs to cease and desist from further disturbing	N/A	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				the said IA, its officers and members in the ownership and possession of the lot, and directing the heirs of Calacar to pay MABATAS the attorney's fees and actual damages		
				- Defendants appealed the case and the records of the case were forwarded to the RTC San Juan. In its Decision, the Honorable Court of San Juan dismissed the appeal and affirmed the decision of the MTC.		
114. 10/11/2012 (Answer filed by former NIA Counsel)	Civil Case No. R-ORM-12-00119-CV; S. Chu vs. NIA	For Payment of Just Compensation; Branch 35, RTC, Ormoc City, Leyte	Atty. Kimberly Grace R. Peque (previously handled by the retainer-lawyers of NIA, Atty. Pacifico M. Borja, and Atty. Joseph N. Escalona)	Ongoing: NIA RO VIII filed an Amended Formal Offer of Documentary Exhibits in compliance with the Order of the Court dated March 30, 2022 directing the NIA to reconcile the discrepancy of the markings from exhibits by amending its formal offer of exhibits. Thereafter, the Honorable Court admitted into evidence the Exhibits in its Order dated July 6, 2022. The said case has now been submitted for decision.	N/A	N/A
115. 3/30/2017	Civil Case No. B-17-03-02; Heirs of A. Barte vs. NIA and Mahayag	For Payment of Just Compensation and Damages; Branch 14, Baybay City, Leyte	-do-	Dismissed: The Joint Manifestation filed by the Defendant, NIA,	8/16/2022	N/A

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	Farmers and Irrigators Association (MAFIA)			was granted by the Honorable Court in its Order dated October 18, 2022 to clarify on the Decision on Compromise Agreement that the term "Defendant" should refer only to the Defendant MAFIA not the Defendant "NIA"		
116. 4/24/2018	Civil Case No. R- TAC-18-00325-CV; S. Chu vs. NIA represented by Board of Directors (BOD)	For Injunction and Recovery of Possession of Real Properties with Damages: RTC Branch 43, Tacloban City	Atty. Kimberly Grace R. Peque, under the supervision and control of Atty. Zorayda V. Tejones-Zuñiga of the OSG	Dismissed: On September 23, 2022, the Honorable Court decided on the Motion to Dismiss filed by the Plaintiff and Motion to Consolidate Cases filed by the Defendant. The case was DISMISSED with prejudice. With the said order, the Motion to Consolidate cases was rendered moot and academic.	9/23/2022	N/A
Region IX						
117. 5/13/2017	Civil Case No. 5273-2k17; NIA represented by its Administrator, Gen. Ricardo R. Visaya (Ret) – Plaintiff, vs. Alfredo Aljo, and all persons claiming rights under him – defendants for Accion Publiciana	Ejectment of the defendants in the NIA's property and payment of rentals; RTC Branch 21, Pagadian City	Atty. Katherine Grace Lumills	Waiting for the order of the DECISION of the Honorable Court in the Formal Offer of Documentary Evidence per Order dated January 12, 2022, admitting Plaintiff's evidence.	N/A	- P1,000 monthly rental from the date of filing the complaint until the property is peacefully restored and/or surrendered to the NIA; - P50,000 Expenses incurred in filing the case; - P50,000 Exemplary damages; and - Legal interest to be

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved determined by the Court
118. 9/13/2016	Special Civil Case No. 1-128; NIA represented by its Administrator, Gen. Ricardo R. Visaya (Ret) – Plaintiff, vs. the heirs of the late Juan Rojas, represented by their administrator, Cita G. Rojas – Defendants	For Expropriation and Damages; Branch 24, Ipil, Zamboanga Sibugay	Atty. Katherine Grace C. Lumilis	Will file a Motion to Release Payment for Just Compensation and to Terminate the Case with Formal Entry of Appearance on the last week of April 2022, after confirming the documents in Court scheduled on April 20, 2022	N/A	P7,046
Region X						
119. 4/20/2021	Civil Case No. 02-21 L. Gequillana Pallada, et al., vs. NIA	Recovery of possession, ownership or real property covered by TCT No. 60178 and damages; Valencia City	Atty. Gemini Joy B. Fernandez-Villamil	Compromise Settlement Agreement to be submitted for Court's approval; trial suspended	N/A	(About) P11,000,000
120. 9/10/2021	Criminal Case No. 2021-42; People of the Philippines vs. M. B. Gayramon	Malicious Mischief; Balingasag, Misamis Oriental	Atty. Gemini Joy B. Fernandez-Villamil Atty. Lloyd Allain Cudal	Ongoing trial – Presentation of Evidence for the Defense	N/A	(About) P40,000
Region XI						
121. 12/15/2021	128-2021	Civil Case; Branch 26 Surallah, Cotabato	Atty. Riemann Delos Santos	As of December 2022, charges were dropped against all the NIA employees concerned	N/A	- P15,360,000 actual damages; - P150,000 moral damages; and - P150,000 exemplary damages
Region XII						
122. 11/24/2022	Criminal Case No. 97-23; People of the Philippines vs. Mildred Dacalos	Motion for Writ of Execution on the Civil Aspect on the case of Malversation of Funds RTC Branch 22, Kabacan, Cotabato	Atty. Pepito L. Padilla; Atty. Rizza A. Ibañez; Atty. Bjorn M. Madrid; Atty. Nastassja Nicole J. Flores; and Atty. Norlaine C. Omar	Pending Court hearing schedule	N/A	Accused is ordered to indemnify NIA-Kabacan RIS, Cotabato, the amount of P475,594 and pay a fine of P475,594

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
123. 8/6/2021	Civil Case No. 128 – 2021; NIA, S. Catorse, et al., vs. The Local NIA, herein Represented by its local Director, Evelyn Obut, the Members of the BOD of the local National Irrigator's Association	Injunction with Prayer for TRO and/or Preliminary Mandatory Injunction and Damages; RTC Branch 26, Surallah, South Cotabato	Atty. Reimann Delos Santos	<ul style="list-style-type: none"> - On December 15, 2022, a mediation meeting between NIA Region 12 and the Plaintiffs was held in Norala, South Cotabato - Resolutive actions were proposed including coordinative efforts with the Provincial Local Government Unit (LGU) in the locality - The Plaintiffs are amenable for settlement - Court Trial Hearing schedule is still pending. 	N/A	The following are Plaintiff's Prayer: <ul style="list-style-type: none"> - Actual damages for P15,360,000 - Moral damages for P150,000 - Exemplary damages for P150,000
124. 11/21/2016	Special Civil Action No. 1273-B; NIA vs. A.S. Dator, A.M. Suyom, C.S., Arguilles and heirs of M.S. Magsipoc	Expropriation; RTC Branch 26, Surallah, South Cotabato	Atty. Riza A. Ibañez	<ul style="list-style-type: none"> - Pending schedule for Court trial. - NIA has facilitated with the Land Bank of the Philippines (LBP) Commissioners for their report to be submitted and presented to the Court. 	N/A	P5 million
Region XIII						
125. 4/26/2002	Sp. Civil Case No. 1074; NIA vs. Missionary Sisters of Mary Inc. and Guillermo Jalique, Jr.	Expropriation Case; RTC 10 th Judicial Region Branch 3, Hall of Justice Libertad, Butuan City	Atty. Ma. Loulla A. Mendoza-Yu Retainer-Lawyer	Ongoing case. With Court Decision dated December 12, 2013. The case was filed at the Court of Appeals.		
126. 7/31/2003	Civil Case No. 5363; NIA vs. Heirs of Fidela Duncano, et.al.	Expropriation Case; RTC 10 th Judicial Region Branch 2, Hall of Justice Libertad, Butuan City	Atty. Dexter G. Matias, State Solicitor	Ongoing case. With urgent Motion filed on November 24, 2022, to reset the Hearing Set on December 7, 2022. Awaiting for Court Order.		

Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
127. 5/4/2004	Civil Case No. 5463; NIA vs. Theodor S. Vesagas, et.al.	Expropriation Case; RTC 10 th Judicial Region Branch 2, Hall of Justice Libertad, Butuan City	Atty. Dexter G. Matias, State Solicitor	Ongoing case. With urgent Motion, filed on November 24, 2022, to reset the Hearing Set on December 7, 2022. Awaiting for Court Order.		
128. 7/30/2004	Civil Case No. 5492; NIA vs. Heirs of Adriano Martinez, et.al.	Expropriation Case; RTC 10 th Judicial Region Branch 5, Hall of Justice Libertad, Butuan City	-do-	With Final Judgment. With Court Judgment dated February 26, 2019 ordering the NIA to pay the defendants the total amount of P2,144,210, to be distributed as stated in the table and entry of Judgment dated July 30, 2019.	7/30/2019	P2,144,210

Acronyms:

BOD – Board of Directors
 CAD - Cadastral
 CIAC - Construction Industry Arbitration Commission
 DENR – Department of Environment and Natural Resources
 DBM – Department of Budget and Management
 ECC – Environmental Compliance Certificate
 ERC – Energy Regulatory Commission
 IRR – Implementing Rules and Regulations
 LBP – Land Bank of the Philippines
 LGU – Local Government Unit
 MCTC - Municipal Circuit Trial Court
 MOA – Memorandum of Agreement
 MTC – Municipal Trial Court
 NCIP – National Commission on Indigenous People
 NPC – National Power Corporation
 NWRB - National Water Resources Board
 OCT – Original Certificate of Title
 OGCC – Office of the Government Corporate Counsel
 OP – Office of the President
 OSG – Office of the Solicitor General
 PSALM – Power Sector Assets and Liabilities Management Corporation
 RTC – Regional Trial Court
 TRO – Temporary Restraining Order
 UPRIS – Upper Pampanga River Integrated Irrigation System

PART II - OBSERVATIONS AND RECOMMENDATIONS

A. FINANCIAL

- 1. The faithful representation in the financial statements and verifiability of the balances as at December 31, 2022 of four major assets accounts, i.e. Cash and cash equivalents, Receivables, Other current assets, and Property, plant and equipment (PPE) in the amounts of P19.220 billion, P1.870 billion, P2.804 billion and P300.892 billion, respectively; and five major liabilities accounts, i.e. Financial liabilities, Inter-agency payables, Trust liabilities, Provisions and Other payables accounts in the amounts of P3.234 billion, P76.286 billion, P3.074 billion, P1.108 billion and P2.359 billion, respectively, could not be established, in view of the deficiencies noted in the keeping of these accounts which are not in conformity with Paragraph 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Conceptual Framework) and Paragraph 27 of the International Public Sector Accounting Standard (IPSAS) 1, viz.:**
 - a. Non-maintenance of complete subsidiary ledgers (SLs) to support the General ledger (GL) accounts on nine assets and ten liabilities accounts with balances in the aggregate amounts of P662.269 million and P1.606 billion, respectively; while SLs maintained for four assets accounts in the aggregate amount of P312.140 million in Central Office (CO) and two Regional Offices (ROs), and 11 liabilities accounts in the total amount of P3.882 billion in CO and in five ROs have no/incomplete data/details, rendering the balances of these accounts doubtful;**
 - b. Absence of complete accounting and property records/documents on PPE and Cash and cash equivalents accounts, such as: (i) PPE Ledger Cards (PPELCs) and Construction-in-progress Ledger Cards (CIPLCs) for various PPE items in the total amount of P74.029 billion, while PPELCs/CIPLCs maintained for PPE account in the total amount of P25.913 billion have incomplete data; and (ii) Bank Reconciliation Statements (BRSSs) for Cash in banks in the total amount of P29.991 million;**
 - c. Unreconciled variances in the total absolute amount of P41.046 billion between the PPE balances per GLs vis-à-vis balances per Reports on the Physical Count of PPE (RPCPPEs) in CO, 12 ROs, and Jalaur River Multipurpose Project Stage II (JRMP-II); and**
 - d. Presence of abnormal balances in 12 accounts, i.e. five assets accounts and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively.**

- 1.1 Paragraphs 27 of the IPSAS 1 - *Presentation of Financial Statements* provides 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.

- 1.2 Paragraph 3.26 of the Conceptual Framework states, viz.:

Verifiability is the quality of information that helps assure users that information in [General Purpose Financial Reports] GPFRs faithfully represents the economic and other phenomena that it purports to represent. Supportability is sometimes used to describe this quality when applied in respect of explanatory information and prospective financial and non-financial quantitative information disclosed in GPFRs – that is, the quality of information that helps assure users that explanatory or prospective financial and non-financial quantitative information faithfully represents the economic and other phenomena that it purports to represent. Xxxx

- 1.3 Verification of the financial statements as at and for the years ended December 31, 2022 and 2021 of the NIA revealed deficiencies in the keeping of accounts, specifically on the four major assets and five major liabilities accounts, as itemized in Table 1.

**Table 1 - Balances of Four Major Assets and Five Major Liabilities Accounts
with Noted Deficiencies
Per Statement of Financial Position (SFP) as at December 31, 2022**

Account Title	Amount
Assets	
Cash and cash equivalents	P 19,220,053,203
Receivables-net	1,870,092,536
Other current assets	2,803,514,414
PPE-net	300,891,538,981
	324,785,199,134
Liabilities	
Financial liabilities	3,233,635,405
Inter-agency payables	76,285,608,783
Trust liabilities	3,074,074,541
Provisions	1,107,580,445
Other payables	2,359,116,588
	86,060,015,762

- 1.4 The deficiencies noted in the keeping of the accounts (Table 1) are discussed in the succeeding paragraphs.

Non-maintenance of complete SLs to support the GL accounts on nine assets and ten liabilities accounts with balances in the aggregate amounts of P662.269 million and P1.606 billion, respectively; while SLs maintained for four assets accounts in the aggregate amount of P312.140 million in CO and two ROs and 11 liabilities accounts in the total amount of P3.882 billion in CO and in five ROs have no/incomplete data/details, rendering the balances of these accounts doubtful

Non-maintenance of SLs

- 1.5 The GL control accounts shall be supported with subsidiary records with complete information as required under Sections 111 and 114 of Presidential Decree (PD) No. 1445, which state, as follows:

Section 111. Keeping of accounts.

(1) The accounts of an agency shall be kept in such detail as is necessary to meet the needs of the agency and at the same time be adequate to furnish the information needed by fiscal or control agencies of the government.

Section 114. The general ledger.

(1) The government accounting system shall be on a double entry basis with a general ledger in which all financial transactions are recorded.

(2) Subsidiary records shall be kept where necessary.

- 1.6 Likewise, Item C of Appendix 5 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, requires that:

xxxx. The totals of the SL balances shall be reconciled with the corresponding GL controlling account.

- 1.7 Notwithstanding the above provisions, audit disclosed that SLs for 19 accounts, i.e. nine assets and 10 liabilities in the aggregate amounts of P622.269 million and P1.606 billion (Table 2), respectively, to support the GL balances, were not provided to the Audit Teams during the audit of the calendar year (CY) 2022 financial transactions of the NIA, in view of the non-preparation thereof.

**Table 2 - Breakdown of Assets and Liabilities Accounts without SLs
As at December 31, 2022**

No.	Account Title	Office(s) Involved	Amount
Assets			
<i>Receivables-net</i>			
1.	Due from local government units (LGUs)	CO	P 48,079,898
2.	Due from NGAs	CO	10,778,119
3.	Loans receivables	CO	2,217,771
4.	Due from other funds	CO	1,981,719
5.	Due from other government corporations (GCs)	CO	237,855
6.	Interest receivables	CO	228,744
7.	Other receivables	CO	394,713,870
8.	Accounts receivables - irrigation service fee (ISF)	RO No. XIII	4,531,714
			462,769,690
<i>Other current assets</i>			
9.	Advances to contractors	CO	159,499,686
			159,499,686
			P 622,269,376
Liabilities			
<i>Financial liabilities</i>			
1.	Accounts payable	CO	33,639,598
2.	Due to officers and employees	CO	50,507,869
			84,147,467
<i>Inter-agency payables</i>			
3.	Due to Bureau of Internal Revenue (BIR)	CO	16,823,270
4.	Due to other GCs	CO	7,799,505
5.	Due to NGAs	CO	1,775,128
6.	Due to LGUs	CO	1,668,551
			28,066,454
<i>Trust liabilities</i>			
7.	Guarantee/security deposits payable	CO	689,303,938
8.	Trust liabilities	CO	6,931,583
9.	Trust liabilities-disallowances/charges	CO	2,091,767
			698,327,288
<i>Provisions</i>			
10.	Leave benefits payable	CO	795,222,391
			795,222,391
			P1,605,763,600

- 1.8 According to the Accounting personnel of the NIA CO, the non-maintenance of the SLs was due to difficulty in establishing the beginning balances of the accounts mentioned in Table 1 because of the lack of monitoring in prior years, while in RO No. XIII, the SLs were not maintained for Accounts receivables-ISF for individual farmers with landholding of above eight hectares.
- 1.9 It is emphasized that the preparation and maintenance of the books of final entry, such as the GLs and SLs, are indispensable components of the accounting process, wherein the debit and the credit balances appearing in the GLs are used to prepare the Trial Balance (TB) as basis in generating the financial statements. Likewise, the SL is a book of final entry containing the details or breakdown of the balance of the controlling account appearing

in the GL and used as basis in preparing schedules and aging of accounts that will support the said GL balance.

- 1.10 In view of the non-maintenance of SLs for nine assets and 10 liabilities accounts as presented in Table 2, the Audit Teams in the NIA CO and RO No. XIII were precluded from performing appropriate audit procedures to obtain reasonable assurance that all transactions were duly and properly recorded and accounted for, from the source documents, such as, Disbursement Vouchers (DVs) and Journal Entry Vouchers (JEVs), to the books of original entry consisting of the Cash Receipts and Deposits Journal, Checks Disbursements Journal, and General Journal (GJ), to the books of final entry which are the GLs and SLs, then to the TB and the financial statements. Hence, the correctness and reliability of the 19 account balances reported in the financial statements as at December 31, 2022 were not established.

SLs maintained for assets and liabilities accounts
have no/incomplete data/details

- 1.11 As provided in Appendix 6 of the Government Accounting Manual (GAM) for NGAs, Volume II, the SLs should contain information, such as, the entity name, account title, office/address, contact person, contact number/e-mail address, date, particulars, reference, debit, credit, and balance.
- 1.12 In the NIA CO and RO Nos. VI and IX, audit disclosed that SLs maintained for four assets accounts in the aggregate amount of P312.140 million (Table 3) were without complete information. These were carried forward balances of prior years' accounts without details.

Table 3 – Breakdown of Assets Accounts With SLs but Without Details

No.	Account title	Office(s) Involved	Amount
1	Due from NGAs	CO	P 76,710,400
2	Due from other funds	CO	1,981,719
3	Other receivables	CO	145,435,151
4	Advances to contractors	CO; RO Nos. VI, IX	88,012,735
			P312,140,005

- 1.13 Further, review of the liabilities accounts in the books of the NIA CO and five ROs disclosed that the SLs maintained for 11 accounts in the total amount of P3.882 billion (Table 4) have no/incomplete data/details. In NIA CO, some of the SLs were only marked as "for reconciliation" in the absence of names of creditors, addresses, contact information, among others. In NIA RO Nos. I, IV-B, VI, VIII and X, SLs maintained for liabilities accounts were without details.

Table 4 – Breakdown of Liabilities Accounts with SLs, but Without Details

Account Title	Offices Involved	Amount
Accounts payable	CO; RO Nos. I, IV-B, VIII, P	137,544,618
Due to NGAs	CO	2,837,981,738
Due to other GCs	CO	151,425,655
Due to BIR	CO	36,781,164
Due to Government Service Insurance System (GSIS)	CO	6,609,894
Due to Pag-IBIG	CO	1,815,090
Due to Philippine Health Insurance Corporation (PhilHealth)	CO	1,449,603
Guaranty/security deposits payable	CO; RO No. X	680,679,673
Trust liabilities-disallowances/charges	CO	3,105,032
Other payables	CO	217,995
Other provisions	RO No. VI	24,026,551
		P3,881,637,013

1.14 Inquiry with the current Accounting Division Manager revealed that the unsubstantiated assets and liabilities accounts pertained to carried-over unreconciled prior years' balances that the supporting documents could no longer be located; while, the concerned Regional Accountants informed that the liability accounts were set-up of accounts payables/claims of various suppliers/contractors/creditors that are not supported with complete and adequate documentation, hence indicating the details in the SLs is difficult/not possible.

1.15 In the absence of the details/information on the accounts presented in Tables 3 and 4, the Audit Team was precluded to send confirmation letters to the debtors/creditors concerned to verify the existence and accuracy of the accounts' balances.

Absence of complete accounting and property records/documents on PPE and Cash and cash equivalents accounts, such as: (i) PPELCs and CIPLCs for various PPE items in the total amount of P74.029 billion, while PPELCs/CIPLCs maintained for PPE account in the total amount of P25.913 billion have incomplete data; and (ii) BRSS for Cash in bank account in the total amount of P29.991 million

On incomplete PPELCs and CIPLCs

1.16 As part of the required internal control policies and procedures over PPEs, the Finance Division/Accounting Unit shall maintain PPELCs to ensure the completeness of accounting information for PPE, as required in the following COA rules and regulations:

- a. Section 42 (e), Chapter 10 of GAM for NGAs, Volume I and Appendix 71 of GAM for NGAs, Volume II:

Property, Plant and Equipment Ledger Card (Appendix 71) - this card shall be used for each class of PPE to

record the acquisition, description, custody, estimated life, depreciation, impairment, disposal, transfer/adjustment, repair history and other information about the property. It shall be kept and maintained by the Accounting Office/Unit.

- b. Section 6.3.2(f) of COA Circular No. 2020-006:

The Accounting Unit shall:

- f. Ensure that the total balance of PPELCs/SLs tally with the balances of controlling PPE accounts in the General Ledger.*

- 1.17 Appendix 77 of GAM for NGAs, Volume II also requires maintenance of the CIPLC:

The CIPLC shall be kept in the Accounting Division/Unit for each project. The Accounting Staff in charge in maintaining the CIPLC shall record promptly the construction costs and other information about the asset constructed. It shall be maintained per fund cluster.

- 1.18 Verification of the accounting records revealed that PPE items in the total amount of P74.029 billion (Table 5) as of December 31, 2022 were not supported with PPELCs/CIPLCs, contrary to Section 42 (e), Chapter 10 of GAM for NGAs, Volume I and Appendix 71 of GAM for NGAs, Volume II; and Appendix 77 of GAM for NGAs, Volume II.

**Table 5 – Breakdown of PPEs Balances Not Supported with PPELCs/CIPLCs
As of December 31, 2022**

Office/RO No.	PPE Sub-Account Titles						Total
	Land	Other land improvement	Building and improvements	Machineries, equipment, furniture and fixtures	Construction in progress		
CO	P -	P20,389,294,815	P -	P 148,270,493	P9,472,622,042		P30,010,187,350
CAR	-	-	-	-	5,891,804,308		5,891,804,308
II	12,761,252	4,797,624	282,115,707	14,651,023,157	2,546,515,890		17,497,213,630
III – UPRIIS	-	-	-	-	1,600,291,229		1,600,291,229
IX	-	-	-	-	5,102,913,780		5,102,913,780
XII	-	-	-	-	3,686,882,171		3,686,882,171
XIII	10,887,806	9,314,149,859	764,296,737	150,607,711	-		10,239,942,113
	P23,649,058	P29,708,242,298	P1,046,412,444	P14,949,901,361	P28,301,029,420		P74,029,234,581

On PPELCs/CIPLCs maintained for PPE account in the total amount of P25.913 billion have incomplete data

- 1.19 In NIA CO, PPELCs/CIPLCs maintained for some PPE items in the total amount of P25.913 billion (Table 6) have no data as to description of the asset, reference, date acquired, accumulated depreciation, accumulated impairment losses, if any, and estimated useful life.

Table 6 – Breakdown of PPE Items with PPELCs/CIPLCs but Incomplete Details

PPE Sub-Account	Amount
Land	P 3,473,161,442
Land improvements	9,803,704,587
Building and improvements	163,676,998
Water supply systems and power and energy structures	3,081,402,598
Machineries, equipment, furniture and fixtures	951,521,119
Construction in progress	8,439,698,845
	P 25,913,165,589

- 1.20 The non-maintenance of the PPELCs and CIPLCs for various PPE items in the total amount of P74.029 billion, and maintenance of PPELCs/CIPLCs without complete data/details for PPE sub-accounts in the total amount of P25.913 billion, hindered the Audit Teams to verify the completeness, existence, and correctness of the recorded balances of PPE sub-accounts as well as the accuracy of the related Accumulated depreciation and depreciation expense accounts.

On the absence of BRSs for Cash in banks in the total amount of P29.991 million

- 1.21 Section 74 of PD No. 1445 provides that:

Monthly reports of depositories to agency head. At the close of each month, depositories shall report to the agency head, in such form as he may direct, the condition of the agency account standing on their books. The Head of the agency shall see to it that a reconciliation is made between the balance shown in the reports and the balance found in the books of the agency.

- 1.22 The purpose of the bank reconciliation process is to detect any errors in recording bank transactions. It also means the agency has an up-to-date and accurate view of its exact bank balance on a specified date. The BRS can help identify accounting errors, discrepancies and fraud.
- 1.23 However, audit showed that in NIA RO Nos. VI and IX, Cash in Bank account in the total amount of P29.991 million (Table 7) as at December 31, 2022 was not supported with BRSs.

Table 7 - Breakdown of Cash in Bank Account as at December 31, 2022 Without BRSs

RO No.	Balance per books
VI	P26,223,290
IX	3,767,352
	P29,990,642

1.24 Interview with the concerned personnel of NIA RO No. VI disclosed that the reasons for the non-preparation of the BRSs were due to, among others, heavy workload of personnel in-charge of preparing the BRSs and lack of subsidiary records and bank statements/passbooks. Moreover, RO No. VI Management informed that the amounts were carried forward balances that remained dormant for more than 20 years. In RO No. IX, the Finance Section personnel informed that they are exerting efforts to reconcile the accounts of the Agency that were passed on to them from the previous Management.

1.25 The absence of BRSs precluded the Agency to detect errors on a timely basis and make necessary corrections immediately to ensure that the Cash in Bank balances per books reconciled with the balances per depository banks as of the given date.

Unreconciled variances in the total absolute amount of P41.046 billion between the PPE balances per GLs vis-à-vis balances per RPCPPEs in CO, 12 ROs, and JRMP-II

1.26 After the conduct of the annual physical/inventory count, the RPCPPE shall be prepared by the Inventory Committee and reconciled with the accounting records, as required under Section 6.3 of COA Circular No. 2020-006 dated January 31, 2020, viz.:

Reconciliation of inventory count per RPCPPE with property and Accounting records. The Property and Accounting Units shall undertake collaborative procedures to ensure that all PPEs included in the RPCPPE are duly recorded in their respective records and that the Property Cards (PCs) maintained by the Property Unit and the PPELCs maintained by the Accounting Unit are reconciled. The reconciliation shall be completed within ten (10) days from rendition of the RPCPPE by the Inventory Committee.

1.27 Comparison of the balances as at December 31, 2022 of PPE account per GL vis-à-vis balances shown in the RPCPPEs of NIA CO, 12 ROs, and JRMP-II disclosed variances in the total absolute amount of P41.046 billion, breakdown shown in Table 8.

**Table 8 - GL Balances of PPE Account vis-à-vis RPCPPE
As at December 31, 2022**

Office/RO No.	Balances per GL	Balances per RPCPPE	Variance (In Absolute Amount)
CO	P 73,172,908,645	P 63,618,740,543	P 9,554,168,102
CAR	231,869,318	212,549,164	19,320,154
II	17,497,213,630	16,827,486,669	669,726,961
IV-A	9,157,134,018	376,949,273	8,780,184,745
IV-B	3,701,686,062	2,167,160,158	1,534,525,904
V	10,385,801,996	5,086,905,551	5,298,896,445
VI	3,221,142,525	453,877,504	2,767,265,021
VI JRMP-II	109,076,667	143,093,327	34,016,660
VII	3,300,536,172	3,259,446,386	41,089,786
VIII	896,498,805	274,102,595	622,396,210
IX	5,453,956,690	3,451,210,208	2,002,746,482
X	7,306,605,756	6,001,302,566	1,305,303,190
XI	4,036,540,586	5,087,692,276	1,051,151,690
XIII	10,239,942,113	2,875,015,558	7,364,926,555
	P148,710,912,983	P109,835,531,778	P41,045,717,905

CAR – Cordillera Administrative Region

- 1.28 In view of the variances in the absolute amount of P41.046 billion between the balances of PPE account per GLs *vis-à-vis* RPCPPEs which remained unreconciled at year-end, the faithful representation of the balance of the PPE account in the financial statements as at December 31, 2022 could not be ascertained.
- 1.29 The Audit Team would like to emphasize that the rationale of the issuance of COA Circular No. 2020-006 is to provide guidelines and procedures to assist government agencies in coming up with reliable PPE balances that are verifiable as to existence, condition and accountability considering that the existence of enormous amounts of discrepancies in PPE account balances has become a perennial issue and caused the non-establishment of the accuracy of the PPE balances presented in the financial statements. If such condition is not properly addressed, it would always cause an exception in the fairness of presentation of the financial position of the NIA.

Presence of abnormal balances in 12 accounts, i.e. five assets accounts and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively

- 1.30 The normal balance of each account line item in the financial statements is provided in the Revised Chart of Accounts (RCA) prescribed under COA Circular No. 2020-002 dated January 28, 2020. However, review of the SLs maintained by the NIA CO, five ROs and four IMO's disclosed that five assets accounts and seven liabilities accounts had abnormal SL balances in the total amount of P1.582 billion and P263.862 million, breakdown in Tables 9 and 10, respectively.

Table 9 – Breakdown of Assets Accounts with Abnormal SL Balances

Office/ RO No.	Account Title					Total
	Cash in bank - local currency	Accounts receivable -ISF	Due from ROs	Due from NGAs	Advances to contractors	
CO	P -	P -	P1,503,156,745	P1,348,619	P32,746,570	P1,537,251,934
IV-A	577,103	-	-	-	-	577,103
VI	-	7,693,568	-	-	-	7,693,568
IX	2,554,133	-	-	-	-	2,554,133
X	28,619,082	-	-	-	4,433,685	33,052,767
XIII	-	415,313	-	-	-	415,313
	P31,750,318	P 8,108,881	P1,503,156,745	P1,348,619	P37,180,255	P1,581,544,818

Table 10 – Breakdown of Liabilities Accounts with Abnormal SL Balances

Office/RO No.	Account Title							Total
	Accounts payable	Due to officers and employees	Due to other GCs	Due to GSIS	Leave benefits payable	Guaranty/ security deposits payable	Other payables	
CO	P -	P -	P 2,345,106	P2,087,644	P -	P118,219,588	P 75,519	P122,727,857
III	338,127	-	-	-	-	-	-	338,127
IV-B -MOMARO IMO*	-	4,373,341	-	-	2,791,351	-	3,742,831	10,907,523
IV-B-OMIMO**	2,155,347	3,273,850	-	-	5,867,558	-	1,319,783	12,616,538
IV-B-PIMO***	585,324	5,592,006	-	-	-	-	3,141,280	9,318,610
VI	-	-	-	-	-	517,723	-	517,723
X	-	-	-	-	-	1,066,385	-	1,066,385
X-LAMISCA IMO***	81,828,342	-	-	-	-	10,025,747	-	91,854,089
XIII	-	-	-	-	-	14,515,387	-	14,515,387
	P84,907,140	P13,239,197	P 2,345,106	P2,087,644	P8,658,909	P144,344,830	P8,279,413	P263,862,239

*MOMARO IMO - Mindoro Oriental, Marinduque, Romblon, Irrigation Management Office

**OMIMO - Occidental Mindoro Irrigation Management Office

***PIMO - Palawan Irrigation Management Office

***LAMISCA IMO - Lanao del Norte, Misamis Occidental, Misamis Oriental, Camiguin Irrigation Management Office

- 1.31 The abnormal (negative) SL balances reduced the balances as at December 31, 2022 of the accounts shown in Table 9 and 10.
- 1.32 The Audit Teams were informed that the abnormal balances of the accounts could be attributed to mispostings of the transactions in the SLs.
- 1.33 In view of the foregoing deficiencies, the faithful representation in the financial statements and verifiability of the balances as at December 31, 2022 of four major assets accounts, i.e. Cash and cash equivalents, Receivables, Other current assets, and PPE and five major liabilities accounts could not be established, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.
- 1.34 **We recommended and top Management agreed to direct the Finance Manager of the CO and Regional Managers of the ROs concerned to instruct the Accounting Division of CO and Accounting Sections of ROs to:**

- a. Prepare and maintain complete SLs for all accounts to come up with verifiable and reliable account balances in the financial statements;
 - b. Prepare and maintain PPELCs/CIPLCs with complete information for all PPEs in accordance with the forms prescribed under the GAM for NGAs, Volume II;
 - c. Exert efforts to locate the supporting documents to provide the necessary data on SLs without details;
 - d. Prepare BRSs for Cash in bank accounts of RO Nos. VI and IX;
 - e. Reconcile the variances in the total absolute amount of P41.046 billion between the PPE balances per GLs and per RPCPPEs, and effect necessary corrections/adjustments on the affected records to arrive at reconciled balances of accounting and property records; and
 - f. Analyze and verify the abnormal balances in five assets and seven liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively, and make necessary corrections or adjustments accordingly, for fair presentation of the balances of the accounts in the financial statements.
- 1.35 We further recommended that NIA Management consider the one-time cleansing of PPE accounts pursuant to COA Circular No. 2020-006 dated January 31, 2020 to establish PPE balances that are verifiable as to existence, conditions and accountability as well as to provide reliable and useful information in decision-making and accountability for these assets.
- 1.36 NIA Management gave the following comments:
- a. The concerned personnel of the Property Section and Accounting Section of the ROs and the Procurement and Property Division and Accounting Division in the CO will attend the training on one-time cleansing of PPE account balances scheduled in CY 2023.
 - b. The Accounting Division in CO and Accounting Sections in ROs started the analysis of the accounts with abnormal/negative balances and committed to continue maintaining an updated and complete SLs that are reconciled with the GL balances.
- 1.37 As an audit rejoinder, the Audit Teams acknowledged Management's commitment to implement the audit recommendations which will be monitored in the succeeding audit.

Other observations:

Unreconciled variances in absolute amounts of P9.004 million and P681.253 million between the books and confirmed balances of two assets accounts, i.e. Due from NGAs, and Due from other GCs, and two liabilities accounts, i.e. Due to NGAs and Accounts payable accounts, respectively.

- 1.38 The Audit Team sent confirmation letters to various NGAs, GCs, private companies, debtors/creditors to verify the existence, rights and obligations and correctness of accounts recorded in the books of the NIA CO.
- 1.39 Of the 55 confirmation letters sent to verify the existence of Inter-agency receivables, 21 confirmation replies were received by the Audit Team. Out of the 21 confirmation replies received, 18 accounts were confirmed to have zero balances, which would indicate that the liabilities no longer exist in the books of the NGAs and GCs concerned. Also, of the 10 confirmation letters sent to verify the outstanding inter-agency payables of NIA to the NGAs with known addresses, only three replied.
- 1.40 The Audit Team in NIA RO No. X likewise sent confirmation letters to various creditors to verify the accuracy of the recorded payables.
- 1.41 The results of the confirmation showed absolute variances between books and confirmed balances in two assets accounts i.e. Due from NGAs and Due from other GCs, and two liabilities accounts, i.e. Due to NGAs and Accounts payable accounts in the total amounts of P9.004 million and P681.253 million, respectively, as summarized in Table 11.

Table 11 – Summary of the Results of Confirmation of Accounts

Account Title	Office/RO No.	No. of accounts	Balance per books	Balance as confirmed by NGAs, GCs & debtors/creditors	Absolute variance
Asset					
Due from NGAs	CO	15	P 6,702,067	P 25,614	P 6,676,453
Due from other GCs	CO	6	229,314	2,557,246	2,327,932
		21	P 6,931,381	P 2,582,860	P9,004,385
Liabilities					
Due to NGAs	CO	3	P824,330,561	P150,101,155	P674,229,406
Accounts payable	X	3	7,103,962	80,000	7,023,962
		6	P831,434,523	P150,181,155	P681,253,368

- 1.42 In view of the absolute variances between the book balances vis-à-vis confirmed balances, the reliability of the accounts' balances (Table 11) is doubtful.
- 1.43 We recommended and top Management agreed to direct the Finance Manager of the CO and Regional Manager of RO No. X to instruct the Accounting Division of the CO and Accounting Section of the RO to

coordinate with the NGAs, GCs and creditors concerned for the reconciliation of the variances noted between the balances per books and confirmed amounts and make necessary adjustments, if warranted.

Non-conduct of annual physical/inventory count of PPE items in the total amount of P486.679 million in NIA CO and two IMOs, thus existence thereof was not established

- 1.44 The physical inventory/count of PPEs is an indispensable control procedure to establish property custodianship and accountability, ascertain the existence and completeness of PPEs recorded in the books, and ensure that all PPEs under the custody of all NIA personnel are accounted for. Section 5.1 of COA Circular No. 2020-006 dated January 31, 2020 states that:

5.1 Each government agency shall conduct physical count of all its PPE, whether acquired through purchase or donation, including those constructed by administration and found at station.

- 1.45 Pursuant to NIA Memorandum Circular (MC) No. 84, s. 2018 dated September 20, 2018, the Inventory Committees in NIA CO, ROs, Project Management Offices (PMOs), IMOs, Division Offices and Special Projects were constituted. The said MC provides the duties and responsibilities of the Inventory Committees, including the preparation and submission of the RPCPPE to report the results of the conduct of physical/inventory count of PPEs.
- 1.46 Verification of the RPCPPEs furnished to the Audit Teams showed that the NIA CO, CAR-Apayao IMO (AIMO) and RO No. X-Bukidnon IMO (BIMO) did not conduct physical/inventory count of PPE items costing P486.679 million, breakdown in Table 12.

Table 12 – Breakdown of PPE Items with no Physical Inventory Count in CY 2022

Office/ROs	PPE Items	Amount
CO	Construction and Heavy Equipment, Disaster Response and Rescue Equipment, Military, Police and Security Equipment, Motor Vehicles, Leased Asset, Machinery and Equipment	P 336,415,938
CAR-AIMO	All PPE items	51,102,691
X- BIMO	Building, Land Improvements, Office Equipment, Furniture and Fixtures, IT Equipment and Others	99,160,858
		P486,679,487

- 1.47 The non-conduct of the physical count of the PPE items costing P486.679 million as at December 31, 2022 casts doubt as to the existence and completeness of the recorded PPEs.

1.48 We recommended and top Management agreed to direct the Inventory Committees of CO, CAR-AIMO and RO No. X-BIMO to conduct complete physical/inventory count of PPE annually, in compliance with Section 5.1 of COA Circular No. 2020-006 and NIA MC No. 84, s. 2018.

2. The faithful representation in the financial statements and verifiability of the balance of the Accumulated surplus/(deficit) account in the amount of P228.230 billion as at December 31, 2022 were not obtained due to the recognition of Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, without supporting documents to substantiate the adjustments made to restate various assets, liabilities, income and expense accounts in prior years due to errors, omissions and misstatements, arising from failure to use, or misuse of reliable information, contrary to Paragraph 27 of IPSAS 1 and Paragraph 3.26 of the Conceptual Framework.

2.1 Paragraphs 1.2 hereof cites Paragraph 3.26 of the Conceptual Framework on the concept of verifiability of information that helps assure users that information in GPFRs faithfully represents the economic and other phenomena that it purports to represent. Likewise, Paragraphs 1.1 hereof cites Paragraph 27 of IPSAS 1 on the requirement that financial statements shall present fairly the financial position, financial performance and cash flows of an entity.

2.2 The objective of IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors* is to prescribe the criteria for selecting and changing accounting policies, together with the (a) accounting treatment and disclosure of changes in accounting policies, (b) changes in accounting estimates and (c) the corrections of errors. The Standard is intended to enhance the relevance and reliability of an entity's financial statements, and the comparability of those financial statements over time and with the financial statements of other entities.

2.3 Paragraph 7 of the IPSAS 3 defines:

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

(a) was available when financial statements for those periods were authorised for issue; and

(b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Xxxx

Retrospective restatement is correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred.

2.4 Paragraph 47 of the IPSAS 3 states that:

Subject to paragraph 48, an entity shall correct material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- (a) Restating the comparative amounts for the prior period(s) presented in which the error occurred; or*
- (b) If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.*

2.5 The description of Accumulated surplus/(deficit) account is provided under Annex C of COA Circular No. 2020-002 dated January 28, 2020 on the Adoption of the Updated Revised Chart of Accounts (RCAs) for Government Corporations (GCs), to wit:

<i>Account title</i>	<i>Accumulated Surplus/(Deficit)</i>
<i>Account code</i>	<i>30101010</i>
<i>Normal balance</i>	<i>Credit (Debit)</i>
<i>Description</i>	<i>This account represents the cumulative results of normal and continuous operations of a non-Government Business Enterprise (non-GBE) <u>including prior period effects of changes in accounting policy and errors, and other capital adjustments</u>. This account is used to close the Revenue/Income and Expenses summary account. (underscoring supplied for emphasis)</i>

2.6 Audit of the Accumulated surplus/(deficit) account with a balance as at December 31, 2022 in the amount of P228.230 billion disclosed various Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, that have been recognized under this account in CY 2022 despite without supporting documents to substantiate the adjustments made to restate various assets, liabilities, income and expense accounts in prior years due to errors, omissions and misstatements, arising from failure to use, or misuse of reliable information, as summarized in Table 13.

Table 13 - Summary of Prior Period Adjustments for CYs 2021 and 2020 and Other Adjustments in CY 2022 without supporting documents

Particulars	Amount*	Without Supporting Documents	
		Debit	Credit
CY 2020			
Changes in Accounting policy:			
Various adjustments made on assets accounts	P 89,200,685,780	P 3,652,016	P 88,805,095,403
Adjustments on recording of disbursements	643,291,558	-	-
Adjustment on depreciation	(20,424,259)	-	-
Inter-agency adjustments	(64,359,145)	-	-
Adjustments on accounts payable	(918,312,005)	1,491,997,341	573,110,103
Closing of non-moving accounts/projects	(1,115,410,419)	1,266,006,487	150,596,068
Adjustments on PPE	(2,331,035,777)	2,240,609,644	-
Adjustments on intra-agency accounts	(76,636,059,714)	3,815,240,710	10,687,954,513
	8,758,376,019	8,817,506,198	100,216,756,087
CY 2021			
Reclassification of prior years' expense accounts	3,962,443,037	93,404,467	10,037,532
Adjustments of inter-agency accounts	2,604,278,357		
Closing of non-moving accounts/projects	166,375,597	4,963,486	210,717,464
Adjustments on intra-agency accounts	1,228,887,247	1,930,009,671	3,569,188,105
Adjustments on receivables	(68,330,243)	-	-
Adjustments on accounts payable	(1,230,698,490)	-	-
Various adjustments on assets accounts	(1,257,955,210)	46,115,913	6,085,424,748
Other adjustments	(1,837,694,925)	-	-
Adjustment on depreciation	(2,260,330,855)	531,834,508	12,090,284
Adjustments on PPE	(5,398,947,726)	1,026,732,219	47,535,584
	(4,091,973,211)	3,633,060,264	9,934,993,717
CY 2022			
Adjustments on intra-agency accounts	1,487,565,176	2,101,212,115	5,037,500,693
Closing of non-moving accounts/projects	89,944,956	773,521	76,182,248
Adjustments of inter-agency accounts	60,553,272	-	-
Adjustments on accounts payable	56,016,254	2,032,280	58,052,534
Adjustment on impairment loss	(16,333,714)	16,333,714	-
Reclassification of prior years' expense accounts	(314,673,179)	-	-
Adjustment on depreciation	(1,328,339,804)	534,009,197	25,767,988
Various adjustments	(3,176,705,450)	3,956,606,580	780,212,864
Adjustments on PPE	(4,860,971,724)	1,887,615,087	-
	(8,002,944,213)	8,498,582,494	5,977,716,327
	P(3,336,541,405)	P20,949,148,956	P116,129,466,131

*Note 22 to Financial Statements

2.7 Further verification disclosed that the JEVs drawn to take up the Prior period adjustments and other adjustments to correct prior period errors, omissions or misstatements have no supporting documents. The Accounting Division of the CO and the Accounting Sections of the ROs/PMOs/IMOs were not able to furnish the Audit Teams of any documents supporting the JEVs. The lacking supporting documents that should have been submitted for audit to prove the validity/correctness of the Prior period adjustments and other adjustments are, among others, the following:

- a. Schedules of Receivables and Payables, GLs, SLs and documents supporting the entries to be corrected, i.e. previous DVs, JEVs, ORs, PPELCs/CIPLCs, Lapsing Schedule of PPE;

- b. Reconciliation statements of the intra-agency accounts and supporting documents of the reconciling items in the elimination of the reciprocal account;
 - c. Trial balances of ROs/PMOs/IMOs; and
 - d. Analysis made by the CO Accounting Division on omissions from and misstatements in the financial statements for one or more prior periods.
- 2.8 In the absence of documents to support the JEVs drawn to take up the Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, the Audit Team was hindered from determining the correctness of the adjustments made to the Accumulated surplus/(deficit) account. Thus, the faithful representation in the financial statements and verifiability of the balance of the Accumulated surplus/(deficit) account and the restated assets, liabilities, income and expense accounts were not established.
- 2.9 **We recommended that top Management direct the Finance Manager of the CO and Regional/Project Managers of the ROs/PMOs to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs to: (a) submit immediately for audit the documents supporting the Prior period adjustments and other adjustments covering CYs 2020 to 2022 in the total debits and credits amounting to P20.949 billion and P116.129 billion, respectively, recognized under the Accumulated surplus/(deficit) account; and (b) henceforth, ensure that all JEVs drawn to recognize the Prior period adjustments are duly supported with complete documentations and approved by authorized officials.**
- 2.10 NIA CO Management commented that they will exert their best effort to ensure that the Prior period adjustments are supported with complete documents and the Accountants were instructed to immediately submit the lacking supporting documents to the Audit Teams.
- 3. **The non-disclosure in the Notes to Financial Statements to conform with the requirements of the IPSASs on the: (a) estimation of financial effects, indication of uncertainties of amount and timing of cash flows on the 128 outstanding legal cases pending before the Courts; and (b) the nature of the Prior period adjustments and other adjustments on various assets, liabilities, income and expense accounts, deprived the intended users of the financial statements of the vital information in making economic decisions, contrary to Paragraphs 7, 15, 28, and 127 of IPSAS 1 and Paragraphs 33 and 54 of IPSAS 3.**

- 3.1 The information provided by the NIA through its financial reports must possess the required qualitative characteristics such as relevance, timeliness, comparability, verifiability and understandability, among others, in order for the financial reports to be fairly presented, useful and supportive to the achievement of financial reporting objectives.
- 3.2 To ensure the understandability of the information presented in the face of the statement of financial position, statement of financial performance, statement of changes in net assets/equity, or cash flow statement and the statement of comparison of budget and actual amounts, the disclosures provided in the Notes to Financial Statements must include essential and other information as provided in Paragraphs 7, 15, 28, 127, and 128 of IPSAS 1, viz.:

7. *Xxxx*

Notes contain information in addition to that presented in the statement of financial position, statement of financial performance, statement of changes in net assets/equity and cash flow statement. Notes provide narrative descriptions or disaggregations of items disclosed in those statements and information about items that do not qualify for recognition in those statements.

15. *Xxx. Specifically, the objectives of the general purpose financial reporting in the public sector should be to provide information useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it xxx.*

- 28 *An entity whose financial statements comply with IPSASs shall make an explicit and unreserved statement of such compliance in the notes. Financial Statements shall not be described as complying with IPSASs unless they comply with all the requirements of IPSASs.*

- 127 *The notes shall:*

- (a) Xxx.*
- (b) Disclose the information required by IPSASs that is not presented on the face of the statement of financial position, statement of financial performance, statement of changes in net assets/equity, or cash flow statement; and*
- (c) Provide additional information that is not presented on the face of the statement of financial position,*

statement of financial performance, statement of changes in net assets/equity, or cash flow statement, but that is relevant to an understanding of any of them.

- 3.3 Management has the principal responsibility to ensure that the financial statements and the accompanying notes are properly and fairly presented in accordance with the IPSASs. The principle of full disclosure as an attribute of public accountability is shown when any important information that may impact the stakeholders' understanding of the entity's financial statements is disclosed in the Notes to Financial Statements.
- 3.4 Perusal of the Notes to Financial Statements revealed that several significant information required under the IPSASs to be disclosed were not provided therein. The observations on the disclosures on the Notes to Financial Statements vis-à-vis suggested enhancements are summarized in Table 14.

Table 14 - Observations on the Disclosures in the Notes to Financial Statements vis-à-vis Suggested Enhancements

Reference (Statement/ Note)	Observations	Suggested Enhancement to NIA Management
Note 3.15 Measurement Uncertainty Note 18.1 - Contingent Liabilities/ Assets	Non-disclosure of estimation of financial effects, indication of uncertainties of amount and timing of cash flows and possibility of reimbursement of 128 outstanding legal cases pending before Courts in Note 18.1 to Financial Statements – Contingent Liabilities/ Assets.	Provide disclosure on estimates and assumptions of the financial effects of the contingent liabilities/assets in accordance with Paragraphs 97 to 100 of IPSAS 19.
Notes 3.7 and 12 - Property, plant and equipment (PPE)	Non-disclosure on the title of the standard, nature of the change in accounting policy for prior period adjustments in PPE as required under Paragraph 33 of IPSAS 3.	Provide additional disclosure on the change of the capitalization threshold on the PPE pursuant to COA Circular No. 2022-004 dated May 31, 2022.
Note 7.4 Intra-Agency receivables Note 19 – Other payables Note 22 – Accumulated surplus/(deficit)	Non-disclosure on the specific nature of the prior period errors as required under Paragraph 54 of IPSAS 3 as these were presented in lump sum amounts with general description only.	Provide specific nature of the adjustments of prior period errors.

- 3.5 In view of the non-disclosure in the Notes to Financial Statements to conform with the requirements of the IPSASs on the: (a) estimation of financial effects, indication of uncertainties of amount and timing of cash flows on the 128 outstanding legal cases pending before the Courts; and (b) the nature of the Prior period adjustments on various assets, liabilities, income and expense accounts, the intended users of the financial statements were deprived of the vital information in making economic

decisions, contrary to Paragraphs 7, 15, 28, and 127 of IPSAS 1 and Paragraph 33 and 54 of IPSAS 3.

- 3.6 **We reiterated our previous year's recommendation that top Management, moving forward, require the Accounting Division of CO to ensure that all significant and relevant information required by IPSASs are fully disclosed in the Notes to Financial Statements so as the financial reports are fairly presented, useful and supportive to the achievement of financial reporting objectives and, for better understandability of the financial statements by the users and other stakeholders.**
- 3.7 Management commented during the exit conference that they already required the Legal Department to provide the necessary disclosures on the estimation of the financial effects of the outstanding legal cases pending before the Courts. Also, the Accounting Division in the CO was instructed to provide complete disclosures on the nature of the Prior period adjustments in the CY 2023 financial statements.
- 3.8 As an audit rejoinder, the Audit Team acknowledged Management's commitment to implement the audit recommendations which will be monitored in the succeeding audit.

B. NON-FINANCIAL

IRRIGATION CONTRACTS/PROJECTS IMPLEMENTATION

- 4. Deficient planning and monitoring of the implementation of the irrigation contracts/projects by the NIA resulted in, among others:**
- a. Irrigation contracts/projects with total cost of P1.229 billion, programmed to be completed in CYs 2020, 2021 and 2022 incurred significant delays, ranging from 31 to 780 calendar days in the completion thereof, and suspension of and/or granting of contract time extensions (CTEs) on 47 irrigation projects amounting to P570.325 million which further delay their completion, thus deprived the intended beneficiaries of the timely use of these irrigation projects;**
 - b. Negative slippages ranging from 2.01 to 67.86 per cent incurred by the contractors in the implementation of 22 on-going irrigation projects costing P303.541 million, further delaying the completion thereof;**
 - c. Termination of 14 irrigation contracts with total contract cost of P139.464 million due to, among others, contractor's fault or as mutually agreed upon by the parties in view of the discontinuance of the funding or the projects are no longer needed resulted in wastage of government's funds; and**
 - d. In two ROs, four IMO's and Magat River Integrated Irrigation System (MARIIS), various deficiencies were noted during the technical inspection conducted by the COA Technical Inspector and ocular inspection conducted by the Audit Teams concerned on 31 completed infrastructure projects with total contract cost of P801.353 million. These irrigation projects were found to be either not operational, not fully operational or operational but with damages/defects, thereby depriving the intended beneficiaries of the full use of the irrigation projects.**
- 4.1 In line with its mandate to contribute to the country's program on rice self-sufficiency and alleviation of poverty through irrigation development, pursuant to Republic Act (RA) No. 3601, as amended by PD Nos. 552 and 1702, the NIA is tasked to develop and manage water resources for irrigation and provide necessary services on a sustainable basis, consistent with the agricultural development program of the Government.**
- 4.2 The timely completion of the irrigation projects shall be the foremost consideration of the NIA in entering into contracts so that the benefits derived therefrom could be promptly enjoyed by the intended beneficiaries. As such, the contracting parties are bound to adhere faithfully to the agreed terms and conditions of the contract.**
- 4.3 Section 17.6 and Item 1 of Annex "A" of the Revised Implementing Rules and Regulations (RIRR) of RA No. 9184, provide that:**

Section 17.6 - No bidding and award of contract for Infrastructure Projects shall be made unless the detailed engineering investigations, surveys and designs, for the project have been sufficiently carried out and duly approved in accordance with the standards and specifications prescribed by the HOPE [Head of Procuring Entity] concerned or his duly authorized representative, pursuant to the recommendation of the end-user or implementing unit and in accordance with the provisions of Annex "A" of this IRR. In case of projects with pending acquisition of right-of-way [ROW] site or location, the procurement process may commence, but no award of contract shall be made until an authority or permit to enter is issued by the property owner; or a notarized deed of sale or deed of donation is executed in favor of the government; or a writ of possession is issued by a court of competent jurisdiction, as the case may be.

Item 1, Annex A - Detailed Engineering for the Procurement of Infrastructure Projects of the RIRR of RA No. 9184 - Xxx. The findings contained in the feasibility study, if undertaken for the project, shall be examined. If, in the course of this exercise, it is found that changes would be desirable in the design standards of principal features, as proposed, specific recommendations for such changes shall be supported by detailed justifications, including their effects on the cost, and (if necessary) the economic justification.

- 4.4 Evaluation of the implementation by the NIA of the irrigation contracts/projects nationwide during the CY 2022 revealed various deficiencies/lapses, which could be attributed to deficient planning and monitoring of the implementation thereof. These have been recurring as Management has not fully addressed these deficiencies noted in previous years.

Irrigation contracts/projects programmed to be completed in CYs 2020, 2021 and 2022 incurred significant delays, ranging from 31 to 780 calendar days in the completion thereof; and suspension of and/or granting of contract time extensions on 47 irrigation projects, deprived the intended beneficiaries of the timely use of these irrigation projects

- 4.5 This observation is a reiteration of previous years', as delays ranging from 31 to 780 calendar days were still noted in the implementation of 83 irrigation contracts/projects with total contract cost of P1.229 billion as of December 31, 2022. The breakdown of the contracts and the causes of the delays in the implementation of the irrigation projects are presented in Table 15.

Table 15 - Breakdown of Irrigation Contracts/Projects with Delays in the Implementation

Implementing Office	No. of Contracts	Delay (in calendar days)	Contract Cost	Causes of the Delay							
				a	b	c	d	e	f	g	h
Apayao IMO**	1	123	P 2,712,000	✓		✓	✓	✓	✓		
LARISIP***	2	76 to 95	16,902,827	✓							✓
RO II***	14	31 to 780	764,259,195	✓	✓		✓		✓	✓	
MARIIS	33	32 to 368	99,730,554	✓	✓			✓	✓	✓	
Isabela IMO***	24	37 to 749	255,603,770	✓	✓				✓	✓	
Cagayan-Batanes IMO***	1	31	4,743,746	✓					✓		
Palawan IMO*	1	160	3,557,290						✓		
Camarines Sur IMO	7	78 to 395	81,241,605	✓		✓		✓	✓	✓	
	83	31 to 780	P1,228,750,987								

Causes of Delay (✓):

- (a) Unworkable site brought about by bad weather condition, flooding, and water delivery
- (b) Unsatisfactory performance of Contractors / Insufficient manpower and equipment of contractors
- (c) Unresolved Right of Way (ROW)
- (d) Peace and order situation
- (e) Existence of standing crops
- (f) Variation Order, change of scheme or site of development and/or revision of plans, designs, and program of work
- (g) Poor project planning, supervision, monitoring, and control
- (h) Others, i.e., late releases of funds, late payment to Contractors, delayed delivery of construction materials, COVID-19, etc.

LARISIP - Lower Agno River Irrigation System Improvement Project

*Projects were programmed to be completed in CY 2020

**Projects were programmed to be completed in CY 2021

***Projects were programmed to be completed in CY 2022

4.6 As compared with the CYs 2020 and 2021 data (CY 2020 delay ranged from 1 to 799 calendar days; CY 2021 delay ranged from 5 to 637 days), the issues on the delayed implementation of the irrigation projects have not been resolved yet by the NIA Management in CY 2022.

4.7 Further, 47 irrigation projects/contracts with total contract cost of P570.325 million in MARIIS, three IMOs, and one RO were suspended and/or granted with CTEs for various reasons as presented in Table 16.

Table 16 - Breakdown of Irrigation Projects/Contracts with Suspension and/or with CTEs

Implementing Office	No. of Projects/ Contracts	Contract Cost	Causes of Suspension or CTEs							
			a	b	c	d	e	f	g	h
Apayao IMO	2	P 44,999,056	✓		✓	✓	✓	✓		
RO No. II	1	39,286,019						✓	✓	
MARIIS	2	6,974,615	✓				✓			
Isabela IMO	15	128,956,156	✓	✓				✓	✓	
Cagayan-Batanes IMO	27	350,108,922	✓			✓				✓
	47	P570,324,768								

Causes of Suspension or CTEs (✓):

- (a) Unworkable site brought about by bad weather condition, flooding, and water delivery
- (b) Unsatisfactory performance of Contractors / Insufficient manpower and equipment of contractors
- (c) Unresolved ROW
- (d) Peace and order situation
- (e) Existence of standing crops
- (f) Variation Order, change of scheme or site of development and/or revision of plans, designs, and program of work
- (g) Poor project planning, supervision, monitoring, and control
- (h) Others, such as, late releases of funds, late payment to Contractors, delayed delivery of construction materials, Pandemic, etc.

- 4.8 In view of the significant delays, ranging from 31 to 780 calendar days in the completion of 83 irrigation contracts/projects and the suspension of and/or granting of CTEs on 47 irrigation contracts/projects, the benefits derived from these projects were not promptly enjoyed by the intended beneficiaries.

Negative slippages ranging from 2.01 to 67.86 per cent incurred by the contractors in the implementation of 22 on-going projects costing P303.541 million, further delaying the completion thereof

- 4.9 In three IMOs, 22 on-going irrigation contracts/projects costing P303.541 million have already incurred negative slippages, ranging from 2.01 to 67.86 per cent, as presented in Table 17.

**Table 17 – Breakdown of On-going Contracts/Projects with Negative Slippages
As of December 31, 2022**

Implementing Office	No. of contracts	Negative Slippage (%)	Amount
Isabela IMO	8	3.01% to 67.86%	P 89,470,850
Palawan IMO	2	21.24% to 31.52%	22,453,902
Camarines Sur IMO	12	2.01% to 28.25%	191,616,025
	22		P303,540,777

- 4.10 As shown Table 17, the significant negative slippages incurred by the Contractors ranged from 21.24 to 67.86 per cent and none of these contracts/projects was terminated or rescinded by the NIA Management, contrary to Item III.A.2, Annex "I" of the 2016 RIRR of RA No. 9184, on the "Grounds for Termination of Contracts" which states, viz.:

In contracts for Infrastructure Projects: The Procuring Entity shall terminate a contract for default when any of the following conditions attend its implementation: a) Due to the Contractor's fault and while the project is on-going, it has incurred negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree 1870; Xxxx

- 4.11 The incurrance of the significant negative slippages in the implementation of the irrigation projects by the contractors further delays the completion thereof. Likewise, the farmer-beneficiaries were unduly deprived from enjoying the timely benefits that could have been derived from the said irrigation facilities. The issue on the negative slippages if not properly addressed by Management could result in wastage of government funds when the unfinished or uncompleted contracts/projects would eventually be terminated.

Termination of 14 irrigation contracts with total contract cost of P139.464 million due to, among others, contractor's fault or as mutually agreed upon by the parties in view of the discontinuance of the funding or the projects are no longer needed resulted in wastage of government's funds

- 4.12 Evaluation further revealed that there were 14 irrigation contracts/projects with total contract cost of P139.464 million that were terminated due to, among others, contractors' fault or as mutually agreed upon by the NIA and the contractors concerned, details shown in Table 18.

Table 18 - List of Terminated Contracts

Implementing Office	No. of contracts	Amount	No. of Days Delay in the Termination	Remarks/ Actions not undertaken by Management
Camarines Sur IMO	1	P 11,667,597	86 calendar days from the revised target date of contract to issue the termination order	Transitory measures to minimize work disruptions, such as take-over or rebidding, were not immediately undertaken. As a result, additional delay was incurred in the completion of projects.
RO No. IX	13	127,796,395	20 to 1,391 calendar days from target completion date	Four contracts/projects were terminated due to contractor's fault under Item III.A.2 of Annex "I", 2016 RIRR of RA No. 9184 - the said uncompleted projects are idle and unutilized, but the Agency did not enter into a Negotiated Procurement pursuant to Item IV.7 of Annex "I", 2016 RIRR of RA 9184, for the completion thereof. While nine contracts/projects were terminated for convenience under Item III.B of Annex "I", 2016 RIRR of RA No. 9184.
	14	P139,463,992		

- 4.13 The termination of the irrigation contracts due to, among others, contractor's fault or as mutually agreed upon by the parties in view of the discontinuance of the funding or the projects are no longer needed resulted in wastage of government's funds.

Various deficiencies were noted during the technical inspection conducted by the COA Technical Inspector and ocular inspection conducted by the Audit Teams concerned on 31 completed infrastructure projects in two ROs, four IMOs and MARIIS. These irrigation projects were found to be either not operational, not fully operational or operational but with damages/defects

- 4.14 In CAR, RO No. II, four IMOs and MARIIS, 31 completed irrigation projects with aggregate cost of P801.353 million were found to be either damaged or had deficiencies/defects during the technical inspection by the COA

Technical Inspector and ocular inspection by the Audit Teams concerned, as summarized in Table 19.

Table 19 – List of Completed Irrigation Projects with Deficiencies/Defects/Damages

Implementing Office	Contract/Project	Contract Cost	Status/Deficiencies/Defects
CAR	1. CW-Abra- 07-2019 Usong Creek- Lagangilang- Nagtipulan- Pawan CIP	P 18,792,939	Not fully operational - Solar Pump #1 is not operational with no water in the open concrete reservoir. Four dug wells are not operational.
CAR	2. CW- Benguet-16- 2018 Nakidol Creek- Poblacion SIP Ph. I	28,479,979	Not fully operational - Tuerian Intake has a total deficiency of P52,817. Reservoir Tank 01 is empty with no gate valve at the distribution pipes. Reservoir Tank 02, 03, 04, Lateral Tank 11, 16, 17, 18, 19 & 20 has water that came from a different source not from the source intended in the plan, hence, half-full. Reservoir Tank 05 has different water source. Reservoir Tank 06 to 10, Lateral Tanks 25 and 34 to 36 are empty. Lateral Tank 27 to 31 has a different water source hence, all the tanks are half-full. Lateral Tanks 32 and 33 are also half-full.
CAR	3. CW- Ifugao-L-01- 2020 Nattum Tubog SIP	18,204,038	Fully operational but with defects - Leaks on the concrete turnouts.
CAR	4. CW- Ifugao-20- 2018 Hapid IS	70,629,465	Fully operational but with defects - Silted intake and sluice gate; Silted coffer dam; Oil leak on the 7.5 hp engine tank; and spalling under slab stair.
CAR	5. CW- Ifugao-02- 2020 Hapid CIS	27,648,250	Fully operational but with defects - Hairline cracks on the concrete planks, wall and top of the lateral canal in Lateral B1; Deficiencies in Lateral B1-1. Lateral A has noted hairline cracks.
CAR	6. CW- Ifugao-14- 2017 Monggayang -Manao CIP	20,204,265	Fully operational but with defects - Leaks on the canal lining, silted canal, and improper use of the facility by end- users.
CAR	7. CW- Ifugao-53-2019 Hapid IS	11,282,081	Fully operational but with defects - Hairline cracks on the concrete planks, wall and top of lateral canal.
CAR	8. CW- Ifugao-14- 2018 Manaan River- Luhong CIP, Pah-adan CIS, Lana Nambalwan CIS and Hana Ababa CIS	12,035,953	Not fully operational with defects - In Manaan River- Luhong CIP, Tank No. 3 was empty and with minimal honeycombs; Tank No. 4 has traces of leaks on the walls of the tank; and Tank No. 5 has traces of leaks with honeycombs on the walls of the tank.
CAR	9. CW- Ifugao-49- 2019 Caragasan CIS	19,761,895	Not operational - The canal could not be utilized by the end users because there was no water.
CAR	10. CW- UCRIS-02- 2019 UCRIS	34,300,499	Operational but with defects - Portions of the constructed reinforced canal lining and backfills were no longer visible because of high thick grasses and vegetation.
CAR	11. CW-C- UCRIS-01- 2020	16,296,708	Operational but with defects - Some portions of the constructed reinforced canal lining and backfills were covered with high thick grasses and vegetation.

Implementing Office	Contract/Project	Contract Cost	Status/Deficiencies/Defects
CAR	12. CW-C- UCRIS-02- 2020	11,863,429	Fully operational but with defects - Serious defects such as multiple and longitudinal through cracks in the constructed canal lining with total cost of P57,284.
CAR	13. CW-C- UCRIS- Savings- 2019-01 UCRIS (Tabuk area)	18,699,323	Fully operational but with defects - Serious defects such as multiple and longitudinal cracks on the constructed canal lining with a total cost of P21,527. Portions of the canal lining were deliberately damaged.
CAR	14. CW-MP- 01-2017 Cluster 1	22,714,535	Operational but with defects - Sub-Project No. 6; the suspended cable pipeline was not anchored at the top of the tower columns but was instead tied at the base of the towers. The weight of the pipeline partially exposing the reinforcing bars.
RO No. II	15. NCB-R02-ISA-03-19	51,714,011	The construction of a temporary pond to be utilized as a water reservoir costing P51.714 million, of which P410,342 was found unnecessary, hence, was disallowed in audit.
RO No. II	16. CW-NIAR02/DA-21R-17	15,908,783	The CHB-lined canal constructed on the Roma Small Water Impounding Project situated at Enrile, Cagayan, was already silted, and needs desilting activities to generate a smooth flow of irrigation services.
RO No. II	17. CW-NIAR02/DA-11-17	7,309,111	The CHB-lined canal constructed on the Cabayu Small Water Impounding Project situated at Gattaran, Cagayan, was already silted and needs desilting activities to generate a smooth flow of irrigation services. Moreover, the project was never used by the intended users since it was completed.
RO No. II	18. NCB-R02-ISA-13-17	43,486,564	Transversal and longitudinal cracks, scaling of road pavements and eroded/collapsed ditches, rubble masonry, and grouted riprap at Access Road No. 1 were noted on the Construction of Multi-Purpose Access Road – PASA Small Reservoir Irrigation Project, Ilagan City, Isabela. However, repairs and maintenance were not undertaken.
RO No. II	19. NCB-R02-ISA-02-19	82,721,665	The side slope of the concrete canal lining along Sta. 3 + 795 to 3 + 804 Lateral C of the Tumauni River Multi-Purpose Project incurred damage totaling P60,861.24 due to soil erosion caused by water impounding beside the canal. Also, cracks were noted on some portions of the canal along Lateral C that needs to be sealed with concrete epoxy.
RO No. II	20. PIDP2-C-ZRISN-1	26,460,886	The earth canal should be cleaned and maintained well to prevent the backflow of water. Furthermore, most of the earth's canals have been concreted.
RO No. II	21. PIDP2-C-ZRISN-2	42,095,572	The earth canal should be cleaned and maintained well to prevent the backflow of water. Furthermore, most of the earth canals have been concreted.
RO No. II	22. PIDP2-C-ZRISN-3	35,895,249	The earth canal should be cleaned and maintained well to prevent the backflow of water. Furthermore, most of the earth canals have been concreted.
RO No. II	23. NCB-R02-CB01-17	31,668,605	The earth canal should be cleaned and maintained well to prevent the backflow of water. Furthermore, most of the earth canals have been concreted.

Implementing Office	Contract/Project	Contract Cost	Status/Deficiencies/Defects
Isabela IMO	24. Construction of Access Road Structures at Tumauni River Multi-Purpose Project	29,701,405	Inconsistencies and inaccuracies in the final Statement of Work Accomplished against the Variation Orders and As Built-plan resulted in the overpayment to the contractor amounting to P4,952,688.78.
Isabela IMO	25. Construction of Access Roads, & Access Road Structures, Tumauni River Multi-Purpose Project	27,499,507	The cumulative amount of the positive or additive Variation Order No. 2 and the firmed-up report of P3,173,611.63 or 11.54% of the original contract price of the project was approved disregarding NIA requirements.
Nueva Vizcaya IMO	26. NCB-NVIMO-13-20	17,670,367	Four (4) installed turn-out steel gates of the project were no longer functioning.
Quirino IMO	27. NCB-QIMO-04-21	15,717,980	The contract was paid in full despite the non-installation of HDPE Pipes caused by erroneous/malicious report on the status of the project by NIA-QIMO Technical Inspectorate Committee resulting to irregular payment to contractor for the unperformed/unfinished item of work including the release of retention money.
Palawan IMO	28. PALIMO-SIP-PANITIAN-30M-021-CY20	27,513,338	Found totally damaged during the ocular inspection conducted on December 22, 2022 due to failure of the Contractor to comply with the approved design and plan of the project particularly on the specific location of the project and lack of proper monitoring and supervision by the Agency personnel during the implementation.
MARIIS	29. 2021-D4-RNIS-Luna-POW13	4,847,670	Cracks were observed during ocular inspection. Repairs be immediately undertaken to prevent further damage to the concrete canal lining.
MARIIS	30. 2021-D4-RNIS-Cabatuan-POW11	7,625,115	Some berm of the concrete canal lining along the roadway was damaged due to two (2) vehicles approaching in an opposite direction of the roadway causing the other vehicle to run over the berm of the concrete canal lining.
MARIIS	31. 2021-D4-ISR-Reina Mercedes-POW8	2,604,297	Transverse cracks and minor scaling were observed on the project.
		P801,353,484	
CIP – Communal Irrigation Project		SIP – Small Irrigation Project	

4.15 Because of the various deficiencies/defects/damages as noted during the technical/ocular inspection of the 31 completed infrastructure projects, the intended beneficiaries were not able to use or fully utilize the irrigation projects.

4.16 We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, and PMOs concerned to:

- a. Adhere strictly to the pertinent provisions of RA No. 9184 and its 2016 RIRR, in the planning of the irrigation contracts/projects to be implemented, to ensure that no bidding and awarding of contract for infrastructure projects are made unless detailed engineering investigations, surveys and designs, including the acquisition of the ROW, peace and order situation and other

relevant conditions are duly considered to ensure that all irrigation contracts/projects are efficiently carried out;

- b. Require the contractors to regularly submit progress billings and status of work accomplishments, ensure immediate validation of the reports and inspection of projects, address the causes on the delays/suspension and grant of time extensions, and enforce the forfeiture of performance securities and/or imposition of liquidated damages for delays where contractors are at fault;
- c. Review the post-qualification procedures conducted by the respective Bids and Awards Committee (BAC) for the terminated contracts to determine areas for improvement and ensure that contracts are only awarded to eligible and responsive contractors;
- d. Consider rescinding/terminating the contracts and forfeit the contractor's performance security for projects with negative slippages of more than 15 per cent resulting from contractor's fault or negligence and initiate the immediate take over process of the terminated projects to facilitate its completion; and
- e. Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress billing is conducted and that the detailed status reports showing the accurate actual work accomplished, percentage of slippage, reasons for delay, suspension and/or termination, and other pertinent data are prepared, to avoid payments of defective works.

4.17 We, likewise, reiterated our previous years' recommendations that top Management:

- a. File appropriate charges against erring/defaulting contractors; and
- b. Consider imposing administrative sanctions against NIA officials and personnel who are remiss of their duties, specifically in planning and monitoring of the implementation of irrigation contracts/projects, that resulted in delays, suspensions, terminations of infrastructure contracts/projects, and wastage of government funds.

4.18 The following are the comments/justifications of Management:

- a. CAR Management committed to hasten the implementation of the projects through a weekly assessment to monitor the progress of the projects and immediately address issues such as delays in water

deliveries and problems of peace and order. A monthly regular meeting and a quarterly contractor's forum will also be conducted.

- b. RO No. II and Isabela IMO Management acknowledged their lapses brought by the delay in the implementation of the projects. They explained that one of the reasons for the delay in the implementation was the absence of bidders willing to accept and bid on projects located in the coastal areas. However, they committed to improve their efficiency over the implementation of the projects to minimize delays.
- c. RO No. IV-B Management conducted investigation on the contractor's failure to comply with the approved design and plan of the project and the result of the investigation will be submitted to COA. They further informed that the Palawan IMO is conducting strict monitoring and proper supervision of all on-going projects to ensure compliance of the Contractor with the approved plans and specifications and Program of Works to prevent the incurrence of the same problem in the future. Monthly coordination meeting between the Project In-Charge, Irrigator's Development Officer (IDO) and the Contractor is regularly held to address problems and issues in the project implementation.
- d. RO No. V Management committed to engage their Project Engineers and Inspectors in a Refresher Course, which will orient and capacitate the concerned personnel on the proper inspection, monitoring, and reporting of the physical implementation and accomplishment of infrastructure projects. Also, all the Projects-in-Charge (PICs) will be required to adopt, as a monitoring tool, the PIC Log Sheet, which shall guide them in their supervision and monitoring of day-to-day activities on project sites.

- 4.19 As an audit rejoinder, the Audit Teams acknowledged NIA Management's commitment to implement the audit recommendations and to take necessary actions to address the problems and issues noted in the implementation of the irrigation contracts/projects to protect the interest of the government. Their full compliance shall be monitored in the succeeding audit.

PROCUREMENT OF INFRASTRUCTURE PROJECTS

5. The pertinent provisions of RA No. 9184 and its 2016 RIRR were not strictly observed in 269 awarded infrastructure contracts with total contract cost of P2.492 billion considering the: (a) eligibility and other documentary requirements, i.e. Approved Program of Works (POW), Abstract of Bids, Contract Agreement, etc. for 166 contracts with total contract cost of P1.135 billion were either lacking, deficient or not at all submitted to the respective Audit Teams for evaluation; and (b) procedures in the procurement of infrastructure projects through public bidding for 103 contracts costing

P1.356 billion were not properly followed, thus posing risk that the infrastructure contracts were awarded to the contractors who might not be eligible and responsive with the requirements of the contracts.

- 5.1 This is a reiteration with updates of the prior year's observation as Management did not address the issues raised on the procurement of infrastructure projects.
- 5.2 RA No. 9184, its 2016 RIRR, and other related rules and regulations on procurement were promulgated for the purpose of prescribing the necessary rules and regulations for the modernization and standardization of the procurement activities of the Government of the Philippines.
- 5.3 Section 12.1, Rule V of the 2016 RIRR of RA No. 9184 provides for the functions of the BAC, to wit:

The BAC shall have the following functions: (a) advertise and/or post the invitation to bid/request for expressions of interest; (b) conduct pre-procurement and pre-bid conferences; (c) determine the eligibility of prospective bidders; (d) receive and open bids; (e) conduct the evaluation of bids; (f) undertake post-qualification proceedings; (g) resolve requests for reconsideration; (h) recommend award of contracts to the HoPE or his duly authorized representative; (i) recommend the imposition of sanctions in accordance with Rule XXIII; (j) recommend to the HoPE the use of Alternative Methods of Procurement as provided in Rule XVI hereof; (k) conduct any of the Alternative Methods of Procurement; (l) conduct periodic assessment of the procurement processes and procedures to streamline procurement activities pursuant to Section 3(c) of this IRR; xxx.

- 5.4 In NIA RO Nos. II and IV-B, MARIIS, and four IMOs, audit disclosed that these Offices awarded 269 contracts with an aggregate contract cost of P2.492 billion, without adhering strictly with the pertinent provisions of RA No. 9184 and its 2016 RIRR, particularly on the eligibility and other documentary requirements and the procedures in the procurement of infrastructure projects through public bidding. The details of the deficiencies/non-compliance with the provisions of RA No. 9184 and its 2016 RIRR are discussed in Table 20, next page.
- 5.5 The non-adherence to the pertinent provisions of RA No. 9184 and its 2016 RIRR, particularly on the eligibility and other documentary requirements and the procedures in the procurement of infrastructure projects through public bidding, posed risk that the 269 contracts totaling P2.492 billion were awarded to the contractors who might not be eligible and responsive with the requirements of the contracts.

Table 20 - Deficiencies Noted on Various Awarded Infrastructure Contracts

Observations/ Deficiencies	Implementing Office	Provision(s) of 2016 RIRR of RA No. 9184 not adhered to	No. of Contracts	Contract Amount	Lacking Documents/ Remarks
1. Non-compliance with the eligibility requirements and non-submission of other pertinent documentary requirements	RO No. II	Sections 29, 37.1.1.c, and Annex "A", 3.g	9	P 381,637,156	<ul style="list-style-type: none"> Minutes of opening of bids Approved POW No document supporting the determination of the Approved Budget for the Contract (ABC)
	Isabela IMO	Sections 37.4.1, 37.1.1.b, 37.1.1.c, 29, 23.1, 37.2.3.f	53	399,062,938	<ul style="list-style-type: none"> Notice to Proceed Abstract of Bids Approved POW Minutes of Opening of Bids Copy of Technical & Financial Proposals Construction Methods Manpower Schedule Equipment Utilization Schedule Materials Test Results
	MARIIS	Sections 7.3.2, 37.2.3.f, 34, 23.1, 37.2.3.a, 37.1.1.c, 37.1.1.b, 37.2.3.f, Annex "A", 3.g, 30.1, 37.2.3.e, 37.4.1	104	354,477,157	<ul style="list-style-type: none"> Project Procurement Management Plan (PPMP) Certificate of Clearance of Equipment rented/Lease Post-Qualification Report Back-up computations arranged according to order of items as presented in Statement of Work Accomplished (SWA) Equipment Utilization schedule Manpower Utilization Schedule Contractor's Financial Proposal Contract Agreement Approved POW Abstract of Bids Contractor's affidavit ABC Bid evaluation report Notice of awards Notice to proceed
			166	1,135,177,251	
2. Procedures in the procurement of infrastructure projects through public bidding were not properly followed	RO No. IV-B	Section 37.1.6	4	152,296,288	<ul style="list-style-type: none"> Notices of Awards (NOAs) were posted in the Philippine Government Electronic Procurement System (PhilGEPS) beyond the prescribed period, with delays ranging from 22 to 36 days
	RO No. IV-B	Section 22.2	4	152,296,288	<ul style="list-style-type: none"> Pre-Bid conferences were held earlier than seven (7) calendar days from the PhilGEPS posting of Invitation to Bid (ITB) or bidding documents

Observations/ Deficiencies	Implementing Office	Provision(s) of 2016 RIRR of RA No. 9184 not adhered to	No. of Contracts	Contract Amount	Lacking Documents/ Remarks
	RO No. IV-B	Section 37.4.1	2	74,684,727	<ul style="list-style-type: none"> The issuance of Notice to Proceed (NTP) for the procurement of infrastructure projects were beyond the seven (7) days prescribed period from the date of contract approval
	RO No. IV-B	Section 37.4.2	2	87,887,516	<ul style="list-style-type: none"> NTPs of the approved contracts were posted in the PhilGEPS beyond the 15 days prescribed period
	RO No. IV-B MOMARO IMO	Section 11.2.1	28	326,722,271	<ul style="list-style-type: none"> For the period from March 16 to November 23, 2022, the BAC is composed of four members only headed by a Vice-Chairperson, instead of at least five (5), but not more than seven (7) members. During the said period, the BAC recommended to the HOPE the award of contracts for the procurement of 28 infrastructure projects.
	RO No. IV-B MOMARO IMO	Section 22.2	3	19,259,118	<ul style="list-style-type: none"> Pre-Bid conferences was held earlier than 12 calendar days from the deadline of submission and receipt of bids
	RO No. IV-B MOMARO IMO	Section 22.5.3	7	68,613,125	<ul style="list-style-type: none"> No proof of posting the Supplemental/Bid Bulletins in the PhilGEPS and at any conspicuous place reserved for this purpose on the premises of the procuring entity
	RO No. IV-B MOMARO IMO	Section 37.4.1	3	66,276,467	<ul style="list-style-type: none"> The issuance of NTP for the procurement of infrastructure projects were beyond the seven (7) days prescribed period from the date of contract approval
	RO No. IV-B MOMARO IMO	Section 37.4.2	15	173,383,916	<ul style="list-style-type: none"> Posting of awarded contracts in the PhilGEPS were late ranging from two (2) to 60 days NTP of the approved contracts were posted in the PhilGEPS beyond the 15 days prescribed period
	RO XI - IMO Davao del Norte	Section 37.1.6	27	188,517,861	<ul style="list-style-type: none"> No evidence that the NOAs were posted in the PhilGEPS
	RO XI- IMO Davao de Oro	Section 37.1.6	8	46,445,819	<ul style="list-style-type: none"> No evidence that the NOAs were posted in the PhilGEPS
			103	1,356,383,396	
			269	P2,491,560,647	

MOMARO - Mindoro Oriental, Marinduque, Romblon

5.6 We reiterated our previous year's recommendations and top Management agreed to require the Regional/Project Managers of ROs and PMO concerned to:

- a. Direct the BAC and its Technical Working Group (TWG) to submit the lacking documentary requirements of 166 contracts to their respective Audit Teams for audit purposes, to avoid suspension of the transactions in audit; and
- b. Comply strictly with the procurement procedures prescribed under RA No. 9184 and its 2016 RIRR to ensure transparency and efficiency in the NIA's procurement activities by:
 - b.1. Posting the NOA and NTP in the PhilGEPS, the NIA website, and in any conspicuous place in the premises of NIA within the period required under Section 37.1.6 and Section 37.4.2, respectively, of the 2016 RIRR of RA No. 9184;
 - b.2. Posting of Supplemental/Bid Bulletin issued by the BAC in the PhilGEPS, the NIA website, and in any conspicuous place in the premises of NIA within the period prescribed under Section 25.5.2 of the 2016 RIRR of RA No. 9184;
 - b.3. Conducting pre-bid conference at least 12 calendar days before the deadline for the submission and receipt of bids, but not earlier than seven calendar days from the PhilGEPS posting of the ITB or Bidding documents as required under Section 22.2 of the 2016 RIRR of RA No. 9184; and
 - b.4. Designating at least five but not more than seven members to the BAC, with unquestionable integrity and procurement proficiency (Section 11.2 of the 2016 RIRR of RA No. 9184).

5.7 The following are the comments/justifications of NIA Management:

- a. RO No. II, MARIIS, and Isabela IMO Management committed to submit the lacking documents to the Audit Team.
- b. RO No. IV-B, Davao del Norte and de Oro IMOs Management acknowledged their lapses in the procedural activities in the conduct of public bidding and committed to comply with the recommendations in the succeeding conduct of public bidding for the procurement of infrastructure projects.

5.8 As an audit rejoinder, the Audit Teams appreciated Management's commitment to implement the audit recommendations which will be monitored in the succeeding audit.

NON-RECOUPMENT OF ADVANCES TO CONTRACTORS

6. In NIA CO, six ROs, JRMP-II, and one IMO, the Advances to Contractors for 110 contracts/projects in the total amount of P922.954 million were not recouped despite the termination/completion of the contracts, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5th Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the immediate use of the funds for its other priority projects and could result in potential loss as some of the contractors could no longer be located and the performance securities posted by them were already expired.

6.1 This is a reiteration with updates of the prior year's observation as Management did not address the issues on the non-recoupment of advances to contractors for completed and terminated contracts.

6.2 Section 4, Annex "E" of the 2016 RIRR of RA No. 9184 states that:

4. ADVANCE PAYMENT

4.1. *The procuring entity shall, upon a written request of the contractor which shall be submitted as a contract document, make an advance payment to the contractor in an amount not exceeding fifteen percent (15%) of the total contract price, to be made in lump sum or, at the most, two installments according to a schedule specified in the Instructions to Bidders and other relevant Tender Documents.*

4.2. *The advance payment shall be made only upon the submission to and acceptance by the procuring entity of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the procuring entity.*

4.3. *The advance payment shall be repaid by the contractor by deducting fifteen percent (15%) from his periodic progress payments a percentage equal to the percentage of the total contract price used for the advance payment.*

Xxxx

6.3 Paragraph 46 of the 5th Edition of the PBD for the Procurement of Infrastructure Projects requires the agency to recoup advance payments to contractors within 28 days from the date of Notice of Termination on any grounds for termination of the contract, as summarized in Table 21.

Table 21 - Grounds for Termination of Contracts vis a vis Pertinent Provisions in the PBD for the Procurement of Infrastructure Projects

Grounds for Termination of Contracts	Para. 46 GCC of the 5th Edition of the PBD for the Procurement of Infrastructure Projects
Termination for Default of Contractor (Section III (A) (2), Annex "I" of the 2016 RIRR, RA No. 9184)	46.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Procuring Entity's Representative shall issue a certificate for the value of the work done and Materials ordered <u>less advance payments received up to the date of the issue of the certificate</u> and less the percentage to apply to the value of the work not completed, as indicated in the Special Conditions of Contract (SCC). If the total amount due to the Procuring Entity exceeds any payment due to the Contractor, the difference shall be a debt payable to the Procuring Entity.
Termination for Insolvency (Section III (C), Annex "I" of the 2016 RIRR, RA No. 9184)	
Termination for Unlawful Acts (Section III (D), Annex "I" of the 2016 RIRR, RA No. 9184)	46.3 The net <u>balance</u> due shall be paid or repaid within twenty eight (28) days from the notice of termination.
Termination for Convenience (Section III (B), Annex "I" of the 2016 RIRR, RA No. 9184)	46.2 If the Contract is terminated for the Procuring Entity's convenience or because of a fundamental breach of Contract by the Procuring Entity, the Procuring Entity's Representative shall issue a certificate for the value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works, and <u>less advance payments received up to the date of the certificate</u> .
Termination by Contractor (Section III (E) (1), Annex "I" of the 2016 RIRR, RA No. 9184)	46.3 The net balance due shall be paid or repaid within twenty-eight (28) days from the notice of termination. 46.4. If the Contractor has terminated the Contract under GCC Clauses 17 or 18, the Procuring Entity shall promptly return the Performance Security to the Contractor.

6.4 Verification of the Advances to Contractors showed that the NIA was not able to recoup the advance payments in the total amount of P922.954 million (Table 22) from the contractors of 110 terminated/completed contracts.

Table 22 - Unrecouped Advance Payments from Contractors of Terminated/Completed Contracts As of December 31, 2022

Office/RO/IMO Involved	No. of Contracts	Amount	Remarks
CO	9	P 851,990,671	Terminated in CYs 2011 to 2019
RO No. IV-A	9	20,583,763	Terminated in CYs 2020 to 2022
RO No. VI	34	24,326,079	Terminated/completed in CYs 2007 to 2021
JRMP-II	4	12,741,821	Terminated in CYs 2016 to 2022
RO No. VII	2	340,430	Completed in CYs 2018 to 2020
RO No. VIII	7	3,327,672	Terminated in CYs 2020 and prior years
RO No. IX	4	1,300,630	Terminated in CY 2021
LAMISCA IMO	37	6,224,373	Completed in CYs 2017 to 2022
RO No. XI	4	2,118,924	Terminated/completed in CYs 2015 to 2022
	110	P 922,954,363	

- 6.5 In NIA CO, the Operations and Engineering Sector explained that the delay in the closure/settlement of the advances to contractors on the terminated contracts was due to the following:
- a. All the contractors whose respective contracts were terminated for default, filed an Appeal or a Motion for Reconsideration. Some of whom filed their corresponding Appeal to the Office of the President of the Philippines. Hence, delays were incurred in the final determination of the actual work accomplished pending the resolution of the Appeals; and
 - b. The contractors did not immediately cooperate and participate in the conduct of the joint inventory of actual work accomplished, such as preparation and consolidation of the inventory documents (plans, drawings, computations, quantifications, etc.) which should have been undertaken by them. However, given that they did not take the termination of their respective contracts in a good way, they were not responsive anymore after the contract termination. Without the result of the joint inventory of actual work accomplished and the corresponding inventory of documents, the NIA could not determine and finalize the amount of the outstanding balance to be collected from the contractors.
- 6.6 The NIA RO Nos. VI, IX and JRMP-II Management justified that the main cause of non-recoupment of the advance payments to contractors is the non-submission by the latter of the final billings with supporting documents and some of these contractors were already sent demand letters. However, the Audit Teams noted that the performance bonds posted by the concerned contractors were not forfeited by NIA upon the termination of the contracts.
- 6.7 In RO No. VII, Management informed that the balance of the unrecouped portion of advance payment in the amount of P339,204 for one contract that was already completed and fully paid could still be recouped/claimed since the contractor concerned has still existing project with the RO. On the other hand, the advance payment in the amount of P1,226 would be difficult to collect from the contractor concerned as the latter has no existing contract with the RO.
- 6.8 In RO No. VIII, the advance payments to seven contractors for mobilization have been outstanding for more than three years, which the full recoupment has not been made by the RO.
- 6.9 In RO No. XI, Management drafted collection case against one contractor for the remaining unrecouped balance which was forwarded to the NIA CO Legal Department in June 2022, for review.
- 6.10 As admitted by the NIA Management, the enforcement of the collection of long outstanding advances to contractors proved to be difficult because most of the contractors could no longer be located and the performance

securities were already expired, hence would no longer be honored by the issuing insurance companies.

- 6.11 The delayed/non-recoupment of the outstanding advance payments from the contractors whose contracts are already terminated could be attributed to lack of prescribed policy or guidelines to ensure that the Accounting Division in the CO and the Accounting Section in the ROs/PMOs are promptly informed and furnished with the Notice of Termination of contracts duly approved by the Contract Termination Review Committee.
- 6.12 The non-recoupment of the advances to contractors deprived the NIA of the immediate use of the funds for its other priority projects and could result in potential loss since some of the contractors could no longer be located and the performance securities posted by them were already expired.
- 6.13 **We reiterated our prior year's audit recommendations that top Management:**
 - a. **Require the officers and personnel concerned in the CO and ROs to exert utmost efforts to recoup the advance payments made to the contractors of the 110 terminated/completed contracts in the total amount of P922.954 million and, hold them liable in case of non-recoupment, if warranted, to avoid issuance of a Notice of Disallowance; and**
 - b. **Formulate a policy or guidelines, consistent with the existing rules and regulations, particularly in ensuring that all approved Notices of Termination are timely communicated/furnished to the Accounting Division in the CO and Accounting Section in the ROs and the advances to contractors are recouped within 28 days from the date of Notice of Termination pursuant to Paragraph 46, GCC of the 5th Edition of the PBD for the Procurement of Infrastructure Projects.**
- 6.14 **We also recommended that Management consider blacklisting the contractors who did not return the advance payments for the 110 terminated/completed contracts pursuant to Item 6 of Appendix 17 of the 2016 Revised IRR of RA No. 9184.**
- 6.15 Management provided the following comments:
 - a. In NIA CO, the Financial Management Department together with the Engineering Department and Office of the Legal Services are currently drafting the Expanded Guidelines for Termination of Contracts.
 - b. RO Nos. VI and VIII and JRMP-II Management informed that they already sent demand letters to the defaulting contractors, and will initiate legal actions, if warranted. In JRMP-II, a blacklisting order was issued on March 17, 2023 to disqualify an erring contractor.

- c. RO No. IX Management committed that they will send demand letters to the contractors for the immediate payment of the unrecouped advances.

6.16 As an audit rejoinder, the Audit Teams appreciated Management's commitment and initial actions to implement the audit recommendations, which shall be continuously monitored in the succeeding audit.

COMPLIANCE WITH PROPERTY INSURANCE LAW

7. Insurable PPEs and other assets with total cost of P413.802 million were not insured with the General Insurance Fund (GIF) of the Government Service Insurance System (GSIS) in CY 2022, contrary to the provisions of RA No. 656, as amended, and COA Circular No. 2018-002 dated May 31, 2018; thus, exposing the NIA to the risk of non-indemnification in the event of loss or damage to such properties due to fortuitous events and casualty.

7.1 This is a reiteration of prior year's observation as Management was not able to fully comply with the audit recommendations, specifically in ensuring that all insurable assets and interest of the NIA be covered by insurance with the GIF of the GSIS.

7.2 RA No. 656, otherwise known as the "Property Insurance Law" dated June 16, 1951, as amended by PD No. 245 dated July 13, 1973, requires all government agencies (except municipal governments below first class category) to insure against any insurable risk their properties, assets, and interests with the GIF, as administered by the GSIS.

7.3 COA Circular No. 2018-002 dated May 31, 2018 was issued to assist the GSIS in the implementation of RA No. 656, as amended, on the insurance and bonding of risks on insurable government assets and properties with the GIF. Section 5 of the said Circular provides, among others, the following guidelines:

Heads of government agencies shall direct the pertinent official under his/her supervision to:

- a. *Secure directly from the GSIS GIF, all insurance or bonds covering properties, contracts, rights of action and other insurable risk of their respective offices;*
- b. *Prepare the Property Inventory Form (PIF) listing of all the insurable properties and other assets, showing their latest appraised values/valuation, appraisal date, location and other information (Annex A);*

- c. *Extract from the Report on the Physical Count of Property, Plant and Equipment (RPCPPE), as well as from the Report on the Physical Count of Inventories (RPCI), prepared in accordance with the provision of the Government Accounting Manual (GAM), the data for the PIF pertaining to the insurable assets and interest of the government (excluding impaired properties for disposal);*
- d. *Cause the appraisal of the insurable properties and other assets of their respective offices. For this purpose, an in-house appraisal shall be sufficient if the property or insurable interest has a value of P10 million and below. Otherwise, an independent appraisal shall be necessary;*
- e. *Submit the consolidated PIF to the Supervising Auditor/Audit Team Leader and the GIF, GSIS not later than April 30 of each year;*
- f. *Include in the agency annual budget the amount of premiums for the general insurance covering all insurable properties and other assets and ensure its payment to the GSIS; and*
- g. *Ensure centralized payment of premiums of all assets/property, whether located in the Central/Head Office (C/HO) or Regional/District Offices, Branches and/or Operating Units (R/DOs/Bs/OUTs) in order to avoid double payment. The Head of the Agency shall issue specific guidelines/instructions to the R/DOs/Bs/OUTs to submit their respective accurate and updated PIF for consolidation at the C/HO.*

7.4 Also, Section 5.5 of the same Circular provides the penalty clause for such non-compliance, to wit:

Failure on the part of the agency officials concerned and the GSIS to submit and receive, respectively, the documents and reports mentioned herein, as well as failure of the GSIS underwriting officials to assess the premium due within the timeframe herein prescribed, shall automatically cause the suspension of the payment of their salaries until they shall have complied with the requirements of RA No. 656 and its Implementing Rules and Regulations, as well as the provisions of this Circular.

7.5 Verification of records and analysis of the insurance payment transactions in CY 2022 revealed that insurable PPE items and other assets with total cost of P413.802 million of NIA CO, three ROs and UPRIIS were not

insured with the GIF of the GSIS, contrary to the above-cited laws and regulations, breakdown shown in Table 23.

Table 23 - Insurable Assets without GSIS Insurance Coverage in CY 2022

Office Involved	Insurable Assets	Amount
CO	Construction and heavy equipment	P114,265,730
UPRIIS	Renovation works for NIA Pantabangan Lake Resort and Hotel (PLRH)	35,259,378
RO No. II	Three heavy equipment	11,944,793
RO No. X	Land improvements, Office buildings, Other structures, Office equipment, Furniture and fixtures, Information technology equipment and software, Industrial machineries, Communication equipment, Technical and scientific equipment, Construction equipment, Transportation equipment	47,125,443
RO No. XII	Newly-constructed NIA RO No. XII Building	205,207,124
		P413,802,468

7.6 Management of the NIA Offices concerned gave the following justifications on the non-insurance and bonding of risks of insurable assets, properties and interests with the GIF of the GSIS:

- a. In NIA CO, no budget was allotted for the insurance of the construction and heavy equipment.
- b. In NIA UPRIIS, the non-insurance of PLRH with the GIF of the GSIS was due to Agency's inability to provide proof of ownership to GSIS.
- c. In RO No. II, the insurance renewal of heavy equipment is still in process because the updated listing of the heavy equipment has yet to be finalized.
- d. In RO No. X, the Property Officer was not able to prepare the required PIF.
- e. In RO No. XII, the ongoing construction and installation on the building's second and third levels caused the delay in processing of the insurance application with GSIS.

7.7 The Audit Teams would like to emphasize that absence of insurance coverage for all insurable assets and interests exposed the NIA to risk of non-indemnification in case of losses or damages due to fortuitous events and other casualty.

7.8 **We reiterated our previous year's recommendations that top Management:**

- a. **Allocate funds/budget yearly for the insurance of all the insurable PPEs and other assets of the NIA in compliance with RA No. 656, as amended;**

- b. **Instruct all personnel concerned to prepare the PIF annually to ensure that the insurable assets of the NIA will be covered by insurance with the GIF of the GSIS; and**
- c. **Impose sanctions for non-compliance as duly provided under Section 5.5 of COA Circular No. 2018-002, if warranted.**

7.9 Management gave the following comments:

- a. NIA CO Management explained that they prioritized insuring those assets that are vulnerable so that other funds could be utilized in the construction of irrigation projects. Nevertheless, the NIA will create its asset management plan so that the Department of Budget and Management (DBM) could allocate budget for the premium of insurance of assets.
- b. NIA RO Nos. II and XII and UPRIS Management are already gathering the necessary documents for the insurance coverage of all the insurable assets with the GIF of the GSIS.
- c. In RO No. X, the uninsured heavy equipment items are considered as "Floater items". These floater items will be applied for Property Floater Insurance the soonest possible time to meet the deadline not later than April 30 of each year.

7.10 As an audit rejoinder, the Audit Teams acknowledged Management's commitment to implement the audit recommendations which will be monitored in the succeeding audit.

GENDER AND DEVELOPMENT (GAD)

- 8. **The existing rules and regulations on GAD were not fully complied with in view of the following deficiencies noted in mainstreaming GAD's perspective in NIA's operation:**
 - a. **Absence of a six-year GAD Agenda, which is NIA's strategic framework and plan on gender mainstreaming and achieving women's empowerment and gender equality, contrary to Section 5.1 of the Philippine Commission on Women (PCW), National Economic and Development Authority (NEDA), and DBM Joint Circular (JC) No. 2012-01; and PCW MC No. 2018-04 dated September 19, 2018, hence, there is no assurance that the Agency-specific priority gender-issues are completely identified and addressed;**
 - b. **The Agency reported implementation of only 27 out of the target of 149 GAD-related Programs, Activities and Projects (PAPs), hence low utilization of only P1.216 billion or 44.76 per cent of P2.717 billion allocated for GAD for CY 2022 due to inadequate design, monitoring**

and evaluation of the PAPs, depriving the targeted beneficiaries of the benefits expected from the planned GAD PAPs;

- c. The Harmonized Gender and Development Guidelines (HGDG) Tool was not accomplished by the NIA's GAD Focal Point System (GFPS) as a means in attributing the budget for major PAPs of the Agency to the CY 2022 GAD Plan and Budget (GPB), which is not in accord with Section 6.4 of PCW-NEDA-DBM JC No. 2012-01, Section 1.2.2.2.1 of PCW MC No. 2021-04 dated August 24, 2021 and Section 1.5 of PCW MC No. 2022-07 dated December 5, 2022, thus the attribution to the Agency's CY 2022 GPB of the total CY 2022 Corporate Operating Budget (COB) remained at five percent; and
 - d. Absence of updated GAD database containing gender statistics and sex-disaggregated data since the Agency's data were gathered in CY 2017, thus might no longer be effective bases or inputs for planning, budgeting and in identifying the current gender issues to be addressed by the Agency.
- 8.1 The PCW, NEDA and DBM issued JC No. 2012-01 to provide mechanics for the development of GAD-related PAPs, and guidelines for the preparation of the annual GPB and GAD Accomplishment Report (AR) to implement the Magna Carta of Women (MCW). Pertinent Sections of which state that:

2.3 *Pursuant to the MCW and the General Appropriations Act (GAA), all government departments, including their attached agencies, offices, bureaus, state universities and colleges (SUCs), government-owned and controlled corporations (GOCCs), local government units (LGUs) and other government instrumentalities shall formulate their annual GPBs within the context of their policies, programs and projects. GAD Planning shall be integrated in the regular activities of the agencies, the cost of implementation of which shall be at least five per cent (5%) of their total budgets. The computation and utilization shall be implemented in accordance with the specific guidelines provided therein.*

Xxxx

6.0 COSTING AND ALLOCATION OF THE GAD BUDGET

- 6.1 *At least five per cent (5%) of the total agency budget appropriations authorized under the annual GAA shall correspond to activities supporting GAD plans and programs. The GAD budget shall be drawn from the agency's maintenance and other operating expenses (MOOE), capital outlay (CO), and personal services*

(PS). It is understood that the GAD budget does not constitute an additional budget over an agency's total budget appropriations.

- 8.2 Audit of the Agency's implementation of GAD for CY 2022 revealed the following observations:

Absence of six-year GAD Agenda

- 8.3 Section 5.1 of PCW-NEDA-DBM JC No. 2012-01 requires government agencies to formulate a GAD Agenda, quoted as follows:

Set the GAD agenda or identify priority gender-issues and/or specific GAD mandates and targets to be addressed over a one-year or three-year term by the central office in consultation with regional offices, bureaus and attached agencies. This GAD agenda shall be the basis for the annual formulation of PAPs to be included in the GPB of the department and its attached agencies, bureaus, regional offices and units.

- 8.4 Section 3.1 of PCW MC No. 2018-04 dated September 19, 2018, on the Revised Guidelines for the Preparation of the GAD Agenda, provides that:

The GAD Agenda is the agency's strategic framework and plan on gender mainstreaming, and achieving women's empowerment and gender equality. It shall:

- 3.1.1. serve as basis in identifying programs, activities, and projects to be undertaken to achieve the GAD goals and outcomes;*
- 3.1.2. provide the monitoring and evaluation (M&E) framework for assessing GAD results and outcomes that shall be the basis for strengthening the mainstreaming of a GAD perspective in the agency's operations and programs; and*
- 3.1.3. be formulated in a participatory, consultative and inclusive process. It shall consider the results from consultations with women target beneficiaries as well as women's groups/organizations working on the sector and other concerned stakeholders, and the identified gaps resulting from gender analysis.*

- 8.5 Further, Section 4 of PCW MC No. 2018-04 provides that the GAD Agenda is a two-part document consisting of the GAD Strategic Framework (GADSF) and the GAD Strategic Plan (GADSP). The GADSF outlines the agency's GAD Vision, Mission and Goals anchored on the mandate of the agency, while the GADSP defines the strategic interventions, indicators,

and targets to be pursued to achieve GAD goals over a period of time. The timeframe of the GAD Agenda is six years.

- 8.6 As provided under Section 5 of PCW MC No. 2018-04, the steps in formulating the GAD Agenda include *organizing the planning team; conducting gender analysis; setting the Agency's GAD Vision and Mission; formulating the GAD goals; prioritizing Gender Issues and/or GAD Mandates per GAD Goal; outlining the GAD Outcomes, Indicators, Baseline Data, and targets per GAD Goal; and (7) translating the GAD Outcomes into GAD PAPs*. The head of agency shall approve the GAD Agenda and issue a policy ensuring its implementation by the agency's sub-units.
- 8.7 Audit revealed that the NIA has not yet prepared its six-year GAD Agenda. Inquiry with the NIA GAD Committee Vice-Chairperson on the status of the preparation of the Agency's GAD Agenda revealed that they were not able to constitute a planning team that will formulate the Agency's GAD Agenda except for the conduct of gender analysis due to the Coronavirus Disease 2019 (COVID-19) pandemic, as well as heavy workload of existing staff, and the movement or reshuffling of key personnel during the year.
- 8.8 In the absence of a GAD Agenda, the NIA was not able to ensure that the Agency-specific priority gender-issues are completely identified and addressed; does not have a monitoring and evaluation framework for assessing GAD results and outcomes that shall be the basis for strengthening the mainstreaming of a GAD perspective in the Agency's operations and programs; and does not have an assurance that its annual GPB addresses agency-specific priority gender-issues, and reflects aligned and consistent gender issues, indicators, targets, activities, and budget to achieve longer term results.

Only 27 out of the target of 149 GAD-related PAPs were implemented, hence low utilization of only P1.216 billion or 44.76 per cent of P2.717 billion allocated for GAD for CY 2022 due to inadequate design, monitoring and evaluation of the PAPs, depriving the targeted beneficiaries of the benefits expected from the planned GAD PAPs

- 8.9 For CY 2022, the NIA approved COB amounted to P31.459 billion, of which P2.717 billion or 8.64 per cent was attributed/allocated for the implementation of GAD PAPs. However, comparison of the GPB for CY 2022 vis-à-vis the GAD AR submitted by NIA to the PCW and furnished to the Audit Team showed that out of the 149 planned GAD PAPs with total budget of P2.717 billion for CY 2022, 27 PAPs were implemented with total expenses of P1.216 billion, or 44.76 per cent of the GAD budget, while the 122 planned GAD PAPs were not implemented during the year, as summarized in Table 24.

Table 24 - GPB vis-à-vis the GAD AR for CY 2022

GAD PAPs	Per GPB		Per GAD AR		Variance	
	No. of Activity	GAD Budget	No. of Activity	GAD Expenses	No. of Activity	Amount
Client-focused	20	P 18,397,682	8	P 1,017,780	12	P 17,379,902
Organization-focused	27	23,979,745	7	4,362,762	20	19,616,983
Attributed program	102	2,675,207,306	12	1,211,111,167	90	1,464,096,139
	149	P2,717,584,733	27	P1,216,491,709	122	P1,501,093,024

8.10 Inquiry with the Vice-chairperson of the GAD Committee disclosed that the low utilization of the GAD funds and minimal implementation of GAD PAPs for CY 2022 was due to non-compliance with PCW's documentary requirements on the attribution of projects such as project profile/proposal, HGDG checklist and means of verification.

8.11 The non-implementation of the planned 122 GAD PAPs and low utilization of GAD funds for CY 2022 deprived the targeted beneficiaries of the benefits expected from the GAD PAPs.

HGDG Tool was not accomplished by the NIA's GFPS as a means in attributing the budget for major PAPs of the Agency to the CY 2022 GPB

8.12 Section 1.2.2.2.1 of PCW MC No. 2021-04 dated August 24, 2021, on the Preparation and Online Submission of FY 2022 GPBs, states that:

Aside from implementing direct GAD PAPs to address organization- or client-focused gender issues or GAD mandates, agencies may attribute a portion or the whole budget of the agency's major program/s or project/s to the GAD budget using the HGDG tool. Xxxx

8.13 Section 1.5 of PCW MC No. 2022-07 dated December 5, 2022 on the Submission of Fiscal Year (FY) 2022 GAD AR, states that:

To attribute the expenditure of a major agency program/project to GAD in the FY 2022 GAD AR, agencies shall accomplish the Harmonized Gender and Development Guidelines (HGDG) Project Implementation and Management, and Monitoring and Evaluation (PIMME) checklist (HGDG Boxes 16 & 17) or the Facility Implementation, Management, and Monitoring and Evaluation (FIMME) checklist (HGDG Box F2), whichever is applicable, to assess the gender-responsiveness of the implementation of the program/project.

8.14 As provided in Section 6.4 of PCW-NEDA-DBM JC No. 2012-001, Section 1.2.2.2.1 of PCW MC No. 2021-04, and Section 1.5 of PCW MC No. 2022-07, all agencies shall accomplish the HGDG tool to attribute the expenditure/s of major agency's PAP/s to GAD budget. The HGDG tool

includes checklist for the evaluation of GAD elements in the project identification and design stages, in addition to the project implementation, management, monitoring and evaluation.

- 8.15 Review of the GAD PAPs undertaken by the NIA for CY 2022 disclosed that the client-focused activities, such as the conduct of coordination meetings and awareness campaigns with stakeholders and/or local partners and conduct of a week-long celebration of National Women's Month were only support activities and not part of NIA's primary mandate. Inquiry with the Vice-chairperson of the GAD Committee revealed that they were not able to accomplish and support the CY 2022 GPB with the HGDG Tool to assess the gender-responsiveness of the major PAPs of the NIA.
- 8.16 In view of the non-accomplishment of the HGDG Tool for the major PAPs of the NIA, the attribution to the Agency's CY 2022 GPB of the total CY 2022 COB remained at five percent.

Absence of updated GAD database containing gender statistics and sex-disaggregated data since the Agency's data were gathered in CY 2017

- 8.17 One of the essential elements in GAD planning and budgeting is the GAD Database/sex-disaggregated data. Section 4.4 of PCW-NEDA-DBM JC No. 2012-01 provides, viz.:

ESSENTIAL ELEMENTS IN GAD PLANNING AND BUDGETING

Xxxx

- 4.4 *Institutionalizing GAD Database/Sex-disaggregated Data: The agency shall develop or integrate in its existing database GAD information to include gender statistics and sex-disaggregated data that have been systematically produced or gathered as inputs or bases for planning, budgeting, programming, and policy formulation.*

- 8.18 Verification revealed that the NIA had no updated GAD database containing gender statistics and sex-disaggregated data. It was noted that the Agency's data were gathered in CY 2017, thus might no longer be effective bases or inputs for planning, budgeting and in identifying the current gender issues to be addressed by the Agency.
- 8.19 It is emphasized that the GAD database is one of the bases of the GFPS in analyzing the gender issues of the agency and enable them to effectively plan and implement their sectoral programs on GAD.

8.20 We reiterated our previous year's recommendations and top Management agreed to direct the GAD Committee of NIA to:

- a. Formulate the six-year GAD Agenda of the Agency and consider seeking the assistance of the PCW in the preparation and finalization thereof, in compliance with the pertinent provisions of the PCW-NEDA-DBM JC No. 2012-01 and PCW MC No. 2018-04; and
- b. Ensure that all the GAD PAPs outlined in the succeeding annual GPBs be fully implemented to address the gender issues of the Agency.

8.21 We likewise recommended that top Management direct the GAD Committee and its Technical Working Group to:

- a. Use the HGDG Tool to determine how much of the budget for the major PAPs can be attributed to GAD budget that will be incorporated in the succeeding GPBs and GAD ARs;
- b. Include in the GPB the training on the use of the HGDG Tool and seek assistance of an expert on gender analysis using the said Tool; and
- c. Comply strictly with Section 4.4 of the PCW-NEDA-DBM JC No. 2012-01 and update NIA's GAD database containing gender statistics and sex-disaggregated data to ensure a more effective GAD planning, budgeting as well as implementation of GAD PAPs.

8.22 Management acknowledged the audit recommendations and committed that in CY 2023, they will finalize the preparation of the GAD Agenda, coordinate with the PCW to seek guidance on the preparation and submission of GPB and GAD AR, and send members of the GFPS to necessary trainings on GAD.

8.23 As a rejoinder, the Audit Team took note of Management's efforts to mainstream GAD within the Agency. Their commitment to comply with the audit recommendations as well as GAD-related issuances will be continuously evaluated and monitored.

COMPLIANCE WITH TAX LAWS

- 9. The NIA did not remit to the BIR the total amount of P31.452 million representing taxes withheld in prior years and in CY 2022, which might result in the imposition of penalties and charges and depriving the National Government of additional revenue for its various programs and projects.

9.1 Item II (1) (c) of BIR Revenue Memorandum Order (RMO) No. 8-2003 dated March 3, 2003, states that:

1. *The following government officials are personally charged with the duty to correctly withhold taxes on compensation, expanded and final withholding tax as well as government money payments to persons registered as Non-VAT (percentage, franchise, etc.) and VAT taxpayers and the timely remittance of taxes withheld:*

Xxxx

- c. Government Owned or Controlled Corporations (GOCC) - Heads of Offices (officials holding the highest position) and Chief Accountants or other persons holding similar positions officially designated as such by the head of offices. Xxxx*

9.2 Item B (4) of BIR Revenue Memorandum Circular (RMC) No. 23-2012 dated February 14, 2012 reiterated such responsibility, viz.:

B. RESPONSIBILITIES OF THE GOVERNMENT OFFICIALS / EMPLOYEES AS WITHHOLDING AGENTS.

The aforesaid government officials/employees have the following duties and obligations as withholding agents:

Xxxx

4. *To remit on time taxes withheld. The responsible officials and employees, as withholding agents, should see to it that taxes withheld are accordingly remitted on or before their due dates using the prescribed monthly / quarterly withholding tax remittance returns, together with other attachments, where applicable xxxx*

9.3 Notwithstanding the above provisions, verification disclosed that the NIA has not fully complied with the regulations of the BIR on the withholding and remittance of taxes. In eight ROs and JRMP-II, of the total unremitted taxes of P125.170 million as of December 31, 2022 pertaining to the CY 2022 and prior years, only P93.718 million were remitted in January 2023, leaving a balance of P31.452 million unremitted taxes, breakdown is shown in Table 25, next page.

9.4 The Audit Team was precluded to determine the details and delay of remittance due to absence of aging schedules and pertinent documents.

Table 25 - Withheld Taxes vis-à-vis Remittances

Office Involved	Unremitted Withheld Taxes as of December 31, 2022	Remittances made in January 2023	Breakdown of Unremitted Balance		
			Current Year	Prior Years	Total
RO No. II	P 17,813,122	P 17,812,472	P 650	P -	P 650
RO No. III	19,741,598	18,114,579	973,935	653,084	1,627,019
RO No. IV-B	29,526,033	11,621,166	85,183	17,819,684	17,904,867
RO No. V	15,076,784	11,199,390	1,779,132	2,098,262	3,877,394
RO No. VI	2,167,001	1,680,911	243,936	242,154	486,090
JRMP-II	671,627	422,985	-	248,642	248,642
RO No. VII	7,444,512	7,387,220	10,935	46,357	57,292
RO No. X	20,270,378	14,985,972	3,955,626	1,328,780	5,284,406
RO No. XIII	12,459,077	10,492,985	-	1,966,092	1,966,092
	P 125,170,132	P 93,717,680	P7,049,397	P24,403,055	P31,452,452

- 9.5 In JRMP-II, verification disclosed that the total unremitted amount has no details as to type of tax withheld whether expanded withholding tax, final tax, or withholding tax, due date, among others. It was also noted that there were delayed remittances of taxes withheld from personnel who were dropped from the payroll.
- 9.6 In RO No. VII, the unremitted taxes of P10,935 pertains to erroneous recording of withholding taxes and tax refund for the year. Moreover, the remaining balance of P46,357 pertains to prior year's unremitted balances.
- 9.7 In RO No. X-LAMISCA IMO, the unremitted balances pertained to taxes withheld for compensation and other taxes imposed to suppliers of goods and services.
- 9.8 In RO No. XIII, the remaining P1.966 million pertains to taxes withheld in prior years, for reconciliation with the records of the IMOs.
- 9.9 The non-observance of Item II (1) (c) of BIR RMO No. 8-2003 and Item B (4) of BIR RMC No. 23-2012 might subject those concerned NIA personnel to the corresponding penalties, while non-remittance of taxes deprives the National Government of additional revenue for its various programs and projects.
- 9.10 **We recommended and top Management agreed to direct the NIA officials and personnel concerned to cause the immediate remittance of the taxes to the BIR, and in case the latter impose penalties and charges due to late remittance, these shall be borne by the official and personnel concerned who failed to remit the taxes within the prescribed period.**

COMPLIANCE WITH RA NO. 8291, GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) LAW

10. The NIA did not remit to the GSIS the premium contributions and loan amortizations of officers and employees including the government share in the total amount of P9.398 million, contrary to RA No. 8291, otherwise known as the Government Service Insurance System Act of 1997.

10.1 Section 14 of the IRR of RA No. 8291, on *Remittance of Contributions*, states that:

14.1 *Each government agency shall remit directly to the GSIS the employees' and government agency's contributions within the first Ten (10) days of the calendar month following the month to which the contributions apply. The remittance by the government agency of the contribution to the GSIS shall take priority over and above the payment of any and all obligations, except salaries and wages of its employees.*

14.2 *The government agency shall also deduct from the fixed monthly compensation of the employee the loan amortizations (consolidated loans, policy loan, housing loan, and others loans,) premium payments (optical, pre-need and other non-life insurance) and other amounts due to the GSIS.*

14.3 *The said amounts shall be remitted to the GSIS within the first Ten (10) days of the calendar month following the month when the deductions were affected, accompanied by supporting lists in the form prescribed by the GSIS.*

10.2 Section 5 of RA No. 8291 provides that:

xxx. Penal sanctions shall be imposed upon employers who fail to include the payment of contributions in their annual appropriations or otherwise fail to remit the accurate/exact amount of contributions on time, or delay the remittance of premium contributions to the GSIS. The heads of offices and agencies shall be administratively liable for non-remittance or delayed remittance of premium contributions to the GSIS."

10.3 Moreover, Section 7 of the same RA provides that:

Section 7. Agencies which delay the remittance of any and all monies due the GSIS shall be charged interests as may be prescribed by the Board but not less than two percent (2%) simple interest per month. Such interest shall be paid by the employers concerned.

- 10.4 Furthermore, Sections 16.1 and 16.2 of the IRR of RA No. 8291, *Effects of Non-Remittance of Contributions and Other Amounts on the Eligibility to Benefits of Members*, which states that:

16.1 All loan privileges of all the members of the affected agencies will be suspended and they shall not be qualified to receive the yearly dividends.

16.2 Any unremitted premium contributions and loan amortization and other amounts due the GSIS shall be deducted from the proceeds of the loans and claims that will be due the member.

- 10.5 Verification disclosed that of the total unremitted GSIS premium contributions and loan repayments of P21.554 million as of December 31, 2022, pertaining to CY 2022 and prior years in eight ROs and JRMP-II, only P12.156 million were remitted in January 2023, leaving unremitted balance of P9.398 million, breakdown shown in Table 26.

Table 26 – Breakdown of GSIS Premiums and Loan Repayments vis-à-vis Amounts Remitted to the GSIS in January 2023

Unremitted Premiums and Loan			Unremitted Balances		
Office Involved	Amortizations as of December 31, 2022	Remittances in January 2023	Current Year	Prior Years	Total
RO No. II	P 247,846	P 221,872	P 25,974	P -	P 25,974
RO No. III	1,483,079	-	726,032	757,047	1,483,079
RO No. IV-B	4,374,955	2,172,875	71,924	2,130,156	2,202,080
RO No. V	2,848,484	2,026,260	117,819	704,405	822,224
RO No. VI	1,329,879	1,041,643	209,255	78,981	288,236
JRMP-II	401,816	363,406	34,212	4,198	38,410
RO No. VII	3,383,064	3,326,098	80,094	(23,128)	56,966
RO No. IX	1,460,426	775,484	445,736	239,206	684,942
RO No. X	6,024,639	2,228,461	3,147,683	648,495	3,796,178
	P 21,554,188	P12,156,099	P 4,858,729	P 4,539,360	P 9,398,089

- 10.6 The unremitted balances in RO Nos. VI, VII, IX and X and JRMP-II could be attributed to the non-updating of Agency Remittance Advice (ARA) which is submitted during the first week of every month as required under GSIS Memorandum Circular No. 3, s. 2012. The ARA indicates the accurate information of GSIS members who have obtained salary adjustments, among others. NIA has adopted Executive Order (EO) No. 150 issued by the President of the Philippines on October 1, 2021, which provides the approval of the Compensation and Position Classification System (CPCS) and Index of Occupational Services, Position Titles, and Job Grades for Government-Owned and Controlled Corporations (GOCCs) (IOS-G) Framework, Repealing EO No. 203, s. 2016, and for other purposes, hence the adjustment of salary and mandatory deductions. As a

result, the contributions were not included in the billing of premiums due and the posting of remittances in the GSIS database.

- 10.7 In RO No. II, the unremitted balances pertained to the accounts of Cagayan Batanes, Isabela, Nueva Vizcaya and Quirino IMOs in the total amount of P25,974.
- 10.8 In RO No. III, the unremitted balances pertained to GSIS premiums, loan amortizations and other GSIS contributions. There were also significant delays in remitting the GSIS premiums and loan amortizations, ranging 66 to 341 days.
- 10.9 In RO No. IV-B, the unremitted balances were due to erroneous recording in prior years and unreconciled balances appearing in the records of both the RO and the IMOs.
- 10.10 In RO No. V, the unremitted amount pertains to the unreconciled balances with the records of IMOs.
- 10.11 The late/non-remittance of the premiums and loan amortizations to the GSIS exposes the Agency to risk of paying interest, surcharges and penalties, while the personnel and employees concerned will be deprived of the benefits due them.
- 10.12 **We recommended that top Management direct the NIA officials and personnel concerned to cause the immediate remittance of the premium contributions and loan repayments/amortizations of the employees to the GSIS to avoid unnecessary penalties, interests, and surcharges.**

COMPLIANCE WITH RA NO. 10606, NATIONAL HEALTH INSURANCE ACT

11. The NIA considerably complied with the requirements of RA No. 10606 in deducting and remitting the premium contributions (employees' and employer's shares) to the PhilHealth.

COMPLIANCE WITH RA NO. 9679 (PAG-IBIG)

12. In accordance with the requirements of RA No. 9679, the NIA properly deducted the Pag-IBIG fund contributions and payment of loans from the salaries of the officials and employees and remitted the amount to the Pag-IBIG.

SUMMARY OF AUDIT SUSPENSIONS, DISALLOWANCES, AND CHARGES

13. As of December 31, 2022, the total unsettled suspensions, disallowances and charges for all funds amounted to P1.186 billion, P3.975 billion, P2.225 million, respectively. In addition, there is unsettled audit suspension of USD3.864 million

under General Fund. The summary of the audit suspensions, disallowances and charges at year-end is shown in Table 27, while the details and status of the unsettled balances are presented in **Annex A**, Part IV of this Report.

**Table 27 – Summary of Audit of Suspensions, Disallowances and Charges
For CY 2022**

	Beginning Balance, January 01, 2022	Adjustments	Adjusted Beginning Balance, January 01, 2022	Issuances CY 2022	Compliance/ Settlements CY 2022	Ending Balance, December 31, 2022
I. Suspensions	P 1,371,910,862	P 60,225,229	P 1,432,136,091	P47,670,311	P293,777,091	P1,186,029,311
	USD 3,863,967	-	USD 3,863,967	-	-	USD 3,863,967
II. Disallowances	P 4,176,392,931	(P10,488,896)	P 4,165,904,035	P 9,146,138	P199,614,783	P3,975,435,390
III. Charges	P 2,466,265	P 80,011	P 2,546,276	P -	P 321,012	P 2,225,264
Total US Dollar	USD 3,863,967	-	USD 3,863,967	-	-	USD 3,863,967
Total Philippine Peso	P 5,550,770,058	P 49,816,344	P 5,600,586,402	P56,816,449	P493,712,886	P5,163,689,965

- 13.1 We reiterated our previous year's recommendation that Management vigorously enforce the settlement/collection of the outstanding disallowances and charges especially those that have become final and executory by regularly sending demand letters to the persons liable.

PART III - STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS

Of the 175 audit recommendations embodied in Part II and Part III of the Annual Audit Report (AAR) on the NIA for the years ended December 31, 2021 and 2020, 83 were reiterations of prior years' recommendations and 15 were fully implemented, hence, deleted from this Status. Of the remaining 77 recommendations, 14 were fully implemented; 22 were partially implemented; 31 were not implemented; and 10 were closed as the recommendations are no longer doable, details are as follows:

Reference	Observations	Recommendations	Actions Taken/ Comments
<u>2021 AAR</u>			
Financial Observation (AO) No. 1, Page 78	The Casecan Multipurpose Irrigation and Power Project (CMIPP) under a Build-Operate-and-Transfer (BOT) scheme/contract executed on November 13, 1994 by and between the NIA and the California Energy Casecan Water and Energy Company, Inc. (CECWECI), with total payments made by NIA through the Bureau of the Treasury (BTr) to CECWECI of P106.231 billion, inclusive of the P33.750 billion project cost, was turned over by the CECWECI to the NIA on December 11, 2021. However, the NIA has not taken firm steps to require the CECWECI to turn over the financial reports and documents of CMIPP, such as, the statements of financial position, statements of comprehensive income,	We recommended that top Management: a. Direct the NIA Sub-Committee on Physical Inventory and Performance Test to request in writing/demand from the CECWECI the submission of the financial reports on the CMIPP, such as, the statements of financial position, statements of comprehensive income, statements of changes in equity, statements of cash flows, notes to financial statements and other related financial reports, records and documents as of December 10, 2021, invoking Section 12.23 of the 2012 RIRR of RA No. 6957, as amended by RA No. 7718, and Item 8.6 (b), Part B, Article 8 of the Amended and Restated Casecan Project Agreement;	Fully Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
	statements of changes in equity, statements of cash flows, notes to financial statements, and other pertinent financial documents at the time of transfer on December 11, 2021, consequently the NIA has not recognized in its books of accounts its 40 per cent interest in the joint operation of the CMIPP with the Power Sector Assets and Liabilities Management Corporation (PSALM Corp.), contrary to Paragraphs 23, 24 and 29 of the International Public Sector Accounting Standard (IPSAS) 37 – Joint Arrangements. The non-recognition of the CMIPP in the books of accounts of NIA resulted in the material misstatements of its assets, liabilities, and equity accounts as at December 31, 2021 as well as the revenues and expenses for the year ended December 31, 2021, considering the substantial payments of the government to CECWECI totaling P106.231 billion.	<p>b. Require the NIA Sub-Committee on Physical Inventory and Performance Test and the Secretariat for CMIPP to cause the:</p> <p>b.1. Immediate conduct by the Procurement and Property Division, in coordination with PSALM Corp., of the physical inventory taking and preparation of the RPCI and RPCPPE on the CMIPP facilities/assets upon receipt of the CMIPP's financial reports and records from CECWECI; and</p> <p>b.2. In coordination with PSALM Corp., appraisal of the CMIPP assets/facilities upon completion of physical inventory taking and preparation of RPCI and RPCPPE;</p> <p>c. Direct the Accounting Division to recognize in the books of accounts the NIA's 40 per cent ownership/interest in the joint operation of CMIPP with the PSALM Corp., pursuant to Paragraphs 23, 24 and 29 of IPSAS 37.</p>	<p>Fully Implemented.</p> <p>Fully Implemented.</p> <p>Fully Implemented.</p> <p>The NIA's 40 per cent ownership/interest in the joint operation of CMIPP with the PSALM Corp. amounting P5.427 billion was recognized in the books per Journal Entry</p>

Reference	Observations	Recommendations	Actions Taken/ Comments
			Voucher (JEV) No. 501-22-12-241LFPS dated December 29, 2022.
		We further recommended that NIA Management coordinated with the COA Government Accountancy Sector on the proper recording of the NIA's 40 per cent ownership and interest in the CMIPP transferred by CECWECI on December 11, 2021.	Fully Implemented.
AO No. 2, Page 85	The non-elimination of Receivables-Intra-agency receivables and Intra-agency payables accounts as at December 31, 2021 in the amounts of P1.717 billion and P1.708 billion overstated the total assets and total liabilities of NIA by said amounts, respectively, contrary to Paragraph 41 of IPSAS 18.	We recommended and top Management agreed to direct the Accounting Division to eliminate the reciprocal accounts during the preparation of the FSs of NIA, by conducting a nationwide regular reconciliation of the discrepancies to have reliable FSs balances at year-end.	Partially Implemented. As at December 31, 2022, the remaining uneliminated balances of Receivables-Intra-agency receivables and Intra-agency payables accounts as at December 31, 2022 decreased to P30.779 million and P56.042 million, respectively, due to the concerted efforts of the Accounting Division personnel to reconcile and eliminate the reciprocal accounts.
AO No. 3, Page 88	The Property, Plant, and Equipment (PPE) account with carrying amount of P292.435 billion as at December 31, 2021 was net understated by P661.497 million due to: (a) recognition under Repairs and Maintenance – Other Structures expense account of P675.777	We recommended and top Management agreed to require the: a. Accounting Sections of the ROs concerned/ Accounting Division of CO to: a.1. Recognize under PPE-CIP-Other Structures account the P675.777	Partially Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
	asset/expense accounts of completed infrastructure projects aggregating P12.507 billion, overstated the PPE-CIP account by the said amount and understated the appropriate asset/expense accounts by undetermined amounts.	b. Disposal Committee to prepare the IIRUP for the unserviceable PPE items totaling P73.062 million and submit a copy thereof to the Accounting Section/Division, as basis of the latter in the derecognition from the books of accounts the unserviceable properties.	Not Implemented.
	Other Observations:		
	Non-provision of depreciation on PPE items totaling P1.188 billion in NIA CO, eight ROs and two PMOs, and on completed infrastructure assets still recognized under the CIP account pertaining to NIS with undetermined amount, contrary to Paragraphs 66 and 71 of IPSAS 17.	We recommended and top Management agreed to direct the Accounting Sections of the ROs concerned/Accounting Division of CO to analyze and provide depreciation for PPE items costing P1.188 billion and on the completed NIS projects.	Partially Implemented. NIA provided P525 million depreciation for the PPE items costing P1.188 billion and on the completed NIS projects.
	Unreconciled variance of P3.721 billion between the General Ledgers (GLs) balances of PPE sub-accounts in NIA CO totaling P16.935 billion vis-à-vis balances per PPE Ledger Cards (PPELCs) and CIP Ledger Cards (CIPLCs) of P13.214 billion.	We recommended and top Management agreed to direct the Accounting Division of CO to analyze and reconcile the discrepancy/variance of P3.721 billion between GLs balances of PPE sub-accounts and PPE-CIP account vis-à-vis balances per PPELCs and CIPLCs.	Not Implemented.
	Non-conduct of annual physical/inventory count of PPE items totaling P18.140 billion in NIA CO and RO No. III.	We recommended and top Management agreed to direct the Inventory Committees in NIA CO and RO No. III to conduct complete physical/inventory	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
		count of PPEs, in compliance with Item 5.1 of COA Circular No. 2020-006 and NIA MC No. 84, s. 2018.	
	Unreconciled variance in absolute amount of P68.358 billion between the PPE balances per GLs of P144.326 billion vis-à-vis balances per RPCPPEs totaling P79.391 billion in NIA CO, 12 ROs, six PMOs and two IMOs.	We recommended and top Management agreed to require the Accounting Sections of the ROs concerned/Accounting Division of CO to analyze and reconcile, in coordination with the Procurement and Property Sections of ROs and Procurement and Property Division of CO, the variance of P68.358 billion between the PPE sub-accounts balances per GLs and the RPCPPEs and accordingly, adjust/correct the affected records.	Partially Implemented. A total of P3.134 billion variances in RO Nos. VI and XIII between the PPE sub-account balances per GL and the RPCPPEs were analyzed and reconciled.
	Absence of PPELCs/CIPLCs on various PPE items totaling P88.138 billion in NIA CO, four ROs and one PMO, contrary to Item 6.3.2 of COA Circular No. 2020-002 and Appendix 77 of GAM for NGAs, Volume II.	We recommended and top Management agreed to require the Accounting Sections of the ROs concerned/ Accounting Division of CO to prepare and maintain complete PPELCs/CIPLCs and update said records on a regular basis.	Partially Implemented. PPELCs/CIPLCs on various PPE items totaling P2.032 million were prepared and maintained.
	Derecognition of PPE items with total cost of P462.028 million from the books of accounts of RO VIII was not supported with complete documentation and without authority from COA, contrary to Item 8.1 of COA Circular No. 2020-006.	We recommended and top Management agreed to request authority from COA to support the derecognition from the books of accounts the PPE items in RO No. VIII totaling P462.028 million, to be accompanied with complete documentation, as required under Item 8.1 of COA Circular No. 2020-006;	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
		otherwise, reverse the entry made.	
AO No. 4 Page 103	<p>The non-disclosure in the Notes to FSs to conform with the requirements of the IPSASs the:</p> <p>(a) nature and amount of correction(s) for each FSs line item affected by the prior period restatements/ adjustments in CYs 2021, 2020 and 2019 in the amounts of P851.774 million, P1.626 billion and P76.583 billion, respectively;</p> <p>(b) the nature of restatement by P4.917 billion on the Surplus for CY 2020;</p> <p>(c) segment information for decision making and demonstration of accountability;</p> <p>(d) information on the Service Concession Arrangements and Joint Operation of the CMIPP;</p> <p>(e) statement of compliance with IPSASs;</p> <p>(f) estimation of financial effects, indication of uncertainties of amount and timing of cash flows on the 95 outstanding legal cases pending before the Courts; and</p> <p>(g) explanation(s) on significant movement of Other Receivables account; deprived the intended users of the FSs of the vital information in making economic decisions, contrary to</p>	<p>We recommended that top Management, moving forward, require the Accounting Division of CO to ensure that all significant and relevant information are disclosed in the Notes to FSs so as the financial reports are fairly presented, useful and supportive to the achievement of financial reporting objectives and, for better understandability of the users of the FSs and other stakeholders.</p>	<p>Partially Implemented.</p> <p>Updated and reiterated under Part II - Observation and Recommendation No. 3 of this Report.</p>

Reference	Observations	Recommendations	Actions Taken/ Comments
	Paragraph 54 of IPSAS 3, and Paragraphs 1, 15, 127 and 128 of IPSAS 1.		
AO No. 5, Page 108	The faithful representation in the FSSs, and the verifiability and reliability of the balance as at December 31, 2021 of the Receivables account with carrying amount of P28.715 billion were not established in view of the: (a) condonation/write-off of Accounts Receivable (A/R)-Irrigation Service Fee (ISF) in RO Nos. I, III, V, VI, VIII, and X totaling P4.814 billion without complete supporting documents, contrary to Paragraphs 3.10 and 3.26 of the Conceptual Framework; and (b) absence of agency-wide written policies or guidelines on the periodic assessment of the collectability of Receivables account as basis in providing Impairment Loss, contrary to Paragraphs 67, 68 and 72 of IPSAS 29.	We recommended and top Management agreed to: a. Require the Accounting Sections of RO Nos. I, III, V, VI, VIII, and X to submit the complete supporting documents to establish the validity of writing-off in the books of accounts the Receivables-A/R-ISF totaling P4.814 billion, otherwise reverse the entry made to restore the receivables in the books of accounts; and b. Formulate accounting policies or guidelines on the periodic assessment of the collectability and impairment of Receivables account, pursuant to Paragraphs 67, 68 and 72 of IPSAS 29.	Updated and reiterated in Part II - Observation and Recommendation No. 1 of this Report. Partially Implemented. The recorded condonation/write-off in RO No. I in the amount of P660 million was reverted to restore the receivables in the books of accounts. Fully Implemented.
AO No. 6, Page 112	The faithful representation in the FSSs and verifiability of the balance as at December 31, 2021 of the Cash and Cash Equivalents account amounting to P11.283 billion could not	We recommended and top Management agreed to require the Accounting Division of CO/Accounting Sections of concerned ROs and PMO to:	Updated and reiterated in Part II - Observation and Recommendation No. 1 of this Report.

Reference	Observations	Recommendations	Actions Taken/ Comments
	be established due to: (a) abnormal/negative balances totaling P45.396 million in the Cash in Bank (CIB) accounts of three ROs which reduced the balance of the said account by the same amount; (b) unadjusted book reconciling items totaling P19.292 million in the Bank Reconciliation Statements (BRSS) of three ROs and one PMO due to absence of bank credit/debit memos and other pertinent documents, hence the difficulty in identifying the appropriate account(s) where these should be recognized/accounted for; and (c) non-preparation of BRSS in five ROs, all in contrary to Paragraph 3.26 of the Conceptual Framework.	a. Designate personnel to analyze, review, reconcile and adjust the abnormal/negative balances; b. Request from the depository banks concerned copies of the bank credit and debit memos and gather pertinent documents as basis in the recognition in the books of accounts the unadjusted book reconciling items indicated in the BRSS; and c. Ensure timely preparation of monthly BRSSs for all CIB accounts.	Partially Implemented. P7.043 million or 16 per cent was reconciled and adjusted in RO No. IV-A. Partially Implemented. In RO No. X, the gathering of documents to support the book reconciling items for adjustments has been started. Partially Implemented. 34 out of 50 BRSSs have been prepared in CY 2022.
Non-Financial AO No. 7, Page 116	Deficient planning and monitoring of the implementation of the irrigation contracts/projects by NIA resulted in, among others:	We reiterated our previous years' audit recommendations that top Management instruct the officials and personnel concerned:	Updated and reiterated in Part II - Observation and Recommendation No. 4 of this Report.
	a. Significant delays, ranging from five to 637 calendar days in the completion of 139 irrigation contracts costing P1.745 billion and, suspension of and/or granting of contract time extensions (CTEs) on	a. In the planning of the irrigation contracts/projects to be implemented to adhere strictly to the pertinent provisions of RA No. 9184 and its 2016 RIRR to ensure that no bidding and awarding of contract for infrastructure	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
	134 projects amounting to P2.168 billion, thereby depriving the intended beneficiaries of the timely use of these irrigation projects;	projects are made unless detailed engineering investigations, surveys and designs, including the acquisition of ROW, peace and order situation, and other relevant conditions are duly considered to ensure that all irrigation contracts/projects are efficiently carried out;	
	b. Termination of 12 contracts totaling P1.194 billion due to, among others, contractor's fault or as mutually agreed upon by the parties in view of discontinuance of funding or the project is no longer needed, thus wastage of government funds;	b. In the CO, ROs and PMOs to: (i) require the contractors to regularly submit progress billings and status of work accomplishments;	Not Implemented.
	c. Non-turnover of one hundred twenty-six (126) completed projects amounting to P1.143 billion to Irrigator's Associations (IAs), exposing these projects to risk of damage and deterioration, as the responsibility and control for their maintenance and monitoring have not yet been turned over to the IAs;	(ii) ensure immediate validation of the reports and inspection of projects; (iii) address the causes on the delays/suspension and grant of time extensions; and (iv) enforce the forfeiture of performance securities and/or imposition of liquidated damages for delays where contractors are at fault;	Not Implemented. Not Implemented. Not Implemented.
	d. Incurrence of negative slippages by the contractors ranging from 1.24 to 71.07 per cent in 43 on-going contracts costing P1.381 billion, further delaying the		

Reference	Observations	Recommendations	Actions Taken/ Comments
	completion of the irrigation projects;	c. To review the post-qualification procedures conducted by the respective BAC for the terminated contracts to determine areas for improvement and ensure that contracts are only awarded to eligible and responsive contractors;	Not Implemented.
	e. Payments of infrastructure projects costing P1.292 billion not supported with complete documents in Magat River Integrated Irrigation System (MARIIS) and RO Nos. II, IV-B, V, VIII and IX, casting doubt on the propriety of the disbursements; and	d. To immediately turn over the operations and maintenance of all completed communal irrigation projects to the IAs concerned duly covered with Memorandum of Agreement (MOA) to ensure proper maintenance of the irrigation facilities; and	Not Implemented.
	f. Non-imposition of liquidated damages and/or non-forfeiture of performance securities in favor of NIA in 24 contracts of defaulting contractors totaling P382.467 million, hence potential loss of funds.	e. To refrain from paying progress billings of the contractors without complete and relevant documentation in compliance with Section 4(6) of PD No. 1445.	Fully Implemented.
		We further reiterated our previous years' recommendations that top Management:	
		a. File appropriate charges against erring/defaulting contractors; and	Not Implemented.
		b. Consider imposing administrative sanctions against NIA officials and personnel	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
		who are remiss of their duties, specifically in planning and monitoring of the implementation of irrigation contracts/projects, that resulted in delays, suspensions, terminations of infrastructure contracts/projects, and wastage of government funds.	
	Other Observations:		
	Eleven (11) completed projects with total cost of P235.429 million were found to be either damaged or had deficiencies.	We likewise, recommended that the:	
	Delayed or non-conduct of inspection by NIA on 166 irrigation projects/ contracts totaling P492.118 million.	a. Regional/Project Managers of CAR and RO Nos. II and IV-B ensure the conduct of timely and accurate inspections of accomplishments of contractors to avoid payments of defective works;	Not Implemented.
	Construction Safety and Health Program (CSHP) was not included in the ABC and the Program of Work (POW) in 41 infrastructure projects totaling P310.848 million or if included, but not fully implemented in 12 infrastructure projects with total contract cost of P128.010 million.	b. Regional Manager in RO No. VIII ensure that the cost of CSHP is included as a separate item in the ABC and POW of the infrastructure contract/project as required in Item 7, Annex "G" of the 2016 RIRR of RA No. 9184;	Not Implemented.
	Slow implementation of ROW negotiations hampered the timely implementation of various infrastructure projects in BBMP II.	c. Project Manager in BBMP II require the submission of complete supporting documents from the landowners concerned to expedite the expropriation	Not Implemented

Reference	Observations	Recommendations	Actions Taken/ Comments
	Payments to contracts totaling P59.086 million was signed by unauthorized personnel.	proceedings on the acquisition of 1,055 ROWs;	
	Lapses in the posting of Warranty Securities for infrastructure projects with contract cost of P52.287 million.	d. Regional Manager of RO No. IV-B, moving forward, ensure that:	
	Delayed and/or non-submission of relevant documents for infrastructure projects with total contract cost of P567.475 million.	d.1. Payments of irrigation contracts are approved/signed by authorized officials, as required in Rule Nos. 1 and 4 of Section 13(c) of Rule IV, 2017 Omnibus Rules on Appointments and Other Human Resource Actions and COA Circular No. 2012-003 dated October 29, 2012, to avoid suspension/disallowance of the transactions in audit;	Fully Implemented.
		d.2. Warranty securities are timely posted by the contractors, adequately cover the cost of the completed projects, supported by certification from the Insurance Commission, and regularly updated to guarantee indemnification by the contractors in case of structural defects and failures on the completed infrastructure projects, as required in Section 62 of the 2016 RIRR of RA No. 9184; and	Fully Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
		e. Regional Managers of RO Nos. IV-B and X require the personnel concerned to promptly submit complete documentation to COA, such as the contracts, variation orders, and documents granting 133 extensions of the contract period, to facilitate timely auditorial review, evaluation and inspection of irrigation contracts/projects.	Not Implemented.
AO No. 8 Page 135	The pertinent provisions of RA No. 9184 and its 2016 RIRR were not strictly adhered to in 173 awarded contracts aggregating P1.290 billion posing risk that contracts were awarded to the bidders/contractors who might not be eligible and responsive with the requirements of the contracts, and that NIA was not assured that it has obtained the most advantageous price for the government, in view of the following deficiencies: (a) the eligibility and other documentary requirements for 37 contracts totaling P315.513 million were either lacking, deficient or not at all submitted to the respective Audit Teams; (b) procedures in the conduct of public bidding for 80 contracts costing	We recommended and top Management agreed to require the Regional/Project Managers of ROs and PMOs concerned to: a. Direct the Bids and Awards Committee (BAC) and its Technical Working Group (TWG) to submit the lacking documentary requirements of 37 contracts to their respective Audit Teams for audit purposes, to avoid suspension of the transactions in audit; and b. Comply thoroughly with the following procurement procedures prescribed under RA No. 9184 and its 2016 RIRR to ensure transparency and efficiency in the NIA's procurement activities:	Updated and reiterated in Part II - Observation and Recommendation No. 5 of this Report. Partially Implemented. The lacking documentary requirements of the 18 contracts in Nueva Vizcaya IMO and 16 contracts in Quirino IMO were already submitted to the Audit Teams.

Reference	Observations	Recommendations	Actions Taken/ Comments
	P963.973 million were not properly observed; and (c) inappropriate procurement modality on the procurement of other supplies and materials for Civil Works, Office Equipment, and Construction Equipment involving 56 contracts amounting to P10.552 million.	b.1. Posting of ITB for seven days at any conspicuous place within the premises of the Agency, in accordance with Section 21.2.1(a) of the 2016 RIRR of RA No. 9184;	Fully Implemented.
		b.2 Posting of Notice of Award and Notice to Proceed in the PhilGEPS, the NIA website, and in any conspicuous place in the premises of NIA within the period required under the 2016 RIRR of RA No. 9184;	Not Implemented.
		b.3 Sending of invitation to observers, in addition to the representative of COA, to monitor the procurement proceedings, as required under Section 13.1 of the 2016 RIRR of RA No. 9184; and	Fully Implemented.
		b.4 Requiring the contractors to post Performance Security not later than the date of contract signing to be valid until the issuance by NIA to the contractor concerned of the Certificate of Final Acceptance.	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
		We further recommended that Management require the Regional/Project Managers concerned to stop the practice of any form of splitting of contracts as a way of avoiding the conduct of competitive bidding in compliance with Section 54.1, Rule XVI of the 2016 RIRR of RA No. 9184.	Fully Implemented.
AO No. 9 Page 141	In NIA CO and RO Nos. II, VI, VIII and XIII, the Advances to Contractors totaling P1.048 billion on 46 terminated contracts were not recouped within 28 days from termination of the Contracts, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5th Edition of the PBDs for the Procurement of Infrastructure Projects, due to absence of internal control policies and procedures to ensure that terminated contracts and settlement of balances between the NIA and contractors concerned are completely and timely detected and acted upon. The non-recoupment of the advances resulted in potential loss of funds since some of the contractors could no longer be located and the performance securities posted were already expired.	<p>We recommended and top Management agreed to:</p> <p>a. Establish policy to ensure that all Notices of Termination approved by the CTRC are timely communicated/ furnished to the Accounting Division, and advances to contractors are recouped within 28 days in compliance with Para. 46, GCC of the 5th Edition of the PBD for the Procurement of Infrastructure Projects; and</p> <p>b. Require the responsible officers and personnel concerned in the CO and ROs to exert all efforts to recoup the advances to contractors on the 46 terminated contracts totaling P1.048 billion, and hold them liable in case of</p>	<p>Updated and reiterated in Part II - Observation and Recommendation No. 6 of this Report.</p> <p>Partially Implemented.</p> <p>NIA Management has formulated policies and sent queries to the Government Procurement Policy Board (GPPB) regarding their plans and actions to address the issue on the non-recoupment of advances to contractors on terminated contracts.</p> <p>Partially Implemented.</p> <p>RO No. VI has sent demand letters to some contractors, but no response has been received by the Management yet.</p>

Reference	Observations	Recommendations	Actions Taken/ Comments
		non-recoupment, if warranted.	
AO No. 10, Page 144	Insurable PPEs and assets with total cost of P52.594 billion were not insured with the General Insurance Fund (GIF) of the Government Service Insurance System (GSIS), contrary to the applicable provisions of RA No. 656, as amended, and COA Circular No. 2018-002 dated May 31, 2018; thus, exposing NIA to the risk of non-indemnification or non-compensation in the event of loss or damage to such properties due to fortuitous events and casualty.	<p>We recommended that top Management:</p> <p>a. Require the Inventory Committees in the CO, CMIPP and RO No. III to complete the physical/inventory count of all PPEs and prepare the corresponding RPCPPE, as basis in the accomplishment of the PIF for submission to the GSIS;</p> <p>b. Allocate funds/budget yearly for the insurance of all the insurable PPEs and assets of NIA in the CO, ROs and PMOs in compliance with RA No. 656, as amended;</p> <p>c. Instruct all personnel concerned to prepare the PIF annually to ensure that the insurable assets of NIA will be covered by insurance with the GIF of the GSIS; and</p> <p>d. Impose sanctions for non-compliance as duly provided under Section 5.5 of COA Circular No. 2018-002, if warranted.</p>	<p>Updated and reiterated in Part II - Observation and Recommendation No. 7 of this Report.</p> <p>Partially Implemented.</p> <p>Partially Implemented.</p> <p>Partially Implemented.</p> <p>RO No. XIII already prepared the PIF in CY 2022.</p> <p>Not Implemented.</p>

Reference	Observations	Recommendations	Actions Taken/ Comments
AO No. 11 Page 148	The existing rules and regulations on GAD were not fully complied with by the NIA in view of the following:	We recommended and top Management agreed to direct the GAD Committee of NIA to:	Updated and reiterated in Part II - Observation and Recommendation No. 8 of this Report.
	a. GAD Agenda, as the NIA's strategic framework and plan on gender mainstreaming and achieving women's empowerment and gender equality, is not prepared yet by the Agency, thus, existing priority gender-issues and/or specific GAD mandates and targets of the NIA may not have been completely identified and addressed;	a. Consider tapping the assistance of the PCW in formulating and finalizing the NIA's six-year GAD Agenda in accordance with PCW MC No. 2018-04;	Not Implemented.
	b. NIA was not able to secure an endorsement from the Philippine Commission on Women (PCW) for its Fiscal Year (FY) 2021 GAD Plan and Budget (GPB) as it did not resubmit the revised GPB to the PCW and, likewise it was not able to submit final GAD Accomplishment Report (AR) to the PCW for review; thus, there was no assurance that the planned and implemented programs, activities,	b. Submit the GPB and the GAD AR for the NIA within the prescribed deadline set by the PCW and communicate constantly with the latter and monitor its review of the GPB in the GMMS, to obtain a PCW-endorsed GPB annually; and c. Ensure that all the GAD PAPs outlined in the succeeding annual GPBs be fully implemented to address the gender issues of the Agency.	Fully Implemented. Partially Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
	and projects (PAPs) were GAD-related and responsive to the gender issues of the NIA and its clients; and c. The Agency reported implementation of only 41 out of 117 GAD-related PAPs and the utilization of budget of only P259.694 million or 7.997 per cent of the P3.247 billion GAD funds for FY 2021, depriving the targeted beneficiaries of the benefits expected from the planned GAD PAPs.		
AO No. 12, Page 154	The Agency did not remit to the BIR the total amount of P79.382 million representing taxes withheld in prior years and in CY 2021, contrary to pertinent BIR regulations and depriving the National Government of additional revenue for its various programs and projects.	We recommended that top Management require the NIA officials and personnel concerned to cause the immediate remittance of the taxes to the BIR.	Not Implemented. Updated and reiterated in Part II - Observation and Recommendation No. 9 of this Report.
<u>2020 AAR</u>			
AO No. 3, Page 68	The outstanding balances of Accounts Payable (A/P), Guaranty/Security Deposits Payable (G/SDP), and Other Payable (O/P) accounts of P6.484 billion, P2.451	We recommended that Management instruct the Regional Accountants concerned to: a. Review, analyze and reconcile the transactions and	Updated and reiterated in Part II - Observation and Recommendation No. 1 of this Report. Partially Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
	<p>billion and P2.191 billion, respectively, as at year-end could not be relied upon due to, among others: (a) existence of dormant and long outstanding payable accounts without supporting documents aggregating P317.925 million, (b) negative/abnormal account balances accumulating to P293.608 million, and (c) accounts amounting to P77.533 million were not duly supported with subsidiary records (Su/Rs) and Aging Schedules.</p>	<p>balances of payable accounts and effect the necessary accounting/adjusting entries to reflect their correct balances;</p> <p>b. Revert the long-outstanding payables accounts which are not supported with documents; and</p> <p>c. Maintain and update subsidiary records for each contractor/ supplier from their respective inception dates to facilitate tracking of records.</p>	<p>A total of P292 million out of P293.608 million abnormal / negative balances had been adjusted in the books.</p> <p>Partially Implemented.</p> <p>A total of P286.052 million out of P317.925 million dormant and long outstanding payable accounts had been adjusted in the books.</p> <p>Partially Implemented.</p> <p>Accounts totaling P68.847 million out of P77.533 million have subsidiary records (Su/Rs) and Aging Schedules.</p>
<p>2020 AAR AO No. 10, Page 102</p>	<p>Cash advances (CAs) totaling P7.117 million remained unliquidated as at year-end, while liquidation of CAs totaling P316,555 were delayed thus, exposing the funds to possible misuse, contrary to Section 14 of Executive Order (EO) No. 298; Item 2 of COA Circular No. 2012-004; and Items 4.1.3, 5.8 and 5.13 of COA Circular No. 97-002.</p>	<p>We recommended that Management require the AD/S of ROs concerned to:</p> <p>a. Direct and remind AOs to submit their liquidation reports within the prescribed period and to refund excess of their CAs on timely manner, in compliance with Item 5.8 of COA Circular No. 97-002; otherwise enforce collection through deduction from payroll and from other benefits due to the AOs concerned;</p>	<p>Partially Implemented.</p>

Reference	Observations	Recommendations	Actions Taken/ Comments
		b. Send demand letters to the officers and employees concerned who have long outstanding CAs, to support request for write-off of accounts, if warranted; and	Not Implemented.
		c. Strictly adhere to the rules and regulations on the liquidation of CAs.	Not Implemented.
AO No. 11, Page 104	RO No. VIII utilized a total of P2.145 million Disaster Risk Reduction Management Fund (DRRMF) for expenditures not attributable to DRRM activities, contrary to Section 1, Rule 19 of the IRR of RA No. 10121. In addition, the Monthly Statements on the Utilization of DRRMF required for submission to the National Disaster Risk Reduction and Management Council (NDRRMC) under Section 4, Rule 9 of the said IRR was not complied with.	We recommended that Management direct the Management of RO No. VIII to return the funds utilized for non-DRRM activities and to submit Monthly Statements on the Utilization of DRRMF in compliance with Sections 1 and 4, Rule 19 of the IRR of RA No. 10121.	Closed. For re-evaluation of the Audit Team.
AO No. 14 Page 110	GSIS, HDMF/Pag-IBIG and PhilHealth employer's and employees' contributions and payments of employees' loan amortizations for CY 2020 in CO and two ROs aggregating P43.450 million were not remitted within the grace period granted under RA Nos. 11469 and 11494 or the	We recommended and Management agreed to direct the Offices concerned to: a. Remit the employer's and employees' contributions and loans amortizations/ payments on time to the GSIS/Pag-IBIG/ PhilHealth to avoid	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/ Comments
	<p>"Bayanihan to Heal as One Act 1 and 2", respectively, resulting in the payment of interests to the PHIC in the amount of P64,628, while PYs' and CY's contributions totaling P18.274 million remained unremitted as of December 31, 2020, contrary to RA No. 8291 or the Revised Government Insurance Act of 1977, RA No. 9679 or the 2009 HDMF Law, and RA No. 10606 or the 2013 National Health Insurance Act. Likewise, outstanding loan amortizations amounting to P4.636 million were not remitted to the GSIS, contrary to Section 47 of RA No. 11465 or the 2020 General Appropriations Act (GAA) and RA No. 8291.</p>	<p>interests, penalties and surcharges;</p> <p>b. Instruct the personnel responsible and accountable to refund the interest paid to PhilHealth of P64,628, otherwise, the payment out of government fund will be disallowed in audit;</p> <p>c. Exert utmost efforts to analyze and make necessary adjustments on the PYs' unremitted contributions and loan payment amortizations and fully remit to the GSIS/Pag-IBIG/PhilHealth PYs' contributions; if warranted;</p> <p>d. Effect all deductions for loan payments, particularly the defaulting ones and remit the same in accordance with the Monthly Billing received from the GSIS; and</p> <p>e. Reconcile records of employees' individual loan accounts who are in default with the GSIS' records and effect all deductions for loan payments and remit the same to the GSIS.</p>	<p>Not Implemented.</p> <p>For issuance of Notice of Disallowance (ND), if warranted.</p> <p>Not Implemented.</p> <p>Not Implemented.</p> <p>Not Implemented.</p>
2019 AAR Page 96	Expenditures not directly attributable to quick-response activities of P1.439 million were	We recommended that Management require RO No. XIII to submit to the COA Audit Team the	<p>Closed.</p> <p>For re-evaluation of the Audit Team.</p>

Reference	Observations	Recommendations	Actions Taken/ Comments
	<p>charged against appropriations for QRF in Region XIII, thereby depleting the stand-by funds for the intended purpose. On the other hand, Region VI did not prepare a Disaster Risk Reduction Management (DRRM) Plan and allocate a budget for DRRM activities and programs, hence could not respond to disaster risk reduction and management which resulted in the loss of construction materials that were damaged by typhoon Ursula worth P96,186. Both are contrary to RA No. 10121 and its RIRR and/or the Special Provisions of the General Appropriations Act.</p>	<p>detailed breakdown of the P6.269 million disbursements funded out of DRRMF to support the validity of the transactions disbursed out of the fund in compliance with Section 4(6) of Presidential Decree (PD) No. 1445 to avoid suspension or further disallowance in audit.</p>	
<p>2018 AAR Page 110</p>	<p>Inadequate evaluation and validation procedures in the conduct of bidding, post qualification and awarding by the Bids and Awards Committee (BAC) and its Technical Working Group (TWG) resulted in the award of 106 contracts amounting to P4.345 billion to bidders with the lowest calculated bid who did not pass the eligibility requirements as they have questionable availability of pledged project personnel and equipment as these are likewise pledged to on-going projects with NIA and to contracts bidden on the same date and with</p>	<p>We recommended that Management require the Internal Audit Services to conduct investigation to determine the liability of the contractors for submitting deficient documents to support compliance with the eligibility requirements of the Contract; and the extent of the participation of NIA officials, members of the BAC and its TWG in the award of contracts to non-compliant contractors and file appropriate charges, if warranted.</p>	<p>Closed.</p> <p>For re-evaluation of the Audit Team.</p>

Reference	Observations	Recommendations	Actions Taken/ Comments
	almost the same period of implementation.		
2017 AAR Page 60	The accuracy of the outstanding balances of the Due from Regional Offices (ROs) and the Due to Central Office (CO) accounts under the Corporate Fund in the amounts of P492.679 million and P60.411 million, respectively, after elimination of intra-office transactions, was doubtful due to inadequate reconciliation and lack of supporting documents.	We recommended that Management direct the Accounting Division, CO to prepare Aging Schedule to determine which accounts are already 10 years and above and request for write-off thereof pursuant to COA Circular No. 2016-005 dated December 19, 2016	Not Implemented Updated in Part II – Observation and Recommendation No. 1 of this Report.
2016 AAR Page 100	Claims for Progress Billings totaling P486.898 million were processed and paid without complete and reliable documentations, contrary to Section 4(6) of Presidential Decree (PD) No. 1445 and casting doubt on the regularity and propriety of the expenditures.	We recommended that Management require the Legal Department and the Internal Audit Services to conduct investigation to determine persons liable and file appropriate charges, if warranted for: a. Reporting complete delivery of steel gates that were not actually delivered; b. Payment of the overhaul without the required testing for the excavated materials, classified the excavated materials as 100 percent waste materials that require hauling, and the non-evaluation of the actual volume of materials hauled; c. Payment of the Reinforced Steel Bars	Closed. For re-evaluation of the Audit Team.

Reference	Observations	Recommendations	Actions Taken/ Comments
		(RSB) without the Mill Certificate; and	
		d. Non-installation of RSB within the prescribed period.	
2016 AAR Page 104	Increase in quantity of various items of work totaling P23.811 million and decreases in quantity a. due to deletion of work totaling P18.761 million in two Participatory Irrigation Development Project (PIDP) Contracts were not covered with approved change orders/variation orders, contrary to the General Conditions of the Contract (GCC), thus payment relative thereto are without legal basis. Moreover, Contract PIDP2-Nueva Vizcaya Bagabag Irrigation System (NVBIS) N-1R with revised contract amount of P79.364 million due to change in design to suit actual field condition resulted in an overrun amounting to P17.988 million, equivalent to 24.15 per cent of the original contract amount of P74.478 million, contrary to GCC 27 and 43 limiting the cumulative amount of variation orders to 10 per cent of the original contract cost.	We recommended that Management require the: a. PIDP Project Management Office (PMO) to impose sanctions on the persons responsible for the preparation and approval of detailed engineering and designs of the Project due to cumulative variation orders exceeding more than 20 percent of the contract amount; and b. Legal Department and the Internal Audit Services to conduct investigations to determine persons liable and file appropriate charges, if warranted, for: b.1 Implementing and payment of additional works/ variation order of more than 20 per cent and without approved change order; and b.2 Deletion of work Not Implemented items without evaluation and approval.	Closed. For re-evaluation of the Audit Team.

**DETAILS AND STATUS OF UNSETTLED AUDIT SUSPENSIONS,
DISALLOWANCES AND CHARGES
As of December 31, 2022**

A. AUDIT SUSPENSIONS

Notices of Suspension (NS)		Nature of Suspension	Person(s) Responsible	Amount	Status
No.	Date				
CENTRAL OFFICE (CO)					
Corporate Fund					
2022-001-501(2020)	01/19/2022	Non-submission of supporting documents	Officers and employees concerned	P 106,285.47	For issuance of Notice of Settlement of Suspension, Disallowance and Charge (NSSDC).
2022-002-501(2020)	01/19/2022	-do-	-do-	84,281.92	-do-
2022-003-501(2020)	01/19/2022	-do-	-do-	131,866.42	-do-
2022-004-501(2020)	01/19/2022	-do-	-do-	114,979.19	-do-
2022-005-501(2020)	01/19/2022	Non-submission of Overtime (OT) Work Program/Plan and Quantified Accomplishment Report (QAR)	-do-	5,014.98	-do-
2022-006-501(2020)	01/19/2022	Non-submission of OT Work Program/Plan; QAR; and Nurse's schedule of duty	-do-	15,311.00	-do-
2022-007-501(2020)	01/19/2022	- do -	-do-	15,431.48	-do-
2017-001-501	01/25/2017	Non-submission of supporting documents	-do-	84,602,307.75	For further verification as to compliance with the NS.
2015-003-501	11/04/2015	- do -	-do-	29,200,000.00	-do-
2015-002-501	10/08/2015	Deficiency of supporting documents	-do-	173,036,646.04	-do-
NIA Consult, Inc. (NIACI), former subsidiary of the NIA, subsumed in CO-Corporate Fund					
2014-003-NIACI	02/19/2014	Incomplete documents to support payment	Officers and employees concerned	21,000.00	-do-
2013-008-NIACI (12)	08/27/2013	-do-	-do-	21,865,927.40	-do-
10-048-NIACI (09)	06/02/2010	-do-	-do-	136,880.00	-do-
10-033-NIACI(09)	05/28/2010	Non-submission of original documents relative to the liquidation of cash advance	-do-	171,913.77	-do-
General Fund (Philippine Peso)					
2017-003-101	12/20/2017	Lack of supporting documents	Officers and employees concerned	14,500,000.00	-do-
2017-002-102	12/20/2017	- do -	-do-	11,700,000.00	-do-
2017-001-102	10/13/2017	- do -	-do-	13,365,000.00	-do-
2016-015-102	11/10/2016	- do -	Former NIA Administrator, et al.	6,959,368.66	Documents submitted, for validation of the Audit Team.
2016-011-102	10/07/2016	- do -	-do-	15,248,418.51	-do-
2016-010-102	08/12/2016	- do -	-do-	28,404,551.91	-do-
2016-009-102	06/16/2016	- do -	-do-	10,292,166.13	For further verification as to compliance with the NS.
2016-007-101	04/19/2016	- do -	-do-	41,348,369.06	Documents submitted, for validation of the Audit Team.
2016-006-101	03/18/2016	- do -	-do-	36,211,858.85	-do-
2016-005-101	03/03/2016	- do -	-do-	14,386,661.12	-do-
2016-002-101	02/16/2016	- do -	Officers, employees and contractor concerned	18,268,619.72	For further verification as to compliance with the NS.
2015-008-102	12/02/2015	- do -	-do-	77,272.73	-do-
2014-033-101	12/11/2014	- do -	-do-	1,925,059.51	-do-
2014-032-102	11/10/2014	- do -	-do-	33,021,447.07	Documents submitted, for validation of the Audit Team.
2014-031-102	11/10/2014	-do-	Officers and employees concerned	23,232,164.88	For further verification as to compliance with the NS.
2014-030-101	09/22/2014	- do -	-do-	22,342,252.03	-do-
2014-029-102	09/22/2014	- do -	-do-	7,943,368.97	-do-
2014-028-101	09/22/2014	- do -	-do-	1,460,325.30	Documents submitted, for validation of the Audit Team.

Notices of Suspension (NS)					
No.	Date	Nature of Suspension	Person(s) Responsible	Amount	Status
2014-027-102	09/18/2014	Lack of supporting documents	Former Acting Deputy Administrator	13,128,635.51	Documents submitted, for validation of the Audit Team.
2014-026-101	09/16/2014	-do-	Former NIA Administrator, et al.	13,728,181.83	-do-
HCAAP 2014-001 (12)	08/28/2014	Incomplete submission of supporting documents	Deputy Administrator for Administrative and Finance (DAAF), et al.	8,891,600.99	For further verification as to compliance with the NS.
2014-022-102	07/15/2014	Lack of supporting documents	Former NIA Administrator, et al.	68,224,695.34	-do-
2014-020-102	06/23/2014	- do -	-do-	3,710,000.00	Documents submitted, for validation of the Audit Team.
2014-016-101	05/06/2014	- do -	-do-	14,932,562.16	For further verification as to compliance with the NS.
2014-015-101	05/06/2014	- do -	-do-	8,584,227.00	-do-
2014-014-101	05/02/2014	- do -	-do-	21,446,960.31	-do-
2014-013-101	04/30/2014	- do -	-do-	10,748,729.83	-do-
2014-012-101	04/11/2014	- do -	-do-	25,659,406.23	-do-
2014-011-101	04/11/2014	- do -	-do-	19,998,848.51	-do-
2014-001-101 (13)	01/09/2014	- do -	-do-	40,971,251.80	-do-
2014-003-101 (13)	01/22/2014	- do -	Deputy Administrator for Engineering and Operations (DAEO), et al.	6,037,604.65	-do-
2014-005-101 (13)	01/22/2014	- do -	-do-	11,171,650.38	Documents submitted, for validation of the Audit Team.
2014-007-101 (13)	01/24/2014	- do -	-do-	4,254,200.18	For further verification as to compliance with the NS.
2014-008-101 (13)	02/05/2014	- do -	-do-	9,811,452.27	Documents submitted, for validation of the Audit Team.
2014-009-102 (13)	02/19/2014	- do -	Former NIA Administrator, et al.	27,140,711.89	For further verification as to compliance with the NS.
2014-010-102 (13)	02/19/2014	- do -	DAEO, et al.	197,500.00	-do-
2013-004-101 (12)	04/29/2013	- do -	Former NIA Administrator, et al.	39,078,014.61	Documents submitted, for validation of the Audit.
2013-003-101 (11)	04/22/2013	- do -	-do-	42,016,752.06	-do-
2013-006-102 (13)	08/02/2013	Non-submission of documents	-do-	4,614,325.52	-do-
12-017-101 (11)	11/26/2012	Lack of supporting documents	Manager, Engineering Department et al.	48,093.75	For further verification as to compliance with the NS.
12-016-101 (11)	11/26/2012	- do -	Acting DAEO, et al.	26,550.00	-do-
12-015-101 (11)	12/04/2012	- do -	Manager, Institutional Development Division (IDD), et al.	433,625.00	-do-
12-012-101 (11)	06/25/2012	Non-submission of supporting documents	Acting DAEO, et al.	150,000.00	-do-
12-011-101 (11)	06/25/2012	- do -	Manager, IDD, et al.	214,625.00	-do-
11-007-102 (07)	11/29/2011	Lack of supporting documents	Former NIA Administrator, et al.	34,538,860.49	-do-
11-004-102 (11)	09/21/2011	- do -	-do-	858,675.92	-do-
TOTAL CO (Philippine Peso)				P 1,040,812,491.10	
General Fund (US Dollar US\$)					
2016-014-102	11/07/2016	Lack of supporting documents	Former NIA Administrator, et al.	US\$ 3,863,966.92	For further verification as to compliance with the NS.
TOTAL CO (US\$)				US\$ 3,863,966.92	
CORDILLERA ADMINISTRATIVE REGION (CAR)					
Regional Office-General Fund					
15-001-101-(10)	07/24/2015	Lack of supporting documents	Officers and employees concerned	P 640,800.34	Partial settlement under NSSDC No. 2022-04. Original amount is P1,733,628.34.
Kalinga and Ifugao Irrigation Management Office (IMO) – General Fund					
2017-002-101-(11-12) KIMO	11/13/2017	Incomplete supporting documents	Chief Corporate Accountant, et al.	108,649.64	The amount settled under NSSDC No. 2022-05 was inadvertently reported in the Status of Audit Suspensions, Disallowances and Charges (SASDC) as of December 31, 2022 as P1,094,045.30, instead of P1,202,694.94, thus, the adjustment of

Notices of Suspension (NS)		Nature of Suspension	Person(s) Responsible	Amount	Status
No.	Date				
					P108,649.64. To be corrected in the SASDC for the 1st Quarter of CY 2023.
<u>Regional Office - Corporate Fund</u>					
20-02-501 LFP (19)	08/17/2020	Lack of supporting documents on cash advance and liquidation	Employee concerned	193,889.00	The settlement is being coordinated by the Administrative and Finance Manager with the NIA Central Office.
<u>Kalinga and Ifugao IMO - Corporate Fund</u>					
2018-002-501 LFP- (17) KIMO	11/29/2018	Incomplete supporting documents	Regional Manager, et al.	2,594,852.95	Unsettled to date; NS was received by the persons responsible on December 13 - 14, 2018.
17-004-501 LFP-(13-14) KIMO	11/14/2017	- do -	Regional Manager, Division Manager, et al.	52,706,545.10	Partial settlements under NSSDC No. 19-006 and NSSDC No. 2022-01.
TOTAL CAR				P 56,244,737.03	
<u>REGIONAL IRRIGATION OFFICE NO. I</u>					
<u>Regional Office - General Fund</u>					
2011-001(101)	01/26/2011	Lack of supporting documents to support the payments of Right of Way (ROW)	Officers and employees concerned and landowner	P 1,425,671.44	For further verification as to compliance with the NS.
TOTAL REGIONAL IRRIGATION OFFICE I				P 1,425,671.44	
<u>REGIONAL IRRIGATION OFFICE NO. V</u>					
<u>Regional Office - General Fund</u>					
12-001-101 (12)	05/09/2012	Project was 36.10% above COA estimate and 26.10% above authorized limit	Officers and employees concerned, and contractor	P 459,700.87	Received justification, for verification/evaluation of the Audit Team.
12-002-101 (12)	05/09/2012	Project was 19.78% above COA estimate and 9.78% above authorized limit	-do-	89,975.28	-do-
12-008-101	10/01/2012	Project was only 87.46% completed per Technical Inspection Report rendered by the COA Technical Inspector.	-do-	321,928.49	-do-
12-009-101	10/03/2012	Project was 20.26% above COA estimate and 10.26% above authorized limit	-do-	136,472.77	-do-
12-011-101	11/05/2012	Long overdue projects which have incurred more than 10% slippage	-do-	4,902,538.59	For further verification as to compliance with the NS.
12-012-101	11/05/2012	-do-	-do-	3,758,313.48	-do-
TOTAL REGIONAL IRRIGATION OFFICE NO. V				P 9,668,929.48	
<u>REGIONAL IRRIGATION OFFICE NO. VI</u>					
<u>Regional Office - General Fund</u>					
2022-002-501	02/03/2022	Non-submission of supporting documents	Officers and employees concerned	P 3,120,333.34	Documents submitted, for validation of the Audit Team.
09-001-501	11/13/2009	-do-	-do-	1,573,658.72	For further verification as to compliance with the NS.
<u>Iloilo - Guimaras IMO - General Fund</u>					
2013-001-501 (2012)	01/10/2013	Non-submission of supporting documents	Officers and employees concerned	2,329,000.00	-do-
2010-002-501 DA	07/02/2010	Payment of Motor engine	-do-	78,553.57	-do-
2010-001-501 DA	07/02/2010	Partial payment of Communal Irrigation System	-do-	1,900,000.00	-do-
<u>Antique IMO - Corporate Fund</u>					
2012-003-501	03/12/2012	Non-submission of supporting documents	-do-	13,298.76	-do-
2011-007-501(10)	07/19/2011	-do-	-do-	48,000.00	-do-
2011-006-501(10)	07/19/2011	-do-	-do-	1,302,000.00	-do-

Notices of Suspension (NS)					
No.	Date	Nature of Suspension	Person(s) Responsible	Amount	Status
2011-005-501(10)	07/01/2011	Without specific authority from DBM/President of the Republic of the Philippines	Officers and employees concerned	497,301.80	For further verification as to compliance with the NS.
2011-004-501(10)	07/01/2011	Without specific authority from DBM/President of the Republic of the Philippines	-do-	49,490.00	-do-
2011-003-501(10)	07/01/2011	-do-	-do-	1,008,300.00	-do-
2011-002-501(10)	03/17/2011	Non-submission of supporting documents	-do-	369,000.00	-do-
2011-001-501(10)	03/17/2011	-do-	-do-	2,317,500.00	-do-
2010-002-501(10)	04/26/2010	Payment of cost-of-living allowance	-do-	226,245.76	-do-
2010-001-501(10)	04/26/2010	Payment of Collective Negotiation Agreement (CNA) for CY 2010	-do-	150,000.00	-do-
2020-001-501-(18)	01/30/2020	Missing DV and supporting documents	-do-	7,360.00	-do-
Capiz IMO - Corporate Fund					
2011-001-(2010)	01/26/2011	Non-submission of supporting documents	-do-	50,000.00	-do-
2011-002-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-003-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-004-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-005-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-006-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-007-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-008-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-009-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-010-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-011-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-012-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-013-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
2011-014-(2010)	01/26/2011	-do-	-do-	50,000.00	-do-
General Fund					
09-002-101-(09)	11/13/2009	-do-	-do-	98,000.00	-do-
09-001-101 (09)	11/13/2009	-do-	-do-	112,506.00	-do-
Iloilo - Guimaras IMO - General Fund					
09-002-102-(09)	11/13/2009	-do-	-do-	80,793.75	-do-
09-001-102 (09)	11/13/2009	-do-	-do-	112,031.25	-do-
2010-002-101	10/14/2012	-do-	-do-	268,195.11	-do-
11-003-101	06/08/2011	Lack of authority to disburse	-do-	4,544,858.14	-do-
11-002-101	03/07/2011	Payment of CNA Incentive for CY 2010	-do-	295,000.00	-do-
2010-001-101	10/15/2010	Non-submission of supporting documents	-do-	28,960.72	-do-
Special Fund					
09-001-158-(07)	11/12/2009	-do-	-do-	11,710.25	-do-
09-002-158-(07)	11/12/2009	-do-	-do-	8,958.00	-do-
09-004-158-(07)	12/21/2009	-do-	-do-	16,000.00	-do-
09-001-158A2-(07)	11/12/2009	-do-	-do-	9,972.25	-do-
TOTAL REGIONAL IRRIGATION OFFICE RO NO. VI				P 21,277,027.42	
REGIONAL IRRIGATION OFFICE NO. VII					
Regional Office - Corporate Fund					
2011-011-501(10)	02/07/2011	Non-submission of complete documents	Lawyer/ consultant concerned	P 84,000.00	For further verification as to compliance with the NS.
2011-001-501 COB-(11)	09/05/2011	-do-	Officers and employees concerned	306,000.00	Documents submitted, for validation of the Audit Team.
2011-002-501 COB-(11)	09/05/2011	-do-	-do-	768,000.00	For further verification as to compliance with the NS.
TOTAL REGIONAL IRRIGATION OFFICE NO. VII				P 1,158,000.00	

Notices of Suspension (NS)		Nature of Suspension	Person(s) Responsible	Amount	Status
No.	Date				
REGIONAL IRRIGATION OFFICE NO. IX					
<u>Regional Office - Corporate Fund</u>					
Details for update		Details for update	Details for update	P 350,961.43	For further verification as to compliance with the NS.
TOTAL REGIONAL IRRIGATION OFFICE NO. IX				P 350,961.43	
REGIONAL IRRIGATION OFFICE NO. X					
<u>Regional Office - Corporate Fund</u>					
2018-001-501-2018/	06/29/2018	Security Consultancy Services	Officers, employees and consultant concerned	P 600,000.00	For further verification as to compliance with the NS.
2016-001-501 (2015)	02/16/2016	Unsubmitted DV and supporting documents	Officers, employees and contractor concerned	68,384.56	-do-
2016-002-501 (2015)	03/17/2016	Unsubmitted liquidation report	-do-	106,406.16	-do-
2016-003-501-(2015)	07/26/2016	Use of cash advance other than its intended purpose	-do-	65,000.00	-do-
2018-001-501	05/07/2018	Non-submission of various DV and supporting documents	-do-	4,211,144.42	-do-
2020-001-501 LFPs (2017 & 2018)	09/04/2020	Non-submission of contract supporting documents	-do-	2,618,173.08	-do-
2020-002-501 LFPs (2016 & 2017)	09/04/2020	-do-	-do-	1,033,089.34	-do-
2020-09 BIMO MOE	For update	Non-submission of supporting documents	Officers and employees concerned	13,145.00	-do-
2020-017 Taytay Unggoy CIP, GESA	-do-	-do-	-do-	26,811.00	-do-
2020-010	12/16/2020	-do-	-do-	540,396.36	-do-
2021-005	08/11/2021	-do-	-do-	40,733.88	-do-
2021-006	08/11/2021	-do-	-do-	19,607.13	-do-
2021-007	08/12/2021	-do-	-do-	104,532.02	-do-
2021-008	08/12/2021	-do-	-do-	22,500.00	-do-
2021-009	09/07/2021	-do-	-do-	64,000.00	-do-
2021-011	09/24/2021	Non-submission of DV	-do-	68,906.93	-do-
2021-012	10/28/2021	-do-	-do-	27,344.20	-do-
2021-013	10/28/2021	-do-	-do-	176,083.62	-do-
2021-001-501 COB (2017)	04/20/2021	-do-	-do-	603,617.53	-do-
2021-002-501 COB (2018)	04/20/2021	Non-submission of DVs and supporting documents	-do-	341,148.60	-do-
2021-003-501 COB (2019)	04/20/2021	-do-	-do-	1,209,518.30	-do-
2021-004-501 LFPs (2017)	04/20/2021	-do-	-do-	235,372.05	-do-
2021-005-501 LFPs (2018)	04/20/2021	-do-	-do-	235,372.16	-do-
2021-006-501 LFPs (2018)	04/20/2021	-do-	-do-	870,480.57	-do-
2021-007-501 LFPs (2018)	04/20/2021	-do-	-do-	100,012.44	-do-
N2021-008-501 LFPs (2019)	04/20/2021	-do-	-do-	262,153.94	-do-
2021-011-501 COB (2018)	04/20/2021	-do-	-do-	201,444.91	-do-
2021-012-501 LFPs (2018)	05/03/2021	-do-	-do-	175,718.77	-do-
2021-013-501 LFPs (2019)	05/03/2021	-do-	-do-	19,500.00	-do-
2021-014-501 LFPs (2019)	05/03/2021	-do-	-do-	19,655.00	-do-
2021-015-501 COB	07/19/2021	Non-submission of DTRs	-do-	430,762.00	-do-
<u>Regional Office - General Fund</u>					
2022-001	01/18/2022	Non-submission of DVs and supporting documents	-do-	57,513.87	-do-
2022-011	09/20/2022	-do-	-do-	10,121.43	-do-
2015-001-101-2013	03/02/2015	-do-	-do-	16,966,788.82	The matter was referred to the LSS last July 14, 2015. Awaiting reply.

Notices of Suspension (NS)					
No.	Date	Nature of Suspension	Person(s) Responsible	Amount	Status
2014-001-101-2013	10/09/2014	Non-submission of DVs and supporting documents	Officers and employees concerned	22,570,512.00	The matter was referred to the LSS last July 14, 2015. Awaiting reply.
<u>Lanao del Norte, Misamis Occidental, Misamis Oriental, and Camiguin (LAMISCA) IMO - General Fund</u>					
2016-001-101 (2015)	02/16/2016	Non-submission of payrolls and supporting documents	Officers and employees concerned	388,329.78	For further verification as to compliance with the NS.
<u>Bukidnon IMO - General Fund</u>					
2020-10 NISRI FSSM PC		Non-submission of supporting documents	-do-	11,500.00	-do-
2020-11 NISRI FSSM PC		-do-	-do-	46,000.00	-do-
2020-12 NISRI FSSM PC		-do-	-do-	15,000.00	-do-
2020-13 R10-102- 2018-075 PC		-do-	-do-	21,147.00	-do-
2020-14 R10-102- 2018-075 PC		-do-	-do-	21,147.00	-do-
2020-15 R10-102- 2018-075 PC		-do-	-do-	21,147.00	-do-
2020-16 R10-102- 2018-075 PC		-do-	-do-	21,147.00	-do-
<u>Bukidnon IMO-Special Fund</u>					
2016-001-Special- 2015	02/16/2016	Non-submission of payrolls and supporting documents	-do-	642.81	-do-
2016-002-Special- 2015	03/17/2016	Non-submission of liquidation of cash advances	-do-	56,600.00	-do-
2016-003-Special Fund-2016	07/22/2016	Lack of supporting documents	-do-	74,550.00	-do-
2021-009-158 ARISP (2018)	04/20/2021	Non-submission of various DVs & supporting documents	-do-	21,767.85	-do-
2021-010-102 MINSAAD (2018)	04/20/2021	-do-	-do-	4,751.27	-do-
TOTAL REGIONAL IRRIGATION OFFICE NO. X				P 54,819,679.80	
<u>REGIONAL IRRIGATION OFFICE NO. XIII</u>					
<u>Regional Office - General Fund</u>					
12-003-101(12)	11/19/2012	Incomplete documentary requirements	Officers and employees concerned	P 18,002.00	Documents submitted, for validation of the Audit Team.
<u>Regional Office - Corporate Fund</u>					
2022-003	10/19/2022	Absence of complete documentation	-do-	4,954.00	-do-
19-007-501 LFPS- CABRIS-(19)	11/13/2019	Incomplete documentary requirements	-do-	39,750.00	-do-
17-002-501TF-(17)		Leave monetization not in accordance with CSC rules and regulations.	-do-	182,643.52	-do-
17-002-501TF-(17)		-do-	-do-	26,464.02	-do-
TOTAL REGIONAL IRRIGATION MANAGEMENT OFFICE NO. XIII				P 271,813.54	
GRAND TOTAL (Philippine Peso)				P1,186,029,311.24	
GRAND TOTAL (US Dollar)				US\$ 3,863,966.92	

B. AUDIT DISALLOWANCES

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
<u>CO General Fund</u>					
2014-011-101	05/07/2014	Payment of honorarium to officers of the NIA and other reimbursable costs	Former Administrator, et al.	P 733,665.09	With Notice of Finality of Decision (NFD) and COA Order of Execution (COE) dated Oct. 16, 2015 and Oct. 28, 2015, respectively.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2014-010-101	05/06/2014	Payment of honorarium to officers of the NIA and other reimbursable costs	Former Administrator, et al.	647,262.50	With NFD and COE dated Oct. 16, 2015 and Oct. 28, 2015, respectively.
2014-009-101	05/02/2014	-do-	-do-	857,729.32	With NFD and COE dated Nov. 03, 2015 and Jan. 27, 2016, respectively.
2014-008-101	04/30/2014	-do-	-do-	534,282.75	With NFD and COE dated Oct. 16, 2015 and Oct. 28, 2015, respectively.
2014-006-101	04/11/2014	-do-	-do-	1,164,821.36	With NFD and COE dated November 03, 2015 and January 27, 2016.
2014-005-101	04/11/2014	-do-	-do-	934,145.01	-do-
12-015-101(04)	11/28/2012	Transfer of income already paid by Fund 101 to Fund 501	Former Administrator, et al.	1,928,918.53	With NFD dated June 5, 2013.
11-010-102(09)	07/19/2011	Overpayment of terminal leave	Former Acting Deputy for Administrative and Finance (DAAF), et al.	18,305.76	With NFD dated June 14, 2013.
11-03-101(10)	12/07/2011	Cost of auditing services charged to General Fund	Acting DAAF and other officers and employees	3,246,721.00	With NFD dated June 5, 2013.
Supplemental ND No. 2019-002 (2016-002-102-A)	10/04/2019	Procurement exceeded the current prevailing market price and no volume discount availed	Former Deputy Administrator, et al.	25,126,000.00	With CGS Cluster 5 Decision No. 2019-028 dated August 13, 2019 sustaining the ND with modification.
Supplemental ND No. 2019-001 (2016-003-102-A)	09/11/2019	-do-	Former Administrator, et al.	23,648,000.00	With CGS Cluster 5 Decision No. 2019-015 dated June 7, 2019, sustaining the ND with modification.
2016-001-102-A	03/29/2019	-do-	-do-	27,246,000.00	With CGS Cluster 5 Decision No. 2019-005 dated February 28, 2019, sustaining the ND with modification.
2016-003-102	04/06/2016	-do-	-do-	272,000.00	With CGS Cluster 5 Decision No. 2019-015 dated June 7, 2019, sustaining the ND with modification.
2016-002-102	03/28/2016	-do-	Former Deputy Administrator, et al.	289,000.00	With CGS Cluster 5 Decision No. 2019-028 dated August 13, 2019 sustaining the ND with modification.
2016-001-102	03/21/2016	-do-	Former Administrator, et al.	494,000.00	With CGS Cluster 5 Decision No. 2019-005 dated February 28, 2019, sustaining the ND with modification.
2015-002-101	07/02/2015	Payment of per diems and reimbursement of vehicle rental to the consultant when he was within the base of operation for the Consultancy Services	-do-	573,636.02	With CGS - 5 Decision No. 2018-023 dated July 16, 2018; with Petition for Review pending before the Commission Proper.
HCAAP 2014-001 (12)	08/28/2014	Overpayment and non-deduction of the cost of materials withdrawn by the contractor	Former Acting DAEO, et al.	6,343,953.68	With CGS 5 Decision No. 2016-039 dated October 12, 2016; for automatic review by the Commission Proper.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
HCAAP 2014-002 (12)	08/28/2014	Overpayment and non-deduction of the cost of materials withdrawn by the contractor	Former Acting DAEO, et al.	15,872,260.75	With CGS 5 Decision No. 2016-039 dated October 12, 2016; for automatic review by the Commission Proper.
2017-014-102	12/20/2017	Payment for Advances/Mobilization Fees	PIDP Manager, et al.	201,272,895.12	With Appeal Memorandum.
2017-013-101	10/11/2017	Payment of claims	Former DAEO, et al.	81,587,134.60	-do-
2017-012-102	04/20/2017	-do-	Former Administrator, et al.	9,129,808.99	-do-
2017-011-101	04/18/2017	Payment of interest charges due to delayed payments	-do-	13,000,000.00	-do-
2017-010-101	04/18/2017	-do-	Former DAEO, et al.	10,825,033.74	-do-
2017-009-102	04/03/2017	Not adequately supported with appropriate/proper documents	Former Administrator, et al.	80,813,154.60	-do-
2017-008-101	03/30/2017	-do-	Former DAEO, et al.	117,343,947.72	-do-
2017-007-101	03/28/2017	Considered as irregular expenditure	-do-	95,274,436.74	-do-
2017-006-102	03/23/2017	-do-	-do-	35,681,359.23	-do-
2017-005-101	02/20/2017	-do-	-do-	121,645,171.43	With CGAS Cluster 5 Decision No. 2022-006.
2017-004-101	02/17/2017	-do-	Former Administrator, et al.	435,809,849.91	With Appeal filed before COA CGAS Cluster 5.
2017-003-101	01/16/2017	-do-	Former DAEO, et al.	138,945,742.35	-do-
2017-002-101	01/16/2017	-do-	Former NIA Administrator, et al.	19,360,652.56	-do-
2017-001-101	01/11/2017	-do-	-do-	203,675,370.73	-do-
2016-007-101	12/16/2016	Not strictly in accordance with the procedure prescribed under Republic Act (RA) No. 9184 and its IRR	-do-	167,422,114.84	-do-
2016-006-101	12/16/2016	-do-	-do-	25,311,068.06	-do-
2016-005-101	12/16/2016	-do-	-do-	122,473,922.21	-do-
2015-007-102	12/17/2015	Delivered items were not in accordance with the specifications	-do-	1,157,990.00	-do-
2015-003-102	10/07/2015	Not in conformity with the contract specifications	Former Acting DAEO, et al.	27,717,840.00	-do-
2015-001-101	06/16/2015	Non-submission of the supporting documents	Former Administrator, et al.	47,057,674.15	For issuance of NFD.
HCAAP 2014-003 (12)	08/28/2014	Payment for overrun or increase in quantity	Former Acting DAEO, et al.	168,774,744.39	With Appeal Memorandum.
2015-006-102	12/02/2015	Considered irregular and unnecessary expenditures	Acting DAEO and other officers and employees concerned	116,590.83	For issuance of NFD.
Total CO – General Fund				2,234,327,203.97	
Corporate Fund					
2016-004-501	08/03/2016	Expense was only recognized when payment was made in the year 2013	Project Manager PIDP, et al.	5,386.00	With NFD and COE dated February 22, 2017.
2016-001-501	04/04/2016	Reimbursement of jet plane fuel and incidental expenses	Former Administrator, et al.	406,315.78	With NFD dated November 2016, but COE is not issued due to Motion for Leave to File and Admit Appeal Memorandum.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2014-002-501 (12)	05/30/2014	CNA incentive in excess of the DBM prescribed ceiling of P25,000	Former Administrator, et al.	29,250.00	With NFD dated February 12, 2016 and COE dated March 11, 2016.
2014-001-501 (12)	11/08/2013	-do-	-do-	16,961.15	With NFD dated March 15, 2016 and COE on March 29, 2016.
2013-096-501(11)	10/16/2013	-do-	Former Manager, Administrative Department, et al.	25,830.00	With NFD dated February 15, 2016 and COE dated March 11, 2016.
2013-073-501 (11)b	09/27/2013	-do-	-do-	37,000.00	With NFD dated February 12, 2016 and COE dated March 11, 2016.
2013-071 501 (11)	09/20/2013	-do-	-do-	23,000.00	With NFD dated April 6, 2016 and COE dated April 13, 2016.
2013-024-501 (12)	03/22/2013	Overpayment of Representation and Transportation Allowance (RATA) for CY 2012	Former Acting Manager, Accounting Division, et al.	22,000.00	With NFD dated May 19, 2015 and COE dated November 5, 2015.
2013-012-501 (11)	02/22/2013	Overpayment of RATA	Former DAAF, et al.	8,000.00	With NFD dated November 6, 2015 and COE dated March 7, 2016.
11-017-501 (09)	04/18/2011	Violation of DBM Budget Circular No. 2006-1	Manager, Accounting Division, et al.	136,500.00	With NFD dated January 12, 2015 and COE dated February 17, 2015.
11-016-501 (09)	04/18/2011	-do-	-do-	132,000.00	-do-
11-015-501 (10)	04/18/2011	-do-	-do-	45,000.00	-do-
11-012-501 (10)	04/18/2011	Overpayment of RATA	Former OIC- Deputy Administrator, et al.	19,000.00	With NFD dated June 5, 2013 and COE dated January 22, 2016.
11-007-501 (10)	04/18/2011	-do-	Acting Deputy Administrator, et al.	19,200.00	-do-
11-004-501 (10)	04/18/2011	-do-	Manager- Accounting Division, et al.	800.00	With NFD dated June 4, 2013 and COE dated January 22, 2016.
10-016-501 (09)	03/16/2010	Payment of CNA incentive not authorized	Acting Sr. Deputy Administrator, et al.	19,904.15	With NFD dated February 15, 2016 and COE dated March 7, 2016.
2015-007-NIACI	09/18/2015	Not adequately supported with appropriate/proper documents	Employee concerned	39,310.00	With NFD dated March 24, 2022 and CGS Cluster 5 Decision No. 2018-042 dated November 28, 2018.
2015-006-NIACI	09/18/2015	-do-	-do-	58,900.00	-do-
2015-005-NIACI	09/15/2015	-do-	-do-	41,000.00	-do-
2015-003-NIACI	09/15/2015	-do-	-do-	56,000.00	-do-
2015-014-NIACON	09/23/2015	-do-	-do-	62,100.00	With NFD dated November 29, 2021 and COE dated March 2, 2022.
2015-013-NIACON	09/23/2015	-do-	-do-	23,600.00	-do-
2015-012-NIACON	09/23/2015	-do-	-do-	17,200.00	-do-
2015-011-NIACON	09/23/2015	-do-	-do-	9,500.00	-do-
2015-010-NIACON	09/23/2015	-do-	-do-	95,550.00	-do-
2017-002-NIACI	11/06/2017	Payment contrary to PD No. 1445; COA Decision No. 2016-245 and DBM Budget Circular No. 2007-02	NIACI Consultants, et al.	4,476,420.01	With CGS Cluster 5 Decision No. 2021-010.
2015-015-NIACON	09/23/2015	Not adequately supported with appropriate/ proper documents	-do-	19,000.00	With NFD and COE dated March 13, 2017.
2015-009-NIACON	09/23/2015	-do-	-do-	1,346,920.85	-do-
2015-004-NIACI	09/15/2015	-do-	-do-	92,789.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2014-019-NIACI	12/01/2014	Payment of meals of consultants and enumerators	NIACI Officers, et al.	7,024.00	With NFD dated September 23, 2015 and COE dated March 3, 2016.
2014-017-NIACI	11/20/2014	Liquidation report not supported with complete and proper documentary requirements	-do-	32,370.00	With NFD dated March 2, 2016 and COE dated March 15, 2016.
2014-007-NIACON	03/21/2014	Payments made considered "Irregular expenditure"	-do-	14,000.00	With NFD dated March 15, 2016 and COE dated March 21, 2016.
2014-006-NIACON	03/21/2014	-do-	NIACI Consultants, et al.	6,702.00	With NFD dated September 23, 2015 and COE dated January 22, 2016.
2014-005-NIACI (12)	03/18/2014	Signatures of persons acknowledging receipt of payment for services rendered differed with their signatures appearing in the photocopy of their Identification Card submitted	NIACI Officers, et al.	6,400.00	With NFD dated September 15, 2015 and COE dated January 22, 2016.
2014-003-NIACI (12)	02/25/2014	Payments made considered "Irregular expenditure"	Employee concerned	80,400.00	With NFD dated November 19, 2015 and COE dated January 22, 2016.
2014-002-NIACI (12)	02/25/2014	-do-	NIACI Consultants, et al.	15,000.00	With NFD dated November 10, 2015 and COE dated January 22, 2016.
2014-001-NIACI(12)	02/06/2014	Non-submission of documentary requirements within the reglementary period	NIACI Officers, et al.	32,370.00	-do-
12-006-NIACI(11)	11/23/2012	Grant of uniform allowance, mid-year bonus/cash gift and PIB contrary to Administrative Code of 1987	Former NIA Administrator, et al.	22,750.00	With NFD dated November 9, 2015 and COE dated January 22, 2016.
12-003-NIACI(10)	08/31/2012	Lack of legal basis for expenses	NIACI Officers, et al.	2,915.50	-do-
12-002-NIACI(09)	05/14/2012	Acquisition cost higher than the prevailing market price	NIACI Vice President for Operations, et al.	29,000.00	With NFD dated November 10, 2015 and COE dated January 22, 2016.
11-003-NIACON(10)	11/14/2011	Illegal payment of annual fee	Former NIACI Treasurer, et al.	2,500.00	-do-
11-001-NIACON(09)	03/29/2011	Non-liquidation of cash advance	NIACI Consultant, et al.	25,497.00	-do-
10-002-NIACON(09)	09/14/2010	Payment of separation pay without legal basis	NIACI Former Vice President for Legal and Administrative Services, et al.	33,010.00	-do-
10-001-NIACON(09)	09/08/2010	Payment of annual fee of personal credit card	Employee concerned	2,000.00	Person liable-deceased; With COE dated March 13, 2017.
11-004-NIACI (10)	12/15/2011	Double payment of clothing/uniform allowance	NIA Officers, et al.	12,000.00	For issuance of NFD.
2021-005-501(2020)	11/11/2021	Payment of Overtime charged to COVID-19 fund	Employee concerned	467,746.95	No Appeal was received upon expiration of the six-month period.
2019-001-501	08/23/2019	Lack of supporting documents	Employees concerned and supplier	105,116,655.00	No appeal was received upon expiration of the six-month period.
2016-002-501 (A)	06/06/2019	-do-	Former NIA Administrator, et al.	28,680,000.00	Supplemental ND. No Appeal was received upon expiration of the six-month period.

Notices of Disallowance (ND)		Nature of Disallowance	Person(s) Liable	Amount	Status
No.	Date				
2016-005-50	08/05/2016	Payment of OT Services	Former Administrator, et al.	23,900.25	With CGS Cluster-V Decision No. 2018-045 dated December 20, 2018.
2014-018-NIACI	10/25/2014	Not supported with complete and proper documentary requirements	NIACI Officers, et al.	1,011,200.00	Consolidated Appeals for the lifting of the ND were denied under CGS Cluster 5 Decision No. 2015-016 dated October 30, 2015.
2013-003-NIACI (12)	09/12/2013	Remuneration paid to an employee not qualified as Consultant	-do-	297,087.47	Appeal dated March 10, 2014 was denied under CGS 5 Decision No. 2014-013 dated September 24, 2014, with modification as to the amount of the ND.
2013-001-NIACI (12)	08/27/2013	Payment of remuneration and honoraria without legal basis	-do-	1,459,800.00	CGS 5 Decision No. 2014-010 and ND were affirmed under COA Decision No. 2016-245. With partial settlement.
12-005-NIACI (11)	11/23/2012	Payment contrary 1987 Constitution and absence of documentary requirements to support rendition of work	-do-	2,137,000.00	ND was affirmed under COA Decision No. 2016-435 dated December 27, 2016. With partial settlement.
12-004-NIACI (10)	11/23/2012	-do-	-do-	399,000.00	-do-
2015-016-501 (12)	09/15/2015	Payment of CNA incentive in excess of the DBM prescribed ceiling of P25,000	Former Administrator, et al.	955,000.00	With Petition for Review.
2015-015-501 (12)	09/08/2015	-do-	-do-	723,000.00	-do-
2015-014-501 (12)	09/08/2015	-do-	-do-	312,000.00	-do-
2015-013-501 (12)	09/07/2015	-do-	-do-	317,000.00	-do-
2015-012-501 (12)	09/04/2015	-do-	-do-	840,000.00	-do-
2015-011-501 (12)	09/04/2015	-do-	-do-	273,000.00	-do-
2015-010-501 (12)	09/02/2015	-do-	-do-	615,000.00	-do-
2015-009-501 (12)	08/24/2015	-do-	-do-	69,000.00	-do-
2015-008-501 (12)	08/24/2015	-do-	-do-	234,000.00	-do-
2015-007-501 (12)	08/12/2015	-do-	-do-	1,170,000.00	-do-
2015-006-501 (12)	08/17/2015	-do-	-do-	507,000.00	-do-
2015-005-501 (12)	08/17/2015	-do-	-do-	124,000.00	-do-
2015-004-501 (12)	08/12/2015	-do-	-do-	507,000.00	-do-
2015-003-501 (12)	08/12/2015	-do-	-do-	156,000.00	-do-
2015-002-501 (12)	02/12/2015	-do-	-do-	700,000.00	-do-
2013-118-501 (11)	11/07/2013	-do-	Acting Manager- Accounting Division, et al.	37,000.00	-do-
2013-117-501 (11)	10/29/2013	-do-	-do-	21,500.00	-do-
2013-116-501 (11)	10/29/2013	-do-	-do-	7,000.00	-do-
2013-115-501 (11)	10/29/2013	-do-	-do-	37,000.00	-do-
2013-114-501 (11)	10/29/2013	-do-	-do-	17,000.00	-do-
2013-113-501 (11)	10/29/2013	-do-	-do-	37,000.00	-do-
2013-112-501 (11)	10/29/2013	-do-	-do-	37,000.00	-do-
2013-111-501 (11)	10/25/2013	-do-	-do-	37,000.00	-do-
2013-110-501 (11)	10/25/2013	-do-	-do-	7,000.00	-do-
2013-109-501 (11)	10/25/2013	-do-	-do-	17,000.00	-do-
2013-108-501 (11)	10/25/2013	-do-	-do-	17,000.00	-do-
2013-107-501 (11)	10/25/2013	-do-	-do-	308,500.00	-do-
2013-106-501 (11)	10/24/2013	-do-	-do-	74,000.00	-do-
2013-105-501 (11)	10/24/2013	-do-	-do-	14,000.00	-do-
2013-104-501 (11)	10/24/2013	-do-	-do-	5,000.00	-do-
2013-103-501 (11)	10/24/2013	-do-	-do-	5,000.00	-do-
2013-102-501 (11)	10/23/2013	-do-	-do-	22,500.00	-do-
2013-101-501 (11)	10/23/2013	-do-	-do-	22,500.00	-do-
2013-100-501 (11)	10/23/2013	-do-	-do-	15,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2013-099-501 (11)	10/23/2013	Payment of CNA incentive in excess of the DBM prescribed ceiling of P25,000	Acting Manager- Accounting Division, et al.	6,000.00	With Petition for Review.
2013-098-501 (11)	10/22/2013	-do-	-do-	6,000.00	-do-
2013-097-501 (11)	10/22/2013	-do-	-do-	7,500.00	-do-
2013-095-501 (11)	10/07/2013	-do-	-do-	25,000.00	-do-
2013-094-501 (11)	10/07/2013	-do-	-do-	296,000.00	-do-
2013-093-501 (11)	10/07/2013	-do-	-do-	21,500.00	-do-
2013-092-501 (11)	10/07/2013	-do-	-do-	27,500.00	-do-
2013-091-501 (11)	10/07/2013	-do-	-do-	5,000.00	-do-
2013-090-501 (11)	10/07/2013	-do-	-do-	7,000.00	-do-
2013-089-501 (11)	10/04/2013	-do-	-do-	80,000.00	-do-
2013-088-501 (11)	10/04/2013	-do-	-do-	37,000.00	-do-
2013-087-501 (11)	10/04/2013	-do-	-do-	154,000.00	-do-
2013-086-501 (11)	10/04/2013	-do-	-do-	148,000.00	-do-
2013-085-501 (11)	10/04/2013	-do-	-do-	210,000.00	-do-
2013-084-501 (11)	10/04/2013	-do-	-do-	6,000.00	-do-
2013-083-501 (11)	10/04/2013	-do-	-do-	14,000.00	-do-
2013-082-501 (11)	10/04/2013	-do-	-do-	37,000.00	-do-
2013-081-501 (11)	10/03/2013	-do-	-do-	111,000.00	-do-
2013-080-501 (11)	10/02/2013	-do-	-do-	195,500.00	-do-
2013-079-501 (11)	09/30/2013	-do-	-do-	111,000.00	-do-
2013-078-501 (11)	09/30/2013	-do-	-do-	37,000.00	-do-
2013-077-501 (11)	09/30/2013	-do-	-do-	74,000.00	-do-
2013-076-501 (11)	09/30/2013	-do-	-do-	37,000.00	-do-
2013-075-501 (11)	09/30/2013	-do-	-do-	111,000.00	-do-
2013-074-501 (11)	09/27/2013	-do-	-do-	111,000.00	-do-
2013-073-501 (11)	09/27/2013	-do-	-do-	354,500.00	-do-
2013-072-501 (11)	09/20/2013	-do-	-do-	74,000.00	-do-
2013-070-501 (11)	09/13/2013	-do-	-do-	885,000.00	-do-
2013-069-501 (11)	09/12/2013	-do-	-do-	465,500.00	-do-
2013-068-501 (11)	09/12/2013	-do-	-do-	148,000.00	-do-
2013-067-501 (11)	09/12/2013	-do-	-do-	148,000.00	-do-
2013-066-501 (11)	09/11/2013	-do-	-do-	17,000.00	-do-
2013-065-501 (11)	09/10/2013	-do-	-do-	37,000.00	-do-
2013-064-501 (11)	09/11/2013	-do-	-do-	296,000.00	-do-
2013-063-501 (11)	09/10/2013	-do-	-do-	30,000.00	-do-
2013-062-501 (11)	09/10/2013	-do-	-do-	27,500.00	-do-
2013-061-501 (11)	09/09/2013	-do-	-do-	37,000.00	-do-
2013-060-501 (11)	09/09/2013	-do-	-do-	7,500.00	-do-
2013-059-501 (11)	09/09/2013	-do-	-do-	222,000.00	-do-
2013-058-501 (11)	09/09/2013	-do-	-do-	37,000.00	-do-
2013-057-501 (11)	09/04/2013	-do-	-do-	37,000.00	-do-
2013-056-501 (11)	09/04/2013	-do-	-do-	37,000.00	-do-
2013-055-501 (11)	09/04/2013	-do-	-do-	235,000.00	-do-
2013-054-501 (11)	09/02/2013	-do-	-do-	894,500.00	-do-
2013-053-501 (11)	09/03/2013	-do-	-do-	925,000.00	-do-
2013-052-501 (11)	09/02/2013	-do-	-do-	37,000.00	-do-
2013-051-501 (11)	09/02/2013	-do-	-do-	629,000.00	-do-
2013-050-501 (11)	09/02/2013	-do-	-do-	666,000.00	-do-
2013-049-501 (11)	09/02/2013	-do-	-do-	74,000.00	-do-
2013-047-501 (11)	08/29/2013	-do-	-do-	592,000.00	-do-
2013-046-501 (11)	08/29/2013	-do-	-do-	592,000.00	-do-
2013-045-501 (11)	08/29/2013	-do-	-do-	111,000.00	-do-
2013-044-501 (11)	08/29/2013	-do-	-do-	1,184,000.00	-do-
2013-043-501 (11)	08/23/2013	-do-	-do-	1,036,000.00	-do-
2013-042-501 (11)	08/23/2013	-do-	-do-	222,000.00	-do-
2013-041-501 (11)	08/23/2013	-do-	-do-	259,000.00	-do-
2013-040-501 (11)	08/23/2013	-do-	-do-	74,000.00	-do-
2013-039-501 (11)	08/23/2013	-do-	-do-	185,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2013-038-501 (11)	08/23/2013	Payment of CNA incentive in excess of the DBM prescribed ceiling of P25,000	Acting Manager- Accounting Division, et al.	962,000.00	With Petition for Review.
2013-037-501 (11)	08/23/2013	-do-	-do-	111,000.00	-do-
2013-036-501 (11)	08/23/2013	-do-	-do-	185,000.00	-do-
2013-035-501 (11)	08/23/2013	-do-	-do-	444,000.00	-do-
2013-034-501 (11)	08/22/2013	-do-	-do-	814,000.00	-do-
2013-033-501 (11)	08/22/2013	-do-	-do-	814,000.00	-do-
2013-032-501 (11)	08/22/2013	-do-	-do-	555,000.00	-do-
2013-031-501 (11)	08/16/2013	-do-	-do-	555,000.00	-do-
2013-030-501 (11)	08/13/2013	-do-	-do-	296,000.00	-do-
2013-029-501 (11)	08/13/2013	-do-	-do-	518,000.00	-do-
2013-028-501 (11)	08/13/2013	-do-	-do-	370,000.00	-do-
2013-027-501 (11)	08/06/2013	-do-	-do-	37,000.00	-do-
2014-008-NIACON	04/14/2014	Payment of honoraria was contrary to Administrative Code of 1987.	-do-	655,200.00	-do-
2014-004-NIACI (12)	03/12/2014	Payment considered unnecessary expenditures.	-do-	139,889.55	-do-
2021-001-501 LFPs (17/18/19/20)	03/24/2021	Payment for construction expense without legal basis.	Officers and employees concerned	405,401,400.99	For issuance of NFD.
2021-001-501 LFPs (19/20)	03/24/2021	-do-	-do-	124,471,699.06	-do-
2021-003-101/501 (17/18/19)	05/04/2021	-do-	-do-	185,760,484.59	-do-
2021-005-501 (19/21)	10/04/2021	-do-	-do-	71,408,361.82	-do-
20-001-501 (18)	06/09/2020	Payment of consultancy security services was unnecessary	-do-	600,000.00	With Appeal Memorandum.
20-002-501 (18)	06/11/2020	-do-	-do-	600,000.00	-do-
20-003-501 (18)	06/11/2020	-do-	-do-	650,000.00	-do-
20-004-501 (18)	06/11/2020	-do-	-do-	300,000.00	-do-
20-005-501 (17)	06/11/2020	-do-	-do-	150,000.00	-do-
20-006-501 (17)	06/11/2020	-do-	-do-	406,451.61	-do-
20-007-501 (17)	06/11/2020	-do-	-do-	250,000.00	-do-
20-008-501 (17)	06/11/2020	-do-	-do-	54,838.71	-do-
2017-01-501	06/23/2017	Payment to contractors	Former DAEO, et al.	119,460,053.27	-do-
2016-009-501	10/25/2016	Payment for the supply and delivery of various IT equipment	Former Manager- Administrative Department, et al.	769,226.08	-do-
2016-008-501	09/02/2016	Payment of various expenses in connection to the NIA-IA Convention- Consultation and Mass Turn-over of Completed Project to IAs	Former Administrator, et al.	372,000.00	For updating of status.
2016-007-501	07/29/2016	Payment for the lease of venue	-do-	8,437,400.00	-do-
2016-003-501	07/22/2016	Payment for OT Services	-do-	473,543.50	-do-
2016-002-501	04/25/2016	Supply and delivery Motor vehicles under NIA Corporate Fund	-do-	520,000.00	-do-
2017-001-NIACI	02/16/2017	Liquidation of cash advances not supported with complete documents	NIACI Consultants, et al.	843,750.00	With Appeal Memorandum.
2015-008-NIACON	09/23/2015	-do-	NIACI Officers, et al.	7,102,875.00	With CGS Cluster 5 Decision No. 2019-002 dated January 30, 2019 for the disallowance amounting to P119,250.00.
Total CO – Corporate Fund				1,102,471,439.29	

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
CO - Special Fund					
11-001-158(08-07)	04/25/2011	Payment of honorarium to NIA CARP officers	Former Project Manager, et al.	443,589.25	With COE dated October 19, 2015.
2014-016-158(12)	06/25/2014	Payment of salaries, bonuses and allowances after compulsory retirement has no legal basis	Officers and employees concerned	473,613.08	With COA CGS Cluster 5 Decision No. 2017-016 dated January 14, 2017. With Petition for Review No. 2017-03 dated April 19, 2017.
2016-002-158	08/04/2016	Monetary remuneration of overtime is contrary to CSC-DBM Joint Circular No. 2	ARISP III officers and personnel	44,991.04	With CGAS Cluster 5 Decision No. 2022-020.
10-003-158(09)	04/27/2010	Payment of CNA lacked legal basis	Officers and employees concerned	60,000.00	For updating of status.
10-002-158(09)	04/27/2010	-do-	-do-	60,000.00	-do-
10-001-158(09)	03/22/2010	-do-	-do-	418,069.02	-do-
Total CO - Special Fund				1,500,262.39	
TOTAL - CO				P3,338,298,905.65	
CAR					
General Fund					
2018-06-101-(11) KIMO	10/01/2018	Non-submission of the supporting documents required within the prescribed period	Employee concerned	P 10,459.00	For issuance of NFD and COE.
2018-05-101-(11) KIMO	10/01/2018	-do-	Sr. Accounting Processor A, et al.	7,709.00	-do-
2018-003-101 (11) KIMO	07/06/2018	Deficiency of 6.33 percent on the completed Communal Irrigation System	Regional Manager, et al.	93,253.00	-do-
12-017-101-(12)	08/15/2012	Excessive claim of per diems	Employee concerned	3,200.00	No Appeal was filed within the reglementary period. Employee resigned in CY 2014.
12-014-101-(12)	08/05/2012	-do-	-do-	1,120.00	No Appeal was filed within the reglementary period. Employee transferred to NIA CAR-Ifugao Satellite Office.
15-003-101-(10)	01/30/2015	Grouted riprap was not in accordance with the standard grouting	Officers and employees concerned	145,316.83	COE dated June 15, 2020 was received by Management on August 13, 2020. Partially settled through NSSDC No. 2021-04 in the amount of P130,000.00; NSSDC No. 2021-08 dated Oct. 18, 2021 in the amount of P73,500.00. Original amount is P348,816.83.
2017-03-101-(10)	11/07/2017	Failure to repair the portion of the reinforced concrete canal side walls that collapsed due to substandard concrete mixture/improper construction method applied	Division Manager, et al.	16,273.39	NFD and COE received by Management on October 25, 2021 and December 20, 2021.
2017-02-101-(10)	11/03/2017	Failure to comply with the recommendations to investigate and explain the irregularities and inconsistencies in the	-do-	9,516.97	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
		procurement of construction materials			
2018-04-101-(10) KIMO	10/01/2018	Irregular procurement of pipes. Pipes were procured after the completion of the project	Division Manager, et al.	94,575.00	With NFD dated August 8, 2021 and COE dated December 6, 2021.
16-001-101-(12)	05/23/2016	Procured three units of pump with accessories were missing	-do-	345,480.00	For updating of status.
2022-03-101 (11-12)	10/12/2023	Incomplete supporting documents.	Chief Corporate Accountant; Regional Manager; Division Manager	1,094,045.30	-do-
2022-04-101(11)	10/24/2023	-do-	Officers and employees concerned	34,352.58	-do-
Total CAR – General Fund				1,855,301.07	
<u>Kalinga IMO – Corporate Fund</u>					
2015-010-501 (11)	12/01/2015	Payment of Viability Incentive Grant (VIG) for CY 2013 without legal basis/authority	Division Manager A	43,000.00	With NFD dated July 30, 2020 and COE dated August 13, 2020.
2015-011-501 (13-14)	12/01/2015	-do-	Regional Manager; Division Manager; Administrative Services Officer A; Cashier B; Payees	3,166,096.79	With COE dated March 26, 2019. With Partial payments per NSSDC No. 2020-05 dated June 29, 2020 and NSSDC No. 2021-02 KIMO; original amount P4,186,739.88.
2018-02-(501 COB)	04/18/2018	Payment of consultancy services not compliant with RA No. 9184 and PD No. 1445	Regional Manager; Administrative and Finance Manager; Security Consultant	350,000.00	With COA CGAS Cluster 5 Decision No. 2020-003.
16-002-501-(15)	10/05/2016	Payment of Cost-of-Living Allowance and Amelioration Allowance	Retired Regional Manager; Chief Corporate Accountant; Retired employee	68,647.55	For updating of status.
15-009-501-(07)	10/12/2015	Payment of CNA Incentive for CYs 2007-2008 was made to officials performing managerial functions	Employee concerned	10,000.00	-do-
15-008-501-(07)	08/25/2015	-do-	Retired Regional Manager; Collection Representative A, et al.	20,000.00	-do-
15-007-501-14 (07-08)	07/29/2015	-do-	Former Regional Manager, et al.	55,000.00	-do-
15-005-501-14(RO)	06/30/2015	Payment of VIG for CY 2012 without legal basis	-do-	1,335,960.00	-do-
12-005-501-10	06/27/2012	Early payment of CNA	Division Manager, et al.	500,000.00	Affirmed under COA-CAR Decision No. 2015-044 dated July 20, 2015.
12-004-501-10	06/27/2012	-do-	Former Regional Manager, et al.	2,050,000.00	-do-
12-003-501-10	06/27/2012	-do-	Division Manager, et al.	2,350,000.00	-do-
12-001-501-11	06/05/2012	CNA granted for CY 2011 was in excess of P25,000.00	Former Regional Manager, et al.	760,000.00	-do-
<u>CAR – Corporate Fund</u>					
2022-01-501 LFP (17-18)	08/23/2022	Overpayment resulting from underrun on canal structures	Regional Manager, Chief Corporate Accountant, et al.	41,491.69	Paid under OR No. 3006529 dated October 4, 2022. Audit Team instructed Management to remit the same to the Bureau of the Treasury (BTr). Waiting for

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
					the submission of proof of remittance to the BTr.
2022-01-501 LFP (17-18)	08/23/2022	Overpayment resulting from underrun on canal structures	Regional Manager, Chief Corporate Accountant, et al.	9,498.17	-do-
2022-05-501 LFP (17)	12/13/2022	Deficiencies in the submitted supporting documents	Former Senior Accounting Processor and Principal Engineer B, et al.	2,594,852.95	For updating of status.
2022-007-501 LFP (21)	12/13/2022	Overpayment resulting from erroneous computation of liquidated damages	Regional Manager and Acting Division Manager, et al.	2,329.57	-do-
2021-02-501 LFP (17-18)		Communal Irrigation Project	Employees concerned	14,961.48	With Appeal Memorandum.
2021-01-501 LFP (17-18)		Communal Irrigation Project	-do-	23,565.35	-do-
15-006-501-14(RO)	06/09/2015	Payment of VIG has no legal basis	Retired Regional Manager, et al.	1,974,971.28	With CGS Cluster 5 Decision No. 2015-015 dated October 30, 2015.
13-003-501-12	01/17/2014	CNA granted for CY 2011 in excess of P25,000.00	-do-	320,000.00	-do-
13-002-501-12	01/16/2014	Payment of CNA in excess of the P25,000.00 limit	-do-	3,045,000.00	-do-
13-001-501-12	01/16/2014	-do-	-do-	1,843,750.00	-do-
12-008-501-11	10/19/2012	Unreasonable contract cost with a variance of 15.61% above the contract amount	-do-	944,427.30	Affirmed under COA-CAR RO Decision No. 2017-048 dated June 14, 2017; Management submitted Petition for Review.
2018-001-501-(16)	01/10/2018	Incurred an underrun of 33.56 percent	Division Manager Project-In-Charge, et al.	137,458.65	For issuance of NFD and COE.
2020-01-501 LFP (19)	08/17/2020	Payment of Souvenir Items not officially essential to the inspection of projects	Regional Manager, et al.	6,111.00	-do-
Total CAR – Corporate Fund				21,667,121.78	
<u>CAR – Special Fund</u>					
2019-07-158-CARP CARE (09-10)	10/14/2019	Work accomplished is deficient by 40.68 percent as per COA Technical Service	NIA officers and employees	890,278.55	COE dated November 25, 2020 was issued. Partial settlement through NSSDC No. 2021-06 in the amount of P304,906.25. Original amount is P1,195,184.80.
12-002-158-11	06/05/2012	Payment of CNA in excess of the P25,000.00 limit	Regional Manager, et al.	55,000.00	Affirmed under COA-CAR Decision No. 2015-044 dated July 20, 2015.
12-011-158-11	01/11/2013	Actual accomplishment of the project is only 97.47 percent, and contract amount was unreasonable	-do-	202,027.32	Motion for Reconsideration was submitted to the Regional Director.
12-012-158-11	01/11/2013	Actual accomplishment of the project is only 97.47 percent	-do-	227,842.15	-do-
Total CAR – Special Fund				1,375,148.02	
TOTAL - CAR				P 24,897,570.87	
<u>REGIONAL OFFICE NO. I</u>					
<u>La Union IMO – General Fund</u>					
2009-01-101/158-LUPIO	06/16/2009	Payment of cash gift and year-end bonus to Job Order employees	Officers and Employees concerned, and Job Order employees	P 73,634.58	With NFD dated July 19, 2016; COE 2016-195 dated September 14, 2016.
LUIIMO-2013-01-101 (12)	12/27/2013	Payment of CNA incentive for CY 2012 in excess of P25,000	Employees concerned	78,000.00	With COA CGS Cluster 5 Decision No. 2015-015 dated

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
					October 30, 2015. With Petition for Review.
<u>Pangasinan IMO – General Fund</u>					
2013-01-101 (12)	12/27/2013	Payment of CNA in excess of the DBM prescribed ceiling of P25,000	Division Manager, et al.	273,000.00	With COA CGS Cluster 5 Decision No. 2015-015 dated October 30, 2015.
Total Regional Office No. I – General Fund				424,634.58	
<u>La Union IMO – Corporate Fund</u>					
12-001-501 (COB)- (11)	01/31/2012	Payment of CNA incentive for CY 2011 in excess of P25,000 limit	Employees concerned	115,000.00	With NFD dated June 8, 2015 and COE 2015-300 dated December 28, 2015. With partial payments of P48,119.00.
11-501-COB-001 (10)	05/11/2011	Payment of CY 2010 CNA in excess of P25,000 limit	-do-	115,000.00	With NFD dated February 1, 2017 and COE No. 2017-028 dated March 2, 2017.
LUIMO-2013-01-501(12)	12/27/2013	-do-	-do-	654,000.00	-do-
12-002-501(12)	08/22/2012	-do-	NIA LUIMO Officers and Employees	216,000.00	-do-
15-001-501 (2014)	03/19/2015	Payment of CY 2013 VIG without the approval of the President	Employees concerned	770,000.00	With COA CGS Cluster-5 Decision No. 2015-020 dated December 22, 2015.
<u>Agno River Integrated Irrigation Project (ARIIP) – Corporate Fund</u>					
2013-12-001(F501)		Payment of CNA in excess of the DBM prescribed ceiling of P25,000 and not approved by the Board of Directors	Project Manager, et al.	4,914,899.92	On Appeal, but with payment of liable persons. Original amount is P11,841,500.
<u>Pangasinan IMO (PIMO) - CF</u>					
12-001-501-(11)	01/09/2012	-do-	Division Manager, et al.	64,440.00	For updating of status.
11-001-501-(10)	05/11/2011	-do-	-do-	180,000.00	-do-
PIMO-2015-01-001-501 COB(13)	04/30/2015	Payment of VIG without legal basis	Employees concerned	2,209,456.99	With COA CGS Cluster 5 Decision No. 2015-020 dated December 22, 2015.
NIA PIMO ND No. 2013-01-501(12)	12/27/2013	Payment of CNA in excess of the DBM prescribed ceiling of P25,000 and not approved by the Board of Directors	Employees concerned	2,255,750.00	With COA CGS Cluster 5 Decision No. 2015-015 dated October 10, 2015.
<u>Ilocos Sur IMO (ISIMO) – Corporate Fund</u>					
15-001 (14)	05/07/2015	Payment of VIG for CY 2013 without legal basis	Employees concerned	508,000.00	With COA CGS Cluster 5 Decision No. 2015-020.
15-002 (14)	05/07/2015	-do-	-do-	235,000.00	-do-
15-003 (14)	05/07/2015	-do-	-do-	83,000.00	-do-
15-004 (14)	05/07/2015	-do-	-do-	16,000.00	-do-
15-005 (14)	05/07/2015	-do-	-do-	75,000.00	-do-
15-006 (14)	05/07/2015	-do-	-do-	28,000.00	-do-
SM-12-001 (12)	04/11/2012	Payment of CNA for FY 2011 in excess of P25,000.00 limit	-do-	80,000.00	With NFD dated August 11, 2016.
SM-12-002 (12)	12/06/2012	-do-	-do-	882,000.00	With COA CGS Cluster 5 Decision No. 2015-009 dated July 28, 2015.
NIA – BPIS		-do-	-do-	360,000.00	For updating of status.
<u>Regional Office No. I – Corporate Fund</u>					
NIA ROI-2015-03-001-501 COB(13)	04/30/2015	Payment of VIG without legal basis	Employees concerned	750,950.00	With COA CGS Cluster-5 Decision No. 2015-020 dated December 22, 2015.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
NIA RO1 ND No.- 2013-02-501(12)	12/27/2013	Payment of CNA in excess of the DBM prescribed ceiling of P25,000 and not approved by the Board of Directors	Regional Irrigation Manager, et al.	1,730,750.00	With COA CGS Cluster-5 Decision No. 2015-015 dated October 30, 2015.
2012-07-001	07/25/2012	-do-	-do-	1,565,000.00	With COA (Regional Office) Decision No. 2015-039 dated October 13, 2015.
2011-08-003	08/16/2011	-do-	-do-	192,000.00	With COA Commission Proper Decision No. 2016-478 dated December 28, 2016.
2011-05-002	05/12/2011	-do-	-do-	72,000.00	-do-
11-05-001	05/06/2011	-do-	-do-	460,000.00	-do-
<u>Ilocos Norte IMO (INIMO) – Corporate Fund</u>					
2015-01 501COB (2013)		Payment for VIG CY 2014 without legal basis	NIA INIMO officials and employees	814,100.00	With COA CGS Cluster 5 Decision No. 2015-020 dated December 22, 2015.
2015-01 501COB (2014)		-do-	-do-	1,611,391.00	-do-
Total Regional Office No. I – Corporate Fund				20,957,737.91	
<u>La Union IMO – Special Fund</u>					
2013-01-158(12)	02/11/2014	Payment of CY 2012 CNA incentive in excess of the DBM prescribed ceiling of P25,000	Division Manager, et al.	39,000.00	Affirmed under COA CGS Cluster 5 Decision No. 2015-015 dated October 30, 2015.
<u>Pangasinan IMO – Special Fund</u>					
2013-01-158(12)	12/27/2013	Payment of CY 2012 CNA incentive in excess of the DBM prescribed ceiling of P25,000	-do-	78,000.00	-do-
Total Regional Office No. I – Special Fund				117,000.00	
TOTAL - REGIONAL OFFICE NO. I				P 21,499,372.49	
<u>REGIONAL OFFICE NO. II</u>					
<u>Regional Office No. II – General Fund</u>					
2018-002-101 (2015)	10/04/2018	Payment of fuel with lacking documents	Acting Division Manager, et al.	P 105,008.37	Amount of ND was P157,512.56.00; with partial settlement of P52,504.19 under NSSDC No. 202-009 dated April 16, 2021.
2018-NIARO2-0003 (2015)	08/31/2018	Payment for Job Order	Regional Irrigation Manager et al.	214,438.54	With CGS Cluster 5 Case No. 2019-005.
<u>Chico River Pump Irrigation Project (CRPIP) – General Fund</u>					
2020-002 (2019)	01/30/2020	Payment of legal fees	Employees concerned	38,000.00	Management filed Petition for Review before the Commission Proper.
2020-003 (2019)	01/30/2020	-do-	-do-	114,000.00	-do-
2020-004 (2019)	01/30/2020	-do-	-do-	190,000.00	-do-
Total Regional Office No. II – General Fund				661,446.91	
<u>Regional Office No. II – Corporate Fund</u>					
2018-001-501 (2017)-NVIMO	03/02/2018	Payment of VIG for CY 2014 without legal basis	Employees concerned	204,627.10	With NFD dated October 24, 2018, and COE dated Nov. 28, 2019. Amount of ND was P847,129.00 with partial settlements of P642,501.90 in CYs 2019-2022.
2018-002-501- (2017)-NVIMO	03/02/2018	Payment of VIG for CY 2014 without legal basis	Employees concerned	27,540.24	With NFD dated October 24, 2018 and COE dated Nov. 28, 2019. Amount of ND was

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
					P334,880.00 with partial settlements of P307,339.76 in CYs 2020-2022.
2018-NIAISAIMO-0001 (2017)	04/20/2018	Payment of VIG for CY 2014 without legal basis	Employees concerned	226,597.84	With NFD dated Aug. 29, 2019 and COE dated Oct. 14, 2019. Amount of ND was P1,664,198.50 with partial settlements of P1,437,600.66 in CYs 2019-2022.
2018-003-501 (2015) CBIMO	10/04/2018	Payment of fuel without complete documentation	-do-	24,041.45	With NFD dated July 11, 2019. Amount of ND was P48,082.89 with partial settlement of P24,041.44 under NSSDC No. 2020-008 dated June 23, 2020.
2022-001[NIA-RO2-NVIMO]	11/23/2022	Payment of cellphone bill	-do-	45,306.14	For updating of status.
NIA RO2-2022-06 (2014-2015)	10/25/2022	Unrecouped Advances	NIA Officers concerned and Contractor	138,722.81	With Appeal Memorandum.
NIA RO2-2022-07 (2012-2014)	10/25/2022	-do-	-do-	183,949.46	-do-
NIA RO2-2022-08 (2012)	10/17/2022	-do-	-do-	189,994.33	-do-
NIA RO2-2022-09 (2012)	10/26/2022	-do-	-do-	187,958.10	-do-
NIA RO2-2022-05 (2014-2015)	09/15/2022	Unnecessary variation works	-do-	410,342.56	With CGAS Cluster 5 Decision No. 2023-019.
NIA RO2-2022-01-501(2015)	05/26/2022	Unrecouped Advances	-do-	552,766.50	-do-
2019-001-501 (2017)	12/11/2019	Incomplete documentation	Employees concerned	241,892.22	For updating of status.
2019-002-501 (2015)	12/11/2019	-do-	-do-	69,610.50	Amount of ND was P92,814.00 with partial settlement of P23,203.50 under NSSDC No. 2020-009 dated Sept. 21, 2020.
NIA RO2-2022-02-501(2017)	06/06/2022	Unrecouped Advances	NIA Officers concerned and Contractor	105,749.13	With CGAS Cluster 5 Decision No. 2023-004, dated January 24, 2023.
NIA RO2-2022-03(2012)	06/06/2022	-do-	-do-	889,616.82	With CGAS Cluster 5 Decision No. 2023-003, dated January 19, 2023.
NIA RO2-2022-04(2012)	05/26/2022	-do-	-do-	58,972.11	With CGAS Cluster 5 Decision No. 2023-007, dated February 20, 2023.
2017-004-501- (2014-2015)-CBIMO	12/06/2017	Payment of VIG for CYs 2014 and 2015 without legal basis	Employees concerned	5,174,122.00	With CGS Cluster 5 Decision No. 2018-031 dated Sept. 7, 2018; with Petition for Review.
2018-NIARO2-0002 (2017)	05/11/2018	Payment of VIG was without legal basis.	-do-	4,132,914.42	With CGS Cluster 5 Decision No. 2020-002 dated Jan. 22, 2020; with Petition for Review.
Total Regional Office No. II – Corporate Fund				12,864,723.73	
TOTAL - REGIONAL OFFICE NO. II				P 13,526,170.64	
REGIONAL OFFICE NO. III					
Regional Office No. III – General Fund					
16-01-101 (14) BANE	10/06/2016	Payments to a contractor	Officers and employees concerned	P 6,843,899.96	For updating of status.
Total Regional Office No. III – General Fund				6,843,899.96	

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
<u>TARZAM IMO – Corporate Fund</u>					
2017-003-F501-COB(2017)	08/11/2017	Grant of VIG for CY 2016 was without legal basis	Employees concerned	700,000.00	With COA CGS Cluster 5 Decision No. 2020-022.
2017-003-F501-COB(2017)	07/24/2017	Grant of VIG for CYs 2014 and 2015 was without legal basis	-do-	2,299,999.66	-do-
<u>PAMBAT IMO – Corporate Fund</u>					
2017-03-501(2014-2016) / PAMBAT		Grant of VIG was without legal basis	Employees concerned	2,440,000.00	For updating of status.
2015-01 (2013/2014) / PAMBAT		-do-	-do-	590,222.13	With COA CGS Cluster 5 Decision No. 2016-016.
<u>Regional Office No. III – Corporate Fund</u>					
2017-02-501(2014-2016) / RO		-do-	-do-	8,703,162.68	For updating of status.
2015-01(2013/2014) / RO		-do-	-do-	3,849,000.00	With COA CGS Cluster 5 Decision No. 2016-016.
<u>BANE IMO – Corporate Fund</u>					
2017-03-501(2014-2016) / BANE		-do-	Officers and employees concerned	25,072,000.00	For updating of status.
2015-01(2013/2014) / BANE		-do-	-do-	4,340,000.00	With COA CGS Cluster 5 Decision No. 2016-001.
2015-002-F501-COB(2013) /	08/11/2015	-do-	-do-	698,701.68	-do-
2015-001-F501 COB(2014) /	07/30/2015	-do-	-do-	497,830.76	-do-
<u>UPRIIS – Corporate Fund</u>					
13-53-501(12)	02/12/2013	Overpayment of CNA for CY 2012	-do-	6,619,717.72	The original amount of disallowance was P19,206,000 with total partial settlement by installment of P12,586,282.28. The Authority to settle by installment was issued by the COA Prosecution and Litigation Office, Legal Services Sector.
13-04-501(13)	02/12/2013	Overpayment of CNA for CY 2012	-do-	1,013,000.00	With COA CP Decision No. 2020-403 dated Jan. 31, 2020. Original amount of disallowance was P1,326,000.00, with partial settlement of P313,000.00 in CY 2017.
15-01-501(13) OMS	07/13/2015	Payment of VIG for CYs 2012 and 2013 without legal basis	-do-	48,396,848.00	With Petition for Review.
15-02-501(14) OMS	07/13/2015	Payment of VIG for CY 2014 without legal basis	-do-	40,342,893.71	-do-
17-004-501 (17)	10/04/2017	Payment of VIG for CY 2016 without legal basis	-do-	442,200.00	For updating of status.
17-003-501 (17)	09/04/2017	-do-	-do-	10,982,900.00	-do-
17-003-501 (17)	09/05/2017	-do-	-do-	5,183,400.00	-do-
17-003-501 (17)	09/06/2017	-do-	-do-	3,683,755.61	-do-
17-003-501 (17)	09/07/2017	Payment of VIG for CY 2014 without legal basis	-do-	3,704,000.00	-do-
17-003-501 (17)	09/08/2017	-do-	-do-	4,545,035.93	-do-

Notices of Disallowance (ND)						
No.	Date	Nature of Disallowance	Person(s) Liable		Amount	Status
17-003-501 (17)	09/09/2017	Payment of VIG for CY 2015 without legal basis	Officers and employees concerned		6,363,000.00	For updating of status.
17-003-501 (17)	09/10/2017	Payment of VIG for CY 2016 without legal basis	-do-		3,730,544.89	-do-
17-002-501 (16)	09/11/2017	Payment of VIG for CY 2015 without legal basis	-do-		6,220,000.00	-do-
17-002-501 (16)	09/12/2017	-do-	-do-		1,050,000.00	-do-
17-002-501 (16)	09/13/2017	-do-	-do-		2,248,260.57	-do-
17-002-501 (16)	09/14/2017	-do-	-do-		2,366,020.00	-do-
17-002-501 (16)	09/15/2017	-do-	-do-		6,104,454.29	-do-
17-002-501 (16)	09/16/2017	-do-	-do-		4,481,939.24	-do-
17-002-501 (16)	09/17/2017	-do-	-do-		2,948,000.00	-do-
17-001-501 (16)	09/18/2017	Payment of VIG for CY 2014 without legal basis	-do-		12,208,690.00	-do-
17-001-501 (16)	09/19/2017	-do-	-do-		3,780,733.87	-do-
17-001-501 (16)	09/20/2017	-do-	-do-		3,775,750.00	-do-
17-001-501 (16)	09/21/2017	-do-	-do-		5,852,498.00	-do-
17-001-501 (16)	09/22/2017	-do-	-do-		7,591,889.68	-do-
17-001-501 (16)	09/23/2017	-do-	-do-		6,276,875.00	-do-
17-001-501 (16)	09/24/2017	-do-	-do-		4,755,666.67	With a consolidated appeal originally filed before the Regional Director, COA Region III.
Total Regional Office No. III – Corporate Fund					253,858,990.09	
TOTAL - REGIONAL OFFICE NO. III					P 260,702,890.05	
REGIONAL OFFICE NO. IV-A						
<u>Regional Office No. IV-A – General Fund</u>						
13-005-501	10/16/2013	Payment of CNA incentive	Officers and employees concerned	P	30,000.00	With Petition for Review.
13-005-501	10/16/2013	-do-	-do-		60,000.00	With Appeal Memorandum.
Total Regional Office No. IV-A – General Fund					90,000.00	
<u>Regional Office No. IV-A – Corporate Fund</u>						
2015-003-501(13)	11/20/2015	Payment of VIG for CY 2013 without legal basis	-do-		984,005.51	With Petition for Review.
2015-002-501(13)	11/20/2015	-do-	-do-		514,139.66	-do-
2015-001-501(13)	11/20/2015	-do-	-do-		852,700.00	-do-
2013-007-501(12)	10/19/2013	Payment of additional CNA for CY 2012	-do-		1,979,250.00	The consolidated Appeals were denied under CGAS-5 Decision No. 2016-008 dated May 13, 2016.
2013-006-501(12)	10/18/2013	Payment of additional CNA for CY 2012	-do-		1,683,000.00	-do-
2013-005-501(12)	10/16/2013	-do-	-do-		2,082,000.00	With Petition for Review.
<u>QIMO – Corporate Fund</u>						
13-004-501	10/14/2013	CNA CY 2012	-do-		1,472,250.00	With Petition for Review.
2015-001-501(14)	11/20/2015	Payment of VIG for CY 2014 without legal basis	-do-		923,000.00	The consolidated Appeals were denied under CGS-5 Decision No. 2016-008 dated May 13, 2016.
Total Regional Office No. IV-A – Corporate Fund					10,490,345.17	
<u>Regional Office No. IV-A – Special Fund</u>						
Region IV-A 13-005-501	10/16/2013	Payment of CNA incentive	-do-		90,000.00	With Appeal Memorandum.
Region IV-A 13-006-501	10/18/2013	-do-	-do-		60,000.00	The consolidated Appeals were denied under COA CGS Cluster 5 Decision No. 2016-008 dated May 13, 2016.
Total Regional Office No. IV-A – Special Fund					150,000.00	
TOTAL - REGIONAL OFFICE NO. IV-A					P 10,730,345.17	

Notices of Disallowance (ND)						
No.	Date	Nature of Disallowance		Person(s) Liable	Amount	Status
REGIONAL OFFICE NO. IV-B						
<u>Regional Office No. IV-B – Corporate Fund</u>						
2015-001-501 (14)	10/27/2015	Payment of legal basis	VIG without	Officers and employees concerned	P 87,000.00	For updating of status.
2018-001-501(2017)	08/31/2018	-do-	-do-	-do-	666,728.70	With COA CGS Cluster 5 Decision No. 2019-040.
2016-001-501 (13)	03/18/2016	-do-	-do-	-do-	415,544.71	ND affirmed under CGS 5 Decision No. 2016-056 dated November 17, 2016.
2015-004-501(13and14)	09/09/2015	-do-	-do-	-do-	4,116,638.03	With Petition for Review.
2015-003-501 (12 and13)	09/09/2015	-do-	-do-	-do-	1,343,861.68	-do-
2013-001-501 (12)	12/20/2013	-do-	-do-	-do-	195,000.00	-do-
2013-002-501(12)	12/20/2013	Excess CNA Payment – Regional Office	-do-	-do-	2,120,000.00	-do-
18-003-501(17)-NIA MIMAROPA RO	08/30/2018	-do-	-do-	Former Regional Manager; Division Manager, EOD; Acting Manager, AFD; and Payees	1,449,047.00	-do-
18-002-501(17)-NIA MOMARO IMO	08/30/2018	-do-	-do-	Former Acting Division Manager, et al.	210,000.00	With COA CGS Cluster 5 Decision No. 2018-031.
18-001-501(17)-NIA MOMARO IMO/	08/30/2018	-do-	-do-	-do-	3,654,000.00	-do-
2015-002-501(13and14)	09/03/2015	-do-	-do-	-do-	107,810.95	With Petition for Review before the COA CP.
2015-001-501(13)	09/03/2015	-do-	-do-	-do-	5,000.00	-do-
2018-001-501-(17)-NIA-PIMO	08/22/2018	-do-	-do-	Division Manager; Sr. Accounting Processor A; and Payees	1,993,739.44	-do-
2016-002-501 (14)	03/18/2016	-do-	-do-	-do-	991,427.60	-do-
2020-001-501(18)	03/09/2020	Retainer's fee	-do-	Officers and employees concerned	35,200.00	For updating of status. Original amount of ND is P136,000.00.
Total Regional Office No. IV-B – Corporate Fund					17,390,998.11	
TOTAL - REGIONAL OFFICE NO. IV-B					P 17,390,998.11	
REGIONAL OFFICE NO. V						
<u>Regional Office No. V – General Fund</u>						
2020-001-101-(2019)	10/07/2020	Payment for water pumps is not accordance with approved appropriation	-do-	Various	P 6,865,200.00	With COA CGS Cluster 5 Decision No. 2021-031.
Total Regional Office No. V – General Fund					6,865,200.00	
<u>Regional Office No. V – Corporate Fund</u>						
2017-01-100(14)	05/25/2017	Payment of VIG without the approval of the President	-do-	Officers and employees concerned	236,213.96	With Petition for Review dated January 19, 2022.
2016-048-0-(2014)	12/08/2016	-do-	-do-	-do-	98,218.59	For updating of status.
2016-047-0-(2014)	12/08/2016	-do-	-do-	-do-	237,478.80	-do-
2016-046-0-(2014)	12/08/2016	-do-	-do-	-do-	320,000.00	-do-
2016-045-0-(2014)	12/08/2016	-do-	-do-	-do-	11,200.00	-do-
2016-044-0-(2014)	12/08/2016	-do-	-do-	-do-	135,800.00	-do-
2016-043-0-(2014)	12/08/2016	-do-	-do-	-do-	3,200.00	-do-
2016-042-0-(2014)	12/08/2016	-do-	-do-	-do-	20,785.75	-do-
2016-041-0-(2014)	12/08/2016	-do-	-do-	-do-	30,000.00	-do-
2016-040-0-(2014)	12/08/2016	-do-	-do-	-do-	26,000.00	-do-
2016-039-0-(2014)	12/08/2016	-do-	-do-	-do-	20,000.00	-do-
2016-038-0-(2014)	12/08/2016	-do-	-do-	-do-	22,000.00	-do-
2016-037-0-(2014)	12/08/2016	-do-	-do-	-do-	135,000.00	-do-
2016-033-0-(2014)	12/08/2016	-do-	-do-	-do-	72,000.00	-do-
2016-032-0-(2014)	12/08/2016	-do-	-do-	-do-	16,000.00	-do-
2016-031-0-(2014)	12/08/2016	-do-	-do-	-do-	268,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2016-030-0-(2014)	12/08/2016	Payment of VIG without the approval of the President	Officers and employees concerned	61,337.28	For updating of status.
2016-029-0-(2014)	12/08/2016	-do-	-do-	533,496.33	-do-
2016-028-0-(2014)	12/08/2016	-do-	-do-	70,000.00	-do-
2016-027-0-(2014)	12/08/2016	-do-	-do-	70,000.00	-do-
2016-026-0-(2014)	12/08/2016	-do-	-do-	40,443.36	-do-
2016-025-0-(2014)	12/08/2016	-do-	-do-	521,044.75	-do-
2016-024-0-(2014)	12/08/2016	-do-	-do-	200,719.13	-do-
2016-022-0-(2013)	12/02/2016	-do-	-do-	32,997.00	-do-
2016-021-0-(2013)	12/02/2016	-do-	-do-	91,249.82	-do-
2016-020-0-(2013)	12/02/2016	-do-	-do-	47,143.71	-do-
2016-019-0-(2013)	12/02/2016	-do-	-do-	59,306.19	-do-
2016-018-0-(2013)	12/02/2016	-do-	-do-	215,466.53	-do-
2016-017-0-(2013)	12/02/2016	-do-	-do-	15,000.00	-do-
2016-016-0-(2013)	12/02/2016	-do-	-do-	711,250.00	-do-
2016-015-0-(2013)	12/02/2016	-do-	-do-	190,000.00	-do-
2016-014-0-(2013)	12/02/2016	-do-	-do-	376,250.00	-do-
2016-013-0-(2013)	12/02/2016	-do-	-do-	20,000.00	-do-
2016-012-0-(2013)	12/02/2016	-do-	-do-	85,000.00	-do-
2016-011-0-(2013)	12/02/2016	-do-	-do-	272,750.00	-do-
2016-010-0-(2013)	12/02/2016	-do-	-do-	27,000.00	-do-
2016-009-0-(2013)	12/02/2016	-do-	-do-	238,336.76	-do-
2016-008-0-(2013)	12/02/2016	-do-	-do-	19,000.00	-do-
2016-007-0-(2013)	12/02/2016	-do-	-do-	31,000.00	-do-
2016-006-0-(2013)	12/02/2016	-do-	-do-	114,799.72	-do-
2016-005-0-(2013)	12/02/2016	-do-	-do-	10,000.00	-do-
2016-004-0-(2013)	12/02/2016	-do-	-do-	15,000.00	-do-
2016-003-0-(2013)	12/02/2016	-do-	-do-	20,000.00	-do-
2016-002-0-(2013)	12/02/2016	-do-	-do-	30,692.61	-do-
2016-001-0-(2013)	12/02/2016	-do-	-do-	40,000.00	-do-
Albay-Catanduanes IMO - CF					
2016-001-(2013)	12/23/2016	Payment of VIG without the necessary approval by the President.	Acting IMO Head, Sr. Institutional Officer, Sr. Development Accountant, Payees, et al.	568,987.00	With partial settlement of P178,000.00. Original ND Amount is P746,987.00.
Total RO No. V - CF				6,380,167.29	
TOTAL - REGIONAL OFFICE NO. V				P 13,245,367.29	
REGIONAL OFFICE NO. VI					
Regional Office No. VI – General Fund					
09-011-101-(01/02)	11/13/2009	Unsubmitted DVs and SDs	Officers and employees concerned	39,026.98	With NFD dated 8/16/2018.
09-002-101-(08)	11/13/2009	Hotel accommodation already included in per diems	-do-	1,040.00	With NFD dated 8/15/2018.
11-005-101-(10)	12/29/2011	Unsettled NS matured into disallowance	-do-	150,000.00	With Appeal Memorandum.
11-004-101-(10)	02/08/2011	Payment of CNA incentive for CY 2009	-do-	775,000.00	-do-
Iloilo-Guimaras IMO – General Fund					
2017-001-101	08/31/2017	Overpayment of PERA	-do-	2,908.84	With NFD dated August 7, 2018.
11-001-101	02/17/2011	Payment of honoraria of BAC members for 2010	-do-	32,000.00	-do-
11-002-101	05/13/2011	Payment of items mobilization / demobilization as part of pay	-do-	24,000.00	For issuance of NFD.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
<u>Antique IMO – General Fund</u>					
2013-003-101(12)	01/04/2013	Salaries and PERA of casual employees were charged to projects	Officers and employees concerned	44,566.27	With NFD dated 10/9/2018.
2013-002-101(12)	01/03/2013	Salaries and wages of casual employees were charged to project	-do-	695,383.27	With NFD dated September 21, 2018. Partial settlement of P26,083.83.
2012-013-101(12)	12/18/2012	Travel of NIA-AIMO employees	-do-	55,629.00	With NFD dated 10/9/2018.
2012-012-101(12)	12/14/2012	Travel of regular and casual employees	-do-	103,530.00	No appeal from ND.
2012-010-101(11)	11/20/2012	Travel of Job Order Personnel	-do-	20,595.43	With NFD dated October 9, 2018. Partial settlement of P516.17.
2012-006-101(11)	04/11/2012	Travelling Expenses	-do-	3,520.00	-do-
2012-004-101(11)	04/11/2012	-do-	-do-	3,520.00	-do-
2012-003-101(11)	04/11/2012	-do-	-do-	7,017.00	-do-
2012-002-101(11)	04/11/2012	-do-	-do-	7,017.00	-do-
2012-001-101(11)	04/11/2012	-do-	-do-	13,400.00	-do-
2006-01-101 (05)	02/24/2006	Transportation Allowance	-do-	16,050.00	With COA Order of Execution.
<u>Aklan IMO – General Fund</u>				2,185,703.79	
2012-101-001-(08/09/10/11)	08/16/2012	Payment of CNA incentive for CY 2008-2011	-do-	191,500.00	With Appeal Memorandum.
Total Regional Office No. VI – General Fund				2,185,703.79	
<u>Regional Office No. VI – Corporate Fund</u>					
09-002-501	11/06/2009	Payment of various expenses lacking legal basis	-do-	7,816.54	With NFD dated August 15, 2018.
15-01-501-(14)	06/16/2015	Payment of VIG for CY 2013 without legal basis	-do-	812,453.07	For updating of status.
13-009-501 (12)	01/10/2013	Payment of CNA incentive for CYs 2011 and 2012	-do-	8,989,750.00	-do-
2012-007-501(11)	08/30/2012	Payment of various expenses	-do-	157,656.33	With Appeal before the COA Regional Director
2011-006-501	12/29/2011	Payment of CNA incentive for CYs 2009 and 2010	-do-	3,788,000.00	-do-
2011-005-501(11)	02/07/2012	Payment of CNA incentive for CY 2011	-do-	1,770,000.00	-do-
2011-004-501 (10)	08/31/2011	Payment of CNA incentive for CY 2009	-do-	6,220,000.00	-do-
<u>Iloilo-Guimaras IMO – Corporate Fund</u>					
2018-001-501 LFPs (17)	01/23/2018	Extravagant expenditures for hotel accommodation	-do-	44,062.50	With NFD dated August 6, 2018.
2017-001-501 LFPs	08/31/2017	Overpayment of PERA	-do-	33,725.19	-do-
2019-001-501LFPs	04/08/2019	Overpayment of wages and PERA	-do-	94,866.32	For issuance of NFD.
2015-01-501 IGIMO(13)	06/24/2015	Payment of VIG for CY 2013	-do-	3,332,764.67	With COA CGS Cluster 5 Decision No. 2022-016.
2012-001-501	10/15/2012	Payment of CNA incentive for CY 2011	-do-	5,664,000.00	With Appeal before the COA Regional Director.
2012-001-NDC	08/24/2012	Payment of CNA incentive for CY 2010	-do-	512,693.84	-do-
2011-001-501(10)	07/26/2011	Payment of CNA incentive for CY 2009	-do-	6,990,000.00	-do-
2011-001-501	03/30/2011	Payment of CNA incentive for CY 2010	-do-	465,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
<u>Antique IMO – Corporate Fund</u>					
2011-002-501 (11)	11/03/2011	Payment of honorarium as BAC member	Officers and employees concerned	1,800.00	With NFD dated September 17, 2018.
2009-006-501 (09)	12/29/2009	Overpayment of Incentive Pay	-do-	271.42	-do-
2009-001-501 (09)	12/29/2009	-do-	-do-	53,044.71	-do-
2013-004-501(12)	01/04/2013	Payment of salaries and wages of casual employees	-do-	332,074.30	With NFD dated September 21, 2018. Partial settlement of P5,400.00.
2012-009-501 (12)	10/29/2012	Payment of CNA incentive for CY 2011	-do-	540,000.00	With NFD dated September 11, 2018. Partial settlement of P85,500.00.
2012-008-501 (12)	10/29/2012	-do-	-do-	469,700.00	With NFD dated September 11, 2018. Partial settlement of P20,300.00.
2012-007-501 (12)	10/29/2012	-do-	-do-	312,000.00	With NFD dated September 11, 2018. Partial settlement of P12,000.00.
2011-003-501 (11)	11/04/2011	Payment of Honorarium as BAC Member	-do-	1,400.00	With NFD dated September 11, 2018.
2011-001-501 (10)	03/08/2011	Payment of CNA incentive for CY 2010	-do-	50,000.00	-do-
2015-001-501 (13)	06/24/2015	Payment of VIG for CY 2013 without legal basis	-do-	821,396.90	ND affirmed under COA CGS Cluster 5 Decision No. 2016-010 dated May 20, 2016.
<u>Aklan IMO – Corporate Fund</u>					
2015-002-501-(07/08)	07/29/2015	Payment of CNA CY 2007	-do-	10,000.00	With NFD dated September 3, 2018.
2015-001-501-(14)	06/10/2015	Payment of VIG CY 2013 without legal basis	-do-	388,000.00	Original amount was P622,000.00, various NIA ACIMO employees refunded a total amount of P234,000.00.
2012-501-07-(09)	08/16/2012	Payment of CNA CY 2011	-do-	1,050,000.00	With Petition for Review.
2012-501-06-(09)	08/16/2012	Payment of CNA CY 2010	-do-	1,680,000.00	-do-
2012-501-05-(09)	08/16/2012	Payment of CNA CY 2009	-do-	648,000.00	-do-
2012-501-04-(09)	08/16/2012	Payment of CNA CY 2010	-do-	1,800,000.00	-do-
2012-501-03-(09)	08/16/2012	Payment of CNA CY 2009	-do-	570,000.00	-do-
2012-501-02-(09)	08/16/2012	-do-	-do-	1,800,000.00	-do-
2012-501-01-(08 & 09)	08/16/2012	Payment of CNA CYs 2008 and 2009	-do-	2,370,000.00	-do-
<u>Capiz IMO – Corporate Fund</u>					
2015-002-501-(07/08)	07/27/2015	Payment of CNA CY 2007	-do-	9,350.00	With NFD dated Sept. 3, 2018.
2019-002-501(16&17)	09/11/2019	Irregular payment of wages to casual employees	-do-	1,812.12	For issuance of NFD.
2022-001-501COB	01/28/2022	Overpayment of Hazard Pay	-do-	2,500.00	For issuance of NFD.
2015-001-501-(14)	06/10/2015	Payment of VIG for CY 2013 without legal basis	-do-	117,400.00	Original amount was P186,727.00, various NIA ACIMO employees refunded a total amount of P69,327.00.
<u>Negros Occidental IMO – Corporate Fund</u>					
2018-008-501 (17)		Payment of VIG for CY 2014 without legal basis	-do-	18,000.00	With COA CGS Cluster 5 Decision No. 2020-031.
2018-007-501 (17)		Payment of VIG for CYs 2014 and 2015 without legal basis	-do-	586,000.00	-do-
2018-006-501 (17)		-do-	-do-	153,000.00	-do-
2018-005-501 (17)		-do-	-do-	1,615,900.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2018-004-501 (17)		Payment of VIG for CY 2015 without legal basis	Officers and employees concerned	486,000.00	With COA CGS Cluster 5 Decision No. 2020-031.
2018-003-501 (17)		-do-	-do-	637,500.00	-do-
2018-002-501 (17)		Payment of VIG for CY 2014 without legal basis	-do-	468,000.00	-do-
2018-001-501 (17)		-do-	-do-	691,500.00	-do-
2015-002-501 (07)	08/04/2015	Payment of CNA for CY 2007	-do-	5,000.00	For updating of status.
2015-007-501 (14)	07/06/2015	Payment of VIG for CY 2013 without legal basis	-do-	136,075.00	-do-
2015-006-501 (14)	07/06/2015	-do-	-do-	54,445.00	-do-
2015-005-501 (14)	07/06/2015	-do-	-do-	274,200.00	-do-
2015-004-501 (14)	07/06/2015	-do-	-do-	1,214,250.00	-do-
2015-003-501 (14)	07/06/2015	-do-	-do-	214,000.00	-do-
2015-002-501 (14)	07/06/2015	-do-	-do-	573,000.00	-do-
2015-001-501 (14)	07/06/2015	-do-	-do-	850,000.00	-do-
2015-008-501 (13)	07/06/2015	Payment of VIG for CY 2012 without legal basis	-do-	104,848.70	-do-
2015-007-501 (13)	07/06/2015	-do-	-do-	107,120.00	-do-
2015-006-501 (13)	07/06/2015	-do-	-do-	595,985.00	-do-
2015-005-501 (13)	07/06/2015	-do-	-do-	81,000.00	-do-
2015-004-501 (13)	07/06/2015	-do-	-do-	911,400.00	-do-
2015-003-501 (13)	07/06/2015	Payment of VIG for CY 2012 without legal basis	-do-	452,000.00	-do-
2015-002-501 (13)	07/06/2015	-do-	-do-	610,000.00	-do-
2015-001-501 (13)	07/06/2015	-do-	-do-	425,000.00	-do-
2014-007-501 (13)	06/19/2014	-do-	-do-	221,000.00	With Appeal Memorandum.
2014-006-501 (13)	06/19/2014	-do-	-do-	276,000.00	-do-
2014-005-501 (13)	06/19/2014	-do-	-do-	507,000.00	-do-
2014-004-501 (13)	06/19/2014	-do-	-do-	507,000.00	-do-
2014-003-501 (13)	06/19/2014	-do-	-do-	195,000.00	-do-
2014-002-501 (13)	06/19/2014	-do-	-do-	585,000.00	-do-
2014-001-501 (13)	06/19/2014	-do-	-do-	702,000.00	-do-
2014-006-501 (12)	04/15/2014	Payment of CNA Incentive for CY 2011	-do-	17,000.00	-do-
2014-005-501 (12)	04/15/2014	-do-	-do-	6,500.00	For updating of status.
2014-004-501 (12)	04/15/2014	-do-	-do-	272,000.00	-do-
2014-003-501 (12)	04/15/2014	-do-	-do-	160,000.00	-do-
2014-002-501 (12)	04/15/2014	-do-	-do-	576,000.00	-do-
2014-001-501 (12)	04/15/2014	-do-	-do-	480,000.00	-do-
JRMP – Corporate Fund					
2014-001-501	02/13/2014	Payment of CNA for CY 2012	-do-	4,029,500.00	With Appeal Memorandum.
15-02-501(13)	09/07/2015	Payment and conference and registration fee	-do-	72,000.00	-do-
Total Regional Office No. VI – Corporate Fund				71,781,761.61	
Regional Office No. VI – Special Fund					
12-009-158	07/31/2012	Payment of CNA incentives for CYs 2006, 2008, 2010	-do-	98,000.00	With Appeal before the COA Regional Director
11-008-158	02/18/2011	-do-	-do-	50,000.00	-do-
11-007-158	11/12/2009	-do-	-do-	150,000.00	-do-
Antique IMO – Special Fund					
2013-01-158(12)	01/02/2013	Payment of salary of casual employees	-do-	71,851.42	With NFD dated October 9, 2018, with partial settlement of P4,000.
Total Regional Office No. VI – Special Fund				369,851.42	
TOTAL REGIONAL OFFICE NO. VI				P 74,337,316.82	

Notices of Disallowance (ND)						
No.	Date	Nature of Disallowance	Person(s) Liable		Amount	Status
REGIONAL OFFICE NO. VII						
Regional Office No. VII – General Fund						
2011-004-101NIA DA (10)	08/31/2011	Irregular expenses	Officers and employees concerned	P	25,000.00	For issuance of NFD and COE.
2011-003-101 NIA DA (10)	06/06/2011	Irregular expenses - travel	-do-		15,297.00	-do-
2010-001-102(09)	06/15/2010	Failure to deduct, withheld and remit taxes	-do-		420.00	For issuance of NFD and COE.
2010-002-102(09)	06/16/2010	-do-	-do-		3,996.30	-do-
2010-003-102(09)	06/18/2010	-do-	-do-		1,012.46	-do-
2010-004-102(09)	06/18/2010	-do-	-do-		1,500.00	-do-
2011-005-101(10)	02/02/2011	Irregular payment of personnel services	-do-		25,000.00	With Appeal filed by former OIC-Provincial Irrigation Officer, et al.
2011-004-101(10)	02/02/2011	-do-	-do-		844.74	-do-
2011-001-101(10)	02/02/2011	-do-	-do-		2,266.32	-do-
2011-003-101(10)	02/02/2011	-do-	-do-		8,559.42	-do-
2011-002-101(10)	02/02/2011	-do-	-do-		15,744.40	-do-
2011-006-101(10)	02/02/2011	-do-	-do-		7,497.76	-do-
2010-001-102(10)	09/16/2010	Payment of CNA incentive to those who perform managerial functions	-do-		25,000.00	With Appeal filed by former Regional Manager, et al.
2011-008-101(10)	02/15/2011	Irregular payment of personnel services	-do-		16,350.96	With Appeal filed by former OIC-Provincial Irrigation Officer, et al.
2011-009-101(10)	02/15/2011	-do-	-do-		25,000.00	-do-
2011-010-101(10)	02/15/2011	-do-	-do-		16,518.20	-do-
2011-011-101(10)	02/15/2011	-do-	-do-		14,988.38	-do-
2011-012-101(10)	02/15/2011	-do-	-do-		17,988.36	For updating of status.
2011-013-101(10)	02/15/2011	-do-	-do-		19,243.36	-do-
2011-014-101(10)	02/15/2011	-do-	-do-		14,988.38	-do-
2011-015-101(10)	02/15/2011	-do-	-do-		19,243.36	-do-
2011-016-101(10)	02/15/2011	-do-	-do-		14,988.38	-do-
2011-017-101(10)	02/15/2011	-do-	-do-		15,000.00	-do-
2011-018-101(10)	02/15/2011	-do-	-do-		22,528.27	-do-
2011-019-101(10)	02/15/2011	-do-	-do-		16,297.49	-do-
2011-020-101(10)	02/15/2011	-do-	-do-		21,046.68	-do-
2011-021-101(10)	02/15/2011	-do-	-do-		16,297.49	-do-
2011-022-101(10)	02/15/2011	-do-	-do-		22,528.25	-do-
2011-023-101(10)	02/15/2011	-do-	-do-		16,297.49	-do-
2011-024-101(10)	02/15/2011	-do-	-do-		22,528.25	-do-
2011-025-101(10)	02/15/2011	-do-	-do-		14,815.90	-do-
2011-026-101(10)	02/15/2011	-do-	-do-		21,228.48	-do-
2011-027-101(10)	02/15/2011	-do-	-do-		14,815.90	-do-
2011-028-101(10)	02/15/2011	-do-	-do-		22,528.25	-do-
2011-029-101(10)	02/15/2011	-do-	-do-		16,297.49	-do-
2011-030-101(10)	02/25/2011	-do-	-do-		20,605.94	-do-
Total RO No. VII - GF					554,263.66	
Regional Office No. VII – Corporate Fund						
2010-001-501 (09)	06/03/2010	Unnecessary and excessive expense	-do-		10,286.00	-do-
2010-002-501 (09)	06/03/2010	Failure to deduct, withheld and remit taxes	-do-		4,360.50	-do-
2010-003-501 (09)	06/03/2010	-do-	-do-		1,766.85	-do-
2011-001-501 COB-(10)	02/07/2011	Payment of retainer's fee, contrary to Retainership Agreement	-do-		68,250.00	-do-
2011-001-501 COB - (11)	05/19/2011	Payment of Year End Bonus and Cash Gift, contrary to DBM Budget Circular No. 2010-1	-do-		12,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2015-002-501(14)	12/08/2015	Payment of VIG has no appropriate legal basis	Officers and employees concerned	3,418,715.20	With Petition for Review.
2015-001-501(13)	12/08/2015	-do-	-do-	2,396,722.57	-do-
2015-002-501 RO- (14)	12/04/2015	-do-	-do-	4,601,733.91	-do-
2015-001-501 RO- (13)	12/04/2015	-do-	-do-	2,982,100.33	-do-
2015-002-501 PIO- (14)	12/04/2015	-do-	-do-	2,263,041.96	-do-
2015-001-501 PIO- (13)	12/04/2015	-do-	-do-	2,579,093.76	-do-
2015-002(14)	12/02/2015	-do-	-do-	1,805,637.70	-do-
2015-001(13)	11/26/2015	-do-	-do-	2,166,472.00	-do-
2011-005-501 NDC - (10)	02/02/2011	Irregular payment of personnel services	-do-	2,621.21	With Appeal filed by former Irrigation Superintendent II, et al.
2011-004-501 NDC - (10)	02/02/2011	-do-	-do-	8,000.00	-do-
2011-003-501 NDC - (10)	02/02/2011	-do-	-do-	2,000.00	-do-
2011-002-501 NDC - (10)	02/02/2011	-do-	-do-	14,085.24	-do-
2011-001-501 NDC - (10)	02/02/2011	-do-	-do-	14,085.24	-do-
2011-004-501 NDC - (10)	02/02/2011	-do-	-do-	9,246.64	-do-
2011-003-501 NDC - (10)	02/02/2011	-do-	-do-	4,000.00	-do-
2011-002-501 NDC - (10)	02/02/2011	-do-	-do-	15,744.40	-do-
2011-001-501 NDC- (10)	02/02/2011	-do-	-do-	7,622.20	-do-
2010-002-501(10)	09/16/2010	Payment of CNA incentives to those who perform managerial functions	-do-	25,000.00	With Appeal filed by former Regional Manager, et al.
2010-001-501(10)	09/16/2010	-do-	-do-	25,000.00	-do-
2010-001-501 COB- (10)	09/16/2010	-do-	-do-	25,000.00	-do-
2021-001-501(2020)	04/21/2021	Payment of COVID-19 hazard pay	-do-	2,500.00	Partially settled. Pending issuance of NSSDC. Original amount of ND is P229,150.00.
Regional Office No. VII – Corporate Fund				22,465,085.71	
TOTAL REGIONAL OFFICE NO. VII				P 23,019,349.37	
REGIONAL OFFICE NO. VIII					
Regional Office No. VIII – Corporate Fund					
2012-001-F501COB (10)	04/04/2012	Payment of RATA	-do-	P 48,000.00	With COE issued and approved request for installment payment of ND.
2012-002-F501COB (10)	04/04/2012	-do-	-do-	48,000.00	-do-
2012-003-F501COB (10)	04/04/2012	-do-	-do-	48,000.00	-do-
2012-004-F501COB (10)	04/04/2012	-do-	-do-	48,000.00	-do-
2012-005-F501COB (10)	04/04/2012	-do-	-do-	48,000.00	-do-
2012-006-F501COB (10)	04/04/2012	-do-	-do-	48,000.00	-do-
2012-007-F501COB (10)	04/04/2012	-do-	-do-	48,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2012-008-F501COB (10)	04/04/2012	Payment of RATA	Officers and employees concerned	126,000.00	With COE issued and approved request for installment payment of ND.
2012-009-F501COB (10)	04/04/2012	-do-	-do-	42,000.00	-do-
2012-010-F501COB (10)	04/04/2012	-do-	-do-	42,000.00	-do-
2012-011-F501COB (10)	04/04/2012	-do-	-do-	35,000.00	-do-
2015-001-(15) 501 COB	09/22/2015	Payment of Transportation Allowance	-do-	12,000.00	Total amount disallowed was P24,000.00. P12,000.00 was already partially settled.
2017-002-501 (2016) LFP N. Samar	04/10/2017	Payment of penalties	LTO, et al.	8,928.00	Partially paid by persons liable.
2016-001-(15) 501 COB	06/28/2016	Payment of RATA	Officers and employees concerned	8,000.00	Partially settled.
2015-002-(15) 501 COB	11/05/2015	-do-	-do-	8,000.00	For updating of status.
2019-001('18) LFP 501	10/02/2019	Excessive travel claims	-do-	4,385.28	-do-
2019-002('18) LFP 501	10/02/2019	-do-	-do-	800.00	-do-
2019-003('18) LFP 501	11/04/2019	Unnecessary travel claim	Travel agency concerned	8,259.88	-do-
2019-004('18) LFP 501	10/28/2019	Excessive travel claims	Officers and employees concerned	800.00	-do-
2019-003-501 (2016) LFP N. Samar	09/19/2019	Unsettled NS matured into Disallowance	Supplier concerned	4,800.00	-do-
2017-004-501 (2016) LFP N. Samar	04/25/2017	Payment of penalties	LTO, et al.	600.00	-do-
2017-010-501 (2016) LFP N. Samar	05/25/2017	-do-	-do-	2,976.00	-do-
2017-008-501 (2016) LFP N. Samar	05/25/2017	Irregular payment of expenses	Officers and employees concerned	1,354.00	-do-
2017-011-501 (2016) LFP N. Samar	05/08/2017	Payment of penalties and surcharge	LTO, et al.	6,170.00	-do-
2017-013-501 (2016) LFP N. Samar	05/08/2017	Payment of penalties	-do-	1,020.00	-do-
2017-014-501 (2016) LFP N. Samar	05/09/2017	Payment of surcharge	-do-	200.00	-do-
2017-015-501 (2016) LFP N. Samar	05/10/2017	Payment of penalties	-do-	240.00	-do-
2016-002-101 (2016) Regular N. Samar	12/02/2016	-do-	-do-	840.00	-do-
2014-001-501(RO) 2012	01/14/2014	Payment of CNA CY 2012	Officers and employees concerned	2,160,000.00	With COA CGS Cluster 5 Decision No. 2015-015.
2014-002-501(RO)2011	01/15/2014	Payment of CNA CY 2011	-do-	2,543,500.00	-do-
2014-003-501(Leyte) 201	01/17/2014	Payment of CNA CY 2012	-do-	1,530,000.00	-do-
2014-004-501(Leyte) 201	01/17/2014	Payment of CNA CY 2011	-do-	1,521,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2014-005-501(NIS) 2012	02/06/2014	Payment of CNA CY 2012	Officers and employees concerned	2,700,000.00	With COA CGS Cluster 5 Decision No. 2015-015.
2014-006-501(NIS) 2011	02/12/2014	Payment of CNA CY 2011	-do-	3,452,500.00	
2014-007-501(E. Samar) 2012	01/14/2014	Payment of CNA CY 2012	-do-	1,620,000.00	-do-
2014-008-501(E. Samar) 2011	02/18/2014	Payment of CNA CY 2011	-do-	1,554,000.00	-do-
2014-009-501(W. Samar) 2011	02/20/2014	-do-	-do-	1,385,025.00	-do-
2014-010-501(N. Samar) 2011	02/21/2014	-do-	-do-	938,000.00	-do-
2014-011-501(N. Samar) 2012	02/21/2014	Payment of CNA CY 2012	-do-	1,062,500.00	-do-
2014-012-501(W. Samar) 2012	02/24/2014	-do-	-do-	1,935,000.00	-do-
2014-013-501(RO) 2012	02/26/2014	-do-	-do-	639,000.00	-do-
2014-014-501(Leyte) 201	02/26/2014	-do-	-do-	450,000.00	-do-
2014-015-501(E. Samar) 2012	02/26/2014	-do-	-do-	477,000.00	-do-
2014-016-501(N. Samar) 2012	02/26/2014	-do-	-do-	326,250.00	-do-
2014-017-501(NIS) 2012	02/28/2014	-do-	-do-	893,250.00	-do-
2015-001-501(14) Leyte	03/17/2015	Payment of VIG CY 2013 without legal basis	-do-	1,971,700.00	-do-
2015-002-501(14) Leyte	03/17/2015	-do-	-do-	600,000.00	-do-
2015-003-501(14) Leyte	03/17/2015	-do-	-do-	540,000.00	-do-
2015-004-501(14) Leyte	03/17/2015	-do-	-do-	620,000.00	-do-
2015-005-501(14) Leyte	03/17/2015	-do-	-do-	360,000.00	-do-
2015-006-501(14) Leyte	03/17/2015	-do-	-do-	260,000.00	-do-
2015-007-501(14) Leyte	03/17/2015	-do-	-do-	155,000.00	-do-
2015-008-501(14) Leyte	03/17/2015	-do-	-do-	180,000.00	-do-
2015-009-501(14) Leyte	03/17/2015	-do-	-do-	242,000.00	-do-
2015-010-501(14) Leyte	03/17/2015	-do-	-do-	25,000.00	-do-
2015-011-501(14) Leyte	03/17/2015	-do-	-do-	40,000.00	-do-
2015-012-501(14) Leyte	03/17/2015	-do-	-do-	30,000.00	-do-
2015-013-501(14) Leyte	03/17/2015	-do-	-do-	50,000.00	-do-
2015-014-501(14) Leyte	03/17/2015	-do-	-do-	80,000.00	With COA CGS Cluster 5 Decision No. 2016-003.
2015-015-501(14) Leyte	03/17/2015	-do-	-do-	200,000.00	
2015-016-501(13) Leyte	03/18/2015	Payment of VIG CY 2012 without legal basis	-do-	1,800,000.00	-do-
2015-017-501(13) Leyte	03/18/2015	-do-	-do-	100,000.00	-do-
2015-018-501(13) Leyte	03/18/2015	-do-	-do-	150,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2015-019-501(13) Leyte	03/18/2015	Payment of VIG CY 2012 without legal basis	Officers and employees concerned	60,000.00	With COA CGS Cluster 5 Decision No. 2016-003
2015-020-501(13) Leyte	03/18/2015	-do-	-do-	160,000.00	-do-
2015-021-501(13) Leyte	03/18/2015	-do-	-do-	30,000.00	-do-
2015-022-501(13) Leyte	03/18/2015	-do-	-do-	10,000.00	-do-
2015-023-501(13) Leyte	03/18/2015	-do-	-do-	27,000.00	-do-
2015-024-501(13) Leyte	03/18/2015	-do-	-do-	3,189,000.00	-do-
2015-025-501(13) Leyte	03/18/2015	-do-	-do-	50,306.00	-do-
2015-026-501(13) RO	03/18/2015	-do-	-do-	359,000.00	-do-
2015-027-501(13) RO	03/18/2015	-do-	-do-	124,000.00	-do-
2015-028-501(12) E. Samar	03/25/2015	Payment of VIG CY 2011 without legal basis	-do-	164,297.50	-do-
2015-029-501(12) W. Samar	03/25/2015	-do-	-do-	195,000.00	With CGS Cluster 5 Decision No. 2016-031.
2015-030-501(12) Leyte	03/31/2015	-do-	-do-	995,200.00	-do-
2015-031-501(13) N. Samar	04/16/2015	Payment of VIG CY 2012 without legal basis	-do-	1,258,500.00	With CGS Cluster 5 Decision No. 2015-019.
2015-032-501 (2007) RO	07/10/2015	Payment of CNA CY 2007	-do-	70,000.00	With CGS Cluster 5 Decision No. 2017-026.
2017-020-501 (2007) RO	06/22/2017	-do-	-do-	585,000.00	For updating of status.
2022-001-501 (2021) COB RO	08/06/2022	Payment of meal expenses	-do-	3,764.00	With CGS Cluster 5 Decision No. 2017-035.
2022-002-501 (2021) COB RO	07/07/2022	-do-	-do-	6,078.00	For updating of status.
2022-003-501 (2021) COB RO	08/07/2022	-do-	-do-	6,450.00	With CGS Cluster 5 Decision No. 2022-022.
Total RO No. VIII – CF				P 40,534,693.66	
TOTAL REGIONAL OFFICE NO. VIII				P 40,534,693.66	

REGIONAL OFFICE NO. IX

Regional Office No. IX – Corporate Fund

2014-02-501(12)	12/23/2014	Unauthorized Payment of CNA Incentive	Officers and employees concerned	39,000.00	With Appeal Memorandum.
2014-03-501(12)	12/23/2014	-do-	-do-	5,635.00	-do-
2014-04-501(12)	12/23/2014	-do-	-do-	5,635.00	-do-
2014-05-501(12)	12/23/2014	-do-	-do-	34,220.00	-do-
2014-06-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-07-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-08-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-09-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-10-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-11-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-12-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-13-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-14-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-15-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-16-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-17-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-18-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-19-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-20-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-21-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2014-22-501(12)	12/23/2014	Unauthorized Payment of CNA Incentive	Officers and employees concerned	39,000.00	With Appeal Memorandum.
2014-23-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-24-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-25-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-26-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-27-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-28-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-29-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-30-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-31-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-32-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-33-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-34-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-35-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-36-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-37-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-38-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-39-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-40-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-41-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-42-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-43-501(12)	12/23/2014	-do-	-do-	5,000.00	-do-
2014-44-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-45-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-46-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-47-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-48-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-49-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-50-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-51-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-52-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-53-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2014-54-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-
2015-01-501(13)	03/20/2015	Unauthorized payment of VIG	-do-	898,449.94	-do-
2015-02-501(13)	03/20/2015	-do-	-do-	706,049.94	For updating of status.
2015-03-501(13)	03/20/2015	-do-	-do-	42,000.00	-do-
2015-04-501(13)	03/20/2015	-do-	-do-	77,600.00	-do-
2015-05-501(13)	03/20/2015	-do-	-do-	445,100.00	-do-
2015-06-501(12)	03/20/2015	-do-	-do-	338,528.00	-do-
2015-07-501(12)	03/20/2015	-do-	-do-	464,455.40	-do-
2015-08-501(12)	03/20/2015	-do-	-do-	81,403.34	-do-
2015-09-501(12)	03/20/2015	-do-	-do-	433,052.06	-do-
2015-10-501(12)	03/20/2015	-do-	-do-	264,823.38	-do-
2015-11-501(12)	03/20/2015	-do-	-do-	125,613.36	-do-
2015-12-501(12)	03/20/2015	-do-	-do-	62,806.68	-do-
2015-13-501(12)	03/20/2015	-do-	-do-	219,823.38	-do-
2015-14-501(12)	03/20/2015	-do-	-do-	565,260.12	-do-
2015-15-501(12)	03/20/2015	-do-	-do-	240,549.59	-do-
2015-16-501(12)	03/20/2015	-do-	-do-	382,492.69	-do-
2015-17-501(12)	03/20/2015	-do-	-do-	295,191.42	-do-
2015-09-501(2007-14)	07/28/2015	-do-	-do-	432,000.00	-do-
2015-13-501(2007-13)	07/28/2015	-do-	-do-	387,000.00	-do-
2015-04-501(2007-14)	07/28/2015	-do-	-do-	396,040.00	-do-
2015-05-501(2007-14)	07/28/2015	-do-	-do-	432,000.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2015-11-501(2008-09)	07/28/2015	Unauthorized payment of VIG	Officers and employees concerned	45,000.00	For updating of status.
2015-12-501(2008-09)	07/28/2015	-do-	-do-	40,000.00	-do-
2015-14-501(2007-08)	07/28/2015	-do-	-do-	15,000.00	-do-
2015-15-501(2007-09)	07/28/2015	Unauthorized payment of CNA Incentive	-do-	55,000.00	-do-
2015-02-501(2011-12)	07/28/2015	-do-	-do-	96,000.00	-do-
2015-03-501(2013-14)	07/28/2015	-do-	-do-	41,320.00	-do-
2015-06-501(2007-14)	07/28/2015	-do-	-do-	432,000.00	-do-
2015-07-501(2007-14)	07/28/2015	-do-	-do-	432,000.00	-do-
2015-08-501(2007-14)	07/28/2015	-do-	-do-	432,000.00	-do-
2015-01-501(2007-11)	07/28/2015	Payment of VIG without legal basis	-do-	291,014.50	-do-
2015-09-501(2008)	07/28/2015	-do-	-do-	4,350.00	-do-
2014-55-501(12)	06/09/2016	Irregular payment of CNA Incentive	-do-	14,000.00	-do-
2014-56-501(12)	06/09/2016	-do-	-do-	14,000.00	-do-
2014-57-501(12)	06/09/2016	-do-	-do-	14,000.00	-do-
2014-58-501(12)	06/09/2016	-do-	-do-	14,000.00	-do-
2014-59-501(12)	06/09/2016	-do-	-do-	14,000.00	-do-
2014-60-501(12)	06/09/2016	-do-	-do-	9,000.00	-do-
2014-61-501(12)	06/09/2016	-do-	-do-	14,000.00	-do-
2014-62-501(12)	06/09/2016	-do-	-do-	14,000.00	-do-
2014-63-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-64-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-65-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-66-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-67-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-68-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-69-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-70-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-71-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-72-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
2014-73-501(12)	06/09/2016	-do-	-do-	39,000.00	-do-
Details for update		Details for update	Details for update	473,165.00	-do-
Total RO No. IX – Corporate Fund				12,144,578.80	
TOTAL REGIONAL OFFICE NO. IX				P 12,144,578.80	
REGIONAL OFFICE NO. X					
<u>Bukidnon IMO – General Fund</u>					
12-001-101-12	01/10/2013	Reimbursement of expenses for meals incurred	Officers and employees concerned	6,406.50	With NFD issued dated July 27, 2018. COE already issued and received by Management on August 09, 2019.
12-002-101-12	01/10/2013	Reimbursement of repairs and maintenance expenses for motor vehicle	-do-	7,913.00	-do-
12-003-101-12	01/10/2013	Reimbursement for expenses for food	-do-	3,227.00	-do-
12-004-101-12	01/10/2013	Reimbursement for expenses for hardware supplies	-do-	5,182.85	-do-
12-003-101 FSDE-IRPEP-11	08/28/2012	Payment of CNA CY 2009	-do-	5,469.84	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
12-004-101-FSDE- IRPEP-11	08/28/2012	Payment of CNA CY 2009	Officers and employees concerned	6,089.85	With NFD issued dated July 27, 2018. COE already issued and received by Management on August 09, 2019.
12-005-101-FSDE- IRPEP-11	08/28/2012	-do-	-do-	6,807.99	
12-006-101-FSDE- IRPEP-11	08/28/2012	-do-	-do-	6,807.99	-do-
12-007-101-FSDE- 11	08/28/2012	Payment of round-trip plane ticket	-do-	7,026.00	-do-
12-008-101 FSDE IRPEP-11	08/28/2012	Cash advance for traveling expenses and per diems	-do-	14,142.48	-do-
12-009-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	14,142.48	-do-
12-010-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	14,142.48	-do-
12-011-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	14,142.48	-do-
12-012-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	14,142.48	-do-
12-013-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	10,142.48	-do-
12-014-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	3,262.48	-do-
12-015-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	14,142.48	-do-
12-016-101 IRPEP Dagumbaan CIS-11	08/28/2012	Cash advance for traveling expenses and per diems	-do-	7,742.48	-do-
12-017-101 IRPEP IDP-11	08/28/2012	-do-	-do-	11,826.48	-do-
12-018-101-IRPEP IDP-11	08/28/2012	-do-	-do-	11,826.48	-do-
12-020-101 FSDE IRPEP-11	08/28/2012	-do-	-do-	5,112.80	-do-
12-021-101 FSDE IRPEP-11	08/28/2012	-do-	-do-	5,029.48	-do-
12-022-101 FSDE IRPEP-11	12/29/2012	Payment for reimbursements of various goods purchased	-do-	9,893.17	-do-
12-023-101 IRPEP- Paiwaig CIS-11	12/29/2012	Monetization of leave balances	-do-	9,796.00	-do-
12-024-101 IRPEP- IDP-11	08/28/2012	-do-	-do-	9,681.28	-do-
12-025-101 FSDE IRPEP-11	08/28/2012	-do-	-do-	8,318.75	-do-
12-026-101 FSDE IRPEP-11	08/28/2012	-do-	-do-	3,327.50	-do-
12-028-101 FSDE IRPEP-11	12/28/2012	-do-	-do-	5,288.51	-do-
12-029-101 FSDE IRPEP-11	12/29/2012	Reimbursement of expenses	-do-	4,092.00	-do-
12-030-101 FSDE IRPEP-11	12/29/2012	Reimbursement of various goods purchased	-do-	7,536.00	-do-
12-031-101-FSDE IRPEP-11	12/29/2012	Reimbursement of expenses	-do-	5,000.00	-do-
12-032-101 FSDE IRPEP-11	01/08/2012	Reimbursement of expenses incurred for meals	-do-	11,078.50	-do-
12-033-101-FSDE IRPEP-11	01/09/2012	Reimbursement of expenses	-do-	11,080.00	-do-
12-034-101 FSDE IRPEP-11	01/09/2012	Reimbursement of meals	-do-	5,075.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
12-035-101 FSDE IRPEP-11	01/09/2012	Reimbursement of Officers and employees expenses	concerned	3,070.65	With NFD issued dated July 27, 2018. COE already issued and received by Management on August 09, 2019.
12-036-101 FSDE IRPEP-11	01/10/2013	-do-	-do-	2,298.00	-do-
2018-02 NIS RIP PC/LP	06/26/2018	Payment of accommodation, meals, snacks, training kits, and supplies	-do-	3,200.00	-do-
2021-001 NIS RIP FAPS		Lack of supporting documents	-do-	1,340.00	For updating of status.
2021-057 - NIS RIP PC		Unsettled NS matured into Disallowance	-do-	15,000.00	-do-
2021-058-102 NIS RIP		-do-	-do-	35,320.00	-do-
2021-059-102 NIS RIP		-do-	-do-	50,700.00	-do-
2021-065 NIS RIP FSSM		-do-	-do-	518.96	-do-
2021-066 102 NIS RIP		-do-	-do-	10,570.00	-do-
2021-107 NIS RIP		-do-	-do-	20,380.24	-do-
Total Regional Office No. X – General Fund				427,293.14	
Regional Office No. X – Corporate Fund					
12-001-501-IRPEP- Paiwaig-11	08/28/2012	Monetization of leave balance	-do-	3,935.64	With COE issued and received by Management on Aug. 9, 2019.
12-004-501-IRPEP- Paiwaig CIS-11	12/28/2012	Cash advance for traveling expenses and per diems	-do-	12,717.00	-do-
12-005-501-IRPEP- La Fortuna CIS-11	12/28/2012	-do-	-do-	13,642.48	-do-
12-006-501-IRPEP- Paiwaig CIS-11	12/28/2012	-do-	-do-	5,197.48	-do-
12-006-501-IRPEP- Paiwaig CIS-11	12/28/2012	Payment for Round-trip plane ticket	-do-	6,127.00	-do-
2020-001 501(2019)-345 MOOE		Excessive Claim of Travelling Allowance	-do-	1,100.00	NFD already issued dated March 26, 2021 and released/received on April 21, 2021.
2020-002 501 (2019)-411 MOOE		-do-	-do-	1,761.00	-do-
2020-003 501(2019)- 411 MOOE		-do-	-do-	900.00	-do-
2020-001-501- (2019)		Unsubmitted disbursement vouchers and supporting documents	-do-	4,474,587.37	NFD dated March 17, 2021. For issuance of COE.
2019-002-501- (2018)		Payment of tax penalties	-do-	871,722.38	-do-
2014-001-501- (2013)	01/13/2014	Payment of CNA incentive for CY 2012 in excess of the DBM prescribed ceiling of P25,000.00	-do-	4,613,472.00	Waiting for COE per COA CGS Cluster 5 Decision No. 2017-002 dated January 13, 2017
2014-501-001- (2013)	03/24/2014	Payment of CNA incentive for CY 2013 in excess of the DBM Prescribed ceiling of P25,000.00	-do-	3,219,250.00	With COA Decision No. 2020-043 dated January 31, 2020.
2014-001-501 (2013)	01/01/2014	Payment of CNA incentive for CY 2012 in excess of the	Division Manager, et al.	1,957,000.00	With Appeal Memorandum.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
		DBM prescribed ceiling of P25,000.00			
2018-001-501-2016	03/31/2018	Payment of CNA incentive for 2016 without complete documentation	Officers and employees concerned	2,488,750.01	With Petition for Review.
2015-001-501 (2013)	05/25/2015	Payment of VIG for CY 2013 without legal basis	-do-	3,961,897.00	-do-
2015-002-501 (2014)	06/02/2015	Payment of VIG for CY 2014 without legal basis	-do-	1,023,765.00	Pending affidavit of undertaking for retired employees.
2015-002-501- (2013)	10/16/2015	Payment of VIG for CY 2012 to NIA without legal basis	-do-	3,349,874.30	With COA RO X Decision No. 2019-067 dated 11/5/18.
2015-001-501- (2014)	06/16/2015	Payment of VIG for CY 2014 without legal basis	-do-	4,541,000.00	-do-
2015-002-501- (2013)	08/17/2015	-do-	-do-	2,869,700.00	With COA RO X Decision No. 2019-068.
2015-003-501- (2013)	08/17/2015	-do-	-do-	147,118.00	With Appeal Memorandum.
2019-002-501- (2017)	10/07/2019	-do-	-do-	3,706,784.74	For updating of status.
2019-001-501- (2018)	11/07/2019	-do-	-do-	3,019,106.14	With NFD dated March 17, 2021, for issuance of COE.
2019-01(2017)	07/17/2019	Excessive claims	-do-	1,461.88	For updating of status.
2019-007-2019		Unsettled NS matured into Disallowance	-do-	2,693,270.84	-do-
2019-002-501- (2015)	07/09/2019	Details for update	-do-	9,359.04	-do-
2019-003-501- (2017)	07/09/2019	-do-	-do-	2,660,998.64	-do-
2019-004 (2018)	07/24/2019	-do-	-do-	2,799,348.68	-do-
2019-005 (2019)		Unsettled NS matured into Disallowance	-do-	6,000.00	-do-
2019-006 (2019)		-do-	-do-	56,500.00	-do-
2020-001		Overpayment of CNA Incentive for CY 2019	-do-	1,924.33	To be deducted from terminal leave.
ND 2021-001-501(2014-2016)	05/14/2021	Irregular expense for failure to follow appropriate rules of procedure per COA Circular No. 2012-003	-do-	557,772.00	For updating of status.
ND 2021-002-501 LFPs (2020)/	10/29/2021	Payment of FY 2020 Service Recognition Incentive to casual personnel charged against fund 501-LFPs	-do-	440,000.00	-do-
2021-004 (2017) PRIS LFPs		Travelling Expenses not in compliance with EO No. 77	-do-	320.00	-do-
2021-002 (2017) Sigmatan CIS LFPs		-do-	-do-	1,100.00	-do-
2021-007 (2019)		-do-	-do-	20,515.00	-do-
2021-008 (2019)		-do-	-do-	518.96	-do-
2021-010 (2019)		-do-	-do-	9,860.00	-do-
2021-011 (2019)		-do-	-do-	9,860.00	-do-
2021-012 (2019)		-do-	-do-	9,860.00	-do-
2021-014 (2019)		-do-	-do-	9,860.00	-do-
2021-015 (2019)		-do-	-do-	600.00	-do-
2021-016 (2019)		-do-	-do-	736.32	-do-
2021-017 (2019)		-do-	-do-	3,860.00	-do-
2021-018 (2019)		-do-	-do-	3,860.00	-do-
2021-019 (2019)		-do-	-do-	880.00	-do-
2021-021 (2019)		-do-	-do-	880.00	-do-
2021-022 (2019)		-do-	-do-	1,700.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2021-023 (2019)		Travelling Expenses not in compliance with EO No. 77	Officers and employees concerned	1,600.00	For updating of status.
2021-025 (2019)		-do-	-do-	2,200.00	-do-
2021-026 (2019)		-do-	-do-	1,800.00	-do-
2021-027 (2019)		-do-	-do-	1,700.00	-do-
2021-028 (2019)		-do-	-do-	1,800.00	-do-
2021-029 (2019)		-do-	-do-	1,800.00	-do-
2021-030 (2019)		-do-	-do-	1,800.00	-do-
2021-032 (2019)		-do-	-do-	1,800.00	-do-
2021-033 (2019)		-do-	-do-	1,800.00	-do-
2021-034 (2019)		-do-	-do-	1,800.00	-do-
2021-035 (2019)		-do-	-do-	1,100.00	-do-
2021-036 (2019)		-do-	-do-	1,100.00	-do-
2021-037 (2019)		-do-	-do-	21,794.48	-do-
2021-038 (2019)		-do-	-do-	13,952.36	-do-
2021-039 (2019)		-do-	-do-	1,800.00	-do-
2021-040 (2019)		-do-	-do-	1,390.00	-do-
2021-041 (2019)		-do-	-do-	1,390.00	-do-
2021-042 (2019)		-do-	-do-	16,868.16	-do-
2021-043 (2019)		-do-	-do-	13,030.00	-do-
2021-044 (2019)		-do-	-do-	17,330.48	-do-
2021-045 (2019)		-do-	-do-	17,330.48	-do-
2021-046 (2019)		-do-	-do-	1,960.00	-do-
2021-047 (2019)		-do-	-do-	1,960.00	-do-
2021-048 (2019)		-do-	-do-	2,420.00	-do-
2021-049 (2019)		-do-	-do-	20,239.00	-do-
2021-050 (2019)		-do-	-do-	3,620.00	-do-
2021-051 (2019)		-do-	-do-	1,300.00	-do-
2021-052 (2019)		-do-	-do-	27,821.20	-do-
2021-053 (2019)		-do-	-do-	1,080.00	-do-
2021-054 (2019)		-do-	-do-	3,420.00	-do-
2021-055 (2019)		-do-	-do-	27,474.88	-do-
2021-056 (2019)		-do-	-do-	18,150.00	-do-
2021-060		Failure to submit DVs with supporting documents.	-do-	44,631.00	-do-
2021-061		-do-	-do-	1,090,567.95	-do-
2021-062		-do-	-do-	37,478.57	-do-
2021-063		-do-	-do-	657,280.60	-do-
2021-064		-do-	-do-	7,848.43	-do-
2021-068 (2017)		Unsettled claims for taxi fare	-do-	1,500.00	-do-
Talasan CIS					
MINSAAD					
2021-069 (2017)		Unsettled balance on claims for BUS PUB Tickets	-do-	1,060.00	-do-
2021-071 (2018)		Unsettled balance of taxi fare and excessive claims of TEV	-do-	1,960.00	-do-
Taytay Unggoy CIP					
2021-072 (2018)		Unsettled balance on claims of taxi fare and excessive claim of TEV	-do-	1,960.00	-do-
Kili Kili CIS					
2021-073 (2018)		Unsettled NS due to lack of supporting documents	-do-	70,000.00	-do-
Talasan CIP					
2021-077(2018)		-do-	-do-	4,050.00	-do-
MURIS LFPs					
2021-078(2018)		-do-	-do-	4,050.00	-do-
MURIS LFPs					
2021-079(2018)		-do-	-do-	3,190.00	-do-
MOOE					
2021-080(2018)		-do-	-do-	14,335.76	-do-
Talasan CIP					

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2021-082(2018) Kalabugao CIP		Unsettled NS due to lack of supporting documents	Officers and employees concerned	4,160.00	For updating of status.
2021-083(2018) IMTSS LFPs		-do-	-do-	950.00	-do-
2021-085(2018) IMTSS LFPs		-do-	-do-	520.00	-do-
2021-086(2018) IMTSS LFPs		-do-	-do-	620.00	-do-
2021-087 (2018) MOOE		-do-	-do-	450.00	-do-
2021-088 (2018) MOOE		-do-	-do-	5,175.00	-do-
2021-091 (2018) MOOE		-do-	-do-	10,300.00	-do-
2021-093 (2018) MOOE		-do-	-do-	6,000.00	-do-
2021-094 (2018) MOOE		-do-	-do-	20,350.35	-do-
2021-098 (2018) San Roque		-do-	-do-	1,300.00	-do-
2021-099 (2018) San Roque		-do-	-do-	12,520.00	-do-
2021-100 (2018) Panadalan CIS		-do-	-do-	12,520.00	-do-
2021-101 (2018) RKRIS LFPs		-do-	-do-	12,520.00	-do-
2021-102 (2018) CARIIS CIP		-do-	-do-	600.00	-do-
2021-104 (2018) IMTSS		-do-	-do-	6,692.27	-do-
2021-110 (2019) MOOE		-do-	-do-	25,919.01	-do-
2021-001-501 Kulaman	01/14/2022	-do-	-do-	18,250.00	-do-
2022-001 (2018) COB (2021)	03/21/2022	-do-	-do-	1,000.00	-do-
2022-002 (2019)	03/21/2022	Unsettled NS due to non-submission of DV and supporting documents	-do-	26,811.00	-do-
2022-003 (2019)	03/21/2022	Unsettled NS due to lack of supporting documents	-do-	20,370.24	-do-
2022-004 (2020)	03/21/2022	-do-	-do-	20,035.00	-do-
2022-005 (2020)	03/21/2022	-do-	-do-	20,035.00	-do-
2022-006 (2020)	03/21/2022	-do-	-do-	20,035.00	-do-
2022-007 (2020)	03/21/2022	-do-	-do-	159,032.00	-do-
2022-008 (2018)	03/21/2022	-do-	-do-	24,000.00	-do-
Total Regional Office No. X – Corporate Fund				52,195,161.45	
TOTAL REGIONAL OFFICE NO. X				P 52,622,454.59	

REGIONAL OFFICE NO. XI

Regional Office No. XI – General Fund

09-02-F101-09	12/01/2009	Excess payment of overtime services	Officers and employees concerned	P	58.56	For updating of status.
09-05-F101-09	12/01/2009	-do-	-do-		110.37	-do-
09-09-F101-09	12/01/2009	-do-	-do-		319.61	-do-
09-10-F101-09	12/01/2009	-do-	-do-		234.32	-do-
09-13-F101-09	12/01/2009	-do-	-do-		91.98	-do-
09-18-F101-09	12/01/2009	-do-	-do-		26.12	-do-
09-08-F101-09	12/01/2009	Expenses not related to the purpose of cash advance	-do-		24,400.00	With COE dated July 28, 2015 and NFD dated July 3, 2015.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
09-36-F101-07	12/28/2009	Failure to submit proof of savings which was the required basis for payment of CNA incentive. CNA is not a proper charge to project fund	Officers and employees concerned	39,120.00	With COA RO XI Decision No. 2015-18 dated December 23, 2015.
09-04-F101-09	12/01/2009	Excess payment of per diems	-do-	480.00	For updating of status.
09-03-F101-09	12/01/2009	Details for update	-do-	640.00	-do-
09-07-F101-09	12/01/2009	Payment for diesel not in accordance with the purpose of releases from DBM for F101	-do-	56,559.80	-do-
09-17-F101-09	12/01/2009	Excessive claim of Travelling expenses	-do-	540.00	-do-
09-22-F101-09	12/01/2009	Excess payment of salaries	-do-	418.36	-do-
09-24-A-F101-09	12/02/2009	Suspension which matured into disallowance	-do-	700.00	-do-
09-25-F101-06	12/28/2009	Failure to submit boarding pass	-do-	8,042.00	-do-
09-30-F101-07	12/28/2009	Excess payment of court appearance fee	-do-	800.00	-do-
09-44-F101-08	12/28/2009	No details since no documents were found on file.	-do-	800.00	-do-
09-45-F101-08	12/28/2009	Fuel expense not reported in Monthly Report of Fuel Consumption and Official Travel	-do-	372.00	-do-
09-47-F101-08	12/28/2009	-do-	-do-	815.40	-do-
<u>Davao del Norte IMO – General Fund</u>					
Various ND since 2004	Various	Unauthorized grant of honorarium	-do-	164,450.00	Various ND since 2004. For updating of status.
Total Regional Office No. XI – General Fund				298,978.52	
<u>Regional Office No. XI – Corporate Fund</u>					
09-01-F501-NDC	12/29/2009	Details for update	-do-	1,711.20	For updating of status.
09-02-F501-NDC	12/29/2009	-do-	Retired employee	240.00	-do-
09-03-F501-NDC	12/29/2009	Payment of penalty for no-show return flight	Officers and employees concerned	448.00	For issuance of NFD and COE.
09-05-F501-NDC	12/29/2009	Details for update	-do-	2,800.00	-do-
09-07-F501-NDC	12/29/2009	-do-	Retired employee	1,220.00	For updating of status.
09-08-F501-NDC	12/28/2009	Payment of CNA for CY 2006 - should be charged to COB fund.	Officers and employees concerned	93,000.00	With NFD No. 2016-03-006 dated Mar. 1, 2016.
09-09-F501-NDC	12/28/2009	Payment of representation expenses.	-do-	18,022.75	For updating of status.
09-10-F501-NDC	12/28/2009	Details for update	-do-	5,620.00	-do-
09-11-F501-NDC-08	12/29/2009	Incomplete supporting documents	-do-	5,239.72	With NFD No. 2016-03-007 dated March 1, 2016.
09-12-F501-NDC	12/28/2009	-do-	-do-	4,584.00	-do-
09-13-F501-NDC	12/28/2009	-do-	-do-	5,534.00	For issuance of NFD and COE.
09-14-F501-NDC	12/28/2009	Details for update	-do-	400.00	For updating of status.
09-02-F501-PNB	11/23/2009	Payment of overtime services. No deduction of mealtime after 7pm	-do-	507.20	For issuance of NFD and COE.
09-03-F501-PNB	11/23/2009	-do-	-do-	1,832.97	-do-
09-04-F501-PNB	11/23/2009	-do-	-do-	1,519.60	-do-
09-05-F501-PNB	11/23/2009	Details for update	-do-	208.31	For updating of status.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
09-07-F501-PNB	11/23/2009	Payment of overtime services. No deduction of mealtime after 7pm	Officers and employees concerned	4,626.36	For issuance of NFD and COE.
09-08-F501-PNB	11/23/2009	-do-	-do-	1,388.27	-do-
09-11-F501-PNB	11/23/2009	-do-	-do-	3,513.34	-do-
09-13-F501-PNB	11/23/2009	-do-	-do-	1,214.67	-do-
09-15-F501-PNB	11/23/2009	-do-	-do-	1,003.07	-do-
09-16-F501-PNB	11/23/2009	Details for update	-do-	622.58	For updating of status.
09-17-F501-PNB	11/23/2009	-do-	-do-	519.49	-do-
09-18-F501-PNB	11/23/2009	No deduction of mealtime after 7pm	-do-	1,631.63	For issuance of NFD and COE.
09-19-F501-PNB	11/23/2009	-do-	-do-	2,239.16	-do-
09-20-F501-PNB	11/23/2009	-do-	-do-	2,664.61	-do-
09-21-F501-PNB	11/23/2009	-do-	-do-	1,773.96	-do-
09-22-F501-PNB	11/24/2009	-do-	-do-	149.83	-do-
09-23-F501-PNB	11/25/2009	-do-	-do-	1,130.58	-do-
09-25-F501-PNB	11/26/2009	-do-	-do-	2,451.02	-do-
09-26-F501-PNB	11/27/2009	-do-	-do-	1,516.74	-do-
09-54-F501-COB-LBP		Payment of CNA incentive for CY 2006	-do-	1,480,000.00	With NFD No. 2016-10-008 dated October 7, 2016.
09-03-F501-LBP-LT-07	12/28/2009	Payment of CNA incentive for CY 2007 charged to Local Trust Fund, should be charged from COB	-do-	375,000.00	-do-
09-40-F501-PNB	12/28/2009	Incomplete supporting documents	-do-	8,608.00	With NFD No. 2016-03-007 dated March 1, 2016.
09-43-F501-PNB	12/28/2009	Payment of CNA Incentive for CY 2007	-do-	1,428,863.89	With NFD No. 2016-10-008 dated October 7, 2016.
09-45-F501-PNB	12/28/2009	Payment of CNA Incentive for CY 2007 - 2nd payment	-do-	321,139.50	-do-
09-49-F501-PNB	12/28/2009	Payment of CNA Incentive for CY 2008 - 1st payment	-do-	1,216,994.99	With NFD No. 2016-03-005 dated Mar. 1, 2016.
09-50-F501-PNB	12/28/2009	Payment of CNA Incentive for CY 2007 -IMO	-do-	1,135,000.00	With NFD No. 2016-10-008 dated October 7, 2016.
2015-501-001-(14)	12/01/2015	Remittance of HDMF, PhilHealth and GSIS contributions of a retired employee	-do-	9,475.28	For issuance of NFD and COE.
2015-501-002-(14)	12/01/2015	Payment of salaries and wages of a retired employee	-do-	110,923.50	-do-
2016-001-501 (14)	06/20/2016	Payment for Repair of Motor Vehicle	-do-	27,100.00	For issuance of NFD and COE.
12-001-004(11)	12/28/2012	Payment of CNA Incentive in excess of P25,000.00	-do-	1,302,031.15	Persons Liable are now refunding thru installment payments. With partial settlement of P144,550.00.
13-003(11)	11/27/2013	-do-	-do-	216,614.00	Persons Liable are now refunding thru installment payments. With partial settlement of P19,500.00.
2013-002-501-DO(12) - CNA CY 2011	11/25/2013	-do-	-do-	1,063,750.00	With partial settlement of P150,000.0, for issuance of NSSDC.
13-001-501- (11)	12/18/2013	Payment of CNA Incentive for CY 2011	-do-	2,698,250.00	With COA CGS Cluster 5 Decision No. 2015-009 dated July 28, 2015.
2015-501-003	09/18/2015	Payment of CNA Incentive for CY 2012	-do-	3,666,000.00	For updating of status.
NIARO-2018-001-501(COB)_VIG	11/21/2018	Payment of VIG allowance for CYs 2014 – 2015	-do-	734,700.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
NIARO-2021-001-501 Local Trust(2020)	11/10/2021	Purchase of cellular phones for the BAC members and TWG	Officers and employees concerned	491,841.00	With Appeal Memorandum.
NIARO-2021-001-501LFPs(2020)	11/10/2021	Purchase of cellular phones for EOD personnel.	-do-	273,690.00	-do-
NIARO-2021-001-501 CARP(2020)	11/10/2021	Purchase of cellular phones for CARP personnel	-do-	62,970.00	-do-
2015-004-501-(13)	10/20/2015	Payment of VIG allowance for CY 2013 without legal basis	-do-	2,126,867.00	With COA CGS Cluster 5 Decision No. 2016-007. With Petition for Review.
2015-005-501-(14)	10/20/2015	Payment of VIG allowance for CY 2014 without legal basis	-do-	1,588,500.00	-do-
09-01-F501-POSTAL	12/28/2009	Lacks supporting documents	-do-	75,679.53	With COA RO XI Decision No. 2015-14.
2013-001-501(DDS)-(12)	09/09/2013	Payment of CNA Incentive for CY 2011 without legal basis	-do-	1,563,250.00	With CGS-5 Decision No. 2015-009 / For issuance of NSSDC on partial settlements.
09-06-F501-PNB	11/23/2009	Payment for salary differential - payroll not signed	-do-	57.86	All persons liable already retired.
09-01-F501-LBP-LT	11/29/2009	Details for update	-do-	100,000.00	For updating of status.
09-01-F501-PNB	11/18/2009	-do-	-do-	6,644.85	-do-
09-14-F501-PNB	11/23/2009	-do-	-do-	35,000.00	-do-
09-24-F501-PNB	11/24/2009	-do-	-do-	50,000.00	-do-
09-27-F501-PNB	11/24/2009	-do-	-do-	100,000.00	-do-
09-28-F501-PNB	11/24/2009	-do-	-do-	25,000.00	-do-
09-29-F501-PNB	11/24/2009	-do-	-do-	550.00	-do-
09-36-F501-PNB	12/02/2009	-do-	-do-	2,400.00	-do-
09-37-F501-PNB	12/24/2009	-do-	-do-	40,000.00	-do-
09-38-F501-PNB	12/28/2009	-do-	-do-	20,729.34	-do-
09-48-F501-PNB	12/28/2009	-do-	-do-	100.00	-do-
12-001-501- (11)	01/18/2012	-do-	-do-	4,016.65	-do-
12-003-501- (11)	01/18/2012	-do-	-do-	4,400.00	-do-
18-001	09/10/2018	Payment of CNA	-do-	1,008,000.00	-do-
18-001(15)	09/10/2001	-do-	-do-	274,000.00	-do-
Davao del Sur IMO – Corporate Fund					
2015-001-501 (DDS)-(12)	09/18/2015	Payment of CNA Incentive for CY 2012	-do-	1,615,750.00	-do-
2015-002-501 (DDS)-(13)	10/20/2015	-do-	-do-	1,077,500.00	With COA CGS Cluster 5 Decision No. 2016-058. With Petition for Review.
2015-003-501 (DDS)-(14)	10/20/2015	Payment of VIG allowance for CY 2013	-do-	1,485,500.00	-do-
2016-001-501(DDS)-(13)	06/15/2016	Payment of VIG allowance for CY 2012	-do-	173,000.00	-do-
NIA-DDS-2018-001_VIG	11/21/2018	Payment of VIG allowance for CY 2014 and CY 2015	-do-	956,000.00	With COA CGS Cluster 5 Decision No. 2020-039.
18-001	03/20/2015	Payment of VIG without legal basis	-do-	691,750.00	Persons Liable are now refunding thru installment payments.
15-001	03/20/2015	-do-	-do-	231,000.00	-do-
2015-001-501(2012&2013)	10/27/2015	-do-	-do-	470,800.00	Settlement/refund amounting P3,000.00 for issuance of NSSDC.
IMO -Del Sur-2021-001-501LFPs(2020)	11/03/2021	Details for update	Details for update	2,604,198.00	With COA CGAS Cluster 5 Decision No. 2023-009.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
<u>Davao del Norte IMO – Corporate Fund</u>					
IMO Del Norte-2021-001-501Local Trust(2020)	11/10/2021	Excessive purchase of cellular phones	Officers and employees concerned	114,960.00	For updating of status.
MO Del Norte-2021-001-501LFPs (2020-2021)	11/10/2021	-do-	-do-	127,349.00	-do-
<u>Davao de Oro IMO – Corporate Fund</u>					
IMO De Oro-2021-001-501Local Trust	11/10/2021	Purchase of cellular phones	-do-	33,900.00	-do-
Total Regional Office No. XI – Corporate Fund				33,394,186.60	
<u>Regional Office No. XI – Special Fund</u>					
09-01-F158-MINSSAD	11/25/2009	Unauthorized grant of honorarium for CY 2008	-do-	240,076.47	With COA RO XI Decision No. 2015-05.
Total RO No. XI – SF				240,076.47	
TOTAL REGIONAL OFFICE NO. XI				P 33,933,241.59	
REGIONAL OFFICE NO. XII					
<u>Regional Office No. XII – General Fund</u>					
12-001-101(11)	03/01/2012	Payment of CNA incentives	-do-	P 164,400.00	With NFD dated October 30, 2016. With partial payment of P310,600.00.
Total Regional Office No. XII – General Fund				164,400.00	
<u>Regional Office No. XII – Corporate Fund</u>					
2008-501-01(07)	07/02/2008	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	-do-	18,700.00	With NFD dated February 12, 2015.
2012-001-501(11)	01/24/2012	-do-	-do-	96,000.00	Original amount is P240,000.00. Partial settlement of P144,000.00
2013-008-501(12)	12/21/2013	-do-	-do-	1,312,600.00	Original amount is P2,292,000.00. Partial settlement of P979,400.00.
<u>MMIMO – Corporate Fund</u>					
2013-001-501	09/26/2013	-do-	-do-	350,750.00	Original amount is P539,750.00. Partial settlement of P189,000.00.
<u>CIMO – Corporate Fund</u>					
2013-01-501	12/27/2013	-do-	-do-	2,936,922.14	Issued NFD dated October 30, 2015. With partial settlement of P651,077.86.
<u>SKIMO – Corporate Fund</u>					
2012-002 to 42	02/15/2012	-do-	-do-	10,000.00	Original amount is P185,000.00. With partial settlement of P175,000.00.
2013-001-501	09/26/2013	-do-	-do-	2,078,050.00	Original amount is P2,721,250.00. Partial settlement of P643,200.00.
2014-001-501	03/19/2014	-do-	-do-	322,800.00	Original amount is P723,100.00. With partial settlement of P400,300.00.
2015-001-501	07/02/2015	-do-	-do-	44,750.00	Original amount is P62,500.00. With partial settlement of P17,750.00.
<u>SCIMO – Corporate Fund</u>					
2013-001-501	09/26/2013	-do-	-do-	780,000.00	Original amount is P1,113,000.00. Partial settlement of P333,000.00.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2012-001-501(11)	01/24/2012	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	455,000.00	Original amount is P480,000.00. Partial settlement of P25,000.00.
2012-002-501(11)	01/24/2012	-do-	-do-	10,000.00	No settlement made yet.
Mabaris					
2012-003-501(11)	01/24/2012	-do-	-do-	50,000.00	Original amount is P90,000.00. Partial settlement of P40,000.00.
SCIMO					
2013-001-501	09/26/2013	-do-	-do-	2,013,300.00	Original amount is P3,670,500.00. Partial settlement of P1,657,200.00.
2012-004-501(11)	01/24/2012	-do-	-do-	1,017,500.00	Original amount is P1,117,500.00. Partial settlement of P100,000.00.
<i>SIBRIS – Corporate Fund</i>					
2013-001-501	09/26/2013	-do-	-do-	257,066.67	Original amount is P565,750.00. Partial settlement of P308,683.33.
Total Regional Office No. XII – CF				11,753,438.81	
<i>RO No. XII – Special Fund</i>					
2012-006-158(11)SCIMO	01/24/2012	Excess payment of CNA for CY 2011	-do-	5,000.00	For updating of status.
2012-006-158(11)SCIMO	01/24/2012	-do-	-do-	5,000.00	-do-
Total RO No. XII – Special Fund				10,000.00	
TOTAL REGIONAL OFFICE NO. XII				P 11,927,838.81	
<u>REGIONAL OFFICE NO. XIII</u>					
<i>ASDI IMO – General Fund</i>					
17-001-101-(16)		Labor services under Pakyaw Contracting System in excess of the P500,000.00 limit	Officers and employees concerned	45,267.07	With NFD dated Jan. 28, 2019 and COE dated Feb. 4, 2019.
15-02-101(14)RIO	03/11/2015	Payment of Relocation Allowance	-do-	24,000.00	For updating of status.
15-07-101-(14)		-do-	-do-	12,000.00	-do-
AD'N					
15-09-101-(14)		-do-	-do-	24,000.00	-do-
AD'N					
15-11-101-(14)		-do-	-do-	1,000.00	-do-
AD'N					
19-002-501 LFPS-(17)	05/20/2019	Payment of per diems without appropriate legal basis.	-do-	12,000.00	For issuance of NFD.
2021-01-001	01/08/2021	Reimbursement of meals during overtime	-do-	25,578.00	Appealed by NIA IMO with Case No. CARAGA CGS-ND-2021-002 dated February 26, 2021.
Total Regional Office No. XIII – GF				143,845.07	
<i>Regional Office No. XIII – Corporate Fund</i>					
15-01-501-(14)	03/11/2015	Payment of Relocation Allowance	Officers and employees concerned	24,000.00	Partially settled.
AD'N					
15-02-501-(14)	03/11/2015	-do-	-do-	5,000.00	-do-
AD'N					
21-001(19)-501COB	06/03/2021	Excessive travel claims	-do-	1,571.94	For updating of status.
21-002(19)-501COB	06/03/2021	-do-	-do-	784.00	Partially settled.

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
21-004(19)-501LFPs	06/04/2021	Excessive travel claims	Officers and employees concerned	638.40	For updating of status.
21-019(19)-501LFPs	06/16/2021	-do-	-do-	1,342.00	-do-
09-076-501 COB-(09)		Liquidation of CA	-do-	7,001.05	-do-
2014-002-501-(13)	04/21/2014	-do-	-do-	3,814,000.00	With Decision No. 2015-015 dated Oct. 30, 2015. With partial settlement amounting to P39,000.00.
2014-003-501-(13)	04/21/2014	-do-	-do-	3,713,750.00	With Decision No. 2015-015 dated Oct. 30, 2015. With partial settlement of P117,000.00.
2014-004-501 (13)	04/21/2014	Excessive payment of CNA	-do-	32,750.00	With COA CGS Cluster 5 Decision No. 2015-015.
2014-005-501 (13)	04/21/2014	-do-	-do-	4,380,750.00	-do-
19-001-501 COB-(17)	05/20/2019	Payment of VIG for CY 2014 2015 without legal basis	-do-	1,482,918.00	With Appeal Memorandum.
19-001-501 COB-(17)	05/20/2019	Payment of VIG for CY 2014 2015 without legal basis	-do-	2,058,333.33	-do-
15-03-501-(14) RO	07/03/2015	Payment of VIG for CY 2013 without legal basis	-do-	1,326,973.33	-do-
15-04-501-(14) RO	07/03/2015	-do-	-do-	50,000.00	-do-
15-05-501-(14) RO	07/03/2015	-do-	-do-	30,000.00	-do-
15-06-501-(14) RO	07/03/2015	-do-	-do-	219,665.50	-do-
15-07-501-(14) RO	07/03/2015	-do-	-do-	25,000.00	-do-
15-08-501-(14) RO	07/03/2015	-do-	-do-	25,000.00	-do-
15-09-501-(14) RO	07/13/2015	-do-	-do-	27,000.00	-do-
15-10-501-(14) RO	07/13/2015	-do-	-do-	427,250.00	For updating of status.
15-11-501-(14) RO	07/13/2015	-do-	-do-	5,000.00	-do-
15-12-501-(14) RO	07/13/2015	-do-	-do-	16,667.67	-do-
15-13-501-(14) RO	07/13/2015	-do-	-do-	10,000.00	-do-
2015-001-501(14)	06/09/2015	Payment of VIG without legal basis	-do-	1,638,000.00	-do-
2019-06-022	06/17/2019	-do-	-do-	262,900.00	Appealed by NIA-IMO on February 7, 2020.
2015-001-501-COB	10/01/2015	-do-	-do-	828,000.00	For updating of status.
2015-002-501-COB	10/01/2015	-do-	-do-	390,000.00	-do-
2015-003-501-COB	10/01/2015	-do-	-do-	41,000.00	-do-
2015-004-501-COB	10/01/2015	-do-	-do-	191,000.00	-do-
2015-005-501-COB	10/01/2015	-do-	-do-	174,000.00	-do-
2019-001-501 (17)	09/10/2019	-do-	-do-	608,000.00	-do-
2019-002-501 (17)	09/10/2019	-do-	-do-	558,000.00	-do-
2022-01	12/28/2022	Excessive claim of per diem	-do-	360.00	-do-
2022-02	12/28/2022	-do-	-do-	360.00	-do-
2022-03	12/28/2022	-do-	-do-	180.00	-do-
2022-04	12/28/2022	-do-	-do-	360.00	-do-
2022-05	12/28/2022	-do-	-do-	360.00	-do-
2022-06	12/28/2022	-do-	-do-	360.00	-do-
2022-07	12/28/2022	-do-	-do-	360.00	-do-
2022-08	12/28/2022	-do-	-do-	360.00	-do-
2022-09	12/28/2022	-do-	-do-	360.00	-do-
2022-10	12/28/2022	-do-	-do-	360.00	-do-
2022-11	12/28/2022	-do-	-do-	360.00	-do-
2022-12	12/28/2022	-do-	-do-	360.00	-do-
2022-13	12/28/2022	-do-	-do-	360.00	-do-
2022-14	12/28/2022	-do-	-do-	360.00	-do-
2022-15	12/28/2022	-do-	-do-	180.00	-do-
2022-16	12/28/2022	-do-	-do-	360.00	-do-
2022-17	12/28/2022	-do-	-do-	360.00	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2022-18	12/28/2022	Excessive claim of per diem	Officers and employees concerned	360.00	For updating of status.
2022-19	12/28/2022	-do-	-do-	180.00	-do-
ASDI IMO – Corporate Fund					
19-002-501 COB- (17)	05/20/2019	No appropriate legal basis relative to the payment of Project Allowance was submitted for evaluation	-do-	17,500.00	-do-
21-001-501 COB- (17)	06/24/2021	Payment of CNA CY 2017	-do-	9,000.00	-do-
15-14-501 (14) ASDI	07/15/2015	Details for update	-do-	2,010,000.00	With CGS-5 Decision No. 2016-001 dated Jan. 29, 2016.
15-15-501 (14) ASDI	07/15/2015	-do-	-do-	85,000.00	-do-
15-16-501 (14) ASDI	07/15/2015	-do-	-do-	288,075.00	-do-
15-17-501 (14) ASDI	07/15/2015	-do-	-do-	4,000.00	-do-
15-17-501 (14) ASDI	07/15/2015	-do-	-do-	596,000.00	-do-
SDS IMO – Corporate Fund					
2014-001-501 (13)	04/21/2014	Payment CNA Incentive for the CY 2012 exceeded the DBM prescribed ceiling of P25,000.00 per employee	NIA SDS IMO Personnel	1,086,000.00	With Decision No. 2015-015 dated October 30, 2015. Original amount is P1,283,000.00, with partial settlement of P197,000.00.
Total Regional Office No. XIII – Corporate Fund				26,478,170.22	
Regional Office No. XIII – Special Fund					
12-005-GOP3 (12)	09/17/2012	Overpayment of salaries	-do-	2,280.81	For updating of status.
Total Regional Office No. XIII – Special Fund				2,280.81	
TOTAL REGIONAL OFFICE NO. XIII				P 26,624,296.10	
GRAND TOTAL				P3,975,435,390.01	

C. AUDIT CHARGES

Notices of Charge (NC)					
No.	Date	Nature of Charge	Person(s) Liable	Amount	Status
CO					
2016-001-102	04/06/2016	Non-forfeiture of bid security	Officers and employees concerned and contractors concerned	P 1,200,000.00	With appeal filed before CGAS Cluster 5.
TOTAL CENTRAL OFFICE				1,200,000.00	
REGIONAL IRRIGATION OFFICE NO. VI					
2012-501-02/	11-19-2012	Restitution of 10% discount for prompt payment	Former employee concerned	4,094.63	With NFD dated Sept. 3, 2018.
2012-501-05	11-19-2012	-do-	-do-	508.30	-do-
2012-501-09	11-19-2012	-do-	-do-	5,640.99	-do-
TOTAL REGIONAL IRRIGATION OFFICE NO. VI				10,243.92	
REGIONAL IRRIGATION OFFICE NO. X					
19-001-501	4/17/2018	Non-payment of rental for use of drilling rig	Officers and employees concerned	437,360.00	For updating of status.
04-001 (17)	4/17/2018	House Rental Payment	-do-	22,974.00	-do-
04-002 (17)	4/17/2018	-do-	-do-	7,288.00	-do-
04-003 (17)	4/17/2018	-do-	-do-	6,340.00	-do-
04-004 (17)	4/17/2018	-do-	-do-	14,964.00	-do-

Notices of Charge (NC)		Nature of Charge	Person(s) Liable	Amount	Status
No.	Date				
04-005 (17)	4/17/2018	House Rental Payment	Officers and employees concerned	6,340.00	For updating of status.
04-006 (17)	4/17/2018	-do-	-do-	17,336.00	-do-
04-007 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-008 (17)	4/17/2018	-do-	-do-	7,816.00	-do-
04-009 (17)	4/17/2018	-do-	-do-	17,812.00	-do-
04-010 (17)	4/17/2018	-do-	-do-	16,892.00	-do-
04-011 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-012 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-013 (17)	4/17/2018	-do-	-do-	9,428.00	-do-
04-014 (17)	4/17/2018	-do-	-do-	6,536.00	-do-
04-015 (17)	4/17/2018	-do-	-do-	7,508.00	-do-
04-016 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-017 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-018 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-019 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-020 (17)	4/17/2018	-do-	-do-	8,292.00	-do-
04-021 (17)	4/17/2018	-do-	-do-	19,908.00	-do-
04-022 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-023 (17)	4/17/2018	-do-	-do-	18,064.00	-do-
04-024 (17)	4/17/2018	-do-	-do-	23,290.00	-do-
04-025 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-026 (17)	4/17/2018	-do-	-do-	6,980.00	-do-
04-027 (17)	4/17/2018	-do-	-do-	21,530.00	-do-
04-028 (17)	4/17/2018	-do-	-do-	3,179.16	-do-
04-029 (17)	4/17/2018	-do-	-do-	3,179.16	-do-
04-030 (17)	4/17/2018	-do-	-do-	262.50	-do-
04-031 (17)	4/17/2018	-do-	-do-	612.50	-do-
04-032 (17)	4/17/2018	-do-	-do-	10,232.00	-do-
04-033 (17)	4/17/2018	-do-	-do-	10,882.00	-do-
04-034 (17)	4/17/2018	-do-	-do-	7,976.00	-do-
04-035 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
04-036 (17)	4/17/2018	-do-	-do-	15,396.00	-do-
04-037 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
04-038 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
04-039 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
04-040 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
04-041 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
04-042 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
04-043 (17)	4/17/2018	-do-	-do-	19,428.00	-do-
TOTAL REGIONAL IRRIGATION OFFICE NO. X				946,621.32	
REGIONAL IRRIGATION OFFICE NO. XI					
501 COB / 2013-05		Denied relief of Officers and employees accountability for lost cash collections of P160,785.43		68,398.71	Remaining balance will be deducted from the terminal benefit of employees concerned.
TOTAL REGIONAL IRRIGATION OFFICE NO. XI				68,398.71	
GRAND TOTAL				P 2,225,263.95	