



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

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**CORPORATE GOVERNMENT AUDIT SECTOR**  
**Cluster 5 - Agriculture and Natural Resources**

October 30, 2024

**THE BOARD OF DIRECTORS**

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

**GENTLEMEN/MESDAMES:**

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, 2023 and 2022.

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 Annexes.

The Auditor rendered a qualified opinion on the fairness of presentation of the financial statements of the NIA, in view of the following:

1. The faithful representation in the financial statements and verifiability of the balances as at December 31, 2023 of two (2) major asset accounts, i.e. Receivables and Property, plant and equipment (PPE) with carrying amounts of P3.057 billion and P293.208 billion, respectively; and three (3) major liability accounts, i.e. Financial liabilities, Inter-agency payables and Trust liabilities in the amounts of P2.681 billion, P79.180 billion and P2.935 billion, respectively, could not be established, contrary to Paragraphs 3.10 and 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Conceptual Framework) and Paragraph 27 of International Public Sector Accounting Standard (IPSAS) 1, in view of the following:
  - a. Variances in the amounts of P597.709 million, P70.140 million, and P1,250.405 million in the Receivables-Inter-agency receivables-Due from national government agencies (NGAs), Receivables-Inter-agency receivables-Due from other government corporations (GCs), and Inter-agency payables-Due to NGAs accounts between the balances per books in the amounts of P599.490 million, P70.140 million, and P1,699.723 million vis-à-vis confirmed balances by various debtors and

creditors in the amounts of P1.781 million, zero and P449.318 million, respectively, which remained unreconciled as at year-end;

- b. Incomplete physical count of the properties/items under eight (8) PPE sub-accounts with total carrying amount of P8.114 billion, particularly the Water supply systems due to difficulty in identifying the costs as these were constructed from various funds and projects, thus, the existence thereof could not be established; unreconciled variance in the aggregate amount of P27.844 billion between the General Ledger (GL) balance vis-à-vis balances per Reports on the Physical Count of PPE (RPCPPEs); and non-maintenance of complete PPE Ledger Cards (PEELCs) and Construction in Progress Ledger Cards (CIPLCs) for PPE sub-accounts with total carrying amount of P17.375 billion;
  - c. Seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable, Financial liabilities-Due to officers and employees, Inter-agency payables-Due to NGAs, Inter-agency payables-Due to other GCs, Trust liabilities-Guaranty/security deposits payable, Trust liabilities-Trust liabilities, and Trust liabilities-Disallowances/charges in the aggregate amount of P3.135 billion were only supported with Subsidiary Ledgers (SLs) but with incomplete data/details; and
  - d. Presence of abnormal balances in the total amount of P161.204 million in seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable and Due to officers and employees; Inter-agency payables-Due to other GCs, Due to GSIS, Due to Pag-IBIG, Due to PhilHealth; and Trust liabilities - Guaranty/security deposits payable.
2. The faithful representation in the combined financial statements and verifiability of the balances as at December 31, 2023 of five (5) major asset accounts, i.e. Cash and cash equivalents, Receivables, Inventories, PPE and Other assets (current); and six (6) major liability accounts, i.e. Financial liabilities, Inter-agency payables, Intra-agency payables, Trust liabilities, Other payables and Deferred credits/unearned revenue were not established due to inclusion of the balances of inactive 43 asset sub-accounts and 14 liability sub-accounts in the aggregate amounts of P20.455 billion and P49.619 million, respectively, in view of the lack of complete accounting records/documents, and were only supported by Trial Balances (TBs) of 73 inactive/unidentified projects, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.
3. The faithful representation in the financial statements and verifiability of the balance of Accumulated surplus/(deficit) account in the amount of P224.399 billion as at December 31, 2023 were not obtained due to the recognition of Prior period adjustments and other adjustments covering calendar years (CYs) 2020 to 2023 in the total debits and credits amounting to P6.527 billion and P16.020 billion, respectively, without relevant 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 inability to use, or misuse of, reliable information, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.

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

- 1.1. Finance Manager to instruct the Accounting Division to coordinate with the NGAs and GCs concerned for the reconciliation of the variances noted between the balances per books of the NIA vis-a-vis confirmed balances and make necessary adjustments in the books, if warranted;
- 1.2. Administrative Manager and Regional Managers to instruct the Inventory Committees of Central Office (CO), Regional Offices (ROs), Project Management Offices (PMOs) and Irrigation Management Offices (IMOs) to conduct complete physical/inventory count of all PPEs annually, moving forward;
- 1.3. Finance Manager, Administrative Manager and Regional Managers concerned to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs and Inventory Committees of CO, ROs, PMOs and IMOs to reconcile the variances 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;
- 1.4. Finance Manager and Regional Managers concerned to instruct the Accounting Division in the CO and Accounting Sections in the ROs to analyze and verify the abnormal balances in seven (7) liability sub-accounts, and make necessary corrections or adjustments accordingly, for fair presentation of the accounts balances in the financial statements; and
- 1.5. Administrative and Finance Manager of the CO and/or Regional Managers of the ROs to instruct the Accounting Division of CO and Accounting Sections of ROs/IMOs/PMOs concerned to:
  - a. Prepare and maintain complete PPELCs/CIPLCs for all PPEs in accordance with the forms prescribed under the Government Accounting Manual (GAM), Volume II; and
  - b. Complete the details/information in the SLs of the seven (7) liability sub-accounts.
- 2.1. Accounting Division in the NIA CO to:
  - a. Exert best effort to locate all the accounting records and supporting documents of the inactive accounts to substantiate the recognition thereof in the books of accounts; and
  - b. Consider availing the one-time cleansing of all dormant accounts as prescribed under COA Circular No. 2023-008 dated August 17, 2023, re: *Guidelines on the Proper Disposition of Dormant Accounts of National Government Agencies (NGAs) and Instrumentalities, Local Government Units (LGUs) and Government Corporations (GCs), Amending COA Circular No. 2016-005 dated December 19, 2016 re: Guidelines and Procedures on the Write-off of Dormant Receivable Accounts, Unliquidated Cash Advances, and Fund Transfers of NGAs, LGUs and GCs*, for the fair presentation of accounts balances in the financial statements.

- 3.1. Finance Manager of the CO and Regional Managers of the ROs to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs to:
- a. 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, moving forward; and
  - b. Submit immediately for audit the supporting documents covering CYs 2020 to 2023 unsupported Prior period adjustments and Other adjustments in the total debits and credits in the amounts of P6.527 billion and P16.020 billion, respectively.

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

4. Deficient planning and monitoring of the implementation of the various irrigation contracts/projects by the NIA resulted in, among others:
- a. Incurrence of significant delays ranging from 31 to 1,113 calendar days in the implementation of 161 irrigation contracts/projects with total cost of P2.042 billion that were programmed to be completed in CYs 2021, 2022 and 2023; and, suspension of and/or granting of contract time extensions (CTEs) on 75 contracts with total cost in the amount of P5.063 billion and one (1) contract in the amount of \$193.494 million, which further delay the completion of these irrigation projects; thus depriving the intended beneficiaries of the timely use thereof;
  - b. Negative slippages ranging from 0.03 to 93.00 per cent incurred by the contractors in the implementation of 24 on-going irrigation projects costing P4.228 billion, which further delay the completion thereof;
  - c. Termination of two (2) irrigation contracts with total contract cost of P116.638 million due to contractor's fault or for convenience, thus wastage of government funds;
  - d. Cumulative positive variation orders for 12 infrastructure projects with total contract cost of P182.413 million implemented by NIA Cordillera Administrative Region (CAR), exceeded the 10 per cent of the original contract price, contrary to Item 1.4 of Annex E of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184; and
  - e. Various deficiencies, such as, damaged canal, non-operational, delayed construction, among others, on 29 completed infrastructure projects with total cost of P294.911 million were noted during the technical/ocular inspection, in NIA Magat River Integrated Irrigation System (MARIIS), CAR, and three IMOs; while nine (9) irrigation systems were not properly maintained, hence depriving the beneficiaries of the full use of these irrigation projects.
- 4.1. We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, PMOs and IMOs concerned to:

- a. Adhere strictly to the pertinent provisions of RA No. 9184 and its 2016 Revised IRR in the planning/procurement of the irrigation contracts/projects to be implemented, and 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/implemented;
  - 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 of 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. 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 their completion;
  - d. Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress billing are 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;
  - e. File appropriate charges against erring/defaulting contractors; and
  - f. Consider imposing administrative sanctions against NIA officials and personnel who are remiss in their duties, specifically in planning and monitoring of the implementation of irrigation contracts/projects, that resulted in delays, suspensions, terminations, and wastage of government funds.
- 4.2. We further recommended that top Management instruct the Regional Manager of NIA CAR to ensure that any Variation Order does not exceed 10 per cent of the original contract price in accordance with Item 1.4 of Annex "E" of the 2016 Revised IRR of RA No. 9184.
5. The pertinent provisions of RA No. 9184 and its 2016 Revised IRR, particularly on the conduct of Pre-procurement, Pre-bid Conference, Advertising and Posting of Invitation to Bid (ITB), Opening of Bids, Bid Evaluation, issuance of Notice of Award (NOA) and Notice to Proceed (NTP), and the corresponding requirements on timelines within which procurement activities are to be conducted, were not strictly adhered to by the NIA ROs in the procurement of 165 infrastructure contracts/projects with total cost of P1.602 billion, posing risk that the infrastructure contracts/projects 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 recommendation and top Management agreed to require the Regional/Project Managers of ROs and PMOs concerned to ensure that the NOA and NTP are posted 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 Sections 37.1.6 and 37.4.2 of the 2016 Revised IRR of RA No. 9184.
- 5.2. We further recommended that top Management direct the Regional/Project Managers of ROs, PMOs and IMO concerned to:
  - a. Instruct the Bids and Awards Committee (BAC), its Secretariat and the Technical Working Group (TWG) to thoroughly comply with the procurement procedures and timelines prescribed under RA No. 9184 and its 2016 Revised IRR to ensure transparency and efficiency in the NIA's procurement activities by:
    - a.1. Sending invitation to observers, in addition to the representative of COA, at least five (5) calendar days before the date of the procurement stage/activity, and to monitor the procurement proceedings as required under Sections 13.1 and 13.3 of the 2016 Revised IRR of RA No. 9184;
    - a.2. Posting the ITB for seven (7) calendar days at any conspicuous place within the premises of NIA, in accordance with Section 21.2.1(a) of the 2016 Revised IRR of RA No. 9184;
    - a.3. Exerting best efforts to complete the Bid Evaluation and Post-qualification process in accordance with Sections 32.4 and 34.8 of the 2016 Revised IRR of RA No. 9184; and
    - a.4. Preparing the minutes of the pre-procurement conference, pre-bid conference and opening of bids, and the notices of Lowest Calculated Bid pursuant to Sections 6.4, 22.4 and 25.6 and Item 13.2 of Appendix 3 of the 2016 Revised IRR of RA No. 9184;
  - b. Require the contractors with completed projects to post warranty security for structural defects and failures, as stipulated in Section 62.2.3.3 of the 2016 Revised IRR of RA No. 9184; and
  - c. Instruct the Project-in-Charge by administration to strictly observe the P500,000.00 limitation set forth under Item 4.8 of Appendix 1 of the 2016 Revised IRR of RA No. 9184.
6. The NIA CO, six ROs, Upper Pampanga River Integrated Irrigation System (UPRIIS) and five IMO were not able to recoup the advance payments to contractors/sub-contractors in the total amount of P1.057 billion for 154 contracts/projects which were either terminated, completed, or unknown status, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5<sup>th</sup> Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the funds for its other projects, giving unwarranted benefits to contractors, and poses risk of possible loss of government funds 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 years' audit recommendations that top Management:

- a. Direct the Legal Services of CO and concerned ROs to Blacklist the defaulting contractors who did not return the advance payments for the 154 terminated, completed or unknown status contracts, pursuant to Item 6, Appendix 17 of the 2016 Revised IRR of RA No. 9184;
- 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 Notice of Termination pursuant to Paragraph 46, GCC of the 5<sup>th</sup> Edition of the PBD for the Procurement of Infrastructure Projects; and
- c. Require the officers and personnel concerned in the CO and ROs to exert utmost-efforts to recoup the advance payments to contractors in the total amount of P1.057 billion, and hold them responsible in case of non-recoupment thereof, if warranted.

6.2. We further recommended that top Management require the Legal Services to initiate legal proceedings against defaulting contractors, if warranted, or negotiate repayment terms with the contractors, or pursue bond claims from the surety companies to recoup the advance payments.

The observations together with the recommended courses of action which were discussed by the Audit Teams with the concerned Management officials and staff during the exit conferences held on June 5, 2024 and October 24, 2024 are discussed in detail in Part II of the Report. We also invite your attention to the prior years' unimplemented audit recommendations embodied in Part III of the Report.

In our transmittal letter of even date, we request the 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 Teams, 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*  
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NATIONAL IRRIGATION ADMINISTRATION

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OCT 30 2024

ACCOUNTING DIVISION

REPUBLIC OF THE PHILIPPINES

COMMISSION ON AUDIT

COMMONWEALTH AVENUE, QUEZON CITY

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**CORPORATE GOVERNMENT AUDIT SECTOR**  
**Cluster 5 - Agriculture and Natural Resources**

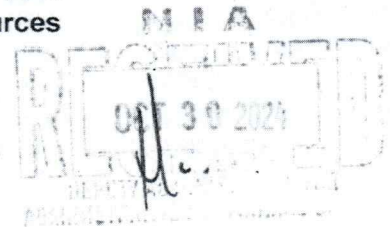
October 30, 2024

**ENGR. EDUARDO EDDIE G. GUILLEN**

Administrator

National Irrigation Administration

NIA Complex, ED5A, Diliman, Quezon City



**Dear Administrator GUILLEN:**

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- 1.5. Administrative and Finance Manager of the CO and/or Regional Managers of the ROs to instruct the Accounting Division of CO and Accounting Sections of ROs/IMOs/PMOs concerned to:
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- 4.1. We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, PMOs and IMOs concerned to:

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5. The pertinent provisions of RA No. 9184 and its 2016 Revised IRR, particularly on the conduct of Pre-procurement, Pre-bid Conference, Advertising and Posting of Invitation to Bid (ITB), Opening of Bids, Bid Evaluation, issuance of Notice of Award (NOA) and Notice to Proceed (NTP), and the corresponding requirements on timelines within which procurement activities are to be conducted, were not strictly adhered to by the NIA ROs in the procurement of 165 infrastructure contracts/projects with total cost of P1.602 billion, posing risk that the infrastructure contracts/projects were awarded to the contractors who might not be eligible and responsive with the requirements of the contracts.

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- 5.2. We further recommended that top Management direct the Regional/Project Managers of ROs, PMOs and IMO concerned to:
  - a. Instruct the Bids and Awards Committee (BAC), its Secretariat and the Technical Working Group (TWG) to thoroughly comply with the procurement procedures and timelines prescribed under RA No. 9184 and its 2016 Revised IRR to ensure transparency and efficiency in the NIA's procurement activities by:
    - a.1. Sending invitation to observers, in addition to the representative of COA, at least five (5) calendar days before the date of the procurement stage/activity, and to monitor the procurement proceedings as required under Sections 13.1 and 13.3 of the 2016 Revised IRR of RA No. 9184;
    - a.2. Posting the ITB for seven (7) calendar days at any conspicuous place within the premises of NIA, in accordance with Section 21.2.1(a) of the 2016 Revised IRR of RA No. 9184;
    - a.3. Exerting best efforts to complete the Bid Evaluation and Post-qualification process in accordance with Sections 32.4 and 34.8 of the 2016 Revised IRR of RA No. 9184; and
    - a.4. Preparing the minutes of the pre-procurement conference, pre-bid conference and opening of bids, and the notices of Lowest Calculated Bid pursuant to Sections 6.4, 22.4 and 25.6 and Item 13.2 of Appendix 3 of the 2016 Revised IRR of RA No. 9184;
  - b. Require the contractors with completed projects to post warranty security for structural defects and failures, as stipulated in Section 62.2.3.3 of the 2016 Revised IRR of RA No. 9184; and
  - c. Instruct the Project-in-Charge by administration to strictly observe the P500,000.00 limitation set forth under Item 4.8 of Appendix 1 of the 2016 Revised IRR of RA No. 9184.
6. The NIA CO, six ROs, Upper Pampanga River Integrated Irrigation System (UPRIIS) and five IMOs were not able to recoup the advance payments to contractors/sub-contractors in the total amount of P1.057 billion for 154 contracts/projects which were either terminated, completed, or unknown status, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5<sup>th</sup> Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the funds for its other projects, giving unwarranted benefits to contractors, and poses risk of possible loss of government funds 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 years' audit recommendations that top Management:
- a. Direct the Legal Services of CO and concerned ROs to Blacklist the defaulting contractors who did not return the advance payments for the 154 terminated, completed or unknown status contracts, pursuant to Item 6, Appendix 17 of the 2016 Revised IRR of RA No. 9184;
  - 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 Notice of Termination pursuant to Paragraph 46, GCC of the 5<sup>th</sup> Edition of the PBD for the Procurement of Infrastructure Projects; and
  - c. Require the officers and personnel concerned in the CO and ROs to exert utmost efforts to recoup the advance payments to contractors in the total amount of P1.057 billion, and hold them responsible in case of non-recoupment thereof, if warranted.
- 6.2. We further recommended that top Management require the Legal Services to initiate legal proceedings against defaulting contractors, if warranted, or negotiate repayment terms with the contractors, or pursue bond claims from the surety companies to recoup the advance payments.

The observations together with the recommended courses of action which were discussed by the Audit Teams with the concerned Management officials and staff during the exit conferences held on June 5, 2024 and October 24, 2024 are discussed in detail in Part II of the Report. We also invite your attention to the prior years' 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 Teams, 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*

(Name of the Agency and Address)

**AGENCY ACTION PLAN and  
STATUS OF IMPLEMENTATION**  
**Audit Observations and Recommendations**  
**For the Calendar Year 20XX**  
**As of \_\_\_\_\_**

Ref.	Audit Observations	Audit Recommendations	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/ Non-Implementation, if applicable	Action Taken/Action to be Taken
			Action Plan	Persons/Dept. Responsible	Target Implementation Date				
					From	To			

**Agency sign-off:**

\_\_\_\_\_  
**Name and Position of Agency Officer**

\_\_\_\_\_  
**Date**

**Note: Status of Implementation may either be (a) Implemented or (b) Not Implemented.**



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, 2023 and 2022**

## **EXECUTIVE SUMMARY**

### **INTRODUCTION**

The National Irrigation Administration (NIA) was formally created as a government owned and controlled corporation (GOCC) 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 (OP) 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. Currently, the NIA was transferred to the OP of the Philippines pursuant to EO No. 69 dated September 5, 2024.

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 the NIA significantly increased to cover the remaining 1.2 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 Officer-in-Charge (OIC) 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 (7) interim IMOs, six (6) Satellite Offices, and nine (9) Project Management Offices (PMOs).

As at December 31, 2023, the NIA had personnel complement of 10,077 composed of 3,731 permanent employees; 3,315 casual/daily; and 3,031 project-based paid personnel.

## FINANCIAL HIGHLIGHTS (In Philippine Peso)

### I. Comparative Financial Position

	<b>2023</b>	<b>2022 (As restated)</b>	<b>Increase/ (Decrease)</b>
Total assets	323,221,997,201	304,241,821,227	18,980,175,974
Total liabilities	93,264,049,171	91,126,582,461	2,137,466,710
Equity	229,957,948,030	213,115,238,766	16,842,709,264

### II. Comparative Results of Operations

	<b>2023</b>	<b>2022 (As restated)</b>	<b>Increase/ (Decrease)</b>
Revenue	1,349,934,751	1,917,007,464	(567,072,713)
Current operating expenses	22,447,800,924	27,992,920,053	(5,545,119,129)
Deficit from current operations	(21,097,866,173)	(26,075,912,589)	4,978,046,416
Other non-operating income	81,512,165	85,118,554	(3,606,389)
Gains	4,703,805	10,413,829	(5,710,024)
Losses	(28,574,570)	(10,283,122)	(18,291,448)
Deficit before/after tax	(21,040,224,773)	(25,990,663,328)	4,950,438,555
Assistance and subsidy	42,533,386,172	42,927,377,119	(393,990,947)
<b>Net surplus for the period</b>	<b>21,493,161,399</b>	<b>16,936,713,791</b>	<b>4,556,447,608</b>



### III. Comparison of Budget and Actual Amounts

	<b>Budget</b>	<b>Actual Amount</b>	<b>Difference</b>
Personnel services	5,658,941,614	5,000,648,148	658,293,466
Maintenance and other operating expenses	3,882,712,414	5,799,623,087	(1,916,910,673)
Capital outlay	36,688,270,819	25,245,679,472	11,442,591,347
Financial expenses	469,841	2,885,181,507	(2,884,711,666)
	<b>46,230,394,688</b>	<b>38,931,132,214</b>	<b>7,299,262,474</b>

### 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, 2023 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, 2023 and 2022. 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 rendered a qualified opinion on the fairness of the presentation of the financial statements of NIA in view of the following:

1. The faithful representation in the financial statements and verifiability of the balances as at December 31, 2023 of two (2) major asset accounts, i.e. Receivables and Property, plant and equipment (PPE) with carrying amounts of P3.057 billion and P293.208 billion, respectively; and three (3) major liability accounts, i.e. Financial liabilities, Inter-agency payables and Trust liabilities in the amounts of P2.681 billion, P79.180 billion and P2.935 billion, respectively, could not be established, contrary to Paragraphs 3.10 and 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Conceptual Framework) and Paragraph 27 of International Public Sector Accounting Standard (IPSAS) 1, in view of the following:
  - a. Variances in the amounts of P597.709 million, P70.140 million, and P1,250.405 million in the Receivables-Inter-agency receivables-Due from national government agencies (NGAs), Receivables-Inter-agency receivables-Due from other government corporations (GCs), and Inter-agency payables-Due to NGAs accounts between the balances per books in the amounts of P599.490 million, P70.140 million, and P1,699.723 million vis-à-vis confirmed balances by various debtors and creditors in the amounts of P1.781 million, zero and P449.318 million, respectively, which remained unreconciled as at year-end;

- b. Incomplete physical count of the properties/items under eight (8) PPE sub-accounts with total carrying amount of P8.114 billion, particularly the Water supply systems due to difficulty in identifying the costs as these were constructed from various funds and projects, thus, the existence thereof could not be established; unreconciled variance in the aggregate amount of P27.844 billion between the General Ledger (GL) balance vis-à-vis balances per Reports on the Physical Count of PPE (RPCPPEs); and non-maintenance of complete PPE Ledger Cards (PPELCs) and Construction in Progress Ledger Cards (CIPLCs) for PPE sub-accounts with total carrying amount of P17.375 billion;
  - c. Seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable, Financial liabilities-Due to officers and employees, Inter-agency payables-Due to NGAs, Inter-agency payables-Due to other GCs, Trust liabilities-Guaranty/security deposits payable, Trust liabilities-Trust liabilities, and Trust liabilities-Disallowances/charges in the aggregate amount of P3.135 billion were only supported with Subsidiary Ledgers (SLs) but with incomplete data/details; and
  - d. Presence of abnormal balances in the total amount of P161.204 million in seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable and Due to officers and employees; Inter-agency payables-Due to other GCs, Due to GSIS, Due to Pag-IBIG, Due to PhilHealth; and Trust liabilities - Guaranty/security deposits payable.
2. The faithful representation in the combined financial statements and verifiability of the balances as at December 31, 2023 of five (5) major asset accounts, i.e. Cash and cash equivalents, Receivables, Inventories, PPE and Other assets (current); and six (6) major liability accounts, i.e. Financial liabilities, Inter-agency payables, Intra-agency payables, Trust liabilities, Other payables and Deferred credits/unearned revenue were not established due to inclusion of the balances of inactive 43 asset sub-accounts and 14 liability sub-accounts in the aggregate amounts of P20.455 billion and P49.619 million, respectively, in view of the lack of complete accounting records/documents, and were only supported by Trial Balances (TBs) of 73 inactive/unidentified projects, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.
3. The faithful representation in the financial statements and verifiability of the balance of Accumulated surplus/(deficit) account in the amount of P224.399 billion as at December 31, 2023 were not obtained due to the recognition of Prior period adjustments and other adjustments covering CYs 2020 to 2023 in the total debits and credits amounting to P6.527 billion and P16.020 billion, respectively, without relevant 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 inability to use, or misuse of, reliable information, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.

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

- 1.1. Finance Manager to instruct the Accounting Division to coordinate with the NGAs and GCs concerned for the reconciliation of the variances noted between the balances per books of the NIA vis-a-vis confirmed balances and make necessary adjustments in the books, if warranted;
- 1.2. Administrative Manager and Regional Managers to instruct the Inventory Committees of CO, ROs, PMOs and IMOs to conduct complete physical/inventory count of all PPEs annually, moving forward;
- 1.3. Finance Manager, Administrative Manager and Regional Managers concerned to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs and Inventory Committees of CO, ROs, PMOs and IMOs to reconcile the variances 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;
- 1.4. Finance Manager and Regional Managers concerned to instruct the Accounting Division in the CO and Accounting Sections in the ROs to analyze and verify the abnormal balances in seven (7) liability sub-accounts, and make necessary corrections or adjustments accordingly, for fair presentation of the accounts balances in the financial statements; and
- 1.5. Administrative and Finance Manager of the CO and/or Regional Managers of the ROs to instruct the Accounting Division of CO and Accounting Sections of ROs/IMOs/PMOs concerned to:
  - a. Prepare and maintain complete PPELCs/CIPLCs for all PPEs in accordance with the forms prescribed under the Government Accounting Manual (GAM), Volume II; and
  - b. Complete the details/information in the SLs of the seven (7) liability sub-accounts.
- 2.1. Accounting Division in the NIA CO to:
  - a. Exert best effort to locate all the accounting records and supporting documents of the inactive accounts to substantiate the recognition thereof in the books of accounts; and
  - b. Consider availing the one-time cleansing of all dormant accounts as prescribed under COA Circular No. 2023-008 dated August 17, 2023, re: *Guidelines on the Proper Disposition of Dormant Accounts of National Government Agencies (NGAs) and Instrumentalities, Local Government Units (LGUs) and Government Corporations (GCs), Amending COA Circular No. 2016-005 dated December 19, 2016 re: Guidelines and Procedures on the Write-off of Dormant Receivable Accounts, Unliquidated Cash Advances, and Fund Transfers of NGAs, LGUs and GCs*, for the fair presentation of accounts balances in the financial statements.

- 3.1. Finance Manager of the CO and Regional Managers of the ROs to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs to:
- a. 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, moving forward; and
  - b. Submit immediately for audit the supporting documents covering CYs 2020 to 2023 unsupported Prior period adjustments and Other adjustments in the total debits and credits in the amounts of P6.527 billion and P16.020 billion, respectively.

## **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 various irrigation contracts/projects by the NIA resulted in, among others:
- a. Incurrence of significant delays ranging from 31 to 1,113 calendar days in the implementation of 161 irrigation contracts/projects with total cost of P2.042 billion that were programmed to be completed in CYs 2021, 2022 and 2023; and, suspension of and/or granting of contract time extensions (CTEs) on 75 contracts with total cost in the amount of P5.063 billion and one (1) contract in the amount of \$193.494 million, which further delay the completion of these irrigation projects; thus depriving the intended beneficiaries of the timely use thereof;
  - b. Negative slippages ranging from 0.03 to 93.00 per cent incurred by the contractors in the implementation of 24 on-going irrigation projects costing P4.228 billion, which further delay the completion thereof;
  - c. Termination of two (2) irrigation contracts with total contract cost of P116.638 million due to contractor's fault or for convenience, thus wastage of government funds;
  - d. Cumulative positive variation orders for 12 infrastructure projects with total contract cost of P182.413 million implemented by NIA Cordillera Administrative Region (CAR), exceeded the 10 per cent of the original contract price, contrary to Item 1.4 of Annex E of the 2016 Revised Implementing Rules and Regulations (IRR) of RA No. 9184; and
  - e. Various deficiencies, such as, damaged canal, non-operational, delayed construction, among others, on 29 completed infrastructure projects with total cost of P294.911 million were noted during the technical/ocular inspection, in NIA MARIIS, CAR, and three IMOs; while nine (9) irrigation systems were not properly maintained, hence depriving the beneficiaries of the full use of these irrigation projects.

- 4.1. We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, PMOs and IMOs concerned to:
- a. Adhere strictly to the pertinent provisions of RA No. 9184 and its 2016 Revised IRR in the planning/procurement of the irrigation contracts/projects to be implemented, and 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/implemented;
  - 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 of 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. 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 their completion;
  - d. Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress billing are 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;
  - e. File appropriate charges against erring/defaulting contractors; and
  - f. Consider imposing administrative sanctions against NIA officials and personnel who are remiss in their duties, specifically in planning and monitoring of the implementation of irrigation contracts/projects, that resulted in delays, suspensions, terminations, and wastage of government funds.
- 4.2. We further recommended that top Management instruct the Regional Manager of NIA CAR to ensure that any Variation Order does not exceed 10 per cent of the original contract price in accordance with Item 1.4 of Annex "E" of the 2016 Revised IRR of RA No. 9184.
5. The pertinent provisions of RA No. 9184 and its 2016 Revised IRR, particularly on the conduct of Pre-procurement, Pre-bid Conference, Advertising and Posting of Invitation to Bid (ITB), Opening of Bids, Bid Evaluation, issuance of Notice of Award (NOA) and Notice to Proceed (NTP), and the corresponding requirements on timelines within which procurement activities are to be conducted, were not

strictly adhered to by the NIA ROs in the procurement of 165 infrastructure contracts/projects with total cost of P1.602 billion, posing risk that the infrastructure contracts/projects 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 recommendation and top Management agreed to require the Regional/Project Managers of ROs and PMOs concerned to ensure that the NOA and NTP are posted 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 Sections 37.1.6 and 37.4.2 of the 2016 Revised IRR of RA No. 9184.
- 5.2. We further recommended that top Management direct the Regional/Project Managers of ROs, PMOs and IMOs concerned to:
  - a. Instruct the Bids and Awards Committee (BAC), its Secretariat and the Technical Working Group (TWG) to thoroughly comply with the procurement procedures and timelines prescribed under RA No. 9184 and its 2016 Revised IRR to ensure transparency and efficiency in the NIA's procurement activities by:
    - a.1. Sending invitation to observers, in addition to the representative of COA, at least five (5) calendar days before the date of the procurement stage/activity, and to monitor the procurement proceedings as required under Sections 13.1 and 13.3 of the 2016 Revised IRR of RA No. 9184;
    - a.2. Posting the ITB for seven (7) calendar days at any conspicuous place within the premises of NIA, in accordance with Section 21.2.1(a) of the 2016 Revised IRR of RA No. 9184;
    - a.3. Exerting best efforts to complete the Bid Evaluation and Post-qualification process in accordance with Sections 32.4 and 34.8 of the 2016 Revised IRR of RA No. 9184; and
    - a.4. Preparing the minutes of the pre-procurement conference, pre-bid conference and opening of bids, and the notices of Lowest Calculated Bid pursuant to Sections 6.4, 22.4 and 25.6 and Item 13.2 of Appendix 3 of the 2016 Revised IRR of RA No. 9184;
  - b. Require the contractors with completed projects to post warranty security for structural defects and failures, as stipulated in Section 62.2.3.3 of the 2016 Revised IRR of RA No. 9184; and
  - c. Instruct the Project-in-Charge by administration to strictly observe the P500,000.00 limitation set forth under Item 4.8 of Appendix 1 of the 2016 Revised IRR of RA No. 9184.
6. The NIA CO, six ROs, UPRIIS and five IMOs were not able to recoup the advance payments to contractors/sub-contractors in the total amount of P1.057 billion for 154 contracts/projects which were either terminated, completed, or unknown status, contrary to Paragraph 46 of the General Conditions of the Contract (GCC)



of the 5<sup>th</sup> Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the funds for its other projects, giving unwarranted benefits to contractors, and poses risk of possible loss of government funds 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 years' audit recommendations that top Management:
- a. Direct the Legal Services of CO and concerned ROs to Blacklist the defaulting contractors who did not return the advance payments for the 154 terminated, completed or unknown status contracts, pursuant to Item 6, Appendix 17 of the 2016 Revised IRR of RA No. 9184;
  - 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 Notice of Termination pursuant to Paragraph 46, GCC of the 5<sup>th</sup> Edition of the PBD for the Procurement of Infrastructure Projects; and
  - c. Require the officers and personnel concerned in the CO and ROs to exert utmost efforts to recoup the advance payments to contractors in the total amount of P1.057 billion, and hold them responsible in case of non-recoupment thereof, if warranted.
- 6.2. We further recommended that top Management require the Legal Services to initiate legal proceedings against defaulting contractors, if warranted, or negotiate repayment terms with the contractors, or pursue bond claims from the surety companies to recoup the advance payments.

## **SUMMARY OF UNSETTLED AUDIT SUSPENSIONS, DISALLOWANCES AND CHARGES**

As of December 31, 2023, the total unsettled audit suspensions, disallowances and charges for all funds amounted to P1.168 billion, P4.155 billion, and 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 24, Part II of this Report, while the details and status of the unsettled balances are presented in **Annex D**, Part IV of this Report.

## **STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS**

Of the 55 audit recommendations embodied in the previous years' Annual Audit Reports, 11 were implemented, 39 were not implemented, and five (5) were closed. The details are presented in Part III of this Report.

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## **PART I - AUDITED FINANCIAL STATEMENTS**



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**

#### ***Qualified Opinion***

We have audited the financial statements of the **National Irrigation Administration (NIA)**, which comprise the statements of financial position as at December 31, 2023 and 2022, 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, 2023, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the *Bases for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the **NIA** as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Public Sector Accounting Standards (IPSASs).

#### ***Bases for Qualified Opinion***

The faithful representation in the financial statements and verifiability of the balances as at December 31, 2023 of five (5) major asset accounts, i.e. Cash and cash equivalents, Receivables, Inventories, Property, plant and equipment (PPE), and Other assets (current); six (6) major liability accounts, i.e. Financial liabilities, Inter-agency payables, Intra-agency payables, Trust liabilities, Other payables, and Deferred credits/unearned revenue; and Accumulated surplus/(deficit) account could not be established, contrary to Paragraphs 3.10 and 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities and Paragraph 27 of IPSAS 1, in view of the following:

- a. Variances in the amounts of P597.709 million, P70.140 million, and P1,250.405 million in the Receivables-Inter-agency receivables-Due from national government agencies (NGAs), Receivables-Inter-agency receivables-Due from other government corporations (GCs), and Inter-agency payables-Due to NGAs accounts between the balances per books in the amounts of P599.490 million, P70.140 million, and P1,699.723 million vis-à-vis confirmed balances by various debtors and creditors in the amounts of P1.781 million, zero and P449.318 million, respectively, which remained unreconciled as at year-end;

- b. Incomplete physical count of the properties/items under eight (8) PPE sub-accounts with total carrying amount of P8.114 billion, particularly the Water supply systems due to difficulty in identifying the costs as these were constructed from various funds and projects, thus, the existence thereof could not be established; unreconciled variance in the aggregate amount of P27.844 billion between the General Ledger (GL) balance vis-à-vis balances per Reports on the Physical Count of PPEs (RPCPPEs); and non-maintenance of complete PPE Ledger Cards (PPELCs) and Construction in Progress Ledger Cards (CIPLCs) for PPE sub-accounts with carrying amount of P17.375 billion;
- c. Seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable, Financial liabilities-Due to officers and employees, Inter-agency payables-Due to NGAs, Inter-agency payables-Due to other GCs, Trust liabilities-Guaranty/security deposits payable, Trust liabilities-Trust liabilities, and Trust liabilities-Disallowances/charges in the aggregate amount of P3.135 billion were only supported with Subsidiary Ledgers (SLs) but with incomplete data/details;
- d. Presence of abnormal balances in the total amount of P161.204 million in seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable and Due to officers and employees; Inter-agency payables-Due to other GCs, Due to GSIS, Due to Pag-IBIG, Due to PhilHealth; and Trust liabilities – Guaranty/security deposits payable;
- e. Inclusion of the balances of inactive 43 asset sub-accounts and 14 liability sub-accounts in the aggregate amounts of P20.455 billion and P49.619 million, respectively, without complete accounting records/documents and were only supported by trial balances of 73 inactive/ unidentified projects; and
- f. Recognition of Prior period adjustments and other adjustments covering calendar years (CYs) 2020 to 2023 in the total debits and credits amounting to P6.527 billion and P16.020 billion, respectively, without relevant 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 inability to use, or misuse of, reliable information.

We were unable to obtain sufficient appropriate audit evidence about the balances of the above-mentioned accounts, due to the inadequacy of accounting and property records, schedules and working papers. Consequently, we were not able to determine the possible cumulative effect on the financial statements and whether adjustments to these accounts were necessary.

We conducted our audits in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the NIA in accordance with the Revised Code of Conduct and Ethical Standards for Commission on Audit Officials and Employees (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the bases for our qualified opinion.

## ***Other Matters***

In our report dated July 17, 2023, we did not express an opinion on the financial statements of the NIA as at and for the years ended December 31, 2022 and 2021 because of the significance and pervasiveness of the matters noted in the audit of various accounts, particularly the faithful representation in the financial statements and verifiability of the balances of four (4) major asset accounts, i.e. Cash and cash equivalents, Receivables, Other current assets and PPE in the amounts of P19.220 billion, P1.870 billion, P2.804 billion and P300.892 billion, respectively; five (5) 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; and Accumulated surplus/(deficit) account in the amount of P228.230 billion, were not established in view of the following:

- a. Non-maintenance of complete SLs to support the GLs accounts on nine (9) assets and 10 liabilities accounts with balances in the aggregate amounts of P662.269 million and P1.606 billion, respectively; while SLs maintained for four (4) assets accounts in the aggregate amount of P312.140 million and 11 liabilities accounts in the total amount of P3.882 billion had no/incomplete data/details;
- b. 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 for PPE account in the total amount of P25.913 billion had 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 RPCPPEs;
- d. Presence of abnormal balances in five (5) assets accounts and seven (7) liabilities accounts in the total amounts of P1.582 billion and P263.862 million, respectively; and
- e. 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.

In CY 2023, NIA prepared/maintained various accounting and property records and documents, and analyzed and made necessary adjustments to restate various accounts, specifically:

- a. Prepared/maintained SLs to support the GLs of nine (9) assets and 10 liabilities accounts with aggregate amounts of P571.863 million and P1.590 billion, respectively, reducing by 86.35 per cent and 99.00 per cent the unsupported assets and liabilities in CY 2022, and provided complete data/details of the SLs



maintained for four (4) assets accounts in the aggregate amount of P312.140 million;

- b. Prepared/maintained PPELCs/CIPLCs for various PPE sub-accounts in the total amount of P56.654 billion, reducing by 76.53 per cent the PPE sub-accounts without PPELCs/CIPLCs in CY 2022, provided complete data of PPELCs/CIPLCs for various PPE items in the total amount of P25.913 billion, and prepared BRSs for the Cash in banks in the total amount of P29.991 million;
- c. Analyzed and reconciled variances between the GLs of the PPE account and the RPCPPEs, reducing by 32.16 per cent or P13.202 billion the unreconciled variances noted in CY 2022;
- d. Analyzed and adjusted the abnormal balances in five (5) assets accounts in the total amount of P1.582 billion and seven (7) liability accounts in the amount of P102.658 million; and
- e. Provided the supporting documents of Prior period adjustments in the total debits and credits amounting to P15.875 billion and P101.784 billion, respectively, reducing by 75.78 per cent and 87.65 per cent the unsupported debits and credits of Prior period adjustments covering CYs 2020 to 2022.

Accordingly, our present opinion on the restated financial statements as at and for the year ended December 31, 2022 is already qualified concerning these matters.

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

Management is responsible for the preparation of the financial statements in accordance with the 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 objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NIA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NIA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the NIA to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit observations, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## 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 in Note 40 to financial statements is presented for the purpose of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of Management of the NIA.

### COMMISSION ON AUDIT

*C.M.L. Inc*

**CARMENCITA P. MODINA**

State Auditor IV

OIC-Supervising Auditor

Audit Group B-NIA

Cluster 5 - Agriculture and Natural Resources

Corporate Government Audit Sector

October 24, 2024



**Republic of the Philippines**  
**DEPARTMENT OF AGRICULTURE**  
**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, 2023 and 2022, 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.

  
**ATTY. JEFFREY GALLARDO**

Chairman of the Board

  
**ENGR. EDUARDO EDDIE G. GUILLEN**

Vice - Chairman of the Board / Administrator

  
**ROBERT VICTOR G. SEARES, JR.**

Deputy Administrator  
For Administrative and Finance Sector

  
**MILCA B. CAYANGA, MBA, MPA**

Manager  
Financial Management Department

Signed this 19<sup>th</sup> day of September 2024

**NATIONAL IRRIGATION ADMINISTRATION**  
**STATEMENTS OF FINANCIAL POSITION**  
As at December 31, 2023 and 2022  
*(In Philippines Peso)*

	Note	2023	2022 (As restated)	January 1, 2022 (As restated)
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	6	23,189,109,330	19,220,053,203	11,283,168,960
Receivables, net	7	3,057,244,541	3,109,915,038	5,738,610,548
Inventories, net	8	81,077,197	51,662,272	89,368,528
Other assets, net	9	3,477,750,166	2,883,819,500	4,469,614,527
<b>Total Current Assets</b>		<b>29,805,181,234</b>	<b>25,265,450,013</b>	<b>21,580,762,563</b>
<b>Non-Current Assets</b>				
Investment property	11	2,082,569	2,082,569	2,082,569
Property, plant and equipment, net	12	293,208,088,318	278,869,589,760	276,321,794,816
Intangible assets, net	13	206,645,080	104,698,885	51,928,839
<b>Total Non-Current Assets</b>		<b>293,416,815,967</b>	<b>278,976,371,214</b>	<b>276,375,806,224</b>
<b>TOTAL ASSETS</b>		<b>323,221,997,201</b>	<b>304,241,821,227</b>	<b>297,956,568,787</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Financial liabilities	14	2,681,299,558	3,293,609,662	5,364,319,352
Inter-agency payables	15	79,179,603,270	76,287,698,566	75,519,196,883
Intra-agency payables	16	-	-	56,042,939
Trust liabilities	17	2,934,824,985	3,074,955,489	3,020,494,273
Provisions	18	1,182,944,640	1,108,272,140	1,174,198,772
Other payables	19	2,231,026,179	2,357,396,045	3,237,005,509
<b>Total Current Liabilities</b>		<b>88,209,698,632</b>	<b>86,121,931,902</b>	<b>88,371,257,728</b>
<b>Non-Current Liabilities</b>				
Deferred credits/Unearned revenue	20	5,054,350,539	5,004,650,559	5,411,916,132
<b>Total Non- Current Liabilities</b>		<b>5,054,350,539</b>	<b>5,004,650,559</b>	<b>5,411,916,132</b>
<b>TOTAL LIABILITIES</b>		<b>93,264,049,171</b>	<b>91,126,582,461</b>	<b>93,783,173,860</b>
<b>NET ASSETS (TOTAL ASSETS LESS TOTAL LIABILITIES)</b>		<b>229,957,948,030</b>	<b>213,115,238,766</b>	<b>204,173,394,927</b>
<b>NET ASSETS/EQUITY</b>				
Government equity	21	5,559,191,865	5,559,191,865	5,559,191,865
Accumulated surplus/(deficit)	22	224,398,756,165	207,556,046,901	198,614,203,062
<b>NET ASSETS/EQUITY</b>		<b>229,957,948,030</b>	<b>213,115,238,766</b>	<b>204,173,394,927</b>

*The Notes on pages 13 to 115 form part of these financial statements.*

**NATIONAL IRRIGATION ADMINISTRATION**  
**STATEMENTS OF FINANCIAL PERFORMANCE**  
For the Years Ended December 31, 2023 and 2022  
*(In Philippines Peso)*

			<b>2022</b>
	<b>Note</b>	<b>2023</b>	<b>(As restated)</b>
<b>REVENUE</b>			
Service and business income	23	1,333,643,539	1,914,159,858
Shares, grants and donations	24	16,291,212	2,847,606
<b>TOTAL REVENUE</b>		<b>1,349,934,751</b>	<b>1,917,007,464</b>
<b>CURRENT OPERATING EXPENSES</b>			
Personnel services	25	5,000,648,148	4,554,308,367
Maintenance and other operating expenses	26	5,771,048,517	5,768,143,418
Financial expenses	27	2,885,181,507	1,086,224,806
Non-cash expenses	28	8,790,922,752	16,584,243,462
<b>TOTAL CURRENT OPERATING EXPENSES</b>		<b>22,447,800,924</b>	<b>27,992,920,053</b>
<b>DEFICIT FROM CURRENT OPERATIONS</b>		<b>(21,097,866,173)</b>	<b>(26,075,912,589)</b>
Other non-operating income	29	81,512,165	85,118,554
Gains	30	4,703,805	10,413,829
Losses	31	(28,574,570)	(10,283,122)
<b>DEFICIT BEFORE TAX</b>		<b>(21,040,224,773)</b>	<b>(25,990,663,328)</b>
Less: Income tax expense	32	-	-
<b>DEFICIT AFTER TAX</b>		<b>(21,040,224,773)</b>	<b>(25,990,663,328)</b>
Assistance and subsidy	33	42,533,386,172	42,927,377,119
<b>NET SURPLUS FOR THE PERIOD</b>		<b>21,493,161,399</b>	<b>16,936,713,791</b>

*The Notes on pages 13 to 115 form part of these financial statements.*

**NATIONAL IRRIGATION ADMINISTRATION**  
**STATEMENTS OF CHANGES IN NET ASSETS/EQUITY**  
For the Years Ended December 31, 2023 and 2022  
*(In Philippine Peso)*

	<b>Government equity (Note 21)</b>	<b>Accumulated surplus/(deficit) (Note 22)</b>	<b>Total</b>
<b>BALANCE AS AT DECEMBER 31, 2021</b>	<b>5,559,191,865</b>	<b>217,461,328,168</b>	<b>223,020,520,033</b>
<b>CHANGES IN EQUITY FOR 2021</b>			
Changes in accounting policy		(64,303,983)	(64,303,983)
Prior period adjustments, as restated	-	(18,782,821,123)	(18,782,821,123)
<b>RESTATED BALANCE AS AT DECEMBER 31, 2021</b>	<b>5,559,191,865</b>	<b>198,614,203,062</b>	<b>204,173,394,927</b>
<b>CHANGES IN EQUITY FOR 2022</b>			
Surplus for the period, as restated	-	16,936,713,791	16,936,713,791
Other adjustments, as restated	-	(7,994,869,952)	(7,994,869,952)
<b>RESTATED BALANCE AS AT DECEMBER 31, 2022</b>	<b>5,559,191,865</b>	<b>207,556,046,901</b>	<b>213,115,238,766</b>
<b>CHANGES IN EQUITY FOR 2023</b>			
Surplus for the period	-	21,493,161,399	21,493,161,399
Other adjustments	-	(4,650,452,135)	(4,650,452,135)
<b>BALANCE AS AT DECEMBER 31, 2023</b>	<b>5,559,191,865</b>	<b>224,398,756,165</b>	<b>229,957,948,030</b>

*The Notes on pages 13 to 115 form part of these financial statements.*

**NATIONAL IRRIGATION ADMINISTRATION**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2023 and 2022  
(In Philippine Peso)

	Note	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash inflows:</b>			
Receipt of assistance/subsidy	34	40,789,383,690	40,743,743,764
Collection of income/revenue		545,535,583	591,531,925
Trust receipts		284,732,163	401,158,971
Receipt of intra-agency fund transfers		186,048,518	-
Collection of receivables		185,498,267	238,286,439
Receipt of inter-agency fund transfers		21,227,741	257,782,685
Proceeds from sales of goods and services		-	556,724
Other receipts		116,951,676	287,676,153
Other adjustments		623,388,733	837,761,149
<b>Total cash inflows</b>		<b>42,752,766,371</b>	<b>43,358,497,810</b>
<b>Cash outflows:</b>			
Payment of expenses		8,141,574,193	7,553,000,751
Remittance of personnel benefit contributions and mandatory deductions		2,369,611,094	2,320,258,212
Payment of accounts payable and other payables		1,162,295,337	1,004,721,454
Grant of cash advances		704,626,608	816,871,938
Other disbursements		248,569,890	507,655,992
Release of inter-agency fund transfers		148,919,058	273,829,024
Purchase of inventories		121,961,765	77,186,108
Refund of deposits		38,740,625	214,677,847
Prepayments		13,585,205	8,847,813
Release of intra-agency fund transfers		-	326,801,995
Other adjustments		568,809,422	212,520,792
<b>Total cash outflows</b>		<b>13,518,693,197</b>	<b>13,316,371,926</b>
<b>Net cash provided by operating activities</b>		<b>29,234,073,174</b>	<b>30,042,125,884</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash inflows:</b>			
Receipt of interest earned		7,177,902	9,198,056
Proceeds from sale/disposal of property, plant and equipment		15,936	236,403
Proceeds from sale of other assets		-	96,083
<b>Total cash inflows</b>		<b>7,193,838</b>	<b>9,530,542</b>
<b>Cash outflows:</b>			
Purchase/construction of property, plant and equipment		25,230,260,422	21,867,931,191
Purchase of intangible assets		14,950,017	46,520,993
Purchase/construction of investment property		469,033	-
Purchase/acquisition of investments		-	303,649,312
Other adjustments		2,003,904	1,272,653
<b>Total cash outflows</b>		<b>25,247,683,376</b>	<b>22,219,374,149</b>
<b>Net cash used in investing activities</b>		<b>(25,240,489,538)</b>	<b>(22,209,843,607)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash inflows:</b>			
Proceeds from domestic and foreign loans		-	133,307,408
<b>Total cash inflows</b>		<b>-</b>	<b>133,307,408</b>
<b>Cash outflows</b>			
Payment of long-term liabilities		-	27,148,917
Payment of foreign loans		-	8,775
<b>Total cash outflows</b>		<b>-</b>	<b>27,157,692</b>
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>106,149,716</b>
<b>Net increase in cash and cash equivalents</b>		<b>3,993,583,636</b>	<b>7,938,431,993</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>(24,527,509)</b>	<b>(1,547,750)</b>
Cash and cash equivalents, January 1		19,220,053,203	11,283,168,960
<b>Cash and cash equivalents, December 31</b>	<b>6</b>	<b>23,189,109,330</b>	<b>19,220,053,203</b>

The Notes on pages 13 to 115 form part of these financial statements.



**NATIONAL IRRIGATION ADMINISTRATION**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
For the Year Ended December 31, 2023  
*(In Philippine Peso)*

	Note	Budgeted amount		Actual amounts on comparable basis	Difference final budget and actual
		Original	Final		
RECEIPTS					
Service and business income		599,875,156	599,875,156	1,333,643,539	(733,768,383)
Shares, grants and donations		-	-	16,291,212	(16,291,212)
Other non-operating income		74,041,923	74,041,923	81,512,165	(7,470,242)
Gain on foreign exchange		-	-	3,984,425	(3,984,425)
Gain on sale of unserviceable property		-	-	698,393	(698,393)
Gain on sale of property, plant and equipment		-	-	20,987	(20,987)
Assistance and subsidy		45,988,313,609	45,988,313,609	42,533,386,172	3,454,927,437
Total Receipts		46,662,230,688	46,662,230,688	43,969,536,893	2,692,693,795
PAYMENTS					
Personnel services		5,411,303,000	5,658,941,614	5,000,648,148	658,293,466
Maintenance and other operating expenses		4,562,656,869	3,882,712,414	5,799,623,087	(1,916,910,673)
Capital outlay		36,688,270,819	36,688,270,819	25,245,679,472	11,442,591,347
Financial expenses		-	469,841	2,885,181,507	(2,884,711,666)
Total Payments		46,662,230,688	46,230,394,688	38,931,132,214	7,299,262,474
NET RECEIPTS / (PAYMENTS)	39	-	431,836,000	5,038,404,679	(4,606,568,679)

*The Notes on pages 13 to 115 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 Owned and Controlled Corporation (GOCC) 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 former 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. Currently, the NIA was transferred to the OP of the Philippines pursuant to EO No. 69 dated September 5, 2024. 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 Associations (IAs) 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 1.2 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 2023, NIA is an advanced and innovative irrigation agency enabling highly competitive and sustainable Philippine farming communities.

### *Mission*

An efficient and well-managed government corporation developing and managing modern, resilient, and multipurpose irrigation systems to improve agricultural productivity and increase farmers' income.

### *Core Values*

Integrity - Innovation - Commitment – Excellence

### 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 10,077 and 9,933 personnel in CYs 2023 and 2022, respectively. The breakdown is as follows:

	2023	2022
<b>Monthly Paid – Rationalized</b>		
Permanent - Corporate Operating Budget (COB) charged filled	3,731	3,812
<b>Casual/Daily Paid</b>		
COB charged	3,315	3,247
Project charged	3,031	2,874
	<b>10,077</b>	<b>9,933</b>

The NIA is composed of the CO, seventeen (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), seven (7) Interim IMOs, six (6) Satellite Offices, and five (5) Project Management Offices (PMOs).

### 1.2. Projects and Operational Profile

The NIA implemented 118 irrigation programs for CY 2023 including carry-overs from previous years. Of the total number, 38 projects are located in Luzon, 24 in Visayas, 22 in Mindanao and 34 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 IAs, implementation and monitoring of Irrigation Management Transfer (IMT), and execution and monitoring of climate change adaptation works.

The CY 2023 program included the: generation of 15,194 hectares of newly irrigated areas; restoration of 20,919 hectares of non-operational areas; repair and rehabilitation works of 139.62 kilometers earth canal, 636.98 kilometers concrete-lined canal, 70.88 kilometers high-density polyethylene (HDPE) pipe, 106.85 kilometers concrete roads, 66.60 kilometers gravel roads and 2,317 units of canal structures.

As of December 2023, the Agency has Physical and Financial accomplishments of 63.86 per cent and 42.37 per cent, respectively. This is equivalent to the generation of a newly irrigated area of 4,274 hectares, restoration of 11,188 hectares, repair of a total of 176.59 kilometers of earth canals, 576.17 kilometers of concrete-lined canal, 50.99 kilometers of HDPE pipe, 113.44 kilometers of concrete roads, 48.08 kilometers gravel roads and 1,481 units of canal structures.

For carryover programs, the Agency accomplished a total of 18,292 hectares and 3,752 hectares for new and restored area, respectively, repair of 69.41 kilometers and 133.44 kilometers earth and lined canal, respectively, 4.29 kilometers HDPE, 70.74 kilometers concrete road, 388.93 kilometers gravel road and 1,268 units of canal structures.

The NIA operated and maintained 258 NISs with an aggregate service area of 941,885.06 hectares and firmed-up service area (FUSA) of 842,447.35 hectares at the beginning of the year. The irrigation-programmed service area for this crop year is 1,489,824.54 hectares. The actual irrigated area was 724,412.55 hectares during the dry season, and 779,280.52 hectares during the wet season, equivalent to a total of 1,549,788.62 hectares. The cropping intensity achieved was 183.96 per cent based on the FUSA.

There are 10,497 communal irrigation systems (CISs) at the beginning of the year with an aggregate service area of 722,926.04 hectares and a FUSA of 631,596.04 hectares. In Crop Years 2022-2023, the total irrigated area in the CISs was 990,255.89 hectares: 502,408.56 hectares during wet season, and 487,847.33 hectares during the dry season equivalent to a cropping intensity of 156.79 per cent based on FUSA.

As of December 31, 2023, 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 NISs, 744,023.45 hectares in CISs, 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 NIA Irrigation Development Program were appropriated under the General Appropriations Act (GAA) of Fiscal Year (FY) 2023, RA No. 11936 for NIA (Section XXXVI-Budgetary Support to Government Corporations, M.7. Other Executive Offices-NIA), summarized as follows:

	CY 2023 Irrigation Program (In Thousand Pesos)			
	Appropriation	Allotment	Release Cash/Non-Cash	Obligation
CY 2023 Irrigation Programs:				
General Administration and Support	8,606,400,000	8,606,400,000	8,606,400,000	6,731,799,054
Support to Operations	2,159,733,000	2,159,733,000	2,159,733,000	1,488,571,019
Operations	30,096,632,000	30,096,632,000	29,970,632,000	26,322,163,247
<b>Total</b>	<b>40,862,765,000</b>	<b>40,862,765,000</b>	<b>40,736,765,000</b>	<b>34,542,533,320</b>
Others:				
Unprogrammed Funds	-	104,955,004	104,955,004	104,955,004
Section 6 of the Special Provisions for NIA under GAA FY 2022	-	68,700,000	-	66,103,030
<b>Grand Total</b>	<b>40,862,765,000</b>	<b>41,036,420,004</b>	<b>40,841,720,004</b>	<b>34,713,591,354</b>

	Carry Over Funds (In Thousand Pesos)		
	Unobligated Balance CY 2021	Release Cash/ Non-Cash	Obligation
<b>FY 2015 - 2022 GAA</b>			
Various Projects	4,599,656,000	1,718,873,475	3,836,203,363
Other Sources:			
Integrated Resources and Environment Management Project - International Fund for Agricultural Development – Local Project	524,664,000	-	457,390,083
Section 7 of the Special Provisions for NIA under GAA 2021	95,000	-	(200,000)
Section 7 of the Special Provisions for NIA under GAA 2020	373,000	-	7,394
Section 9 of the Special Provisions for NIA under GAA 2021	609,000	-	-
National Disaster Risk Reduction Management Fund	244,000	-	28,046
	<b>5,125,641,000</b>	<b>1,718,873,475</b>	<b>4,293,428,886</b>

## **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 the IPSASs prescribed for adoption by the Commission on Audit (COA) through various COA Resolutions. The COA has adopted 25 IPSASs with corresponding Philippine Application Guidance (PAG) that were referred to as Philippine Public Sector Accounting Standards (PPSASs) under COA Resolution No. 2014-003 dated January 24, 2014, which was updated through COA Resolution No. 2017-006 dated April 26, 2017, prescribing the adoption of six (6) additional PPSASs. The PPSAS was renamed as IPSAS with corresponding PAG under COA Resolution No. 2020-001 dated January 9, 2020. Further, the COA issued COA Resolution No. 2021-018 dated July 21, 2021, updating the adopted IPSASs based on the 2019 Edition of the Handbook of International Public Sector Accounting Pronouncements (HIPSAP). COA Resolution No. 2021-019 dated July 21, 2021 provides for the adoption of four (4) additional IPSASs contained in the 2019 Edition of the HIPSAP published by the International Federation of Accountants (IFAC). Another IPSAS adopted through COA Resolution No. 2021-019 dated July 21, 2021 is IPSAS 18-*Segment Reporting*, with an objective of establishing principles for reporting financial information by segments. Relative thereto, COA issued COA Circular No. 2023-007 dated August 9, 2023 to provide guidelines on the implementation of IPSAS 18-*Segment Reporting*.

#### New IPSAS issued but not adopted

*Implementation of IPSAS 18 – Segment Reporting and its corresponding PAG through COA Circular No. 2023-007 dated August 9, 2023:*

During the reporting period, IPSAS 18-*Segment Reporting* was issued. However, the new Standard is not applicable to the NIA due to the nature of its operations. Management has assessed the applicability of the new IPSAS and determined that it does not have a material impact on the presentation of the financial statements. The NIA does not maintain segments as defined by the newly issued IPSAS on segment reporting. Therefore, the requirements outlined in the new Standard were not relevant to the financial reporting and IPSAS 18-*Segment Reporting* was not adopted by the NIA.

## **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 ROs including the UPRIIS and the MARIIS, and five (5) 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, revenue, and expenses of NIA CO, ROs including the UPRIS and the MARIIS, and PMOs.

### 3.2.1. Inactive Accounts

Financial statements of inactive accounts with total assets and total liabilities of P20.455 billion and P49.619 million, respectively, as at December 31, 2023, from ROs/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 being turned over to their respective ROs/PMOs. Of the 73 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	Casencan Multi-Purpose Irrigation and Power Project (CMPIPP)
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 Measurement* are classified as financial assets at fair value through surplus or deficit, held-to-maturity investments, and loans and receivables. 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 2023, 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 (1) day to over five (5) years and provisions for the Allowance for impairment of Accounts receivable shall be as follows:

#### **a. Loans and receivables, Lease receivable and Other receivables**

<b>Aging of Accounts</b>	<b>Percentage</b>
1 to 60 days	10
61 to 180 days	20
181 days to 1 year	30
Over 1 year to 2 years	50
Over 2 years to 3 years	60
Over 3 years to 5 years	70
Over 5 years to 10 years	100
Over 10 years	100
Accounts with legal constraints	100

**b. Inter-agency receivables**

<b>Aging of Accounts</b>	<b>Percentage</b>
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 NISs and CISs 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 NISs and CISs, 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 accounts 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. Investment Property**

Investment property consists of properties held to earn rentals and/or capital appreciation. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the cost of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the time of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model.

Investment property of the NIA is mainly composed of land.

Investment property is derecognized either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition.

Transfers are made to or from investment property only when there is change in use. If an owner-occupied property becomes an investment property that will be carried at cost, an entity shall apply IPSAS 17 up to the date of change in use.

The NIA uses the cost model for the measurement of investment property after initial recognition. (See *Note 11*)

### **3.8. 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 15<sup>th</sup> of the month. However, if the PPE is available for use after the 15<sup>th</sup> 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:

<b>Account</b>	<b>Life in Years</b>
Water supply systems	20 to 50 years
Land improvements	10 years
Buildings	30 years
Machinery and equipment	10 years
Motor vehicles	7 years
Furniture and fixtures	10 years
Office equipment	5 years
Information and communications technology equipment	5 years
Communications equipment	5 years
Sports equipment	10 years
Technical and scientific equipment	10 years
Other machinery and equipment	10 years
Other transportation equipment	7 years
Works of arts and archeological specimens	5 years
Road networks	10 years
Flood control systems	10 years
Power supply systems	10 years
Communications networks	10 years

**d. Residual value**

The NIA uses a residual value equivalent to at least five (5) 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*)

**3.9. Intangible Assets**

**a. Recognition and measurement**

Intangible assets are recognized when the items are identifiable non-monetary assets without physical substance; the entity has control over the asset; it is probable that the expected future economic benefits or service potential that are attributable to the assets will flow to the entity; and the cost or fair value of the assets can be measured reliably.

Intangible assets acquired separately are initially recognized at cost.

If payment for intangible assets is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as interest expense over the period of credit unless it is capitalized in accordance with the capitalization treatment permitted in IPSAS 5, *Borrowing Costs*.

**b. Subsequent expenditure on an acquired in-process research and development project**

Subsequent expenditure on an in-process research or development project acquired separately or in an acquisition and recognized as intangible asset is:

- Recognized as an expense when incurred if it is research expenditure;
- Recognized as an expense when incurred if it is a development expenditure that does not satisfy the criteria for recognition as an intangible asset; and
- Added to the carrying amount of the acquired in-process research or development project if it is a development expenditure that satisfies the recognition criteria for intangible assets.



**c. Intangible assets acquired through non-exchange transactions**

The cost of intangible assets acquired in non-exchange transaction is their fair value at the date these are required.

**d. Internally generated intangible assets**

Internally generated intangible assets, excluding capitalized development cost, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditures are incurred.

**e. Recognition of an expense**

Expenditure on an intangible item is recognized as expense when it is incurred unless it forms part of the cost of an intangible asset that meets the recognition criteria of an intangible asset.

**f. Subsequent measurement**

The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with a finite life are amortized over their useful lives.

The straight-line method is adopted in the amortization of the expected pattern of consumption of the expected future economic benefits or service potential.

The amortization period and the amortization method, for an intangible asset with a finite useful life, are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset.

An intangible asset with an indefinite useful life is not to be amortized. Intangible assets with indefinite useful lives or intangible asset not yet available for use are assessed for impairment annually and whenever there is an indication that the assets may be impaired.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the surplus or deficit when the asset is derecognized.

**g. Research and development cost**

The NIA recognized as expenses the research costs incurred. Development costs on an individual project are recognized as intangible assets when the NIA can demonstrate:

- The technical feasibility of completing the asset so that asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset

- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following the initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Amortization of the assets begins when development is complete and the asset is available for use.

It is amortized over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit. (See *Note 13*)

### **3.10. Leases**

#### **a. 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.

#### **b. Operating lease - NIA as a lessee**

The NIA adopts Lease Purchase Agreement (LPA) in acquiring motor vehicles in its ROs. 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.

### **3.11. Provisions, Contingent Liabilities, and Contingent Assets**

#### **a. 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 (SFPer) 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.

#### **a.1. 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.

#### **b. 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.

#### **c. 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.

### **3.12. 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.

### **3.13. 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.

### **3.14. Shares, grants and donations**

The NIA recognizes assets and revenue from gifts and donations when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Goods in-kind are recognized as assets when the goods are received, or there is binding arrangement to receive the goods. If goods in-kind are received without conditions attached, revenue is recognized immediately. If conditions are attached, a liability is recognized, which is reduced and revenue recognized as the conditions are satisfied.

On initial recognition, gifts and donations including goods in-kind are measured at their fair value as at the date of acquisition, which are ascertained by reference to an active market, or by appraisal. (See *Note 24*)

### **3.15. 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. (See *Notes 30 and 31*)

#### **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. Nonmonetary 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 nonmonetary 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 nonmonetary 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.

### **3.16. 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.

### **3.17. 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*)

### **3.18. 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.

### **3.19. Events After the Reporting Date**

Events after the reporting date are those events, both favorable and unfavorable, that occur between the reporting date and the date when the financial statements are authorized for issue. Two (2) types of events can be identified:

- a. Adjusting events after the reporting date - those that provide evidence of conditions that existed at the reporting date; and
- b. Non-adjusting events after the reporting date - those that are indicative of conditions that arose after the reporting date.

The reporting date is set every end of the calendar year while the date on which the financial statements are authorized for issue is the date when the Statement of Management's Responsibility for the Financial Statements is approved by the Chairman of the Board of Directors, the Administrator, and the Head of Finance Department. (See *Note 44*)

## **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. RESTATEMENTS OF FINANCIAL STATEMENTS

In CY 2023, Management adjusted the CY 2022 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, 2022

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	19,220,053,203	19,220,053,203	-	6
Receivables - net	3,109,915,038	1,870,092,536	1,239,822,502	7
Inventories - net	51,662,272	48,603,365	3,058,907	8
Other current assets	2,883,819,500	2,803,514,414	80,305,086	9
<b>Total current assets</b>	<b>25,265,450,013</b>	<b>23,942,263,518</b>	<b>1,323,186,495</b>	
<b>Non-current assets</b>				
Investment property	2,082,569	-	2,082,569	11
Property, plant, and equipment – net	278,869,589,760	300,891,538,981	(22,021,949,221)	12
Intangible assets - net	104,698,885	101,822,450	2,876,435	13
<b>Total non-current assets</b>	<b>278,976,371,214</b>	<b>300,993,361,431</b>	<b>(22,016,990,217)</b>	
<b>TOTAL ASSETS</b>	<b>304,241,821,227</b>	<b>324,935,624,949</b>	<b>(20,693,803,722)</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Financial liabilities	3,293,609,662	3,233,635,405	59,974,257	14
Inter-agency payables	76,287,698,566	76,285,608,783	2,089,783	15
Trust liabilities	3,074,955,489	3,074,074,541	880,948	17
Provisions	1,108,272,140	1,107,580,445	691,695	18
Other payables	2,357,396,045	2,359,116,588	(1,720,543)	19
<b>Total current liabilities</b>	<b>86,121,931,902</b>	<b>86,060,015,762</b>	<b>61,916,140</b>	
<b>Non-current liabilities</b>				
Deferred credits/unearned revenue	5,004,650,559	5,085,940,142	(81,289,583)	20
<b>Total non-current liabilities</b>	<b>5,004,650,559</b>	<b>5,085,940,142</b>	<b>(81,289,583)</b>	
<b>TOTAL LIABILITIES</b>	<b>91,126,582,461</b>	<b>91,145,955,904</b>	<b>(19,373,443)</b>	
<b>NET ASSETS (TOTAL ASSETS LESS TOTAL LIABILITIES)</b>	<b>213,115,238,766</b>	<b>233,789,669,045</b>	<b>(20,674,430,279)</b>	
<b>EQUITY</b>				
Government equity	5,559,191,865	5,559,191,865	-	21
Accumulated surplus/(deficit)	207,556,046,901	228,230,477,180	(20,674,430,279)	22
<b>NET ASSETS/EQUITY</b>	<b>213,115,238,766</b>	<b>233,789,669,045</b>	<b>(20,674,430,279)</b>	



## 5.2. Statement of Financial Position as at January 1, 2022

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	11,283,168,960	11,283,168,960	-	6
Receivables – net	5,738,610,548	5,692,250,258	46,360,290	7
Inventories - net	89,368,528	87,858,939	1,509,589	8
Other current assets	4,469,614,527	4,474,937,825	(5,323,298)	9
<b>Total current assets</b>	<b>21,580,762,563</b>	<b>21,538,215,982</b>	<b>42,546,581</b>	
<b>Non-current assets</b>				
Investment property	2,082,569	-	2,082,569	11
Property, plant, and equipment – net	276,321,794,816	295,305,606,015	(18,983,811,199)	12
Intangible assets – net	51,928,839	46,346,504	5,582,335	13
<b>Total non-current assets</b>	<b>276,375,806,224</b>	<b>295,351,952,519</b>	<b>(18,976,146,295)</b>	
<b>TOTAL ASSETS</b>	<b>297,956,568,787</b>	<b>316,890,168,501</b>	<b>(18,933,599,714)</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Financial liabilities	5,364,319,352	5,375,666,602	(11,347,250)	14
Inter-agency payables	75,519,196,883	75,518,447,778	749,105	15
Intra-agency payables	56,042,939	56,042,939	-	16
Trust liabilities	3,020,494,273	3,019,508,736	985,537	17
Provisions	1,174,198,772	1,173,235,844	962,928	18
Other payables	3,237,005,509	3,235,882,272	1,123,237	19
<b>Total current liabilities</b>	<b>88,371,257,728</b>	<b>88,378,784,171</b>	<b>(7,526,443)</b>	
<b>Non-current liabilities</b>				
Deferred credits/unearned revenue	5,411,916,132	5,490,864,297	(78,948,165)	20
<b>Total non-current liabilities</b>	<b>5,411,916,132</b>	<b>5,490,864,297</b>	<b>(78,948,165)</b>	
<b>TOTAL LIABILITIES</b>	<b>93,783,173,860</b>	<b>93,869,648,468</b>	<b>(86,474,608)</b>	
<b>NET ASSETS (TOTAL ASSETS LESS TOTAL LIABILITIES)</b>	<b>204,173,394,927</b>	<b>223,020,520,033</b>	<b>(18,847,125,106)</b>	
<b>EQUITY</b>				
Government equity	5,559,191,865	5,559,191,865	-	21
Accumulated surplus/(deficit)	198,614,203,062	217,461,328,168	(18,847,125,106)	22
<b>NET ASSETS/EQUITY</b>	<b>204,173,394,927</b>	<b>223,020,520,033</b>	<b>(18,847,125,106)</b>	

## 5.3. Statement of Financial Performance for the Year Ended December 31, 2022

	As restated (a)	As previously reported (b)	Restatement (a) - (b)	Note
<b>REVENUE</b>				
Service and business income	1,914,159,858	814,547,571	1,099,612,287	23
Shares, grants, and donations	2,847,606	2,847,606	-	24
<b>TOTAL REVENUE</b>	<b>1,917,007,464</b>	<b>817,395,177</b>	<b>1,099,612,287</b>	
<b>CURRENT OPERATING EXPENSES</b>				
Personnel services	4,554,308,367	4,527,152,893	27,155,474	25
Maintenance and other operating expenses (MOOE)	5,768,143,418	4,881,518,943	886,624,475	26
Financial expenses	1,086,224,806	1,086,216,235	8,571	27
Non-cash expenses	16,584,243,462	14,094,229,996	2,490,013,466	28
<b>TOTAL CURRENT OPERATING EXPENSES</b>	<b>27,992,920,053</b>	<b>24,589,118,067</b>	<b>3,403,801,986</b>	
<b>DEFICIT FROM CURRENT OPERATIONS</b>	<b>(26,075,912,589)</b>	<b>(23,771,722,890)</b>	<b>(2,304,189,699)</b>	
Other non-operating income	85,118,554	566,015	84,552,539	29
Gains	10,413,829	9,847,814	566,015	30
Losses	(10,283,122)	(400,600,000)	390,316,878	31
<b>DEFICIT BEFORE TAX</b>	<b>(25,990,663,328)</b>	<b>(24,161,909,061)</b>	<b>(1,828,754,267)</b>	
Less: Income tax expense	-	-	-	32
<b>DEFICIT AFTER TAX</b>	<b>(25,990,663,328)</b>	<b>(24,161,909,061)</b>	<b>(1,828,754,267)</b>	
Less: Assistance and subsidy	42,927,377,119	42,925,928,025	1,449,094	33
<b>NET SURPLUS FOR THE PERIOD</b>	<b>16,936,713,791</b>	<b>18,764,018,964</b>	<b>(1,827,305,173)</b>	

## 6. CASH AND CASH EQUIVALENTS

This account includes the following:

	2023	2022	January 1, 2022
Cash on hand	7,725,015	9,216,815	8,363,617
Cash in bank-local currency (LC)	22,668,011,443	18,703,484,153	10,774,641,121
Cash in bank-foreign currency (FC)	854,606	854,606	4,070,817
Cash equivalents	512,518,266	506,471,683	496,067,459
Cash, treasury/agency deposit, regular (T/ADR)	-	25,946	25,946
	<b>23,189,109,330</b>	<b>19,220,053,203</b>	<b>11,283,168,960</b>

The Cash on hand consists of the following:

	2023	2022	January 1, 2022
Cash-collecting officers	5,037,449	5,634,748	4,562,425
Petty cash	2,687,566	3,582,067	3,801,192
	<b>7,725,015</b>	<b>9,216,815</b>	<b>8,363,617</b>

The Cash in bank-LC consists of the following:

	2023	2022	January 1, 2022
Cash in bank - LC, current account (CA)	22,609,298,796	18,653,727,579	10,731,654,653
Cash in bank - LC, savings account (SA)	58,712,647	49,756,574	42,986,468
	<b>22,668,011,443</b>	<b>18,703,484,153</b>	<b>10,774,641,121</b>

The Cash in bank-FC consists of the following:

	2023	2022	January 1, 2022
Cash in bank - FC, SA	854,606	854,606	4,070,817

The Cash equivalents consist of the following:

	2023	2022	January 1, 2022
Time deposits (TDs)-LC	467,767,275	461,313,826	455,243,242
TDs-FC	44,750,991	45,157,857	40,824,217
	<b>512,518,266</b>	<b>506,471,683</b>	<b>496,067,459</b>

Cash-collecting officers include equipment rental in NIA RO No. XII, amounting to P2.479 million collected on December 29, 2023, and remained in possession of the cashier at year-end. This was already remitted the following year.

Petty cash represents cash to be used for payment of authorized operating expenses consisting of small payments for MOOE which cannot conveniently or practically be paid by checks or are required to be paid immediately. This fund is replenished when disbursement reaches 75 per cent or as needed in accordance with NIA MC No. 156, Series of 2022.

Cash in bank-LC, CA includes the amount of cash maintained with authorized government depository banks by the CO, ROs, 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 P55.5670: US\$1.00 as at December 31, 2023.

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 (RCA). The amount was reconciled and closed in CY 2023.

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) Agreements of the NIA with First Gen Hydro Power Corporation (FGHPC) and SN Aboitiz Power, Inc. (SNAPI)-Magat, Incorporated, dated November 13, 2006 and December 13, 2006, respectively, viz.:

	2023	2022
Cash in bank-LC, TDs		
SNAPI-Magat, Incorporated – TF	130,393,220	137,436,968
FGHPC – TF	140,019,150	127,992,581
	<b>270,412,370</b>	<b>265,429,549</b>
	2023	2022
Cash in bank - LC, CA		
SNAPI-Magat, Incorporated – WF	856,490,626	826,536,674
FGHPC – WF	127,131,668	156,869,097
	<b>983,622,294</b>	<b>983,405,771</b>

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 SNAPI-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 UPRIS-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:

	2023	2022
Cash in bank - LC, CA	49,004,834	47,196,421
Petty cash	425,343	425,343
Cash - T/ADR	-	25,946
Cash-collecting officers	7,550	7,550
Cash in bank - LC, SA	(4,890,670)	(4,890,670)
	<b>44,547,057</b>	<b>42,764,590</b>

## 7. RECEIVABLES

This account consists of the following:

	Note	2023	2022 As restated	January 1, 2022 As restated
Loans and receivable accounts	7.1	428,789,995	205,048,196	4,351,979,494
Inter-agency receivables	7.3	2,012,211,884	1,321,981,486	980,621,101
Intra-agency receivables	7.4	38,141,513	30,779,354	35,200
Lease receivables	7.2	-	276,660	568,200
Other receivables	7.5	578,101,149	1,551,829,342	405,406,553
		<b>3,057,244,541</b>	<b>3,109,915,038</b>	<b>5,738,610,548</b>

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

	2023	2022
Accounts receivable		
Accounts receivable – others	157,340	157,340
	157,340	157,340
Inter-agency receivables		
Due from LGUs	148,925	148,925
Due from national government agencies (NGAs)	71,210	45,264
Due from other government corporations (GCs)	1,423	1,423
	221,558	195,612
Intra-agency receivables		
Due from other funds	361,429	1,505,891
Due from ROs	17,000	17,000
Due from CO	200	200
	378,629	1,523,091
Other receivables		
Due from officers and employees	493,082	493,082
Receivables-disallowances/charges	350,721	350,721
Loans receivable	44,921	44,921
Other receivables	6,137,375	6,738,714
	7,026,099	7,627,438
	<b>7,783,626</b>	<b>9,503,481</b>

### Aging of receivables:

	0 to 1 year	More than 1 year to 5 years	Over 5 years and onwards	Total
Accounts receivable	82,885,833	525,153,698	4,820,052,146	5,428,091,677
Interest receivables	2,349,338	-	-	2,349,338
Loans receivable	-	-	3,842,915	3,842,915
Due from NGAs	388,427	-	720,591,549	720,979,976
Due from LGUs	-	-	84,046,262	84,046,262
Due from other GCs	-	-	1,998,728,842	1,998,728,842
Receivables-disallowances/charges	30,396,613	33,804,837	32,920,552	97,122,002
Due from officers and employees	319,854	1,717,729	5,181,310	7,218,893
Other receivables	164,790,825	549,941,499	294,564,000	1,009,296,324
	<b>281,130,890</b>	<b>1,110,617,763</b>	<b>7,959,927,576</b>	<b>9,351,676,229</b>

Gross of Allowance for impairment of P6,332,573,201; excluding Intra-agency receivables of P38,141,513

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Receivables account-net as at December 31, 2022 and 2021 was restated as follows:

<b>Particulars</b>	<b>Amount</b>
Receivables-net, December 31, 2022	1,870,092,536
Add/(deduct): Prior period adjustments	
Net understatement of Due from other GCs due to unrecorded share in income earned from the operation of the CMPIPP in accordance with the revenue-expenses sharing of Power Sector Assets and Liabilities Management Corporation (PSALM) and NIA (60%-40%)	1,204,195,192
To set-up the other receivables account for New Kanlaon Construction after the favorable decision on the Ejectment Case (Civil Case No. 18-07044-SC) against them, realizing the compensation of P525,398 per month beginning March 2018 and Attorney's fee in the amount of P20,000	24,163,740
Overstatement of provision of Allowance for impairment - Other receivables account	96,013,130
Net understatement of Other receivables account due to over-recognition of MOOE, understatement of rent/lease/other income and other adjustments	13,271,302
Understatement of Due from NGAs due to non-recognition of unpaid billings of clients/customers/tenant/others and expenses already paid by NIA	549,494
Net understatement of Receivables-disallowances/charges due to unrecorded receivables from disallowed expenses with Notice of Finality of Decision (NFD)	344,433
Overstatement of Due from officers and employees account due to over-recognition of salaries, wages, allowances, other compensation, and other expenses	336,262
Understatement of prior year's interest income	21,226
Overstatement of Operating lease receivables due to over-recognition of rent/lease income	(360,000)
Understatement of provision of Allowance for impairment - Accounts receivable account	(12,311,112)
Reclassification of Other receivables account to Advances to contractors/sub-contractors account	(86,401,165)
<i>Net restatements</i>	1,239,822,502
<b>Receivables-net, December 31, 2022, as restated</b>	<b>3,109,915,038</b>

<b>Particulars</b>	<b>Amount</b>
Receivables-net, December 31, 2021	5,692,250,258
Add/(deduct): Prior period adjustments	
Understatement of Due from other GCs due to unrecorded prior years' income	29,351,443
To set-up the Other receivables account for New Kanlaon Construction after the favorable decision on the Ejectment Case (Civil Case No. 18-07044-SC) against them, realizing the compensation of P525,398 per month beginning March 2018 and Attorney's fee in the amount of P20,000	24,163,740
Net understatement of Other receivables account due to over-recognition of MOOE and understatement of Rent/lease and Other income	7,582,936
Setting up of receivables for disallowed expenses with NFD	325,019
Overstatement of provision of Allowance for impairment - Other receivables account	55,428
Setting up of Receivables-Due from officers and employees for overpayment of salaries, wages, allowances, and other compensation	52,618
Understatement of prior year's Interest income	3,594
Understatement of provision of Allowance for impairment - Accounts receivable account	(15,174,488)
<i>Net restatements</i>	46,360,290
<b>Receivables-net, December 31, 2021, as restated</b>	<b>5,738,610,548</b>

## 7.1. Loans and Receivable Accounts

	<b>2023</b>	<b>2022 As restated</b>	<b>January 1, 2022 As restated</b>
Accounts receivable-ISF-back account	4,674,647,136	4,597,982,950	3,687,166,225
Accounts receivable-pump/communal irrigation programs/CIS-non-current	518,315,214	522,179,208	940,546,789
Accounts receivable-ISF	159,790,680	219,327,913	307,464,258
Accounts receivable-others	53,316,518	53,987,443	53,512,530
Accounts receivable-pump/communal irrigation programs/CIS-current	22,022,129	23,488,662	446,507,146
Total Accounts receivable	5,428,091,677	5,416,966,176	5,435,196,948
Loans receivable	3,842,915	3,842,915	4,997,662
Interest receivables	2,349,338	249,970	181,287
Total Loans and receivable accounts	5,434,283,930	5,421,059,061	5,440,375,897
Less: Allowance for impairment – Accounts receivable	(5,001,695,941)	(5,212,212,871)	(1,086,178,632)
Less: Allowance for impairment - Loans receivable-others	(3,797,994)	(3,797,994)	(2,217,771)
	<b>428,789,995</b>	<b>205,048,196</b>	<b>4,351,979,494</b>

Accounts receivable account comprises trade/business receivables from ISF. NIA MC No. 26, Series of 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, Series of 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 NISs with Bank Accounts in ISF.

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 NISs and CISs, 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 Nos. 158, Series of 2022 and 56, Series of 2023 that prescribe the guidelines and procedures for the impairment of receivables in line with the IPSAS.

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, Series of 2022 which prescribes the guidelines and procedures for the impairment of receivables in line with IPSAS.

## 7.2. Lease Receivables

	2023	2022 As restated	January 1, 2022 As restated
Operating lease receivables	-	569,000	568,200
Less: Allowance for impairment	-	(292,340)	-
	-	<b>276,660</b>	<b>568,200</b>

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

## 7.3. Inter-agency Receivables

	2023	2022 As restated	January 1, 2022 As restated
Due from NGAs	720,979,976	722,019,106	750,526,811
Due from other GCs	1,998,728,842	1,309,453,101	142,089,326
Due from LGUs	84,046,262	84,191,049	88,119,966
Total	2,803,755,080	2,115,663,256	980,736,103
Less: Allowance for impairment:			
Due from NGAs	(690,799,975)	(688,624,826)	-
Due from LGUs	(67,654,013)	(71,967,737)	-
Due from other GCs	(33,089,208)	(33,089,207)	(115,002)
	<b>2,012,211,884</b>	<b>1,321,981,486</b>	<b>980,621,101</b>

Due from other GCs account includes receivable from the National Power Corporation (NPC) relative to the sale of electrical energy generated by the CMPIPP including the monthly management fee per Power Purchase Agreement (PPA) dated June 30, 1995, and Supplemental Agreement dated September 25, 2003. In CY 2019, the 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 PSALM as 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

	2023	2022	January 1, 2022
Due from other funds	38,141,513	30,779,354	-
Due from CO	-	-	35,200
	<b>38,141,513</b>	<b>30,779,354</b>	<b>35,200</b>

Due from CO is the reciprocal account of Due to ROs, 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 dated January 4, 2021.

#### 7.5. Other Receivables

	2023	2022	January 1, 2022
		As restated	As restated
Receivables-disallowances/charges	97,122,002	87,188,387	86,970,644
Due from officers and employees	7,218,893	8,103,254	7,673,894
Other receivables	1,009,296,324	1,863,705,389	389,940,521
Sub-total	1,113,637,219	1,958,997,030	484,585,059
Less:			
Allowance for impairment - due from officers and employees	(4,694,386)	(4,660,089)	(95,465)
Allowance for impairment - other receivables	(530,841,684)	(402,507,599)	(79,083,041)
Sub-total	(535,536,070)	(407,167,688)	(79,178,506)
	<b>578,101,149</b>	<b>1,551,829,342</b>	<b>405,406,553</b>

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, 2023.

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 SNAPI – Water Fee which represents unpaid water fees of 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 for the months of September to December 2022 caused the increase of this account.

## 8. INVENTORIES

	Note	2023	2022 As restated	January 1, 2022 As restated
Inventory held for distribution - Property and equipment for distribution, net	8.1	21,180,995	16,217,394	59,131,882
Inventory held for consumption, net	8.2	52,756,731	25,307,293	24,324,414
Semi-expendable inventory, net	8.3	7,139,471	10,137,585	5,912,232
		<b>81,077,197</b>	<b>51,662,272</b>	<b>89,368,528</b>

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

	2023	2022
Other supplies and materials inventory	106,065	106,065
Construction materials inventory	30,497	30,497
	<b>136,562</b>	<b>136,562</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Inventories account as at December 31, 2022 and 2021 was restated as follows:

Particulars	Amount
Inventories, December 31, 2022	48,603,365
Add/(deduct): Prior period adjustments	
PPE costing below P50,000 reclassified to Semi-expendable inventories	2,472,097
Net understatement of property and equipment for distribution due to over recognition of expense	640,863
Net overstatement of Inventory held for consumption due to under recognition of expense	(319)
Net overstatement of Semi-expendable inventory due to under recognition of expense	(53,734)
<i>Net restatements</i>	<i>3,058,907</i>
<b>Inventories, December 31, 2022, as restated</b>	<b>51,662,272</b>



Particulars	Amount
Inventories, December 31, 2021	87,858,939
Add/(deduct): Prior period adjustments	
PPE costing below P50,000 reclassified to Semi-expendable inventory	2,692,636
Net understatement of Semi-expendable inventory	260,578
Net overstatement of Inventory held for consumption due to under recognition of expense	(370,425)
Overstatement of Inventory held for distribution - Property and equipment for distribution	(1,073,200)
<i>Net restatements</i>	<i>1,509,589</i>
<b>Inventories, December 31, 2021, as restated</b>	<b>89,368,528</b>

### 8.1. Inventory held for distribution - Property and equipment for distribution, net

Particulars	2023		2022	
	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell
Carrying amount at January 1	16,217,394	-	59,131,882	-
Purchases	26,183,928	-	35,848,093	-
Adjustment/capitalized to PPE	(770,939)	-	(49,707,401)	-
Expenses except write-down	(20,449,388)	-	(29,055,180)	-
<b>Carrying amount</b>	<b>21,180,995</b>	<b>-</b>	<b>16,217,394</b>	<b>-</b>
<b>Total Donations (Note 26.12)</b>	<b>20,449,388</b>	<b>-</b>	<b>29,055,180</b>	<b>-</b>

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

### 8.2. Inventory held for consumption, net

Particulars	2023		2022	
	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell
<b>Construction materials inventory</b>				
Carrying amount at January 1	14,694,761	-	15,574,030	-
Purchases	29,684,713	-	-	-
Adjustment/capitalized to PPE	(16,656,357)	-	(879,269)	-
<b>Carrying amount at December 31</b>	<b>27,723,117</b>	<b>-</b>	<b>14,694,761</b>	<b>-</b>
<b>Office supplies inventory</b>				
Carrying amount at January 1	8,159,973	-	6,391,779	-
Purchases	121,514,496	-	201,194,033	-
Expenses except write-down	(111,631,249)	-	(199,425,839)	-
<b>Carrying amount at December 31</b>	<b>18,043,220</b>	<b>-</b>	<b>8,159,973</b>	<b>-</b>
<b>Fuel, oil, and lubricants inventory</b>				
Carrying amount at January 1	1,808,300	-	1,981,463	-
Purchases	334,605,893	-	480,199,222	-
Expenses except write-down	(334,892,147)	-	(480,372,385)	-
<b>Carrying amount at December 31</b>	<b>1,522,046</b>	<b>-</b>	<b>1,808,300</b>	<b>-</b>
<b>Medical, dental, and laboratory supplies</b>				
Carrying amount at January 1	42,364	-	-	-
Purchases	3,967,577	-	8,474,641	-
Expenses except write-down	(3,922,781)	-	(8,432,277)	-
<b>Carrying amount at December 31</b>	<b>87,160</b>	<b>-</b>	<b>42,364</b>	<b>-</b>

Particulars	2023		2022	
	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell
<b>Non-accountable forms inventory</b>				
Carrying amount at January 1	-	-	8,880	-
Purchases	-	-	6,600	-
Expenses except write-down	-	-	(15,480)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Textbooks and instructional materials</b>				
Carrying amount at January 1	18,534	-	-	-
Purchases	22,255	-	42,225	-
Expenses except write-down	(23,993)	-	(23,691)	-
<b>Carrying amount at December 31</b>	<b>16,796</b>	<b>-</b>	<b>18,534</b>	<b>-</b>
<b>Other supplies and materials inventory</b>				
Carrying amount at January 1	583,362	-	368,263	-
Purchases	88,535,701	-	161,167,098	-
Expenses except write-down	(83,754,671)	-	(160,952,000)	-
<b>Carrying amount at December 31</b>	<b>5,364,392</b>	<b>-</b>	<b>583,361</b>	<b>-</b>
<b>Accountable forms, plates and stickers</b>				
Carrying amount at January 1	-	-	-	-
Purchases	558,100	-	679,055	-
Expenses except write-down	(558,100)	-	(679,055)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Food supplies inventory</b>				
Carrying amount at January 1	-	-	-	-
Purchases	11,385	-	3,231	-
Expenses except write-down	(11,385)	-	(3,231)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Drugs and medicines inventory</b>				
Carrying amount at January 1	-	-	-	-
Purchases	4,862,383	-	6,782,739	-
Expenses except write-down	(4,862,383)	-	(6,782,739)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Agricultural and marine supplies inventory</b>				
Carrying amount at January 1	-	-	-	-
Purchases	6,095,372	-	978,420	-
Expenses except write-down	(6,095,372)	-	(978,420)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Military, police and traffic supplies inventory</b>				
Carrying amount at January 1	-	-	-	-
Purchases	175,726	-	40,790	-
Expenses except write-down	(175,726)	-	(40,790)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Chemical and filtering supplies inventory</b>				
Carrying amount at January 1	-	-	-	-
Purchases	95,740	-	649,950	-
Expenses except write-down	(95,740)	-	(649,950)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Linens and beddings</b>				
Carrying amount at January 1	-	-	-	-
Purchases	1,120	-	294,060	-
Expenses except write-down	(1,120)	-	(294,060)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	2023	2022		
	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell
<b>Electrical supplies and materials inventory</b>				
Carrying amount at January 1	-	-	-	-
Purchases	1,553,118	-	1,492,203	-
Expenses except write-down	(1,553,118)	-	(1,492,203)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Supplies and materials for water systems</b>				
Carrying amount at January 1	-	-	-	-
Purchases	147,215	-	1,444,215	-
Expenses except write-down	(147,215)	-	(1,444,215)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Housekeeping/Cleaning supplies</b>				
Carrying amount at January 1	-	-	-	-
Purchases	2,264,443	-	2,242,291	-
Expenses except write-down	(2,264,443)	-	(2,242,291)	-
<b>Carrying amount at December 31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total inventory held for consumption</b>	<b>52,756,731</b>	<b>-</b>	<b>25,307,293</b>	<b>-</b>

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

### 8.3. Semi-expendable Inventory, net

	2023	2022 January 1, 2022	
		As restated	As restated
Semi-expendable information and communications technology equipment	3,041,957	4,647,134	2,660,750
Semi-expendable office equipment	1,056,319	1,176,505	1,170,059
Semi-expendable military, police and security equipment	327,520	687,933	155,713
Semi-expendable technical and scientific equipment	806,863	139,901	6,000
Semi-expendable medical equipment	-	22,450	27,240
Semi-expendable disaster response and rescue equipment	-	17,500	-
Semi-expendable communications equipment	368,909	396,901	540,018
Semi-expendable construction equipment	59,479	-	-
Semi-expendable electrical equipment	6,000	-	-
Semi-expendable other machinery and equipment	216,999	782,123	341,765
<b>Sub-total semi-expendable - machinery and equipment</b>	<b>5,884,046</b>	<b>7,870,447</b>	<b>4,901,545</b>
Semi-expendable furniture and fixtures	1,410,997	2,279,268	1,010,687
Semi-expendable books	-	16,000	-
<b>Sub-total - Semi-expendable furniture and fixtures and books</b>	<b>1,410,997</b>	<b>2,295,268</b>	<b>1,010,687</b>
<b>Total Semi-expendable inventories</b>	<b>7,295,043</b>	<b>10,165,715</b>	<b>5,912,232</b>
Less: Allowance for impairment-semi-expendable military, police and security equipment	(155,572)	-	-
Allowance for impairment-semi-expendable office equipment	-	(28,130)	-
	<b>7,139,471</b>	<b>10,137,585</b>	<b>5,912,232</b>

### 8.3.1. Semi-expendable inventory

	2023		2022	
	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell	Inventories carried at lower of cost and net realizable value	Inventories carried at fair value less cost to sell
<b>Semi-expendable-machinery and equipment</b>				
Carrying amount at January 1	7,842,317	-	4,901,545	-
Purchases	87,624,834	-	171,630,810	-
Expenses except write-down	(89,738,677)	-	(168,690,038)	-
<b>Carrying amount at December 31</b>	<b>5,728,474</b>	<b>-</b>	<b>7,842,317</b>	<b>-</b>
<b>Semi-expendable-furniture, fixtures and books</b>				
Carrying amount at January 1	2,295,268	-	1,010,687	-
Purchases	45,127,255	-	30,710,200	-
Expenses except write-down	(46,011,526)	-	(29,425,619)	-
<b>Carrying amount at December 31</b>	<b>1,410,997</b>	<b>-</b>	<b>2,295,268</b>	<b>-</b>
<b>Total Semi-expendable inventory</b>	<b>7,139,471</b>	<b>-</b>	<b>10,137,585</b>	<b>-</b>

Semi-expendable sub-accounts, such as Semi-expendable machinery and equipment, Semi-expendable office equipment, Semi-expendable information and communications 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/Sections of the NIA CO and ROs/PMOs/IMOs, respectively.

## 9. OTHER ASSETS - CURRENT

Other assets – current account consists of the following:

	Note	2023	2022 As restated	January 1, 2022 As restated
Prepayments	9.1	3,421,931,338	2,830,063,779	4,378,256,866
Advances	9.2	11,228,130	12,910,265	21,437,911
Deposits	9.3	39,995,656	35,875,124	29,266,087
Other assets	9.4	4,595,042	4,970,332	40,653,663
		<b>3,477,750,166</b>	<b>2,883,819,500</b>	<b>4,469,614,527</b>

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

	2023	2022
<b>Prepayments</b>		
Advances to contractors/sub-contractors	11,828,620	11,828,620
Other prepayments	68,984	68,984
	<b>11,897,604</b>	<b>11,897,604</b>
<b>Advances</b>		
Advances to officers and employees	263,645	263,645
Advances to special disbursing officers	828,341	828,341
Advances for payroll	(199,823)	(199,823)
	<b>892,163</b>	<b>892,163</b>
<b>Deposits</b>		
Guaranty deposits	3,259	3,259
Deposit on letters of credit	2,700	2,700
	<b>5,959</b>	<b>5,959</b>
<b>Other assets</b>		
Other assets	2,222,740	2,222,740
	<b>15,018,466</b>	<b>15,018,466</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Other assets – current account as at December 31, 2022 and 2021 was restated as follows:

Particulars	Amount
Other assets - current, December 31, 2022	2,803,514,414
Add/(deduct): Prior period adjustments	
Reclassification of Other receivables account to Advances to contractors/sub-contractors	86,401,166
Recognition of net unexpired portion of prepaid insurance	949,126
Reversal of the derecognition of advances to contractors/sub-contractors that have been dormant for several years	792,401
Net overstatement of Other assets account due to the non-recording of disposed unserviceable property, prior years' depreciation, and recognition of unrecorded Other assets account	(194,311)
Overstatement of advances due to non-recording of prior years' liquidation of cash advances and other adjustments	(1,037,586)
Overstatement of advances to contractors/sub-contractors due to unrecorded liquidation of advances to contractors, erroneous Journal Entry Vouchers (JEVs) and other various adjustments	(6,605,710)
<i>Net restatements</i>	<i>80,305,086</i>
<b>Other assets-current, December 31, 2022, as restated</b>	<b>2,883,819,500</b>

Particulars	Amount
Other assets - current, December 31, 2021	4,474,937,825
Add/(deduct): Prior period adjustments	
Reversal of the derecognition of advances to contractors/sub-contractors that have been dormant for several years	353,062
Net overstatement of Other assets account due to the non-recording of disposed unserviceable property, prior years' depreciation, and recognition of unrecorded Other assets account	(194,311)
Overstatement of advances due to non-recording of prior years' liquidation of cash advances and other adjustments	(813,067)
Overstatement of advances to contractors/sub-contractors due to unrecorded liquidation of advances to contractors, erroneous JEVs and other various adjustments	(4,668,982)
<i>Net restatements</i>	<i>(5,323,298)</i>
<b>Other assets-current, December 31, 2021, as restated</b>	<b>4,469,614,527</b>

## 9.1. Prepayments

Prepayments account consists of the following:

	2023	2022 As restated	January 1, 2022 As restated
Advances to contractors	3,402,938,007	2,822,821,631	4,370,296,500
Prepaid insurance	1,935,606	1,671,756	-
Prepaid rent	-	45,960	-
Prepaid subscription	10,409,155	-	-
Other prepayments	6,648,570	5,524,432	7,960,366
	<b>3,421,931,338</b>	<b>2,830,063,779</b>	<b>4,378,256,866</b>

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

Prepaid insurance refers to insurance premiums paid by the NIA to the GSIS covering NIA's insurable properties.

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

Prepaid subscription represents amount for the subscription of more than one year for computer applications/software for office use.

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

Advances consist of the following:

	2023	2022 As restated	January 1, 2022 As restated
Advances to officers and employees	6,002,398	6,701,985	10,165,600
Advances for payroll	3,608,151	3,590,982	6,667,266
Advances to special disbursing officers	1,488,999	2,181,058	4,169,818
Advances for operating expenses	128,582	436,240	435,227
	<b>11,228,130</b>	<b>12,910,265</b>	<b>21,437,911</b>

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, 2023 has been returned in January and February 2024, and shall form part of the transactions for the said months.

Advances to special disbursing officers account represents amounts granted to Agency's accountable officers and employees for special purpose/time-bound undertaking. The balance as of December 31, 2023 has been returned in January and February 2024, and shall form part of the transactions for the said months.

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

Aging of Advances as at December 31, 2023:

	0 to 1 year	More than 1 year to 10 years	Over 10 years and onwards	Total
Advances to officers and employees	418,433	128,368	5,455,597	6,002,398
Advances for payroll	177,797	-	3,430,354	3,608,151
Advances to special disbursing officers	387,011	-	1,101,988	1,488,999
Advances for operating expenses	2,729	-	125,853	128,582
	<b>985,970</b>	<b>128,368</b>	<b>10,113,792</b>	<b>11,228,130</b>

### 9.3. Deposits

Deposits consist of the following:

	2023	2022	January 1, 2022
Guaranty deposits	35,887,423	33,242,859	29,263,387
Other deposits	4,108,233	2,632,265	-
Deposit on the letters of credit	-	-	2,700
	<b>39,995,656</b>	<b>35,875,124</b>	<b>29,266,087</b>

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

### 9.4. Other Assets

This account consists of the following:

	2023	2022 As restated	January 1, 2022 As restated
Other assets	46,698,837	47,584,340	84,379,201
Less: Allowance for impairment - other assets	(42,103,795)	(42,614,008)	(43,725,538)
	<b>4,595,042</b>	<b>4,970,332</b>	<b>40,653,663</b>

## 10. OTHER INVESTMENTS

This account consists of the following:

	2023	2022	January 1, 2022
Investments in stocks	1,225,000	1,225,000	1,225,000
Other investments – marketable securities	15,900	15,900	15,900
Total other investments	1,240,900	1,240,900	1,240,900
Less: Allowance for impairment-Investments in stocks	(1,225,000)	(1,225,000)	(1,225,000)
Less: Allowance for impairment-Other investments- marketable securities	(15,900)	(15,900)	(15,900)
	<b>-</b>	<b>-</b>	<b>-</b>

The Investments 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. NIA's inquiry on the chance of recovering its investment remains unanswered. The account is subject for further verification and adjustment.

## 11. INVESTMENT PROPERTY

The Investment property account includes land under or held for lease located in EDSA, corner NIA Road, Diliman, Quezon City with a total area of 2,830 square meters (sq.m). A portion of the land with a total area of 2,508 sq.m is currently under lease to New Kanlaon Construction, Inc.

Area in sq.m	Book value per sq.m	Total book value	Status
2,508	P 735.89	P1,845,612	Under lease to New Kanlaon Construction, Inc.
322	735.89	239,957	Held for lease
<b>2,830</b>		<b>P2,082,569</b>	

## 12. PROPERTY, PLANT, AND EQUIPMENT

The analysis of this account as at December 31, 2023 is shown below:

	Land	Land improvements	Infrastructure assets	Buildings and other structures	Machinery, equipment, furniture and fixtures, and other PPE	Construction in progress (CIP)	Total
Carrying amount, Jan. 1, 2023, as restated	4,088,525,583	9,416,207,455	160,116,997,230	2,842,763,837	5,669,180,782	96,735,914,873	278,869,589,760
Additions/reclassification	182,476,281	779,240,793	27,836,403,335	506,707,399	1,810,681,073	8,868,374,656	39,983,883,537
<b>Total</b>	<b>4,271,001,864</b>	<b>10,195,448,248</b>	<b>187,953,400,565</b>	<b>3,349,471,236</b>	<b>7,479,861,855</b>	<b>105,604,289,529</b>	<b>318,853,473,297</b>
Less:							
Disposal/reclassification/adjustments	(136,531,972)	(1,061,031,265)	(3,563,303,142)	(28,415,271)	(212,333,419)	(12,148,744,115)	(17,150,359,184)
Depreciation (See Note 28)	-	(216,645,059)	(7,517,700,884)	(134,133,964)	(465,759,213)	-	(8,334,239,120)
Impairment loss (See Note 28)	-	-	(151,048,155)	(613,390)	(9,125,130)	-	(160,786,675)
<b>Carrying amount, Dec. 31, 2023</b>	<b>4,134,469,892</b>	<b>8,917,771,924</b>	<b>176,721,348,384</b>	<b>3,186,308,611</b>	<b>6,792,644,093</b>	<b>93,455,545,414</b>	<b>293,208,088,318</b>
Cost	4,134,469,892	24,282,755,978	232,733,490,892	4,561,707,764	10,685,801,152	93,455,545,414	369,853,771,092
Accumulated depreciation	-	(15,364,984,054)	(56,001,888,141)	(1,374,785,763)	(3,893,007,318)	-	(76,634,665,276)
Accumulated impairment losses	-	-	(10,254,367)	(613,390)	(149,741)	-	(11,017,498)
<b>Carrying amount, Dec. 31, 2023</b>	<b>4,134,469,892</b>	<b>8,917,771,924</b>	<b>176,721,348,384</b>	<b>3,186,308,611</b>	<b>6,792,644,093</b>	<b>93,455,545,414</b>	<b>293,208,088,318</b>

The carrying amounts of PPE sub-accounts as at December 31, 2023 are summarized below:



	Gross amount	Accumulated depreciation	Accumulated impairment losses	Carrying amount
<b>Land</b>				
Land	4,134,469,892	-	-	4,134,469,892
<b>Sub-total</b>	<b>4,134,469,892</b>	<b>-</b>	<b>-</b>	<b>4,134,469,892</b>
<b>Land improvements</b>				
Land improvements, aquaculture structures	2,137,816	(1,830,462)	-	307,354
Other land improvements	24,280,618,162	(15,363,153,592)	-	8,917,464,570
<b>Sub-total</b>	<b>24,282,755,978</b>	<b>(15,364,984,054)</b>	<b>-</b>	<b>8,917,771,924</b>
<b>Infrastructure assets</b>				
Water supply systems	225,950,434,114	(55,521,436,281)	(10,254,367)	170,418,743,466
Power supply systems	5,569,444,700	(337,223,524)	-	5,232,221,176
Communications networks	2,374,199	(451,098)	-	1,923,101
Road networks	854,362,488	(107,127,397)	-	747,235,091
Flood control systems	2,416,696	(2,295,861)	-	120,835
Other infrastructure assets	354,458,695	(33,353,980)	-	321,104,715
<b>Sub-total</b>	<b>232,733,490,892</b>	<b>(56,001,888,141)</b>	<b>(10,254,367)</b>	<b>176,721,348,384</b>
<b>Buildings and other structures</b>				
Buildings	4,050,058,441	(1,218,408,479)	(613,390)	2,831,036,572
Hostels and dormitories	1,137,020	-	-	1,137,020
Other structures	510,512,303	(156,377,284)	-	354,135,019
<b>Sub-total</b>	<b>4,561,707,764</b>	<b>(1,374,785,763)</b>	<b>(613,390)</b>	<b>3,186,308,611</b>
<b>Machinery, equipment, furniture and fixtures, and other PPE</b>				
Office equipment	487,192,850	(249,365,882)	(35,667)	237,791,301
Construction and heavy equipment	2,298,616,087	(876,276,405)	-	1,422,339,682
Agricultural and forestry equipment	521,024,335	(4,530,481)	-	516,493,854
Information and communications technology equipment	857,315,217	(432,947,929)	(114,074)	424,253,214
Technical and scientific equipment	983,540,380	(346,470,421)	-	637,069,959
Communications equipment	122,942,252	(52,276,276)	-	70,665,976
Military, police, and security equipment	3,719,222	(1,160,012)	-	2,559,210
Other machinery and equipment	1,118,808,994	(617,051,383)	-	501,757,611
Furniture and fixtures	182,442,001	(43,126,139)	-	139,315,862
Motor vehicles	895,719,947	(594,589,716)	-	301,130,231
Other transportation equipment	33,255,424	(25,000,834)	-	8,254,590
Disaster response and rescue equipment	5,279,144	(4,020,472)	-	1,258,672
Printing equipment	4,078,775	(1,928,826)	-	2,149,949
Sports equipment	2,177,812	(569,299)	-	1,608,513
Medical equipment	2,825,529	(1,823,512)	-	1,002,017
Electrical equipment	27,010,475	(7,275,785)	-	19,734,690
Watercrafts	3,259,690	(2,837,195)	-	422,495
Books	502,616	(469,971)	-	32,645
Works of arts and archeological specimens	169,000	-	-	169,000
Kitchen equipment	195,600	(37,164)	-	158,436
Other PPE	3,135,725,802	(631,249,616)	-	2,504,476,186
<b>Sub-total</b>	<b>10,685,801,152</b>	<b>(3,893,007,318)</b>	<b>(149,741)</b>	<b>6,792,644,093</b>
<b>CIP</b>				
CIP-infrastructure assets	92,857,586,356	-	-	92,857,586,356
CIP-buildings and other structures	516,674,911	-	-	516,674,911
CIP-land improvements	81,197,847	-	-	81,197,847
CIP-furniture and fixtures	86,300	-	-	86,300
<b>Sub-total</b>	<b>93,455,545,414</b>	<b>-</b>	<b>-</b>	<b>93,455,545,414</b>
	<b>369,853,771,092</b>	<b>(76,634,665,276)</b>	<b>(11,017,498)</b>	<b>293,208,088,318</b>

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

	Land	Land improvements	Infrastructure assets	Buildings and other structures	Machinery, equipment, furniture and fixtures, and other PPE	CIP	Total
Carrying amount, Jan. 1, 2022, as restated	4,012,476,898	10,661,836,665	132,677,570,095	2,259,990,167	3,029,819,757	123,680,101,234	276,321,794,816
Additions/reclassification	76,048,685	60,000	44,474,871,603	844,391,853	3,175,050,617	3,751,102,797	52,321,525,555
<b>Total</b>	<b>4,088,525,583</b>	<b>10,661,896,665</b>	<b>177,152,441,698</b>	<b>3,104,382,020</b>	<b>6,204,870,374</b>	<b>127,431,204,031</b>	<b>328,643,320,371</b>
Less:							
Disposals/reclassification/adjustments	-	(1,025,494,980)	(5,585,729,175)	(65,434,874)	(71,084,208)	(30,695,289,158)	(37,443,032,395)
Depreciation (See Note 28)	-	(220,194,230)	(10,992,568,327)	(196,183,309)	(454,411,023)	-	(11,863,356,889)
Impairment loss (See Note 28)	-	-	(457,146,966)	-	(10,194,361)	-	(467,341,327)
<b>Carrying amount, Dec. 31, 2022, as restated</b>	<b>4,088,525,583</b>	<b>9,416,207,455</b>	<b>160,116,997,230</b>	<b>2,842,763,837</b>	<b>5,669,180,782</b>	<b>96,735,914,873</b>	<b>278,869,589,760</b>
Cost	4,088,525,583	25,258,669,385	207,009,055,649	4,083,275,680	9,147,265,820	96,735,914,873	346,322,706,990
Accumulated depreciation	-	(15,842,461,930)	(46,892,058,419)	(1,240,511,843)	(3,468,940,009)	-	(67,443,972,201)
Accumulated impairment losses	-	-	-	-	(9,145,029)	-	(9,145,029)
<b>Carrying amount, Dec. 31, 2022, as restated</b>	<b>4,088,525,583</b>	<b>9,416,207,455</b>	<b>160,116,997,230</b>	<b>2,842,763,837</b>	<b>5,669,180,782</b>	<b>96,735,914,873</b>	<b>278,869,589,760</b>

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

	Gross amount	Accumulated depreciation	Accumulated impairment losses	Carrying amount, December 31, 2022
<b>Land</b>				
Land	4,088,525,583	-	-	4,088,525,583
<b>Sub-total</b>	<b>4,088,525,583</b>	<b>-</b>	<b>-</b>	<b>4,088,525,583</b>
<b>Land improvements</b>				
Land improvements, aquaculture structures	2,197,816	(1,645,420)	-	552,396
Other land improvements	25,256,471,569	(15,840,816,510)	-	9,415,655,059
<b>Sub-total</b>	<b>25,258,669,385</b>	<b>(15,842,461,930)</b>	<b>-</b>	<b>9,416,207,455</b>
<b>Infrastructure assets</b>				
Water supply systems	200,588,080,952	(46,499,901,588)	-	154,088,179,364
Power supply systems	5,538,797,692	(263,432,974)	-	5,275,364,718
Communications networks	2,374,199	-	-	2,374,199
Road networks	455,829,541	(95,175,510)	-	360,654,031
Flood control systems	2,416,696	(2,295,861)	-	120,835
Other infrastructure assets	421,556,569	(31,252,486)	-	390,304,083
<b>Sub-total</b>	<b>207,009,055,649</b>	<b>(46,892,058,419)</b>	<b>-</b>	<b>160,116,997,230</b>
<b>Buildings and other structures</b>				
Buildings	3,631,181,306	(1,100,244,013)	-	2,530,937,293
Other structures	452,094,374	(140,267,830)	-	311,826,544
<b>Sub-total</b>	<b>4,083,275,680</b>	<b>(1,240,511,843)</b>	<b>-</b>	<b>2,842,763,837</b>
<b>Machinery, equipment, furniture and fixtures, and other PPE</b>				
Office equipment	423,147,204	(190,799,683)	(9,145,029)	223,202,492
Information and communications technology equipment	714,857,260	(338,864,605)	-	375,992,655
Agricultural and forestry equipment	527,360,655	(8,262,851)	-	519,097,804
Marine and fishery equipment	227,820	(156,143)	-	71,677
Communications equipment	81,644,006	(51,726,458)	-	29,917,548
Construction and heavy equipment	1,337,885,215	(760,065,934)	-	577,819,281
Disaster response and rescue equipment	5,692,278	(4,950,706)	-	741,572
Military, police, and security equipment	1,133,186	(490,052)	-	643,134
Medical equipment	2,747,904	(1,395,880)	-	1,352,024
Printing equipment	3,564,275	(1,105,275)	-	2,459,000

	Gross amount	Accumulated depreciation	Accumulated impairment losses	Carrying amount, December 31, 2022
Sports equipment	1,031,337	(331,873)	-	699,464
Technical and scientific equipment	800,652,583	(265,319,877)	-	535,332,706
Electrical equipment	15,194,600	(2,761,411)	-	12,433,189
Other machinery and equipment	1,024,746,653	(625,478,636)	-	399,268,017
Motor vehicles	862,297,896	(523,927,509)	-	338,370,387
Watercrafts	3,259,690	(2,732,334)	-	527,356
Other transportation equipment	33,364,066	(23,666,753)	-	9,697,313
Furniture and fixtures	155,043,562	(37,188,446)	-	117,855,116
Books	503,983	(469,971)	-	34,012
Leased assets, machinery, and equipment	383,480	(4,255)	-	379,225
Works of arts and archeological specimens	169,000	-	-	169,000
Other PPE	3,152,359,167	(629,241,357)	-	2,523,117,810
<b>Sub-total</b>	<b>9,147,265,820</b>	<b>(3,468,940,009)</b>	<b>(9,145,029)</b>	<b>5,669,180,782</b>
<b>CIP</b>				
CIP-infrastructure assets	96,123,421,992	-	-	96,123,421,992
CIP-buildings and other structures	573,080,614	-	-	573,080,614
CIP-land improvements	39,412,267	-	-	39,412,267
<b>Sub-total</b>	<b>96,735,914,873</b>	<b>-</b>	<b>-</b>	<b>96,735,914,873</b>
	<b>346,322,706,990</b>	<b>(67,443,972,201)</b>	<b>(9,145,029)</b>	<b>278,869,589,760</b>

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 NDC. Land account are lots/land currently occupied and registered under 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.

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, 2023. No PPE has been pledged as security for liabilities.

Included in PPE account are the following inactive accounts balances:

	2023	2022
Water supply systems	9,792,819,919	9,792,819,919

	2023	2022
Other land improvements	4,349,985,854	4,458,595,282
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
Furniture and fixtures	47,873,998	47,873,998
Technical and scientific equipment	11,127,627	11,127,627
Office equipment	9,528,034	9,671,020
Information and communications technology equipment	7,392,123	7,385,398
Motor vehicles	3,055,826	3,040,969
Communications equipment	1,597,566	1,597,566
Disaster response and rescue equipment	317,500	317,500
Military, police, and security equipment	46,410	46,410
Books	7,909	7,909
Other machinery and equipment	112,895,403	53,604,346
Other PPE	120,900	7,215,680
CIP - infrastructure assets	4,868,449,200	4,851,512,195
CIP – land improvements	-	61,945
	<b>20,387,393,302</b>	<b>20,488,482,996</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, the PPE sub-accounts as at December 31, 2022 and 2021 were restated as follows:

#### Land

Particulars	December 31, 2022	January 1, 2022
Land, cost before restatements	4,076,093,828	4,000,719,167
Add/(deduct): Prior period adjustments/restatements		
Net understatement due to unrecorded located land/found in station and other adjustments	15,874,964	15,200,940
Reclassification of land to Investment property due to land under or held for lease located in EDSA, corner NIA Road, Diliman, Quezon City (See Note 11)	(2,082,569)	(2,082,569)
Derecognition of land	(1,360,640)	(1,360,640)
<i>Net restatements</i>	<i>12,431,755</i>	<i>11,757,731</i>
<b>Land, as restated</b>	<b>4,088,525,583</b>	<b>4,012,476,898</b>

#### Land improvements

Particulars	December 31, 2022	January 1, 2022
Land improvements, cost before restatements	25,469,703,745	26,495,290,925
Add/(deduct): Prior period adjustments		
Net overstatement of land improvement account due to non-recognition of unrecorded land improvement and reclassification of PPE	(210,965,360)	(210,965,360)
PPE costing below P50,000 reclassified to Semi-expendable expenses	(69,000)	(69,000)
<i>Net restatements</i>	<i>(211,034,360)</i>	<i>(211,034,360)</i>
<b>Land improvements, cost, as restated</b>	<b>25,258,669,385</b>	<b>26,284,256,565</b>
Accumulated depreciation, before restatements	16,040,808,691	15,822,692,800
Add/(deduct): Prior period adjustments		
Understatement of depreciation expense due to unrecorded PPE	(198,317,263)	(200,243,402)
Adjustment on accumulated depreciation due to PPE costing below P50,000 reclassified to Semi-expendable expenses	(29,498)	(29,498)
<i>Net restatements</i>	<i>(198,346,761)</i>	<i>(200,272,900)</i>
<b>Accumulated depreciation, as restated</b>	<b>15,842,461,930</b>	<b>15,622,419,900</b>
<b>Carrying amount, as restated</b>	<b>9,416,207,455</b>	<b>10,661,836,665</b>

## Infrastructure assets

Particulars	December 31, 2022	January 1, 2022
Infrastructure assets, cost before restatements	226,234,037,342	184,678,858,660
Add/(deduct): Prior period adjustments		
Reclassification of Other PPE account to Other infrastructure asset account	14,867,039	-
Net understatement/(overstatement) of recorded Power supply systems account due to unrecorded balances/reclassification to proper PPE sub-accounts and other adjustments	3,537,445	(2,104,003)
Understatement of recorded Road networks due to unrecorded balances, reclassification to proper PPE sub-accounts and other adjustments	1,278,236	1,278,236
Net overstatement of recorded Water supply systems due to derecognition of dormant account balances, unrecorded balances/reclassification to proper PPE sub-accounts and other adjustments	(19,244,664,413)	(17,896,891,721)
<i>Net restatements</i>	(19,224,981,693)	(17,897,717,488)
<b>Cost, as restated</b>	<b>207,009,055,649</b>	<b>166,781,141,172</b>
Accumulated depreciation, before restatements	48,876,587,581	37,126,615,034
Add/(deduct): Prior period adjustments		
Net understatement/(overstatement) of recorded prior years' depreciation expense and accumulated depreciation - Road networks due to unaccounted cut-off balance of PPE/ reclassification to proper PPE sub-accounts/error in recording and other adjustments	33,280,094	(1,739,608)
Understatement of prior year's depreciation of Other infrastructure assets account	61,946	-
Overstatement of prior year's depreciation of Power supply systems account	(1,020,899)	(1,161,914)
Net overstatement of recorded prior years' Depreciation and Accumulated depreciation - Water supply systems account due to derecognition of dormant account balances, unaccounted cut-off balance of PPE/ reclassification to proper PPE sub-accounts/error in recording and other adjustments	(2,016,850,303)	(3,020,142,435)
<i>Net restatements</i>	(1,984,529,162)	(3,023,043,957)
<b>Accumulated depreciation, as restated</b>	<b>46,892,058,419</b>	<b>34,103,571,077</b>
<b>Carrying amount, as restated</b>	<b>160,116,997,230</b>	<b>132,677,570,095</b>

## Buildings and other structures

Particulars	December 31, 2022	January 1, 2022
Buildings and other structures, cost before restatements	4,049,340,823	3,212,743,342
Add/(deduct): Prior period adjustments		
Understatement of Buildings account due to unrecorded properties located/identified during inventory/ reclassification of PPEs and other adjustments	39,666,327	36,722,868
Overstatement of Other structures account	(5,691,470)	(10,666,569)
PPE costing below P50,000 reclassified to semi-expendable expenses	(40,000)	(40,000)
<i>Net restatements</i>	33,934,857	26,016,299
<b>Buildings and other structures, cost, as restated</b>	<b>4,083,275,680</b>	<b>3,238,759,641</b>
Accumulated depreciation, before restatements	1,214,779,473	973,670,834
Add/(deduct): Prior period adjustments		
Understatement of recorded prior years' depreciation and accumulated depreciation under Buildings account	25,796,638	14,057,571
Understatement/(overstatement) of recorded prior years' depreciation and accumulated depreciation under other structures account	125,484	(8,769,179)
PPE costing below P50,000 reclassified to semi-expendable expenses	(189,752)	(189,752)
<i>Net restatements</i>	25,732,370	5,098,640
<b>Accumulated depreciation, as restated</b>	<b>1,240,511,843</b>	<b>978,769,474</b>
<b>Carrying amount, as restated</b>	<b>2,842,763,837</b>	<b>2,259,990,167</b>

## Machinery, equipment, furniture and fixtures and books, and other PPE

Particulars	December 31, 2022	January 1, 2022
Machinery, equipment, furniture and fixtures and books and other PPE, cost, before restatements	9,274,186,710	6,260,406,740
Add/(deduct): Prior period adjustments		
<i>Machinery and equipment</i>		
PPE costing below P50,000 reclassified to semi-expendable expenses	(89,151,461)	(76,240,679)
Net overstatement of machinery and equipment accounts	(22,130,829)	(10,636,192)
<i>Transportation equipment</i>		
PPE costing below P50,000 reclassified to semi-expendable expenses	(2,802,804)	(2,792,009)
Net understatement of transportation equipment account due to unrecognized motor vehicles and other transportation equipment	13,766,202	13,850,110
<i>Furniture and fixtures and books</i>		
PPE costing below P50,000 reclassified to semi-expendable expenses	(18,658,266)	(17,569,267)
Net overstatement of furniture and fixtures and books	(7,426,275)	(8,346,506)
<i>Other PPEs</i>		
PPE costing below P50,000 reclassified to semi-expendable expenses	(86,223)	(72,270)
Net overstatement of other PPE accounts	(431,234)	(5,379,044)
<i>Net restatements</i>	<i>(126,920,890)</i>	<i>(107,185,857)</i>
<b>Cost, as restated</b>	<b>9,147,265,820</b>	<b>6,153,220,883</b>
Accumulated depreciation, before restatements	3,452,331,168	3,101,861,960
Add/(deduct): Prior period adjustments/restatements		
<i>Machinery and equipment</i>		
PPE costing below P50,000 reclassified to semi-expendable expenses	(47,947,864)	(42,460,277)
Net understatement of prior year's depreciation of machinery and equipment	61,159,583	64,747,594
<i>Transportation equipment</i>		
PPE costing below P50,000 reclassified to Semi-expendable expenses	(1,364,967)	(1,364,967)
Net understatement of prior year's depreciation of motor vehicles and other transportation equipment	19,841,880	16,571,427
<i>Furniture and fixtures and books</i>		
PPE costing below P50,000 reclassified to semi-expendable expenses	(8,532,111)	(8,479,024)
Net overstatement of prior year's depreciation of furniture and fixtures and books	(7,550,403)	(8,366,593)
<i>Other PPEs</i>		
Net overstatement of prior year's depreciation of Other PPEs	1,002,723	802,774
<i>Net restatements</i>	<i>16,608,841</i>	<i>21,450,934</i>
<b>Accumulated depreciation, as restated</b>	<b>3,468,940,009</b>	<b>3,123,312,894</b>
<b>Accumulated impairment losses</b>	<b>9,145,029</b>	<b>88,232</b>
<b>Carrying amount, as restated</b>	<b>5,669,180,782</b>	<b>3,029,819,757</b>

## CIP

Particulars	December 31, 2022	January 1, 2022
CIP, cost before restatements	101,381,828,475	127,682,516,041
Add/(deduct): Prior period adjustments		
PPE costing below P50,000 reclassified to semi expendable expenses	(22,992,545)	(22,935,337)
Derecognition of balances that have remained dormant for several years	(372,505,119)	(372,505,119)
Overstatement of CIP account due to non-reclassification to proper PPE sub-accounts of completed irrigation projects	(4,250,415,938)	(3,606,974,351)
<i>Net restatements</i>	<i>(4,645,913,602)</i>	<i>(4,002,414,807)</i>
<b>Carrying amount, as restated</b>	<b>96,735,914,873</b>	<b>123,680,101,234</b>

### 13. INTANGIBLE ASSETS

As at December 31, 2023:

Particulars	Amount
Carrying amount, January 1, 2023, as restated	104,698,885
Addition / CIP transferred to PPE sub-accounts/adjustments*	125,686,695
Total	230,385,580
Amortization recognized (See Note 28)	(23,740,500)
<b>Carrying amount, December 31, 2023</b>	<b>206,645,080</b>
Gross cost	248,796,075
Accumulated amortization (including Accumulated impairment losses)	(42,150,995)
<b>Carrying amount, December 31, 2023</b>	<b>206,645,080</b>

As at December 31, 2022:

Particulars	Amount
Carrying amount, January 1, 2022, as restated	51,928,839
Addition / CIP transferred to PPE sub-accounts/adjustments**	71,756,150
Total	123,684,989
Amortization recognized (See Note 28)	(18,986,104)
<b>Carrying amount, December 31, 2022</b>	<b>104,698,885</b>
Gross cost	126,717,169
Accumulated amortization (including Accumulated impairment losses)	(22,018,284)
<b>Carrying amount, December 31, 2022</b>	<b>104,698,885</b>

\* Includes payment for procurement of Enhance Farmland Geographic Information System (eFGIS) amounting to P2,579,038 and reclassification of eFGIS and ArcGIS from Technical and scientific equipment account to Computer software account amounting to P118,196,807

\*\* Includes payment for procurement of eFGIS amounting to P54,284,593

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 two (2) to five (5) years depending on its useful life and expiration.

The account also includes procurement for eFGIS amounting to P212.674 million as of December 31, 2023. The software upgrades the NIA's existing parcellary maps. The system provides an updated parcellary maps and records created decades ago to address discrepancies between database and real farm size for effective planning and management. The system can also provide several analysis and reports with visual representation through Geographic Information System (GIS) by overlaying a series of data necessary for decision-making.

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, the Intangible assets account as at December 31, 2022 and 2021 was restated as follows:

Particulars	December 31, 2022	January 1, 2022
Intangible assets, at cost	120,782,476	48,642,010
Add: Prior period adjustment		
Understatement of computer software	5,934,693	5,600,799
Intangible assets, at cost, as restated	126,717,169	54,242,809
Accumulated amortization	18,960,026	2,295,506
Add: Prior period adjustment		
Understatement of prior year's amortization	3,058,258	18,464
Accumulated amortization, as restated	22,018,284	2,313,970
<b>Intangible assets- net, as restated</b>	<b>104,698,885</b>	<b>51,928,839</b>

#### 14. FINANCIAL LIABILITIES

This account consists of:

	2023	2022 As restated	January 1, 2022 As restated
Accounts payable	2,276,980,964	3,085,407,336	5,057,301,812
Due to officers and employees	404,318,594	208,202,326	307,017,540
	<b>2,681,299,558</b>	<b>3,293,609,662</b>	<b>5,364,319,352</b>

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 unpaid CY 2023 Annual Water Charges for RO Nos. I, IV-A, VII and VIII payable to the National Water Resources Board (NWRB), and the unpaid expenses for Rice subsidy allowance and gratuity pay for Job Order (JO) and Contract of Service (COS) personnel in accordance with NIA MC Nos. 143, Series of 2022 and 174, Series of 2023.

Due to officers and employees account consists of unpaid salaries, wages, allowances, other benefits, reimbursements for travel expenses and other claims of the NIA employees.

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

	2023	2022
Accounts payable	6,598,121	6,574,807
Due to officers and employees	282,475	282,475
	<b>6,880,596</b>	<b>6,857,282</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Financial liabilities account as at December 31, 2022 and 2021 was restated as follows:

Particulars	December 31, 2022	January 1, 2022
Financial liabilities	3,233,635,405	5,375,666,602
Add/(deduct): Prior period adjustments		
Recognition of Accounts payable for unbilled accomplishment of contractors	40,937,463	-
Net understatement of the accrual of Personnel services and other expenses under Due to officers and employees account	14,050,884	3,624,590
Net understatement/(overstatement) of the accrual of expenses and capital outlay under Accounts payable account	4,985,910	(14,971,840)
<i>Net restatements</i>	<i>59,974,257</i>	<i>(11,347,250)</i>
<b>Financial liabilities, as restated</b>	<b>3,293,609,662</b>	<b>5,364,319,352</b>



## 15. INTER-AGENCY PAYABLES

This account consists of:

	2023	2022 As restated	January 1, 2022 As restated
Due to Treasurer of the Philippines	75,311,041,417	72,412,496,358	71,637,310,225
Due to NGAs	3,312,409,527	3,349,567,087	3,372,981,129
Due to Bureau of Internal Revenue (BIR)	330,826,061	282,035,778	277,457,613
Due to other GCs	143,675,205	165,486,205	169,407,242
Due to GSIS	56,597,943	51,731,387	29,924,966
Due to PhilHealth	10,629,685	9,570,797	5,371,079
Due to Home Development Mutual Fund (HDMF) or Pag-IBIG	9,026,056	9,097,857	7,880,506
Due to LGUs	5,147,723	7,417,199	18,621,722
Due to Social Security System (SSS)	249,653	295,898	242,401
	<b>79,179,603,270</b>	<b>76,287,698,566</b>	<b>75,519,196,883</b>

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 and tax reimbursements to California Energy Casecanan Water and Energy Company, Inc. (CECWECEI). This also includes interest income earned from Cash in bank and liquidated damages 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 the 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:

	2023	2022
Due to NGAs	21,732,461	21,122,491
Due to BIR	5,005,215	3,997,176
Due to other GCs	2,130,401	2,126,998
Due to LGUs	540,932	509,564
Due to GSIS	260,288	238,594
Due to PhilHealth	155,893	153,641
Due to Pag-IBIG	95,214	77,758
Due to Treasurer of the Philippines	203	203
	<b>29,920,607</b>	<b>28,226,425</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Inter-agency payables account as at December 31, 2022 and 2021 was restated as follows:

Particulars	December 31, 2022	January 1, 2022
Inter-agency payables	76,285,608,783	75,518,447,778
Add/(deduct): prior period adjustments		
Net understatement of the accrual of government shares to GSIS, PhilHealth, and Pag-IBIG	3,039,481	281,978
Understatement of Due to Treasurer of the Philippines	1,875,090	1,874,492
Net understatement of Due to BIR account due to non-accrual of various expenses/purchases and other adjustments	312,830	265,607
Derecognition of accounts under Due to other GCs account that have remained dormant for several years	(15,553)	-
Non-recording of the BIR remittance thru Tax Remittance Advice (TRA)	(3,122,065)	(1,672,972)
Net restatements	2,089,783	749,105
<b>Inter-agency payables, as restated</b>	<b>76,287,698,566</b>	<b>75,519,196,883</b>

## 16. INTRA-AGENCY PAYABLES

This account consists of:

	2023	2022	January 1, 2022
Due to other funds	-	-	55,953,337
Due to CO	-	-	89,602
	-	-	<b>56,042,939</b>

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

## 17. TRUST LIABILITIES

This account consists of:

	2023	2022 As restated	January 1, 2022 As restated
Guaranty/security deposits payable	2,856,913,155	2,994,728,369	2,993,808,697
Trust liabilities	61,277,271	47,136,363	22,794,991
Trust liabilities-disallowances/charges	16,634,559	33,090,757	3,890,585
	<b>2,934,824,985</b>	<b>3,074,955,489</b>	<b>3,020,494,273</b>

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

Trust liabilities account represents collections for bidding documents, proceeds from NIA housing, and trust fund for the Environmental and Social Measure established for livelihood programs of the affected farmers/landowners during the construction of Can-asujan Small Reservoir Irrigation System (SRIS) in Carcar, Cebu.

Trust liabilities-disallowances/charges account represents amounts collected from the disallowed benefits of the NIA employees with Notices of Disallowance from the COA.

Included in Trust liabilities account is the following inactive account balance:

	2023	2022
<b>Guaranty/security deposits payable</b>	<b>487,080</b>	<b>487,080</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Trust liabilities account as at December 31, 2022 and 2021 was restated as follows:

Particulars	December 31, 2022	January 1, 2022
Trust liabilities	3,074,074,541	3,019,508,736
Add/(deduct): Prior period adjustments		
Net understatement of Guaranty/security deposits payable due to reversal of erroneous recording of JEVs and other adjustments	837,142	930,297
Setting up of payables for disallowed expenses deducted from payroll	76,000	76,000
Overstatement of Trust liabilities	(32,194)	(20,760)
<i>Net restatements</i>	<i>880,948</i>	<i>985,537</i>
<b>Trust liabilities, as restated</b>	<b>3,074,955,489</b>	<b>3,020,494,273</b>

## 18. PROVISIONS

This account consists of:

	2023	2022 As restated	January 1, 2022 As restated
Leave benefits payable	965,190,150	1,057,746,149	1,134,722,009
Other provisions	217,754,490	50,525,991	39,476,763
	<b>1,182,944,640</b>	<b>1,108,272,140</b>	<b>1,174,198,772</b>

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 as at December 31, 2022 and 2021 was restated as follows:

Particulars	December 31, 2022	January 1, 2022
Provisions	1,107,580,445	1,173,235,844
Add: Prior period adjustment:		
Understatement of Leave benefits payable	691,695	962,928
<b>Provisions, as restated</b>	<b>1,108,272,140</b>	<b>1,174,198,772</b>

### 18.1. Contingent liabilities/assets

A total of 153 pending cases were filed for and against the NIA as of December 31, 2023, (see attached **Exhibit 1**) for the Summary and Status of Outstanding Cases Pending Before the Courts as of December 31, 2023.

## 19. OTHER PAYABLES

This account consists of:

	2023	2022 As restated	January 1, 2022 As restated
Dividends payable	2,108,308,776	2,108,308,775	2,108,308,776
Other payables	122,717,403	249,087,270	1,128,696,733
	<b>2,231,026,179</b>	<b>2,357,396,045</b>	<b>3,237,005,509</b>

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

Other payables account includes liabilities to NIA Employees Association and Cooperatives for remittance of association dues, premiums, contributions, loans, and other fees withheld from the NIA employees' salaries and wages.

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Other payables account as at December 31, 2022 and 2021 was restated as follows:

Particulars	December 31, 2022	January 1, 2022
Other payables	2,359,116,588	3,235,882,272
Add/(deduct): Prior period adjustments		
Net adjustment due to the erroneous derecognition of Other payables account that have remained dormant for several years and other adjustments	1,400,782	2,860,593
Net overstatement of Other payables account due to over-recognition of various Personnel services and MOOE	(3,121,325)	(1,737,356)
Net restatements	(1,720,543)	1,123,237
<b>Other payables, as restated</b>	<b>2,357,396,045</b>	<b>3,237,005,509</b>

Included in Other payables account is the following inactive account balance:

	2023	2022
<b>Other payables</b>	<b>12,251,944</b>	<b>12,251,944</b>

## 20. DEFERRED CREDITS/UNEARNED REVENUE

This account includes the following:

	2023	2022 As restated	January 1, 2022 As restated
Deferred credits	5,054,345,739	5,004,650,559	5,411,913,732
Other unearned revenue	4,800	-	2,400
	<b>5,054,350,539</b>	<b>5,004,650,559</b>	<b>5,411,916,132</b>

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

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Deferred credits/unearned revenue account as at December 31, 2022 and 2021 was restated, as follows:

Particulars	December 31, 2022	January 1, 2022
Deferred credits/unearned revenue	5,085,940,142	5,490,864,297
Add/(deduct): Prior period adjustments		
Overstatement of ISF collections	50,000	-
Recognition of revenue from Deferred credits/unearned revenue	(81,339,583)	(78,948,165)
<i>Net restatements</i>	<i>(81,289,583)</i>	<i>(78,948,165)</i>
<b>Deferred credits/unearned revenue, as restated</b>	<b>5,004,650,559</b>	<b>5,411,916,132</b>

## 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 at December 31, 2023.

## 22. ACCUMULATED SURPLUS/(DEFICIT)

The NIA's Accumulated surplus/(deficit) account amounted to P224.399 billion and P207.556 billion as at December 31, 2023 and 2022, respectively.

## 23. SERVICE AND BUSINESS INCOME

This account comprises the following:

	2023	2022 As restated
<b>Service Income</b>		
Fines and penalties-service income	2,260,996	3,107,150
Inspection fees	1,754,000	743,250
Clearance and certification fees	1,398,700	7,772,905
Other service income	837,710	1,237,375
Verification and authentication fees	567,250	-
Processing fees	53,500	-
Permit fees	2,000	-
	6,874,156	12,860,680
<b>Business Income</b>		
Power supply system revenue	689,613,404	1,174,854,723
Waterworks system fees - Water delivery fees	470,999,428	572,838,484
Rent/lease income	65,256,940	55,391,241
Waterworks system fees - ISF, Communal Irrigation Projects/CISs/River Irrigation Systems (RISs) and pump amortization and equity	35,473,549	37,663,614
Management fees	32,725,500	23,292,956
Income from hostels/dormitories and other like facilities	23,506,630	28,307,313
Interest income	9,174,603	8,943,049
Fines and penalties-business income	19,329	1,798
Landing and parking fees	-	6,000
	1,326,769,383	1,901,299,178
<b>Total</b>	<b>1,333,643,539</b>	<b>1,914,159,858</b>

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

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.

### **23.1. Waterworks system fees - ISF/Communal Irrigation Projects/CISs/RISs and pump amortization and equity**

Included in this account are the Communal Irrigation Projects/CISs/RISs/Pump Amortization and Equity and ISF charge or levy being imposed upon users of irrigation water and services provided by an irrigation systems. 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 NISs and CISs, or using the irrigation systems as drainage facilities who shall continue to be subject to the payment of ISF pursuant to RA No. 10969.

### **23.2. Waterworks system fees - 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 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:

- a. NIA and SNAPI for the Magat Electric Power Plant dated December 13, 2006; and
- b. NIA and FGHPC 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 Agreements.

### **23.3. Power supply system revenue**

Included in this account is the income earned from the operation of the Casecnan Hydro Electric Power Plant starting December 11, 2021, in accordance with the Revenue - Expenses sharing of PSALM and NIA (60%-40%) provided under Section 5 of the MOA. (See *Note 44.1*)

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Service and business income account for CY 2022 was restated as follows:

<b>Particulars</b>	<b>Amount</b>
Service and business income, CY 2022	814,547,571
Add/(deduct): Prior period adjustments	
Understatement of the recorded power supply system revenue	1,174,854,723
Net understatement of recorded rent/lease income	4,964,569
Net understatement of recorded waterworks system fees	2,341,418
Understatement of income from hostels/dormitories and other like facilities	697,772
Net understatement of interest income	17,633
Understatement of service income	614,848
To recognize income from liquidated damages	179
Reclassification of other miscellaneous income from service and business income to non-operating income	(83,878,855)
<i>Net restatements</i>	<i>1,099,612,287</i>
<b>Service and business income, CY 2022, as restated</b>	<b>1,914,159,858</b>

## 24. SHARES, GRANTS AND DONATIONS

This amount reflects the donated vehicles and land to the NIA. The donated assets are as follows:

<b>Office/RO</b>	<b>Donor</b>	<b>Donated Asset</b>	<b>No. of Units</b>	<b>Value</b>
<b>CY 2023</b>				
CO	NWRB	2005 Toyota Innova	1	133,308
IV-B	NIA RO No. IV Employees Multi-Purpose Cooperative (NEMCO)	2018 Toyota Fortuner 2.8L 4x4 V DSL AT	1	1,050,507
IV-B	NEMCO	2018 Toyota HILUX 2.8L 4x4 Pick-up	1	928,320
IV-B	NEMCO	2018 Toyota HILUX 2.8L 4x4 Pick-up	1	815,837
XII	RCL Construction and Equipment Rental	2017 ISUZU MU-X 4x4 LS-AA	1	1,087,000
XII	RCL Construction and Equipment Rental	2017 ISUZU DMAX 4x4 LS Pick-up	8	8,000,000
XII	RCL Construction and Equipment Rental	2018 Toyota HIACE GL Grande Van	1	1,243,000
XII	RCL Construction and Equipment Rental	2018 Toyota HILUX 2.8L 4x4 Pick-up	1	1,103,000
XII	RCL Construction and Equipment Rental	2018 Toyota HILUX 2.8L 4x4 Pick-up	2	1,893,700
CRIPP	LGU – Tuao, Cagayan	Land		36,540
				<b>16,291,212</b>

<b>Office/RO</b>	<b>Donor</b>	<b>Donated Asset</b>	<b>No. of Units</b>	<b>Value</b>
<b>CY 2022</b>				
XII	RCL Construction and Equipment Rental	2018 YAMAHA Motorcycle	30	<b>2,847,606</b>

## 25. PERSONNEL SERVICES

This account consists of the following:

	<b>Note</b>	<b>2023</b>	<b>2022 As restated</b>
Salaries and wages	25.1	2,967,813,462	2,771,420,531
Other compensation	25.2	1,486,271,729	1,299,272,093
Personnel benefit contributions	25.3	441,292,307	402,200,253
Other personnel benefits	25.4	105,270,650	81,415,490
		<b>5,000,648,148</b>	<b>4,554,308,367</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Personnel services account for CY 2022 was restated as follows:

<b>Particulars</b>	<b>Amount</b>
Personnel services, CY 2022	4,527,152,893
Add/(deduct): Prior period adjustments	
Net understatement of prior year's salaries and wages	17,744,145
Net understatement of prior year's recorded other compensation	13,866,352
Net understatement of personnel benefit contributions	2,837,273
Net overstatement of recorded other personnel benefits	(7,292,296)
<i>Net restatements</i>	<i>27,155,474</i>
<b>Personnel services, CY 2022, as restated</b>	<b>4,554,308,367</b>

## 25.1. Salaries and wages

	<b>2022</b>
	<b>As restated</b>
Salaries and wages-regular	1,475,425,057
Salaries and wages-casual/contractual	1,492,388,405
	<b>2,967,813,462</b>
	<b>2,771,420,531</b>

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

## 25.2. Other compensation

	<b>2022</b>
	<b>As restated</b>
Year-end bonus	247,177,899
Mid-year bonus	250,416,260
Personnel economic relief allowance	206,519,400
Representation allowance	66,580,292
Transportation allowance	64,298,400
Cash gift	54,606,064
Clothing/uniform allowance	51,417,250
Overtime and night pay	16,574,336
Longevity pay	6,597,500
Honoraria	2,352,959
Directors and committee members' fee	198,000
Subsistence allowance	55,590
Laundry allowance	-
Hazard pay	10,560
Other bonuses and allowances	519,467,219
	<b>1,486,271,729</b>
	<b>1,299,272,093</b>

Hazard pay account represents additional pay or compensation for registered chemist and registered chemical technician, NIA employees performing work under hazardous or dangerous conditions in accordance with NIA MC No. 73, Series of 2023.



### 25.3. Personnel benefit contributions

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

	2023	2022 As restated
Retirement and life insurance premiums	357,493,534	328,899,206
Pag-IBIG contributions	10,892,428	10,752,699
PhilHealth contributions	62,007,663	52,228,231
Employees compensation insurance premiums	10,898,682	10,320,117
	<b>441,292,307</b>	<b>402,200,253</b>

### 25.4. Other personnel benefits

	2023	2022 As restated
Terminal leave benefits	101,613,120	80,275,135
Retirement gratuity	1,390,719	-
Other personnel benefits	2,266,811	1,140,355
	<b>105,270,650</b>	<b>81,415,490</b>

## 26. MAINTENANCE AND OTHER OPERATING EXPENSES

This account consists of the following:

	Note	2023	2022 As restated
Repairs and maintenance	26.1	2,235,271,077	1,551,934,387
Supplies and materials expenses	26.2	685,739,644	1,061,944,284
Utility expenses	26.3	398,672,348	414,782,623
Labor and wages		310,483,044	320,526,552
Training and scholarship expenses	26.4	304,559,137	432,939,381
Traveling expenses	26.5	263,845,251	221,486,447
Taxes, insurance premiums and other fees	26.6	135,241,100	66,813,632
Professional services	26.7	106,684,341	153,617,638
Survey, research, exploration and development expenses	26.8	104,574,912	106,911,308
Communications expenses	26.9	40,472,558	34,431,317
General services	26.10	23,545,929	25,909,126
Awards/rewards, prizes and indemnities	26.11	10,163,253	6,472,763
Confidential, intelligence and extraordinary expenses		387,626	425,949
Generation, transmission, and distribution expenses		9,100	96,101
Assistance/subsidies/contribution-others		-	77,281
Other maintenance and operating expenses	26.12	1,151,399,197	1,369,774,629
		<b>5,771,048,517</b>	<b>5,768,143,418</b>

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.

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, MOOE account for CY 2022 was restated, as follows:

<b>Particulars</b>	<b>Amount</b>
MOOE, CY 2022	4,881,518,943
Add/(deduct): Prior period adjustments	
Net understatement of supplies and materials expenses	364,581,586
Understatement of other maintenance and operating expenses	274,795,177
Net understatement of training and scholarship expenses	122,421,556
Understatement of survey, research, exploration and development expenses	100,077,469
Net understatement of traveling expenses-local	70,504,606
Net understatement of labor and wages	14,179,512
Net understatement of utility expenses	1,830,609
Net understatement of communication expenses	1,124,713
Understatement of professional expenses	367,011
Understatement of extraordinary and miscellaneous expenses	4,510
Overstatement of janitorial services	(58,544)
Overstatement of taxes, insurance premiums, and other fees	(650,502)
Overstatement of repairs and maintenance	(62,553,228)
<i>Net restatements</i>	<i>886,624,475</i>
<b>Maintenance and other operating expenses, CY 2022, as restated</b>	<b>5,768,143,418</b>

## 26.1. Repairs and maintenance

	<b>2022</b>	<b>2022</b>
	<b>2023</b>	<b>As restated</b>
Repairs and maintenance – infrastructure assets	1,978,970,122	1,043,071,802
Repairs and maintenance – transportation equipment	118,080,691	118,999,440
Repairs and maintenance – machinery and equipment	71,051,841	105,396,007
Repairs and maintenance – buildings and other structures	45,869,634	266,318,235
Repairs and maintenance – land improvements	2,410,030	1,395,811
Repairs and maintenance – semi-expendable machinery and equipment	1,174,586	580,184
Repairs and maintenance – furniture and fixtures	956,505	1,228,451
Repairs and maintenance – semi-expendable furniture, fixtures and books	180,643	43,929
Repairs and maintenance – leased assets improvements	-	587,278
Repairs and maintenance – other PPE	16,577,025	14,313,250
	<b>2,235,271,077</b>	<b>1,551,934,387</b>

## 26.2. Supplies and materials expenses

	<b>2022</b>	<b>2022</b>
	<b>2023</b>	<b>As restated</b>
Fuel, oil and lubricants expenses	334,892,147	480,372,385
Office supplies expenses	111,631,249	199,425,839
Semi-expendable-machinery and equipment expenses	89,738,677	168,690,038
Semi-expendable furniture, fixtures and books expenses	46,011,526	29,425,619
Agricultural and marine supplies expenses	6,095,372	978,420
Drugs and medicines expenses	4,862,383	6,782,739
Medical, dental and laboratory supplies expenses	3,922,781	8,432,277
Housekeeping/cleaning supplies expenses	2,264,442	2,242,291
Electrical supplies and materials expenses	1,553,118	1,492,203
Accountable forms expenses	558,100	679,055
Military, police and traffic supplies expenses	175,726	40,790
Supplies and materials for water systems operations expense	147,215	1,444,215
Chemical and filtering supplies expenses	95,740	649,950
Textbooks and instructional materials expenses	23,993	23,691
Food supplies expenses	11,385	3,231
Linens and beddings expenses	1,120	294,060
Non-accountable forms expenses	-	15,480
Other supplies and materials expenses	83,754,670	160,952,001
	<b>685,739,644</b>	<b>1,061,944,284</b>

Supplies and materials expenses account represents cost of supplies and materials used and/or consumed by the NIA.

### 26.3. Utility expenses

	2023	2022 As restated
Electricity expenses	384,868,428	402,504,682
Water expenses	13,733,329	12,172,020
Gas / heating expenses	3,142	2,725
Other utility expenses	67,449	103,196
	<b>398,672,348</b>	<b>414,782,623</b>

### 26.4. Training and scholarship expenses

	2023	2022 As restated
Training expenses	304,559,137	432,939,381

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

### 26.5. Traveling expenses

	2023	2022 As restated
Traveling expenses - local	262,101,895	216,743,615
Traveling expenses - foreign	1,743,356	4,742,832
	<b>263,845,251</b>	<b>221,486,447</b>

This account represents expenses for traveling and related expenses incurred in the course of official travel and performance of official functions.

### 26.6. Taxes, insurance premiums and other fees

	2023	2022 As restated
Insurance expenses	40,607,542	33,863,786
Taxes, duties and licenses	83,038,208	21,923,435
Fidelity bond premiums	11,595,350	11,026,411
	<b>135,241,100</b>	<b>66,813,632</b>

### 26.7. Professional services

	2023	2022 As restated
Auditing services	96,903,520	110,480,302
Consultancy services	526,690	30,194,464
Legal services	618,252	1,479,125
Other professional services	8,635,879	11,463,747
	<b>106,684,341</b>	<b>153,617,638</b>

These accounts represent expenses for services subscribed and/or incurred by the NIA from third-party providers for their professional expertise. The accounts also include the cost of audit services rendered by the COA to the NIA.

## **26.8. Survey, research, exploration and development expenses**

	<b>2023</b>	<b>2022</b> <b>As restated</b>
Research, exploration and development expenses	103,743,124	106,666,749
Survey expenses	831,788	244,559
	<b>104,574,912</b>	<b>106,911,308</b>

## **26.9. Communications expenses**

	<b>2023</b>	<b>2022</b> <b>As restated</b>
Internet subscription expenses	19,902,217	16,160,808
Telephone expenses	17,402,048	15,074,930
Postage and courier services	2,669,631	2,619,003
Cable, satellite, telegraph, and radio expenses	498,662	576,576
	<b>40,472,558</b>	<b>34,431,317</b>

## **26.10. General services**

	<b>2023</b>	<b>2022</b> <b>As restated</b>
Janitorial services	15,482,666	16,475,637
Security services	5,817,359	7,366,290
Environment/sanitary services	-	46,500
Other general services	2,245,904	2,020,699
	<b>23,545,929</b>	<b>25,909,126</b>

## **26.11. Awards/rewards, prizes and indemnities**

	<b>2023</b>	<b>2022</b>
Awards/rewards expenses	9,374,235	6,193,213
Prizes	789,018	279,550
	<b>10,163,253</b>	<b>6,472,763</b>

## **26.12. Other maintenance and operating expenses**

	<b>2023</b>	<b>2022</b> <b>As restated</b>
Representation expenses	186,338,355	96,874,439
Rent/Lease expenses	51,660,775	163,025,963
Subscription expenses	22,478,075	14,247,863
Donations	20,449,388	29,055,180
Major events and conventions expenses	20,733,685	5,170,081
Printing and publication expenses	7,324,091	4,909,203
Litigation/acquired assets expenses	6,947,658	-
Transportation and delivery expenses	2,553,207	1,863,359
Advertising, promotional and marketing expenses	971,250	1,355,697
Documentary stamps expenses	853,034	285,297
Membership dues and contributions to organizations	142,493	128,429
Legal defense expense	25,300	-
Other maintenance and operating expenses	830,921,886	1,052,859,118
	<b>1,151,399,197</b>	<b>1,369,774,629</b>

Representation expenses account pertains to expenses incurred for official meetings or conferences.

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

Printing and publication expenses are the costs of printing and binding of documents, forms, manuals, brochures, and pamphlets used in the organization.

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

	2023	2022
COVID-19 expenses	202,988,550	6,450,430
Job order	167,962,488	153,024,910
Contractual services	146,775,396	105,840,583
IAs remuneration for operations	134,664,075	206,216,604
Meals and snacks	43,311,683	68,174,790
Annual physical exam	31,179,050	9,850,613
Contribution to civic/charitable institutions	11,744,641	2,458,800
IAs remuneration for maintenance	11,085,380	162,207,816
Laboratory analysis of soil and water sample	9,705,799	187,010
Gratuity pay	306,776	36,079,797
Rice subsidy allowance	96,912	-
Motorcycle allowance	-	103,137
Sports	-	7,720,887
Other miscellaneous expenses-various expenses	1,718,155	126,665,630
Other maintenance and operating expenses	69,382,981	167,878,111
	<b>830,921,886</b>	<b>1,052,859,118</b>

## 27. FINANCIAL EXPENSES

This account consists of the following:

	2023	2022
		<b>As restated</b>
Interest expenses	2,884,874,747	1,085,925,147
Bank charges	306,760	231,532
Other financial charges	-	68,127
	<b>2,885,181,507</b>	<b>1,086,224,806</b>

The majority of Interest expenses account 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 2022 was restated as follows:

Particulars	Amount
Financial expenses, CY 2022	1,086,216,235
Add(deduct): Prior period adjustments	
Understatement of other financial charges	8,066
Payment of penalty for late remittance of PhilHealth insurance contribution	505
<i>Net restatements</i>	<i>8,571</i>
<b>Financial expenses, CY 2022, as restated</b>	<b>1,086,224,806</b>

## 28. NON-CASH EXPENSES

Non-cash expenses account represents the following: (a) depreciation 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:

	2023	2022 As restated
Depreciation-infrastructure assets	7,517,700,884	10,992,568,327
Depreciation-machinery and equipment	388,068,503	379,324,275
Depreciation-land improvements	216,645,059	220,194,230
Depreciation-buildings and other structures	134,133,964	196,183,309
Depreciation-transportation equipment	65,917,388	65,468,220
Depreciation-furniture, fixtures and books	9,038,479	6,793,311
Depreciation-leased assets	-	511
Depreciation- Other PPE	2,734,843	2,824,706
	<b>8,334,239,120</b>	<b>11,863,356,889</b>
Impairment loss-loans and receivables	128,236,095	-
Impairment loss-lease receivables	-	3,124,599,792
Impairment loss-other receivables	143,855,033	1,109,261,674
Impairment loss-PPE	160,786,675	467,341,327
Impairment loss-other investments	375	-
Impairment loss-other assets	64,954	697,676
	<b>432,943,132</b>	<b>4,701,900,469</b>
Amortization - intangible assets (See Note 13)	<b>23,740,500</b>	<b>18,986,104</b>
	<b>8,790,922,752</b>	<b>16,584,243,462</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Non-cash expenses account for CY 2022 was restated as follows:

Particulars	Amount
Non-cash expenses, CY 2022	14,094,229,996
Add/(deduct): prior period adjustments	
Net understatement of depreciation - infrastructure assets	2,536,773,328
Net understatement of depreciation - buildings and other structures	18,016,264
Net understatement of depreciation - machinery and equipment	27,551,214
Net understatement of depreciation - transportation equipment	2,835,259
Net understatement of depreciation - furniture, fixtures and books	143,479
Net understatement of depreciation - other PPE	223,883
Net understatement of amortization – intangible assets	3,370,394
Adjustments of prior year's depreciation - land improvements	(79,277)
Over-recognition of impairment loss- loans and receivables	(2,863,377)
Over-recognition of impairment loss-other receivables	(95,957,701)
Net restatements	2,490,013,466
<b>Non-cash expenses, CY 2022, as restated</b>	<b>16,584,243,462</b>

## 29. OTHER NON-OPERATING INCOME

This account consists of:

	2023	2022 As restated
Bid documents	27,439,330	19,084,174
Laboratory analysis - soil and water sample/ material testing	4,792,235	138,275
Drainage fee	1,999,870	2,010,556
Sale of goods and materials	1,696,718	15,760
Scrap of fixed assets	1,326,723	8,341,601
Contract price adjustment / liquidated damages	730,897	457,258
Land development/irrigation development cost	483,314	650,269
Income from NIA housing	252,475	219,100
Printing/xerox/radio	116,334	95,036
Hauling/milling/drying	13,869	9,775
Payment for lost items	5,713	12,804
Disallowance	-	64,518
Other miscellaneous income	42,654,687	54,019,428
	<b>81,512,165</b>	<b>85,118,554</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Other non-operating income account for CY 2022 was restated as follows:

Particulars	Amount
Other non-operating income, CY 2022	566,015
Add/(deduct): Prior period adjustments	
Reclassification of Other miscellaneous income from Service and business income to non-operating income	83,878,855
Net understatement of Other miscellaneous income	1,239,699
Reclassification of sale of unserviceable property to gain on sale of unserviceable property	(566,015)
<i>Net restatements</i>	<i>84,552,539</i>
<b>Other non-operating income, CY 2022, as restated</b>	<b>85,118,554</b>

## 30. GAINS

This account consists of the following:

	2023	2022 As restated
Gain on foreign exchange	3,984,425	8,709,609
Gain on sale of unserviceable property	698,393	566,015
Gain on sale of PPE	20,987	1,138,205
	<b>4,703,805</b>	<b>10,413,829</b>

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Gains account for CY 2022 was restated as follows:

Particulars	Amount
Gains, CY 2022	9,847,814
Add: Prior period adjustment:	
Reclassification of sale of unserviceable property from Other non-operating income to Gains	566,015
<b>Gains, CY 2022, as restated</b>	<b>10,413,829</b>

## 31. LOSSES

This account consists of the following:

	2023	2022 As restated
Loss on foreign exchange	28,511,935	10,218,620
Loss of assets	62,635	20,618
Loss on sale of unserviceable property	-	40,698
Loss on sale of assets	-	3,186
	<b>28,574,570</b>	<b>10,283,122</b>

This account also includes the result of change from the conversion of foreign currency TD certificates of the NIA and the decrease in foreign currency conversion rate applied for payment of Foreign Assisted Projects.

In accordance with IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*, Losses account for CY 2022 was restated as follows:

Particulars	Amount
Losses, CY 2022	400,600,000
Add/(deduct): Prior period adjustments	
Understatement on the recognized loss on sale of assets	3,186
Reversal of the derecognition of damaged portion of water supply systems	(390,320,064)
<i>Net restatements</i>	<i>(390,316,878)</i>
<b>Losses, CY 2022, as restated</b>	<b>10,283,122</b>

### 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 National Government in the total amounts of P42.533 billion and P42.927 billion in CYs 2023 and 2022, respectively.

### 34. EXPLANATION OF DIRECT CASH FLOWS

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

<b>Subsidy received from National Government based on SFPer</b>	<b>42,533,386,172</b>
Less:	
Loan proceeds - non-cash	
Fund 102 Chico River Pump Irrigation Project (CRPIP)	529,232,397
Fund 102 Jalaur River Multi-Purpose Project (JRMP)	1,216,188,389
Tax Remittance Advice	
Fund 101 Modified Disbursement System (MDS)	1,834,569
Fund 102 JRMP	47,649
Add: Assistance from other GCs	3,300,522
<b>Subsidy received from National Government based on Statements of Cash Flows (SCFs)</b>	<b>40,789,383,690</b>

### 35. EXPLANATION ON THE RESTATEMENT OF NET SURPLUS FOR CY 2022



Particulars	Amount
Net surplus for CY 2022 as shown in the audited SFP for the year ended December 31, 2022	18,764,018,964
Less: Adjustments made under the following funds for various income and expenses	
Fund 501 Regular	12,881,377
Fund 102 Integrated National Resources and Environment Management Project (INREMP)	(6,903)
Fund 102 CRPIP	(260,025)
Fund 102 JRMP	(6,639,040)
Fund 102 Participatory Irrigation Development Project (PIDP)	(15,101,414)
Fund 102 National Irrigation Sector Rehabilitation and Improvement Project (NISRIIP)	(24,948,006)
Fund 102 Regular	(36,254,443)
Fund 158	(54,486,828)
Fund 101	(276,879,191)
Fund 501 Locally Funded Projects (LFPs)	(1,425,610,700)
<b>Net surplus for CY 2022 as shown in the audited SFP for the year ended December 31, 2022, as restated</b>	<b>16,936,713,791</b>

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

	2023	2022 As restated
<b>Surplus for the year</b>	<b>21,493,161,399</b>	<b>16,936,713,791</b>
Non-cash (income/expenses):		
Depreciation (Note 28)	8,334,239,120	11,863,356,889
Impairment loss (Note 28)	432,943,132	4,701,900,469
Amortization (Note 28)	23,740,500	18,986,104
Loss on foreign exchange (Note 31)	28,511,935	10,218,620
Loss of assets (Note 31)	62,635	20,618
Loss on sale of unserviceable property (Note 31)	-	40,698
Shares, grants and donations (Note 24)	(16,291,212)	(2,847,606)
Gain on foreign exchange (Note 30)	(3,984,425)	(8,709,609)
Gain on sale of PPE (Note 30)	(20,987)	(1,138,205)
Gain on sale of unserviceable property (Note 30)	(698,393)	(566,015)
(Increase)/decrease in current assets: (based on SFPs):		
Loans and receivable	(223,741,799)	4,146,931,298
Lease receivables	276,660	291,540
Inter-agency receivables	(690,230,398)	(341,360,385)
Intra-agency receivables	(7,362,159)	(30,744,154)
Other receivables	973,728,193	(1,146,422,789)
Inventory held for distribution	(4,963,601)	42,914,488
Inventory held for consumption	(27,449,438)	(982,879)
Semi-expendable machinery and equipment	2,113,843	(2,940,772)
Semi-expendable furniture, fixtures and books	884,271	(1,284,581)
Advances	1,682,135	8,527,646
Prepayments	(591,867,559)	1,548,193,087
Deposits	(4,120,532)	(6,609,037)
Other assets	375,290	35,683,331
Increase/(decrease) in current liabilities: (based on SFPs):		
Financial liabilities	(612,310,104)	(2,070,709,690)
Inter-agency payables	2,891,904,704	768,501,683
Intra-agency payables	-	(56,042,939)
Trust liabilities	(140,130,504)	54,461,216
Provisions	74,672,500	(65,926,632)
Other payables	(126,369,866)	(879,609,464)
Adjustments	(2,574,682,166)	(5,478,720,837)
<b>Net cash provided by operating activities</b>	<b>29,234,073,174</b>	<b>30,042,125,884</b>

Adjustments in the indirect cashflows are due to the following:

	<b>2023</b>
Prior period adjustments affecting current assets and current liabilities	4,876,524,607
Payment of retention fee to contractors charged as capital outlay (classified under investing activity in SCF)	655,986,413
Advances to contractors charged as capital outlay (classified under investing activity in SCF)	588,452,362
Remittance of Due to BIR charged as capital outlay (classified under investing activity in SCF)	521,127,285
Payment of payables charged as capital outlay (classified under investing activity in SCF)	259,480,512
Reclassification/adjustment to PPE	62,228,904
Increase /decrease in deferred credits	49,699,979
Reversal of impairment loss on current assets	11,589,502
Reclassification from CIP to expense account	11,292,695
Reclassification from non-current assets to current assets	5,398,750
Impairment loss on current assets	(1,472,136)
Reclassification from expense account to CIP	(1,795,003)
Receipt of interest earned classified under investing activity in SCF	(6,279,989)
Property transfer of non-current assets charged to prior year's subsidy	(7,411,765)
Payment of capital outlay made to other funds	(41,550,180)
Non-cash subsidy income used for capital outlay	(53,964,203)
Issuance of construction materials inventory to CIP	(88,991,088)
Liquidation of cash advances capitalized as CIP	(133,717,765)
Property transfer of non-current assets charged to subsidy of current year	(175,471,020)
Setting up of payables for capital outlay at year-end	(345,763,103)
Prior period adjustments affecting non-current assets and non-current liabilities	(647,532,165)
Difference between purchase cost of capital outlay and its cash payment (due to deductions such as withholding tax, guaranty deposits, etc.)	(2,369,499,080)
Transfer of PPE from other funds	(5,405,364,470)
Other adjustments	(337,651,208)
<b>Grand total</b>	<b>(2,574,682,166)</b>

### **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, National Economic and Development Authority (NEDA) and one from the private sector who are all appointed by the President of the Philippines. The Secretary of the DA 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:

	2023	2022
Basic salary	9,331,991	8,379,919
Allowances and other benefits	2,798,304	2,657,094
Extraordinary and miscellaneous expenses	308,896	364,784
Per diem	-	225,000
	<b>12,439,191</b>	<b>11,626,797</b>

*\*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 2023 in the amount of P46.662 billion was approved by the NIA Board on February 27, 2023 and submitted to the DBM for review/evaluation. The COB was approved by DBM on May 10, 2023 amounting to P46.230 billion. Changes between the original and final budget was due to DBM's approved level of Personnel Services, MOOE and Capital Outlay broken down as follows:

	COB		
	Proposed	Approved	Variance
Personnel services	5,411,303,000	5,658,941,614	(247,638,614)
MOOE	4,562,656,869	3,883,182,255	679,474,614
Capital outlay	36,688,270,819	36,688,270,819	-
	<b>46,662,230,688</b>	<b>46,230,394,688</b>	<b>431,836,000</b>

The COB was sourced from the Internally Generated Income of the NIA and the subsidy from 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	DBM Variance	CNA Allocation	Final Budget
<b>Receipts/Sources</b>				
Service and business income	599,875,156	-	-	599,875,156
Other non-operating income	74,041,923	-	-	74,041,923
Assistance and subsidy	45,988,313,609	-	-	45,988,313,609
	46,662,230,688	-	-	46,662,230,688
<b>Payments/Uses</b>				
Personnel services	5,411,303,000	-	247,638,614	5,658,941,614
MOOE	4,562,656,869	(431,836,000)	(247,638,614)	3,883,182,255
Capital outlay	36,688,270,819	-	-	36,688,270,819
	46,662,230,688	(431,836,000)	-	46,230,394,688
	-	<b>431,836,000</b>	-	<b>431,836,000</b>

### 39.1. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Per Final Budget	Actual Amounts	Variance
<b>Receipts/Sources</b>			
Service and business income	599,875,156	1,333,643,539	(733,768,383)
Shares, grants, and donation	-	16,291,212	(16,291,212)
Other non-operating income	74,041,923	81,512,165	(7,470,242)
Gain on foreign exchange	-	3,984,425	(3,984,425)
Gain on sale of unserviceable property	-	698,393	(698,393)
Gain on sale of PPE	-	20,987	(20,987)
Assistance and subsidy	45,988,313,609	42,533,386,172	3,454,927,437
	<b>46,662,230,688</b>	<b>43,969,536,893</b>	<b>2,692,693,795</b>
<b>Payments / Uses</b>			
Personnel services			
Salaries and wages	3,178,793,412	2,967,813,462	210,979,950
Other compensation	1,675,651,559	1,486,271,729	189,379,830
Personnel benefit contributions	474,790,436	441,292,307	33,498,129
Other personnel benefits	329,706,207	105,270,650	224,435,557
	<b>5,658,941,614</b>	<b>5,000,648,148</b>	<b>658,293,466</b>
MOOE			
Supplies and materials expenses	249,194,582	685,739,644	(436,545,062)
Professional services	777,229,289	106,684,341	670,544,948
General services	43,822,000	23,545,929	20,276,071
Traveling expenses	99,907,827	263,845,251	(163,937,424)
Training and scholarship expenses	61,326,302	304,559,137	(243,232,835)
Utility expenses	136,606,002	398,672,348	(262,066,346)
Repairs and maintenance	706,889,525	2,235,271,077	(1,528,381,552)
Communications expenses	30,213,860	40,472,558	(10,258,698)
Awards/rewards, prizes and indemnities	2,610,000	10,163,253	(7,553,253)
Taxes, insurance premiums and other fees	63,295,148	135,241,100	(71,945,952)
Confidential, intelligence and extraordinary expenses	548,000	387,626	160,374
Survey, research, exploration and development expenses	-	104,574,912	(104,574,912)
Generation, transmission, and distribution expenses	-	9,100	(9,100)
Labor and wages	-	310,483,044	(310,483,044)
Assistance/subsidies/contribution-others	394,797,534	1,151,399,197	(756,601,663)
Other maintenance and operating expenses	375,943,710	-	375,943,710
Other MOOE from GAA Projects	940,328,635	-	940,328,635
Loss on foreign exchange	-	28,511,934	(28,511,934)
Other losses	-	62,636	(62,636)
	<b>3,882,712,414</b>	<b>5,799,623,087</b>	<b>(1,916,910,673)</b>
Capital outlay	<b>36,688,270,819</b>	<b>25,245,679,472</b>	<b>11,442,591,347</b>
Financial expenses	<b>469,841</b>	<b>2,885,181,507</b>	<b>(2,884,711,666)</b>
<b>Total</b>	<b>46,230,394,688</b>	<b>38,931,132,214</b>	<b>7,299,262,474</b>
<b>Net receipts/(payments)</b>		<b>5,038,404,679</b>	<b>(4,606,568,679)</b>

The explanations for the significant variances are as follows:

1. **Service Business Income:** The negative variance or increase in this category was due to the recognition of Power System Revenue from the operation of the Casecnan Hydro Electric Power Plant for the CY 2023.
2. **Supplies and Materials Expenses:** The negative variance was a result of reclassifying items from the PPE account to Semi-expendable expenses to comply with the capitalization threshold.
3. **Repairs and Maintenance Expenses:** This variance was due to several factors:
  - Recognition of payment for expenses that were previously obligated under the GAAs of FYs 2021 and 2022.
  - Inclusion of indirect costs that are not directly attributable to specific projects but are recognized as expenses.
  - Repairs that were budgeted under capital outlay but recorded as expenses in accordance with accounting standards.
4. **Taxes, Insurance Premiums, and Other Fees:** The negative variance in this category is due to setting up a payable for the NWRB's Annual Fees amounting to P57.220 million.
5. **Survey, Research, Exploration, and Development Expenses:** The variance pertains to expenses for a Feasibility Study that was budgeted under Capital Outlay but recorded under MOOE in line with accounting standards.
6. **IA Operation and Maintenance:** The actual expenses under this category were recorded under the Other MOOE account.
7. **Other MOOE from GAA Projects:** The actual expenses were recorded under various MOOE expenses, including training, capacity workshops, repairs and maintenance of NISs, pump irrigation systems, and labor and wages.

#### 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 2023, include licenses and permit fees in the total amount of P83.038 million.

#### Withholding taxes

The amounts of withholding taxes paid/accrued for CYs 2023 and 2022 by the NIA are as follows:

	<b>2023</b>	<b>2022</b>
Creditable withholding taxes	1,804,074,820	1,333,011,752
Withholding taxes on compensation and benefits	127,057,037	143,284,228
Others	375,443	3,824,083
	<b>1,931,507,300</b>	<b>1,480,120,063</b>

As at year end, the breakdown of creditable withholding taxes for CYs 2023 and 2022 is as follows:

<b>Percentage</b>		<b>2023</b>	<b>2022</b>
5	Withholding Value-Added Tax (VAT)	1,178,035,649	846,145,128
2	Income payments made by NIA to suppliers of services	376,078,743	312,352,257
1	Income payments made by NIA to suppliers of goods	99,238,094	76,569,327
5	Withholding tax on professionals	91,728,917	45,140,032
3	Withholding percentage tax	44,104,159	43,089,443
10	Withholding tax on professionals	1,278,648	2,872,394
	Others	13,610,610	6,843,171
		<b>1,804,074,820</b>	<b>1,333,011,752</b>

#### **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 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Employer’s share	316,335,947	288,439,574
Employees’ share	352,417,634	327,505,748
	<b>668,753,581</b>	<b>615,945,322</b>

#### **42. COMPLIANCE WITH 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 for CYs 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Employees’ share	65,361,771	57,288,112

Employer's share	11,598,228	11,404,469
	<b>76,959,999</b>	<b>68,692,581</b>

#### **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 CYs 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Employees' share	67,076,223	56,402,932
Employer's share	59,633,493	51,988,911
	<b>126,709,716</b>	<b>108,391,843</b>

#### **44. NON-ADJUSTING EVENT AFTER THE REPORTING DATE**

##### **44.1. Privatization of the Casecnan Hydro Electric Power Plant**

On November 13, 1994, the NIA and the CECWECI executed a Build, Operate, Transfer (BOT) Agreement to construct the CMPIPP. The BOT Agreement was amended under a June 26, 1995 Amended and Restated Casecnan Project Agreement and a September 29, 2003 Supplemental Agreement to the Amended and Restated Casecnan Project Agreement.

Under the BOT Agreement, as amended, the CMPIPP shall be transferred to the NIA at the end of the cooperation period.

On June 30, 1995, the NIA and the NPC executed a PPA for the sale of the CMPIPP's energy output. Under Article 16 of the PPA, the NIA shall transfer 60 per cent of its ownership over the CMPIPP to the NPC.

In 2001, RA No. 9136 or the *"Electric Power Industry Reform Act of 2001"* (EPIRA) was passed into law, mandating the PSALM to take over ownership of "all existing NPC generation assets, liabilities, Independent Power Producer (IPP) contracts, real estate and all other disposable assets, including the PPA with the NIA.

On September 21, 2021, the NIA and the PSALM Executed a Deed of Conveyance whereby the NIA transferred 60 per cent of its ownership over the CMPIPP to PSALM effective December 11, 2021.

On December 6, 2021, the PSALM and the NIA entered into a "First MOA" to identify their respective rights and responsibilities concerning the CMPIPP beginning December 11, 2021. Further, under the First MOA, the PSALM and the NIA agreed that PSALM will pursue the privatization of the Power component of the CMPIPP.

Section 5 of the First MOA (Sharing of the Net Revenue and Expenses) also states that PSALM and NIA agree to share all the net Revenue and Expenses, as defined therein,

accruing from the CMPIPP beginning December 11, 2021, following their 60-40 per cent ownership ratio.

On May 16, 2023, the PSALM conducted the bidding of the power component of Casecnan Hydro Electric Power Plant to eight (8) qualified bidders with a minimum bid price of USD227.273 million (approximately P12.800 billion). Fresh River Lakes Corporation (FRLC), who offered the highest bid price amounting to USD526 million (approximately P29.600 billion) won the bidding.

On January 30, 2024, the Philippine Competition Commission (PCC) issued to PSALM, NIA and FRLC a certification dated January 29, 2024, that the Commission cleared the proposed acquisition by FRLC of the Casecnan Hydro Electric Power Plant.

On February 23, 2024, parties issued their respective Closing Deliveries and Conditions precedent under the Asset Purchase Agreement (APA). On the same day, PSALM confirmed the receipt of the purchase price amounting to USD526 million. Subsequently, the Deed of Absolute Sale and Joint Certificate of Turnover was issued.

On February 25, 2024, PSALM and FRLC conducted their final meter reading and physical turnover of the Casecnan Hydro Electric Power Plant from PSALM to FRLC.

#### **44.2. Dormant accounts cleansing**

The Agency has accumulated a number of dormant accounts and inactive accounts for completed projects that have remained inactive for an extended period, despite diligent efforts to reconcile them. These dormant accounts have ceased to contribute to NIA's business operations, affecting the fair presentation of accounts in the financial statements. As a result, the COA regularly issues audit observations recommending NIA to reconcile and close the said accounts.

On August 17, 2023, the COA issued the COA Circular No. 2023-008 providing for the guidelines and procedures on the proper disposition of all dormant accounts not covered by any specific laws, rules, and regulations, amending COA Circular No. 2016-005.

On May 21, 2024, in line with NIA's commitment to comply with the above-mentioned Circular and audit recommendations, the NIA through a letter requested to the COA-Corporate Government Audit Sector, an extension of the deadline for writing off dormant accounts to effectively address the cleansing procedure. The NIA aims to complete the cleansing procedure on or before August 31, 2025, to ensure thorough and accurate compliance with the circular's provisions.



**National Irrigation Administration  
Summary and Status of Outstanding Cases Pending Before the Courts  
As of December 31, 2023**

<b>Date Filed</b>	<b>Case Number and Case Title</b>	<b>Nature/Venue</b>	<b>Handling Lawyer</b>	<b>Status</b>	<b>Date Dismissed / Resolved (If Applicable)</b>	<b>Amount Involved</b>
<b>NIA Central Office - Legal Services</b>						
1. To be filed	NIA vs. William Aquino	Expropriation/ Regional Trial Court (RTC), Tarlac City	Office of the Solicitor General (OSG)	Complaint for Expropriation will be filed	N/A	Pending determination of just compensation
2. To be filed	NIA vs. F.Q. Bocobo Realty & Management Services, Incorporated and F.Q.B. + 7 Incorporated	-do-	-do-	-do-	N/A	-do-
3. 01/13/2024	Civil Case No. U-12043 Test Consultants, Inc. vs. NIA represented by Engr. Eduardo G. Guillen, Administrator, Engr. Danilo V. Gomez, Acting Regional Manager of NIA Region 1 (Ilocos Region), and Head of Procuring Entity (HOPE), Government Procurement Policy Board (GPPB) represented by Atty. Rowena Candice M. Ruiz, Executive Director V	RTC Branch 47, Urdaneta City/ Injunction and Damages with Prayer for Issuance of a Temporary Restraining Order (TRO)	Atty. Lloyd Allain A. Cudal and Atty. Marianne V.de la Cruz	Hearing on the TRO	N/A	P300,0000.00 (actual damages as attorney's fees and cost of the suit)
4. 6/29/2023	NIA vs. Spouses Romy G. Natividad and Gina C. Natividad, and Spouses Nestor G. Natividad and Beth A. Natividad, represented by their Attorney- In-Fact, Efren G. Natividad	Expropriation/RTC, Tarlac City	OSG	Joint Motion to Approve Compromise Agreement and Render Judgment based on Compromise Agreement will be filed	N/A	Pending determination of just compensation
5. 4/14/2023	Civil Case No. 2429-43; BC Cuerpo Construction Corporation vs. NIA represented by its Project Manager and Malitubog - Maridagao Irrigation Project Stage II	Nullification of Blacklisting Order (BO) and Release from contractual obligation with Prayer for issuance of Writ of Preliminary Mandatory Injunction and TRO/ RTC, Branch 43, Koronadal City	Atty. Lloyd Allain A. Cudal and Atty. Norlainie C. Omar	For Pre -Trial	N/A	P11,280,934

## Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
6. 2/3/2023	Civil Case No.23A-1301 Remedios Nery Avila, Jose P. Nery, representing Heirs of Agapito B. Nery, Lourdes Isabela A. Esguerra, representing Heirs of Edmundo P. Nery, Moises N. Lukban, representing Heirs of Manuela Nery Lukban and Heirs of Miguel N. Lukban, all represented by their AIF Maribeth B. Alzate vs. NIA represented by its Administrator	Recovery of Possession/ Municipal Trial Court (MTC), Labo Camarines Norte	Atty. Bjorn M. Madrid, Atty. Mary Annabelle F. Cruz-Domingo and Atty. Karen N. Alferez	- Case is DISMISSED for lack of cause of action and prescription  - Plaintiff filed their Motion for Reconsideration  - Defendant filed the Manifestation and Opposition to the Motion for Reconsideration of the Plaintiff being a prohibited pleading under the New Rules on Civil Procedure  - MTC denied the Motion for Reconsideration filed by the Plaintiff for a prohibited pleading	06/02/2023  06/15/2023  06/26/2023	
7. 10/6/2022	Construction Industry Arbitration Commission (CIAC) Case No. 65-2022 ITP/GHCB vs. NIA	Specific Performance with Damages/ CIAC, Makati City	OSG	CIAC rendered its Final Award dated November 28, 2023	11/28/2023	Award to ITP - P134,767,814 Award to NIA - P359,679,535
8. 4/13/2022	CA-G.R. SP No. 172979 Power Sector Assets and Liabilities Management (PSALM) Corporation and NIA vs. National Commission on Indigenous People (NCIP), Rosario K. Camma, Anabel L. Flores, Frederick T. Barcelo, Marnie L. Camingan, John Does and Jane Does	Petition for Certiorari under Rule 65 of the Rules of Court with Prayer for Issuance of Writ of Preliminary Mandatory and Prohibitory Injunction and or/ TRO/Court of Appeals Manila, 14 <sup>th</sup> Division	Office of the Government Corporate Counsel (OGCC)	- NCIP, thru OSG, also filed their Comment / Opposition  - Submitted for Resolution of the Court of Appeals	N/A	
9. 1/26/2022	O.P Case No.21 - L-272 A.M Oreta & Company, Inc. vs. NIA	Appeal to the Notice of Decision for the Termination of Contract No. R3-BBMPID-C-2R under Balog-Balog Multipurpose Project-Phase III including Blacklisting Order No. 5 contained in the Decision and the Letter-Order dated December 13, 2021 denying the Motion for Reconsideration of the Decision	Atty. Lloyd Allain Cudal	- NIA filed Comment/ Opposition (to Appellant's Motion for Reconsideration)  - Resolution on Appellant's Motion for Reconsideration		Contract Amount: P897,111,000

# Exhibit 1

Date Filed		Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
10.	12/29/2021	Civil Case No. 754 NIA vs. National Power Corporation (NPC), SNAP-M, Dumaguing, et al.	Ejectment with damages / 14th Metropolitan Circuit Trial Court (MCTC) Ramon-San Isidro, Isabela / RTC Branch 36, Santiago City	Atty. Lloyd Allain Cudal and Atty. Nastassja Nicole J. Flores	Filed Appeal Memorandum with the RTC	N/A	P1,710,000 accumulated reasonable monthly rentals plus damages
11.	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-
12.	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-
13.	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-
14.	11/4/2021	Civil Case No.1480 The Bugkalot Tribe and Calenergy vs. NIA	For damages / RTC, Branch 30, Bambang, Nueva Vizcaya	-do-	Dismissed without prejudice to its refiling due to lack of jurisdiction over the subject matter and non-payment of docket fees	N/A	P12,632,610,087 incidental, actual and consequential damages exclusive of fiscal years 2018 to 2021 and other extraneous legal expenses to protect Plaintiff's rights
15.	7/19/2021	CIAC Case No. 26- 2021 Green Asia Construction and Development Corporation vs. NIA  CA-G.R. SP No. 173140 The NIA vs. Green Asia Construction Development Corporation and CIAC	CIAC, Makati City	Atty. Mary Annabelle F. Cruz-Domingo / Atty. June J. Barioga  Atty. Pepito L. Padilla, Atty. Rizza A. Ibañez, Atty. Mary Annabelle F. Cruz-Domingo, Atty. Bjorn M. Madrid, Atty. Nastassja Nicole J. Flores, Atty. June J. Barioga, CPA	- Court of Appeals issued Resolution dated June 20, 2023 requiring respondents Green Asia Construction and CIAC to show cause why the instant petition should not be deemed submitted for decision with the Comment for failure to file the same within the reglementary period and to submit the Comment both within ten days from notice  - Respondent Green Asia Construction filed its Comment/	2/24/2022	P296,930,314  Award to Green Asia Construction and 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	
				Compliance to Resolution dated June 20, 2023			
				- Court of Appeals issued Resolution dated July 27, 2023 wherein the Comments of Private Respondent Green Asia Construction is noted and giving petitioner NIA a fresh period of five days to file a Reply			
				- NIA filed its Reply (to Private Respondent's Comment/ Compliance)			
				- Court of Appeals issued Resolution dated October 13, 2023 considering the Petition submitted for decision taking into account that the Reply to Comment has already been filed			
16.	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 Respondent Juvy Ponce's witness	N/A	P150,000 as damages plus attorney's fees/cost of suit
17.	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 TRO and/or Writ of Preliminary Injunction/ RTC, Branch 216, Quezon City	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 filed by EML Construction  - EML Construction filed a Petition for	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
				<p>Certiorari with the Court of Appeals</p> <p>- The Court of Appeals ordered the parties to file their respective Memorandum</p> <p>- On June 14, 2022, the Consortium filed a Motion for Reconsideration to the Resolution of the RTC dated May 24, 2022. The RTC, however, denied the same in the Order dated June 29, 2022. Not contented, the Consortium filed a Notice of Appeal dated July 14, 2022 in order to elevate the case to the Honorable Court of Appeals for review. On Appeal, the Counsel for EML withdraw their appearance and representation on the ground of non-payment of legal fees</p> <p>- Currently, the Appeal of EML is being resolved after both Parties were required to submit their respective Memoranda.</p>		
18. 2/19/2021	Case No.21-B-065 Premium Megastructures, Inc. (PMI) vs. NIA Office of the President (OP)	Appeal to the Contract Termination and BO against PMI (OP)	Atty. Bjorn M. Madrid	<p>- Appeal filed by PMI is granted. The Resolution dated January 14, 2021 and BO No. 3 dated January 28, 2021 of NIA is hereby revoked and set aside. NIA filed a Motion for Reconsideration.</p> <p>- On July 5, 2023, NIA submitted its Comment stating that PMI submitted a</p>	12/24/2021	Contract Amount: P273,508,917

# Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				subsequent Manifestation that it entered a contract closure with NIA which practically effected a mutual termination of the Contract, to which NIA affirm contending for the completion of the project by re-procurement. NIA likewise asked the OP to resolve the Motion for Reconsideration while suggesting (without being obvious) the instant case is already moot.		
19. 2/19/2021	Case No. 21-B-066 MAC Builders vs. NIA O.P	Appeal-Contract Termination and BO against MAC Builders - OP	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 BO No. 1 dated January 28, 2021 is hereby pro hac vice reversed and set aside  - NIA filed a Motion for Partial Reconsideration  - Parties wait for the resolution of their respective Motions for NIA filed Motion for partial Reconsideration	12/24/2021	Contract Amount: P730,945,072
20. November 2020	DENR-EMB R2 N-EIA-K-2020-10 Notice of Violation (NOV) of ECC Conditions No. (9501-012-12C)	NOV 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		N/A
21. October 2020	Civil Case No.1152-2021 NIA vs. Spouses Henry and Gemma Dinong and Ludivico Dinong	Expropriation / RTC Branch 64, Tarlac City	OSG	The Complaint was ordered by the RTC be withdrawn as parties pushed	The Complaint was ordered by the RTC be withdrawn	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
				through with the negotiated sale		
22. 9/28/2020	Civil Case No. 280-20 Erundino M. Cajucom 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	Dismissed	04/23/2021	
23. December 2019	National Water Resources Board (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. / NWRB	Atty. Rizza A. Ibañez	Submitted for Resolution		N/A
24. 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-	-do-		N/A
25. 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
26. 7/3/2018	Spl. Civil Action No. 5264-18; NIA vs. Vigilio 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
27. 6/22/2018	Civil Case No. 18- 07044 NIA vs. New Kanlaon Construction, Inc. (NKCI)	Ejectment through Breach of Contract and Damages; RTC, Br. 217, Quezon City	-do-	- The Court issued Decision dated August 5, 2022 ordering NKCI to vacate and immediately surrender the peaceful possession of NIA's lot and pay the reasonable compensation for the use of said property, attorney's fees and cost of suit  - NIA, through the court sheriff, issue Notice to Vacate to defendant NKCI and		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 occupants in the premises. NIA and the sheriff are waiting for the certification from the Presidential Commission on Urban Poor so it can initiate the execution proceeding with the assistance of the police and barangay officials		
28. 1/4/2024	Civil Case No. R- QZN-24-0079-CV, NKCI vs. Hon. Sheena Marie R. Abella-Davis, in her capacity as the Presiding Judge of MTC of Quezon City, Branch 37 and NIA	Petition for Certiorari with Prayer for Issuances of TRO/ RTC, Branch 83, Quezon City	Atty. Bjorn M. Madrid	On the Manifestation by the OGCC that the Petition is defective and that petitioner engaged in forum shopping, parties were given five (5) days to submit position papers, whether to give due course or to outrightly dismiss the petition. The Court will immediately resolve the issue with or without the submission of the parties		
29. 4/6/2018	Civil Case No. R-QZN-18-03716-CV; NKCI vs. NIA	Specific Performance and Injunction with Prayer for the Issuance of TRO and/or Writ of Preliminary Injunction; RTC, Branch 217, Quezon City	-do-	<p>- The Court issued Order dated August 8, 2019 granting NKCI's Manifestation and Motion to maintain Status Quo by suspending the proceedings of the ejectment case (Civil Case No.18-0744-SC)</p> <p>- NIA filed a Motion for Reconsideration</p> <p>- The Court of Appeals granted the Petition for Certiorari filed by NIA and directed the lower court to proceed with the hearing of the ejectment case</p>	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
				- Pre-Trial on the case ensued with the case finding no genuine issue, the court submitted the case to summary proceedings		
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. Ibañez	Directed by the Court to execute Compromise Agreement		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	-do-	Pending hearing on Commissioner's Report		Pending determination of just compensation
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 RTC, Sta. Cruz, Laguna		P200,000
33. 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
34. 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; MTC, Talavera, Nueva Ecija	Atty. Bjorn M. Madrid	Trial Court concluded the case with the decision of acquittal of the accused		N/A
35. 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	OGCC	- Filed a Motion to Implead PSALM as Indispensable Party  - Said Motion is submitted for Resolution		
36. 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) by the plaintiff	Dismissed	P2.000 million as compensation; P50,000 as attorney's fees; P50,000 as moral damages; P150,000 as temperate damages; and

# Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
						P250,000 as exemplary damages
37. 12/12/2012	Civil Case No. 1797 Sps. Besario vs. NIA, et al.	Damages / RTC, Branch 62, Bago City	Atty. Rizza A. Ibañez, Atty. Nastassja Nicole J. Flores, and Atty. Joseph Adrian L. Toquero	Trial (Presentation of Defendant's witnesses)		P100,000 as temperate damages; P100,000 as moral and exemplary damages; P70,000 as Attorney's fees and litigation expenses; P2.500 million damages
38. 10/18/2012	Civil Case No. 254-17 NIA vs. Municipal 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 Appeal before the Court of Appeals		P16,409,661, representing the May 4, 2009 and December 8, 2009 Notices of Assessment and the 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
39. 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	-do-	Submitted for resolution based on Demurrer to Evidence		- P100,000 as actual damages; - P100,000 as moral damages; and - P25,000 as exemplary damages
40. 12/23/2009	Civil Case No. 312; NIA vs. G. Bagaoisan and S. Purificacion	Collection of Sum of Money; MTC, Branch 2, Calamaniugan, Cagayan	-do-	Submitted for resolution based on Demurrer to Evidence		P187,838 representing the irrigation service fees from 1987 to 2009
<b>Region I - Legal Services</b>						
41. 05/09/2023	Special Civil Case No. A-3167	Petition for Certiorari under Rule 65/ Agoo, La Union RTC	Deputized through OGCC written Authority/	Submitted for Decision of the Court	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
	Dynamic BM Construction through its owner/ proprietor Roselyn M. Bañez vs. Engr. Danilo V. Gomez, acting in his official capacity as the HOPE and the Bids and Awards Committee (BAC) headed by Chairperson Rhea M. Santiago of the NIA, La Union Irrigation Management Office (NIA-LUIMO)		Deputization dated June 14, 2023: Atty. Pepito L. Padilla; Atty. Rizza A. Ibanez; Atty. Bjorn M. Madrid; Atty. Lloyd Allain A. Cudal; Atty. Mary Annabelle F. Cruz-Domingo; Atty. Nastassja Nicole J. Flores; Atty. Joseph Adrian L. Toquero; and Atty. Marianne V. De la Cruz			
<b>Upper Pampanga River Integrated Irrigation System (UPRIIS)</b>						
42. 9/6/2018	Civil Case No. 2018-793-SJC; NIA vs. H. Santos <i>"For Observance of Easements, Injunction with Preliminary and Permanent Injunction and Damages"</i>	Civil Case; RTC 39 San Jose City, Nueva Ecija	Atty. June J. Barioga, CPA (NIA-UPRIIS)  Atty. Nastassja Nicole J. Flores (NIA-Central Office [CO])	On-Going – waiting for resolution of Motion for Reconsideration	N/A	N/A
43. 6/22/2021	CA-G.R. SP No. 173140; Green Asia Construction and Development Corporation vs. NIA	Civil Case- Court of Appeals -Manila City	Atty. June J. Barioga, CPA- Attorney IV, NIA-UPRIIS; Atty. Lloyd Allan A. Cudal; Atty. Nastassja Nicole J. Flores; Atty. Bjorn Madrid; Atty. Pepito L. Padilla- Department Manager, NIA-CO  All Attorneys of Legal Services, NIA-CO	Motion for Reconsideration granted	N/A	P205,958,120
44. 4/25/2022	Civil Case No. 8833-AF; Idelpidio V. Castañeda vs. NIA and Department of Budget Management (DBM)	Civil Case – RTC Branch 23 - Cabanatuan City	Atty. June J. Barioga, CPA- Attorney IV, NIA-UPRIIS; Atty. Pepito L. Padilla- Department Manager, NIA-CO	On-Going Presentation of evidence of the plaintiff	N/A	P39,493,200

# Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
			All Attorneys of Legal Services, NIA-CO			
45. 4/27/2023	Special Civil Action No. 2023-1024-L NIA vs. Atty. Jose T. Jacalan et al., "For Expropriation"	Expropriation Case- RTC Branch 38, San Jose City	Atty. June J. Barioga, CPA- Attorney IV, NIA - UPRIIS; and All Attorneys of Legal Services, NIA-CO	Ongoing-submission of Compromise Agreement	For of N/A	P1,939,401
<b>NIA – Magat River Integrated Irrigation System (MARIIS)</b>						
46. 6/13/1991	Civil Case No. 36-0910 (Collection of unpaid irrigation fee)	RTC, Branch 36 - Santiago City - 2 <sup>nd</sup> Judicial Region	OSG (Atty. Julie Rose Castañeda, pending clarity on deputation)	Ongoing resolution of the case		
47. 12/29/2021	Civil Case No. 751 (For ejectment with damage); NIA vs. NPC, SNAP-M, Inc. and H. Bacani	MCTC Ramon- San Isidro, Isabela	Atty. Nastassja Nicole J. Flores; Atty. Lloyd Allain A. Cudal	Ongoing Appeal		
48. 12/29/2021	Civil Case No. 752 (For ejectment with damage); NIA vs. NPC, SNAP-M, Inc. and M. V. Pinera	-do-	-do-	Ongoing Appeal		
49. 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 Appeal		
50. 12/29/2021	Civil Case No. 754 (For ejectment with damage); NIA vs. NPC, SNAP-M, Inc. and Manuel F. Dumaguing	MCTC Ramon- San Isidro, Isabela	-do-	Ongoing Appeal		
51. 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		
<b>Regional IV -A CALABARZON</b>						
52. 12/20/2020	Land Registration Case (LRC) No. NC- 1166-931; Petition for Reconstitution of Original Certificate of Title (OCT) Nos. 0-3062 and 0-3871 of the Office of	Petition for Reconstitution for Title; RTC, Branch 15, Naic, Cavite	Atty. Jill B. Manangkil	Petitioner submitted amended petition as compliance to the court order dated September 27, 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
	the Registry of Deeds for Province of Cavite and Issuance of their Corresponding Duplicate Certificates					
53. March 2020	Opposition to Lumbo Spring Bulk Water Supply Project	Office of the Provincial Governor of Quezon Province	-do-	Data gathered showing the subject project would not affect any NIA system was submitted to Central Office for recommendation	N/A	N/A
54. 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 <sup>th</sup> 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
55. 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 Transfer; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A
56. 3/18/2021	NWRB Case No. 2021-052; Petition for Change of Name from Blaine Corporation to Refamed Research Laboratory Corporation	Petition for Change of Name NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution	N/A	N/A
57. 5/3/2021	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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution. Report from concerned Irrigation Management Office (IMO) verifies that no NIA System/Project will be affected	N/A	N/A
58. 5/21/2021	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	Petition to Increase Approved Flow; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Submitted for resolution. Report from concerned IMO verified that no NIA System/Project will be affected.	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
59. 8/3/2021	NWRB Case Nos. 2021-141, 2021-143, 2021-143, 2021-144; In the Matter of the Petition to Increase Allowable Water Discharge under Water Permit Nos. 23082, 23083, 23084 and 24373 issued to Tatala Multi-purpose Cooperative	Petition to Increase Allowable Water Discharge; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
60. 8/15/2021	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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Petition Granted	4/5/2022	N/A
61. 2/11/2022 2/14/2022	NWRB Case Nos. 2022-019; 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A
62. 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
63. 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	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A
64. 2/14/2022	NWRB Case Nos. 2022-035; In the Matter of the Petition for Increase under Water Permit No. 17463	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Petition Denied	08/10/2022	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 Provincial Government of Laguna					
65. 2/14/2022	NWRB Case Nos. 2022-038, 2022-039, 2022-040, 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	-do-	-do-	Submitted for resolution. Report from concerned IMO verified that no NIA system /project will be affected.	N/A	N/A
66. 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	-do-	-do-	Petition Denied. Report from concerned IMO verified that no NIA system/project will be affected	9/13/2022	N/A
67. 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-	Petition Denied	8/10/2022	N/A
68. 3/1/2022	NWRB Case No. 2022-059, 2022-060; In the Matter of the Petition for Transfer of Water Permit No.16778 from Moldex Realty Inc. to Laguna AAA Water Corporation and for increase of discharge granted under same water permit	Petition for Transfer; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	NWRB Case No. 2022-060 was Denied	8/10/2022	N/A
69. 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 Carmelray Industrial Corporation	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Petition for Increase was Denied	09/07/2022	N/A
70. 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	Petition for Change of Purpose; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill Manangkil B.	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
	Carmelray Industrial Corporation					
71. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for resolution. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A
72. 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.	-do-	-do-	-do-	N/A	N/A
73. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
74. 4/8/2022	NWRB Case No. 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
75. 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.	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Submitted for resolution. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A



**Exhibit 1**

<b>Date Filed</b>	<b>Case Number and Case Title</b>	<b>Nature/Venue</b>	<b>Handling Lawyer</b>	<b>Status</b>	<b>Date Dismissed / Resolved (If Applicable)</b>	<b>Amount Involved</b>
76. 4/8/2022	NWRB Case No. 2022-097; In the Matter of the Petition for Transfer of Water Permit No. 16692 issued to Laguna Properties Holdings, Inc.	Petition for Transfer of Water Permit; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
77. 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	-do-	-do-	-do-	N/A	N/A
78. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
79. 6/6/2022	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
80. 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
81. 8/22/2022	NWRB Case No. 2022-171; In the Matter of the Petition for Transfer under Water Permit No. 12813 issued to Carmelray Developers, Inc.	-do-	-do-	-do-	N/A	N/A
82. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Initial hearing set on February 2, 2022. Report from concerned IMO verifies that no NIA system/project will be affected	N/A	N/A
83. 10/5/2022	NWRB Case No. 2022-339; In the Matter of the Petition for Increase of	-do-	-do-	Initial hearing set on February 21, 2022. Report from	N/A	N/A

**Exhibit 1**

<b>Date Filed</b>	<b>Case Number and Case Title</b>	<b>Nature/Venue</b>	<b>Handling Lawyer</b>	<b>Status</b>	<b>Date Dismissed / Resolved (If Applicable)</b>	<b>Amount Involved</b>
	Volume of Water Discharge under Water Permit No. 14908 from 4012 LPS to 17.00 LPs			concerned IMO verified that no NIA system/project will be affected.		
84. 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-	-do-	-do-	N/A	N/A
85. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for Resolution. Report from concerned IMO verified that no NIA system/project will be affected	N/A	N/A
86. 6/24/2022	NWRB Case No. 2022-188; In the Matter of the Petition for Transfer of Water Permit No. 16903 from NPC c/o Kepco Ilijan Corp. to South Premiere Power Corp.	Petition for Transfer of Water Permit; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
87. 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 Cooperatives	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
88. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
89. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Initial hearing set on January 25, 2022. Report from concerned IMO verified that no NIA	N/A	N/A

**Exhibit 1**

<b>Date Filed</b>	<b>Case Number and Case Title</b>	<b>Nature/Venue</b>	<b>Handling Lawyer</b>	<b>Status</b>	<b>Date Dismissed / Resolved (If Applicable)</b>	<b>Amount Involved</b>
	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			system/project will be affected.		
90. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Submitted for Resolution. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A
91. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Report from concerned IMO verified that no NIA system/project will be affected. NIA interposed no objection	N/A	N/A
92. 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. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A
93. 8/4/2022	NWRB Case No. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
94. 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	Petition for Change of Name; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Submitted for Resolution. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A
95. 8/9/2022	NWRB Case Nos. 2022-243 and 2022-244; In the	-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
	matter of the Petition for Change of Name from South Luzon Tollway Corp. to SMC SLEX, Inc. under Water Permit No. 024141					
96. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
97. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
98. 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Initial hearing set on January 18, 2022. Report from concerned IMO verified that no NIA system/project will be affected.	N/A	N/A
99. 4/4/2022	Criminal Case No. 2022-623; For violation of Presidential Decree (PD) No. 533 - Reckless Imprudence Resulting in Slight Physical Injuries and Damage to Property	Criminal Case; Branch 54, RTC, Lucena City, Quezon Province	-do-	Case dismissed against NIA employees	N/A	P204,866
100. 9/11/2022	NWRB Case Nos. 2022-370 and 2022-371; In the Matter of the Petition for Transfer of Water Permit Nos. 025218 & 025219 issued to Florencio R. Chavez, in favor of Weltevreden Corporation	Petition for Transfer of Water Permit; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman Quezon City	Atty. Jill B. Manangkil	Report from concerned IMO verified that no NIA system/project will be affected. NIA interposed no objection	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
101.	2/28/2022	NWRB Case Nos. 2022-252, 2022-253 and 2022-254; In the Matter of the Petition for Change of Name from South Luzon Tollway Corporation to SMC SLEX Inc.: Petition for change of coordinates: and petition for increase from 0.145 LPS to 1.22 LPS under Water Permit No. 024137	Petitions for: Change of Name, Change of Coordinates, and Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
102.	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 Philippine 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 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
103.	2/23/2023	NWRB Case Nos. 2023-018 & 2023-019; In the Matter of the Petition for Transfer from Rhom Electronic Philippines, Inc. to Manila Water Philippines Ventures, Inc. under Water Permit Nos. 15277 and 023520 issued to Rhom Electronic Philippines, Inc.	Petition for Transfer of Water Permit; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Report from concerned IMO verified that no NIA system/project will be affected. NIA interposed no objection	N/A	N/A
104.	11/9/2022	NWRB Case Nos. 2022-370 and 2022-371; In the matter of the Petition for Transfer of Water Permit Nos. 025218 and 025219 issued to Florencio R. Chavez in favor of Weltevreden Corporation	-do-	-do-	-do-	N/A	N/A
105.	3/21/2023	NWRB Case No. 2023-024; In the Matter of the Petition for Transfer of Water Permit No. 024253 from San Ruiz Builders and Developers Group, Inc. to Olympia Violago Water and Power, Inc.	Petition for Transfer of Water Permit; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Report from concerned IMO verified that no NIA system/project will be affected. NIA interposed no objection	N/A	N/A
106.	2/21/2023	NWRB Case No. 2023-014; In the Matter of the Petition for Increase of Water Volume Discharge	-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
	from 2.40 LPS to 15 LPS under Water Permit No. 021110 issued to Wawa Libis Multi-Purpose Cooperative					
107. 3/31/2023	NWRB Case No. 2023-036; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 21004 from 6.40 LPS to 11.62 LPS issued to Laguna AAA Water Corporation	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman Quezon City	-do-	-do-	N/A	N/A
108. 3/31/2023	NWRB Case No. 2023-037; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 47.00LPS issued to Laguna AAA Water Corporation	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman Quezon City	-do-	-do-	N/A	N/A
109. 3/31/2023	NWRB Case No. 2023-038; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 16691 from 8.08 to 31.07 LPS issued to Laguna AAA Water Corporation	-do-	-do-	-do-	N/A	N/A
110. 3/31/2023	NWRB Case. No. 2023-039; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 25930 from 10.00 LPS to 34.72 LPS issued to Laguna AAA Water Corporation	-do-	-do-	-do-	N/A	N/A
111. 3/31/2023	Request for comment for NWRB Case No. 2023-040; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 25940 from 23.54 LPS to 46.30 LPS issued to Laguna AAA Water Corporation	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman Quezon City	Atty. Jill B. Manangkil	Report from concerned IMO verified that no NIA system/project will be affected. NIA interposed no objection	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
112.	3/31/2023	NWRB Case No. 2023-041; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 25927 from 4.00 LPS to 28.97 LPS issued to Laguna AAA Water Corporation	-do-	-do-	-do-	N/A	N/A
113.	3/31/2023	NWRB Case No. 2023-043; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 25705 from 34.80 LPS to 57.87 LPS issued to Laguna AAA Water Corporation	-do-	-do-	-do-	N/A	N/A
114.	3/31/2023	NWRB Case No. 2023-042; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 23123 from 18 LPS to 25.58 LPS issued to Laguna AAA Water Corporation	-do-	-do-	-do-	N/A	N/A
115.	4/28/2023	NWRB Case No. 2023-054; In the Matter of the Petition for Increase of Water Volume Discharge under Water Permit No. 026178 from 9.68 LPS to 80 LPS	-do-	-do-	-do-	N/A	N/A
116.	5/25/2023	NWRB Case No. 2023-080; In the Matter of the Petition for Increase of Water Volume Discharge from 5 LPS to 25 LPS under Water Permit No. 12035 issued to Agoncillo Water District	-do-	-do-	-do-	N/A	N/A
117.	6/20/2023	NWRB Case No. 2023-113; In the Matter of the Petition for Increase of Water Volume Discharge from 2 LPS to 30 LPS under Water Permit No. 026077 issued to Laguna Bay Water Inc.-Victoria, Laguna Branch	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman Quezon City	Atty. Jill B. Manangkil	Report from concerned IMO verified that no NIA system/project will be affected. NIA interposed no objection	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
118. 5/27/2022	Civil Case No. MeTC-M-7461-CV; Spouses Michael H. Binaday and Arabelle C. Binaday vs. Spouses Marcelo B. Nuñez, Flora M. Nuñez and Melchor M. Nuñez	Civil Case MTC Branch 110, Muntinlupa City	-do-	Complaint in intervention denied. NIA was recommended by the Court to file its own complaint against the Nunez as the intervention will cause delay to the original action involving only 1.32 sq.m. encroachment	9/7/2023	N/A
119. 8/10/2023	NWRB Case No. 2023-144; In the Matter of the Petition for Change of Name of Permittee under Water Permit No. 025916 from Carmelray JTCI Corporation to Carmelray 2 Incorporated	Petition for Change of Name; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	Report from concerned IMO verified that no NIA system/project will be affected.  NIA interposed no objection	N/A	N/A
120. 8/29/2023	NWRB Case No. 2023-151; In the Matter of the Petition for Transfer of Water Permit No. 024507 issued to Repower Energy Development Corporation in favor of BEHMC Lower Labayat Hydropower Corporation	-do-	-do-	-do-	N/A	N/A
121. 9/8/2023	NWRB Case No. 2023-155; In the Matter of the Petition for Increase of Volume of Water from 5.36 LPS to 15.40 LPS under Transfer Water Permit No. 08-22-320-026225 issued to AP Renewables, Inc.	-do-	-do-	-do-	N/A	N/A
122. 9/8/2023	NWRB Case No. 2023-156; In the Matter of Petition for Increase of Volume of Water from 0.333 LPS to 1.45 LPS under Transfer Water Permit No. 08-22-321-026226 issued to AP Renewables, Inc.	-do-	-do-	-do-	N/A	N/A
123. 9/8/2023	NWRB Case No. 2023-157; In the Matter of Petition for Increase of Volume of Water from 0.023 LPS to 2.22 LPS under Transfer Water Permit No. 01-23-342-026412 issued to AP Renewables, Inc.	Water Permit Increase Application; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	Atty. Jill B. Manangkil	Report from concerned IMO verified that no NIA system/project will be affected. NIA interposed no objection	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
124. 9/8/2023	NWRB Case No. 2023-173; In the Matter of the Petition for Change of Purpose from Industrial to Bulk Water Supply under Water Permit No. 026036 issued to Science Park of the Philippines, Inc.	Petition for Change of Purpose; NWRB 8 <sup>th</sup> Floor, NIA Building, EDSA, Diliman, Quezon City	-do-	-do-	N/A	N/A
<b>Region V – Legal Services</b>						
125. 1/3/2023	Civil Case No. 23A-1301 Remedios Avila et al. vs. NIA	Recovery of Possession/MTC of Labo	Atty. Rizza A. Ibañez; Atty. Bjorn M. Madrid; Atty. Mary Annabelle F. Cruz-Domingo; Atty. Nastassja Nicole J. Flores; and Atty. Karen N. Alferez	Motion for Reconsideration of Plaintiff was denied by the Court	8/16/2023	P3,095,400 (market value) P247,630 (assessed Value)
<b>Region VI - Legal Services</b>						
126. 5/21/2014	Civil Case No. 14-32265; Estate of the Deceased Spouses Juan Sale, Jr. and Maria Cleopas Sampani Sale, Represented by their Administrator Raymundo S. Gabarra vs. NIA Region VI	Just compensation/ RTC Branch 26, Iloilo City	Atty. Michael Margarico / Atty. Red Gabriel Convocar	Clarificatory hearing set by the judge on February 28, 2024		
127. 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	Case is submitted for Resolution	N/A	N/A
128. 9/13/2017	WPA No. VI-ILO-2017-07-153; NIA Region VI vs. South Balibago Inc. Passi Branch	-do-	-do-	-do-	N/A	N/A
129. 1/22/2020	NWRB Case No. 2019-391; In the Matter of the 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	Atty. Red Gabriel Convocar	- Case submitted for Resolution  - AGSIRAB filed a Manifestation for Early Resolution last November 10, 2023		
130. 3/2/2021	Petition for Amendment and Alteration of Transfer Certificate of Title (TCT) No. 090-2019008033	Petition for Amendment and Alteration of TCT / RTC Branch 39, Iloilo City	-do-	- NIA interposed no comment/objection due to the Abandoned Status of the Canal and Lack of Service Area	Dismissed 06/21/2021	

# Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	Giselle Valderrama, et al. vs. NIA, Bureau of Internal Revenue, Region VI, Registry of Deeds of the Province of Iloilo/ Cadastral (CAD) Case No. 21-2203			- The Court Ruled in Favor of Petitioners and Ordered the cancellation of the Memorandum of Encumbrance and Usufruct in the Title		
131. 5/19/2021	Environmental Management Bureau (EMB) Case No. 2020-21-1156; In the Matter of Violation of PD No. 1586 and Its Implementing Rules and Regulations	Notice of Violation / EMB	-do-	- Respondent NIA liable for penalty of 200,000.00  - NIA filed its Motion for Reconsideration.  - Submitted for Resolution		P200,000
132. 5/20/2021	Civil Case No. 21-34912; Land Heights Development Corporation vs. Belen Ronco, et al. and NIA	Quieting of Title. Recovery of Possession, Damages/RTC Branch 22, Iloilo City	-do-	Case dismissed against NIA. The NIA is not necessary party in this case	Dismissed 4/14/2022	
133. 5/8/2023	Special Civil Action No. 23-0725; NIA vs. Salvador Rojas  Special Civil Action No. 23-0726; NIA vs. Hilario Rojas  Special Civil Action No. 23-0727; NIA vs. Kim Noel Rojas	Expropriation / RTC Jordan, Guimaras	-do-	- Writs of possession for all three (3) cases were issued by the Court  - Pre-trial set on April 2, 2024		
134. 5/15/2023	NWRB Case No. 2023-090; NIA Region VI vs. South Balibago Resources, Inc.	In the Matter of the Petition for Increase of Volume Discharge under Water Permit No. 022973 docketed as NWRB Case No. 2023-008	-do-	- Both Parties Submitted their Respective Position Papers  - Case Submitted for Resolution		
<b>Regional VII – Legal Services</b>						
135. 10/23/2018	Special Civil Case No. SCC-BAR-060; Expropriation NIA vs. Heirs of Sps. Florentino Villaflo	RTC Branch 60, Barili Cebu	Atty. Bjorn Madrid; and Atty. Revneil Jane Fabiosa	- The Court required both Plaintiff and Defendant to nominate three (3) persons to be appointed as Commissioners to which Plaintiff has already complied  - Next hearing is on February 28, 2024		P4,961 (Court deposit)

## Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
136. 7/26/2023	Special Civil Case No. 70; Expropriation NIA vs. Cirilo M. Lomod	RTC Branch 51, Carmen, Bohol	Atty. Revneil Jane Fabiosa	- With Writ of Possession ordered on August 1, 2023 which was then Implemented on August 9, 2023  - Set Pre-trial on January 19, 2024		P89,845 (court deposit)
137. 11/20/2023	Special Civil Case No. 72; Expropriation NIA vs. Heirs of Apolonio Lomod	RTC Branch 51, Carmen, Bohol	-do-	- With Writ of Possession ordered on November 24, 2023 which was then implemented on November 28, 2023 and with the Return of Writ of Possession on December 14, 2023  - Summons was served on December 13, 2023 and was returned on December 14, 2023		P217,880 (court deposit)
138. 9/28/2022	Criminal Case No. 26368; Robbery with Violence Against or Intimidation of Person	RTC Branch 1, Tagbilaran, Bohol	Prosecutor Glena Rose Alejado -Lim	- Scheduled for next hearing on January 3, 2023		
139. 9/28/2022	Criminal Case No. 7734-23; Malicious Mischief	MCTC Branch 6, Ubay, Bohol	PSSG Randy Tuyor	For amicable settlement		
<b>Region VIII - Legal Services</b>						
140. 8/11/2017	Civil Case No. R-2017-210 For Recovery of Property, Quieting of Title, and Damages  Manalog - Badiangon Tahusan and Sto. Niño 1 (MABATAS) Irrigators Association, Inc. vs. Heirs of Vitaliano Calacar	Appealed Case  RTC Branch 26, San Juan, 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-going.  - On July 17, 2023, the Honorable Court issued an Order denying the Motion for Consideration filed by the Defendant - Appellant for lack of merit. The defense of the latter for indefeasibility of title is misplaced because their certificate of title was not ordered annulled  - The Court finds no substantial matter which warrant the modifications of the	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
				Decision dated November 14, 2022		
				- Per last update by MABATAS IA, the Defendants- Appellants elevated their case to the Court of Appeals, no notice was sent to the counsel		
141. 10/11/2012	Civil Case No. R-ORM-1200119-CV For: Payment of Just Compensation-  Sofronio S. Chu vs. NIA	RTC, Branch 35 Ormoc City	-do-	On-going.	N/A	N/A
				NIA RO No. VIII filed an Amended Formal Offer of Documentary Exhibits in Compliance with the Order of the Court dated March 30, 2022, directing NIA to reconcile the discrepancy of the markings from the exhibits by amending its formal offer of exhibits. Thereafter, the Honorable Court admitted into evidence the Exhibits preferred in its Order dated July 6, 2022. The said case has now been submitted for Decision.		
142. 3/30/2017	Civil Case No. B-17-03-02; Payment of Just Compensation and Damages  Heirs of Amonia Barte, Represented by Cherry P. Notarte vs. NIA RO No. VIII and Mahayag Farmers and Irrigators Association (MAFIA)	RTC, Branch 14 Baybay City	-do-	Dismissed.	8/16/2022	
				The Joint Manifestation filed by the Defendant, NIA, 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		
143. 2018	Civil Case No. R-TAC-1800325-CV; Injunction and Recovery of Possession of Real	RTC, Branch 43, Tacloban City	Atty. Kimberly Grace R. Peque under the Supervision and Control of Atty.	Dismissed.	9/23/2022	N/A
				On September 23, 2022, the Honorable Court decided on the		

# Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
	Properties with Damages; Sixto Chu vs. NIA		Zorayda V. Tejones-Zuñiga of the OSG	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.		
<b>Region IX - Legal Services</b>						
144.	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- Defendant for Expropriation and Damages	Expropriation Case RTC Branch 24 Ipil, Zamboanga Sibugay	Atty. Katherine Grace C. Lumilis, Attorney IV, RO No. IX	Pending in Court. Writ of Possession was issued by the RTC Branch 24 Ipil Zamboanga, Sibugay	P 7,046.50
<b>Region X – Legal Services</b>						
145.	4/20/2021	Civil Case No. 02-21 Leilah Geguillana Pallada and husband, Represented by Jeanette Pallada Alarcon vs. NIA	Recovery of Possession, Ownership of Real Property covered by TCT No. 60178 and Damages – Valencia City, Bukidnon	Atty. Gemini Joy B. Fernandez-Villamil; Atty. Lloyd Allain Cudal; Atty. Nastassja Flores	Judgment rendered based on the Compromise Settlement Agreement. On going implementation of the Agreement by the Parties. Deed of Exchange Executed	2/2/2023 P11,000,000
146.	3/13/2023	Civil Case No. R-CDO-23-00324-CV; Heirs of Nicanor Gayramon, namely: Esther G. Arbuiz, Virginia G. Gallardo, Eleazhar K. Gayramon, Naville J. Gayramon, Aaron J. Gayramon, Ulysses J. Gayramon, Edgar J. Gayramon (deceased), all represented by Mira B. Gayramon, Plaintiffs. vs. NIA Region X, represented by Engr. Leonila E. Tenestrante, Register of Deeds of Misamis Oriental, Defendants	Annulment of Deed of Donation and Title and Damages	Atty. Gemini Joy B. Fernandez-Villamil - Atty. IV, Region X: Counsels from the CO Legal Department	Pre-trial conducted on November 29, 2023. Parties referred to JDR on February 7, 2024	About P40.000 million

# Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
147. 12/5/2022	Water Use Conflict Case No. 2022-398; NIA Oppositor vs. Bukidnon Maladugao Hydropower Corporation, Petitioner	Opposition against NWRB Case No. 2022-292; Request of Petitioner to Increase their Volume under Water Permit No. 25906 from 17,100 to 45,000 liters per second	-do-	Preliminary Conference on July 6, 2023		Cost of Kadingilan project
148. 6/3/2023	Water Use Conflict Case No. 2023-015; NIA Oppositor, vs. Manolo Fortich Water District, Petitioner	Opposition against NWRB Case No. 2023-015 request of Petitioner to Increase their Volume under Water Permit No. 025837 from 151.36 to 500 liters per second	-do-	Waiting for Notice of Preliminary Conference		Cost of Kalinda project
<b>Region XII – Legal Services</b>						
149. 11/21/2016	Special Civil Action No. 1273-B for Expropriation; NIA, represented by its Administrator vs. Alfonso S. Dator, Aurelio M. Suyom, Cristeta S. Arguilles and the Heirs of Myrna S. Magsipoc, Represented by Marilyn M. Barrios	Expropriation Regional Trial Court Branch 26, Surallah Cotabato	Atty. Rizza A. Ibañez Legal Services, NIA- Central Office	A Motion to Approve Proposal of Defendant was submitted to the Court on November 16, 2023 for Resolution	N/A	N/A
150. 8/6/2021	Civil Case No. 128-2021-N. Simplecio Catorce, et al. represented herein by their Attorney-in-fact Eleodoro F. Catorce by virtue of SPA executed on June 2, 2021 vs. The Local NIA, herein represented by its Local Director, Evelyn Obut, The Members of the Board of Directors of the Local National Irrigator's Association	Injunction with Prayer for TRO and / or Preliminary Mandatory Injunction and Damages; RTC Branch 26, Surallah, Cotabato	Atty. Reimann J. Delos Santos	Mediation proceeding between Parties is set on February 20, 2024	N/A	N/A
151. November 2022	Criminal Case No. 97-23 People of the Philippines vs. Mildred Dacalos	Malversation of Public Funds; RTC, Branch 16, Kabacan, Cotabato	Atty. Norlaine C. Omar	A Writ of Execution was Issued by the Court Ordering the Accused to satisfy the Civil Damages due to NIA KABRIS.  The Court Sheriff Submitted Report that the Court shall Proceed with the	10/10/2023	P951,189

# Exhibit 1

Date Filed	Case Number and Case Title	Nature/Venue	Handling Lawyer	Status	Date Dismissed / Resolved (If Applicable)	Amount Involved
				Execution Against the Personal and Real Properties of the Accused, Mildred Dacalos		
<b>Region XIII - Legal Services</b>						
152. 4/26/2002	Special Civil Case No. 1074, NIA vs. Missionary Sisters of Mary Inc. and Guillermo Jalique, Jr.	Expropriation Case Republic of the Philippines (ROP), RTC 10 <sup>th</sup> Judicial Region Branch 3, Hall of Justice, Libertad, Butuan City	Atty. Ma. Louella A. Mendoza-Yu-	On-going case (Appealed). With Court Decision dated December 12, 2013. The Case was Filed at the Court of Appeals		Just Compensation P3,190,039 with Running Legal Interest (6 per cent per Annum) P4,341,345 until fully paid
153. 5/4/2004	Civil Case No. 5463 ROP represented by NIA vs. Theodoro S. Vesagas, et al.	Expropriation Case ROP RTC 10 <sup>th</sup> Judicial Region Branch 2, Hall of Justice, Libertad, Butuan City	Atty. Dexter G. Matias- State Solicitor	On-going. Case (Appealed). An Appeal against the August 22, 2023 Judgment was Filed for the Ampayon properties in October 2023, due to the Large Discrepancy between the Awarded Just compensation and valuation of the subject properties.		Just Compensation: P11,749,752 with Running Legal Interest (6 per cent per Annum) P14,950,896 until fully paid

## Acronyms:

DENR – Department of Environment and Natural Resources  
 ECC – Environmental Compliance Certificate  
 ERC – Energy Regulatory Commission  
 MCTC – Municipal Circuit Trial Court  
 NPC – National Power Corporation  
 NWRB – National Water Resources Board  
 OGCC – Office of the Government Corporate Counsel  
 PSALM – Power Sector Assets and Liabilities Management Corporation  
 RTC – Regional Trial Court  
 TRO – Temporary Restraining Order

## **PART II - OBSERVATIONS AND RECOMMENDATIONS**



## **PART II - OBSERVATIONS AND RECOMMENDATIONS**

### **A. FINANCIAL**

- 1. The faithful representation in the financial statements and verifiability of the balances as at December 31, 2023 of two (2) major asset accounts, i.e. Receivables and Property, plant and equipment (PPE) with carrying amounts of P3.057 billion and P293.208 billion, respectively; and three (3) major liability accounts, i.e. Financial liabilities, Inter-agency payables and Trust liabilities in the amounts of P2.681 billion, P79.180 billion and P2.935 billion, respectively, could not be established, contrary to Paragraphs 3.10 and 3.26 of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Conceptual Framework) and Paragraph 27 of International Public Sector Accounting Standard (IPSAS) 1, in view of the following:**
  - a. Variances in the amounts of P597.709 million, P70.140 million, and P1,250.405 million in the Receivables-Inter-agency receivables-Due from national government agencies (NGAs), Receivables-Inter-agency receivables-Due from other government corporations (GCs), and Inter-agency payables-Due to NGAs accounts between the balances per books in the amounts of P599.490 million, P70.140 million, and P1,699.723 million vis-à-vis confirmed balances by various debtors and creditors in the amounts of P1.781 million, zero and P449.318 million, respectively, which remained unreconciled as at year-end;**
  - b. Incomplete physical count of the properties/items under eight (8) PPE sub-accounts with total carrying amount of P8.114 billion, particularly the Water supply systems due to difficulty in identifying the costs as these were constructed from various funds and projects, thus, the existence thereof could not be established; unreconciled variance in the aggregate amount of P27.844 billion between the General Ledger (GL) balance vis-à-vis balances per Reports on the Physical Count of PPE (RPCPPEs); and non-maintenance of complete PPE Ledger Cards (PELCs) and Construction in Progress Ledger Cards (CIPLCs) for PPE sub-accounts with total carrying amount of P17.375 billion;**
  - c. Seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable, Financial liabilities-Due to officers and employees, Inter-agency payables-Due to NGAs, Inter-agency payables-Due to other GCs, Trust liabilities-Guaranty/security deposits payable, Trust liabilities-Trust liabilities, and Trust liabilities-Disallowances/charges in the aggregate amount of P3.135 billion were only supported with Subsidiary Ledgers (SLs) but with incomplete data/details; and**
  - d. Presence of abnormal balances in the total amount of P161.204 million in seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable and Due to officers and employees; Inter-agency payables-Due to other GCs, Due to GSIS, Due to Pag-IBIG, Due to PhilHealth; and Trust liabilities - Guaranty/security deposits payable.**

1.1. Paragraphs 3.10 and 3.26 of the Conceptual Framework state, viz.:

*3.10 To be useful in financial reporting, information must be a faithful representation of the economic and other phenomena that it purports to represent. Faithful representation is attained when the depiction of the phenomenon is complete, neutral, and free from material error. Information that faithfully represents an economic or other phenomenon depicts the substance of the underlying transaction, other event, activity or circumstance - which is not necessarily always the same as its legal form.*

*3.26 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. Xxx.*

1.2. Paragraph 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.*

1.3. Section 111 of Presidential Decree (PD) No. 1445, states that:

*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.*

1.4. Verification of the combined Statement of Financial Position of the National Irrigation Administration (NIA) as at December 31, 2023 revealed deficiencies in the keeping of various accounts, such as Receivables and

PPE with carrying amounts of P3.057 billion and P293.208 billion, respectively; and Financial liabilities, Inter-agency payables and Trust liabilities in the amounts of P2.681 billion, P79.180 billion and P2.935 billion, respectively, as discussed in the succeeding paragraphs.

*Variances in the amounts of P597.709 million, P70.140 million, and P1,250.405 million noted in the Receivables-Inter-agency receivables-Due from NGAs, Receivables-Inter-agency receivables-Due from other GCs, and Inter-agency payables-Due to NGAs accounts between balances per books vis-à-vis confirmed balances by various debtors and creditors*

- 1.5. The Audit Teams in the NIA Central Office (CO) sent confirmation letters to various NGAs, GCs, private companies, debtors/creditors to verify the existence, rights and obligations and correctness of the balances of the Receivables-Inter-agency receivables-Due from NGAs; Receivables-Inter-agency receivables-Due from other GCs; and Inter-agency payables-Due to NGAs accounts as at December 31, 2023. Of the 37 confirmation letters, 21 confirmation replies were received by the Audit Teams, six (6) of which matched with the records of NIA. Comparison of the balances confirmed by the 15 NGAs, GCs, private companies, and debtors/creditors with the SLs/book balances disclosed variances as presented in Table 1.

**Table 1 - Balances per SLs/Books vis-à-vis Confirmed Balances –  
Receivables-Inter-agency receivables-Due from NGAs; Receivables-Inter-agency  
receivables-Due from other GCs; and Inter-agency payables-Due to NGAs Accounts  
As of December 31, 2023**

Account Title/Agency (Debtor/Creditor)	Balance per SLs	Balance as confirmed by NGAs, GCs and debtors/creditors	Variance
<b><i>Receivables-Inter-agency receivables-Due from NGAs</i></b>			
Department of Public Works and Highways (DPWH)	P 590,262,806	P -	P 590,262,806
Procurement Service-Department of Budget and Management (PS-DBM)	6,303,573	1,644,596	4,658,977
National Printing Office	1,688,298	125,500	1,562,798
Bureau of Fisheries and Aquatic Resources	910,646	-	910,646
Dangerous Drugs Board	272,505	-	272,505
Philippine Drug Enforcement Agency	18,000	-	18,000
National Commission on Indigenous People	17,000	-	17,000
Department of Science and Technology	3,473	-	3,473
Philippine National Volunteer Service Coordinating Agency	2,000	-	2,000
Land Registration Authority	12,000	11,315	685
	<b>P 599,490,301</b>	<b>P 1,781,411</b>	<b>P 597,708,890</b>
<b><i>Receivables-Inter-agency receivables-Due from other GCs</i></b>			
National Power Corporation (NPC)	P 70,076,329	P -	P 70,076,329
Local Utilities Water Administration	55,312	-	55,312
Philippine National Railways	8,600	-	8,600
	<b>70,140,241</b>	<b>-</b>	<b>70,140,241</b>
	<b>P 669,630,542</b>	<b>P 1,781,411</b>	<b>P 667,849,131</b>
<b><i>Inter-agency payables-Due to NGAs</i></b>			
DPWH	P 875,857,586	P299,216,783	P 576,640,803
Department of Agriculture (DA)	823,865,490	150,101,155	673,764,335
	<b>P1,699,723,076</b>	<b>P449,317,938</b>	<b>P1,250,405,138</b>

- 1.6. As presented in Table 1, the balances per SLs of the Receivables-Inter-agency receivables-Due from NGAs, Receivables-Inter-agency receivables-Due from other GCs, and Inter-agency payables-Due to NGAs accounts were greater than the confirmed balances. The variances between the records of the debtors/creditors and records of the NIA could be attributed to, among others, the following:
- a. Based on the confirmation reply of the NPC, pursuant to the enactment of Republic Act (RA) No. 9136 or the Electric Power Industry Reform Act (EPIRA) Law, the Power Sector Assets and Liabilities Management (PSALM) Corporation assumed the NPC's rights and obligations under the Power Purchase Agreement (PPA) entered into by and between the NIA and the NPC on June 30, 1995 and amended on July 16, 2022. The PPA requires the NPC to pay the NIA for the excess and guaranteed energy delivery fee in respect to the electrical energy generated by the Casecnan Multipurpose Irrigation and Power Project (CMIPP), hence transferring the NPC's liability to the PSALM. However, upon confirmation of the balance of Due from NGAs - NPC with the PSALM, the latter replied that the reconciliation of the amount due to the NIA is still ongoing.
  - b. Other NGAs/GCs confirmed that they have already settled their liabilities to the NIA, and there were no outstanding balances in their Accounting records.
  - c. Based on the confirmation reply of the DPWH-CO, their records indicated an outstanding unliquidated balance of P299.217 million due from NIA as at December 31, 2023, which was already included in their request for authority to write-off dormant accounts from the Commission on Audit (COA) on June 08, 2022. Attached to their confirmation reply are the demand letters dated November 9, 2021 and March 1, 2019 requesting the NIA to submit additional liquidation reports to settle the outstanding amounts.
  - d. The DA-CO replied that per their records, there were funds transferred from the DA to the NIA in the total amount of P150.101 million relative to the construction and rehabilitation of communal irrigation systems, implementation of farm to market road development program, and other activities in prior years (1987, 2005 and 2009), which remained unliquidated as of December 31, 2023.
- 1.7. The Accounting Division in NIA CO explained that the variances were due to the unrecognized utilization of funds received, transferred, or settled in the books of the NIA in previous years, due to the non-turn-over of the relevant documents by the previous responsible/concerned personnel to the incumbent Accounting personnel who is handling the records.
- 1.8. In view of the above noted variances between the SLs balances vis-à-vis confirmed balances which remained unreconciled at year-end, the reliability and correctness of the Receivables-Inter-agency receivables-Due from

NGAs, Receivables-Inter-agency receivables-Due from other GCs, and Inter-agency payables-Due to NGAs accounts were doubtful.

*Incomplete physical count of the properties/items under eight (8) PPE sub-accounts with total carrying amount of P8.114 billion; unreconciled variance in the aggregate amount of P27.844 billion between the GL balance vis-à-vis balances per RPCPPEs; and non-maintenance of complete PPELCs and CIPLCs for PPE sub-accounts with total carrying amount of P17.375 billion*

On incomplete physical count

- 1.9. The actual physical count of PPE is an indispensable control procedure to ensure: (a) the adequate property custodianship and ascertain existence of PPEs; and (b) that all PPEs under the custody of the NIA personnel are accounted for. Item 5.1 of COA Circular No. 2020-006 dated January 31, 2020, on the *Guidelines and procedures in the Conduct of Physical Count of PPE xxx for the One-Time Cleansing of PPE Account Balances of Government Agencies*, states that:

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

- 1.10. Sections 38 and 42 (g), Chapter 10 of Government Accounting Manual (GAM), Volume I, state that:

**Sec. 38. Physical count of PPE.** *The entity shall have a periodic physical count of PPE, which shall be done annually and presented on the Report on the Physical Count of Property, Plant and Equipment (RPCPPE) (Appendix 71) as at December 31 of each year. This shall be submitted to the Auditor concerned not later than January 31 of the following year. Xxx.*

**Sec. 42. Accounting and Property Records to be maintained for PPE.** *Xxx.*

*The following are the forms/reports necessary to account for PPE:*

- g. Report on the Physical Count of Property, Plant and Equipment (Appendix 73) – this form shall be used to report the physical count and condition of PPE by type as at a given date, including those which are unrecorded and those which could not be accounted for. It shows the balance of PPE per*

*property cards and per count and the shortage/overage, if any. It shall be rendered by the Inventory Committee, on its yearly physical count of properties owned by the entity.*

- 1.11. Pursuant to NIA Memorandum Circular (MC) No. 84, Series of 2018 dated September 20, 2018, the Inventory Committees in NIA CO, Regional Offices (ROs), Project Management Offices (PMOs), Irrigation Management Offices (IMOs), Division Offices and Special Projects were constituted to conduct the physical count of PPEs. 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 physical/inventory count of PPEs.
- 1.12. The NIA Management conducted the One-Time inventory cleansing of PPE account balances in all of its offices nationwide from September 18 and onwards, with the objective of eliminating variances between the Accounting and Property records and the RPCPPEs. On September 6, 2023, the Audit Teams assigned in the NIA CO and ROs, received the Physical Inventory Plan (PIP). This Plan was for the conduct of the physical count for the One-Time PPE cleansing, as well as for the regular Annual Physical Inventory taking of the NIA.
- 1.13. However, the NIA Inventory Committees were not able to complete the conduct of the physical inventory taking of various PPEs in NIA CO, Balog-Balog Multipurpose Project-II (BBMP-II) and RO No. VIII. Consequently, PPE items under eight (8) PPE sub-accounts with total carrying amount of P8.114 billion (Table 2) were not physically counted, hence, these were not included in the RPCPPEs as of December 31, 2023.

**Table 2 - PPE Sub-Accounts Without Physical Inventory/Count**

Office Involved	PPE sub-accounts	Carrying amount
RO No. VIII	(1) Water supply systems	P3,646,309,586
CO	(2) Land, (3) Buildings, (4) Construction and heavy equipment, (5) Military, police and security equipment, (6) Other transportation equipment, (7) Books and (8) Other land improvements	4,205,289,545
BBMP-II	(1) Water supply systems	262,017,317
		<b>P8,113,616,448</b>

- 1.14. Inquiry with the NIA Offices concerned with regard to the incomplete physical count of PPEs disclosed that:
  - a. The Chief Corporate Accountant of NIA RO No. VIII informed that they had difficulty in identifying the cost of the Water supply systems considering that one irrigation system was constructed from various funds and projects. Also, they informed that there were no specific guidelines from the NIA CO on the conduct of physical count of irrigation systems, thus physical inventory taking thereof was not conducted.

- b. The Inventory Committee in the NIA CO was not able to complete the physical inventory taking due to the volume of the PPE items, lack of manpower and time constraints.
- c. Management of BBMP-II was not able to validate the 110 Infrastructure assets - Water supply systems with total carrying amount of P262.017 million due to lack of manpower and time constraints.

1.15. In view of the incomplete physical inventory taking of the PPE items recorded in eight (8) PPE sub-accounts with total carrying amount of P8.114 billion, the existence thereof was not established.

On unreconciled variance between the GL vis-à-vis RPCPPEs

1.16. Section 6.3 of COA Circular No. 2020-006 dated January 31, 2020 states that:

*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. Xxx.*

1.17. Comparison between the GLs and the RPCPPEs of NIA CO, seven (7) ROs, Magat River Integrated Irrigation System (MARIIS), Upper Pampanga River Integrated Irrigation System (UPRIIS), BBMP-II and four (4) IMOs disclosed variances in the PPE account balances (at cost) as at December 31, 2023 in the aggregate amount of P27.844 billion, as presented in Table 3.

**Table 3 - Variances Between GLs and RPCPPEs**

Office Involved	Balances per GL	Balances per RPCPPE	Variance (Absolute Amount)
CO	P 1,371,794,526	P 275,366,485	P 1,096,428,041
RO No. II	15,691,147,288	15,924,649,042	233,501,754
RO No. III	10,855,319,284	10,764,060,253	91,259,031
RO No. IV-B	5,017,159,080	3,613,265,108	1,403,893,972
RO No. V	12,334,148,174	7,938,484,243	4,395,663,931
RO No. VI	3,061,513,221	1,540,627,976	1,520,885,245
Iloilo-Guimaras IMO	359,798,083	488,009,624	128,211,541
Aklan-Capiz IMO	751,924,545	1,108,885,063	356,960,518
Negros Occidental IMO	26,384,122	1,552,452,980	1,526,068,858
Antique IMO	202,652,844	215,738,603	13,085,759
RO No. IX	6,505,836,647	3,865,278,555	2,640,558,092
RO No. XIII	11,819,195,881	8,281,589,629	3,537,606,252
MARIIS	12,863,173,870	12,199,905,674	663,268,196
UPRIIS	16,101,036,383	8,452,416,191	7,648,620,192
BBMP-II	5,372,232,105	2,784,740,315	2,587,491,790
			<b>P27,843,503,172</b>

- 1.18. Inquiry with the Accounting Division of NIA CO and Accounting Sections/Units of seven (7) ROs, MARIIS, UPRIIS, BBMP-II and four (4) IMOs revealed that the unreconciled variances between the Accounting records and the RPCPPEs were attributed to, among others, the following:
- a. Non-completion of the conduct of physical inventory taking, thus several PPE items/properties were not included in the RPCPPEs;
  - b. Insufficient supporting documents and vital information necessary for the recording of the identified PPE items during the physical count;
  - c. Several PPE items/properties located/identified/accounted for during inventory taking were not recorded in the books;
  - d. Old PPE items that could no longer be located/identified still remained recorded in the books;
  - e. Non-preparation of complete and updated PPELCs by the Regional Accountants/IMO Bookkeepers; and
  - f. Time constraints and limited manpower in the reconciliation of voluminous reconciling items between the Accounting records and the RPCPPEs.
- 1.19. It is worthy to note that the unreconciled variances as of December 31, 2023 between the GLs of PPE account and the RPCPPEs of various NIA offices decreased by 32.16 per cent or P13.202 billion from P41.046 billion in CY 2022 to P27.844 billion in CY 2023, due to continuous efforts of NIA Management to reconcile the Accounting and Property records and make the necessary adjustments or corrections in the affected records.

Non-maintenance of complete PPELCs and CIPLCs

- 1.20. As part of the internal control policies and procedures over PPEs, the Accounting Division of CO and Accounting Sections of ROs, PMOs, and IMOs, shall maintain PPELCs and CIPLCs to ensure the completeness of accounting information for PPE.
- 1.21. Section 42 (e), Chapter 10 of GAM, Volume I and Appendix 71 of GAM, Volume II, provide that:

*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.*



- 1.22. Appendix 77 of GAM, 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.*

- 1.23. The Audit Teams would like to emphasize the importance of maintaining records for PPE, such as, the PPELCs and CIPLCs, timely conduct of annual physical inventory and reconciliation of the RPCPPE with Accounting and Property records.
- 1.24. Verification of the Accounting records revealed that PPE items in the total carrying amount of P17.375 billion (Table 4) as of December 31, 2023 were not supported with PPELCs/CIPLCs.

**Table 4 - Breakdown of PPEs Balances Not Supported with PPELCs/CIPLCs  
As of December 31, 2023**

Office Involved	PPE Sub-Account Titles					Total carrying Amount
	Infrastructure assets	Other land improvements	Buildings and other structures	Machinery, equipment, furniture and fixtures	Construction in progress	
MARIIS	P3,628,265,431	P	-	P84,181,743	P207,008,309	P 128,056,549
RO No. II	-	-	-	-	-	2,183,537,910
UPRIIS	-	99,702,986	-	9,404,320	-	109,107,306
CAR	-	-	-	-	-	2,227,628,629
RO No. IV-B	-	-	-	-	-	3,982,181,711
RO No. IX	-	-	-	-	-	3,936,928,276
RO No. XIII	-	-	-	-	-	887,772,642
	<b>P3,628,265,431</b>	<b>P99,702,986</b>	<b>P84,181,743</b>	<b>P216,412,629</b>	<b>P13,346,105,717</b>	<b>P17,374,668,506</b>

CAR – Cordillera Administrative Region

- 1.25. In NIA CAR, RO Nos. II, IV-B, IX and XIII, MARIIS and UPRIIS, it was observed that the Accounting Sections did not maintain PPELCs and CIPLCs which are necessary in monitoring the movement of each kind/type of PPE.
- 1.26. The non-maintenance of the PPELCs and CIPLCs for various PPE items in the total amount of P17.375 billion, hindered the Audit Teams to verify the completeness, existence, and correctness of the recorded balances of the PPE sub-accounts as well as the accuracy of the related Accumulated depreciation and Depreciation expense accounts.
- 1.27. It is worthy to mention that the PPE sub-account balances without PPELCs/CIPLCs significantly decreased by 76.53 per cent or P56.654 billion from P74.029 billion in CY 2022 to P17.375 billion in CY 2023, due to continuous efforts of Management to prepare and maintain complete PPELCs and CIPLCs for all PPE sub-accounts.

*Seven (7) liability sub-accounts in the aggregate amount of P3.135 billion were only supported with SLs but with incomplete data/details*

- 1.28. The preparation and maintenance of the books of final entry, such as the GLs and SLs, are indispensable components of the accounting process, wherein debit and credit balances appearing in the GLs are used to prepare the Trial Balance (TB) and the financial statements. Likewise, the SL is a book of final entry containing the details or breakdown of the balance/amount of the controlling account appearing in the GL and used as basis in preparing the supporting schedules and aging of accounts.
- 1.29. Appendix 5.D of the GAM, Volume II, provides that the controlling accounts in the GLs shall be supported by details in the SLs. As such, as provided in Appendix 6.B of the GAM, 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.
- 1.30. However, review of the seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable, Financial liabilities-Due to officers and employees, Inter-agency payables-Due to NGAs, Inter-agency payables-Due to other GCs, Trust liabilities-Guaranty/security deposits payable, Trust liabilities-Trust liabilities, and Trust liabilities-Disallowances/charges in the aggregate amount of P3.135 billion (Table 5) disclosed that the SLs maintained for these accounts have no/incomplete data/details. Some of the SLs were only marked as “for reconciliation” without the names of creditors, addresses, contact information, among others.

**Table 5 - Breakdown of Liability Sub-accounts Supported Only with SLs  
But with Incomplete Data/Details**

<b>Account Title</b>	<b>Office Involved</b>	<b>Amount</b>
<b><i>Financial liabilities</i></b>		
Accounts payable	CO	P 995,884,028
Due to officers and employees	CO	18,773,303
<b><i>Inter-agency payables</i></b>		
Due to NGAs	CO	1,553,370,590
Due to other GCs	CO	135,521,663
<b><i>Trust liabilities</i></b>		
Guaranty/security deposits payable	CO, RO No. VII, Bohol IMO, Cebu IMO, Negros Oriental Satellite Office	424,527,600
Trust liabilities	CO	4,511,332
Disallowances/charges	CO	2,052,653
		<b>P3,134,641,169</b>

- 1.31. Inquiry with the Accounting Division Manager in the NIA CO revealed that the unsubstantiated liability sub-accounts pertained to carried-over unreconciled prior years' balances where the supporting documents could no longer be located; while the Accounting personnel concerned in RO No. VII, Bohol IMO, Cebu IMO, and Negros Oriental Satellite Office

informed that they are currently in the process of tracing and reconciling the balances against the individual contractors and projects.

- 1.32. In the absence of the details/information on the seven (7) liability sub-accounts presented in Table 5, the Audit Teams were precluded from: (a) sending confirmation letters to the creditors concerned to verify the existence and accuracy of the accounts balances; and (b) 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 such as the Cash Receipts and Deposits Journal, Checks Disbursements Journal, and General Journal, to the books of final entry (GLs, SLs, PPELCs, CIPLCs) then to the TB and the financial statements.

*Presence of abnormal balances in the total amount of P161.204 million in seven (7) liability sub-accounts, i.e. Financial liabilities-Accounts payable and Due to officers and employees; Inter-agency payables-Due to other GCs, Due to GSIS, Due to Pag-IBIG, Due to PhilHealth; and Trust liabilities – Guaranty/security deposits payable*

- 1.33. 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 and two (2) ROs disclosed that seven (7) liability sub-accounts have abnormal SL balances as at December 31, 2023 in the total amount of P161.204 million, breakdown shown in Table 6.

**Table 6 - Breakdown of Liability Accounts with Abnormal SL Balances**

<b>Account Name</b>	<b>Office Involved</b>	<b>Amount</b>
<b><i>Financial liabilities</i></b>		
Accounts payable	CO	P 12,160,002
Due to officers and employees	CO	22,281,995
<b><i>Inter-agency payables</i></b>		
Due to Other GCs	CO	2,345,106
Due to GSIS	CO, RO Nos. IV-B, VI	2,018,227
Due to Pag-IBIG	RO No. IV-B	98,727
Due to PhilHealth	RO No. IV-B	39,724
<b><i>Trust liabilities</i></b>		
Guaranty/security deposits payable	CO, RO No. IV-B	122,260,492
		<b>P161,204,273</b>

- 1.34. The Audit Teams were informed that the abnormal balances of these accounts could be attributed to mispostings of the transactions in the SLs.
- 1.35. The abnormal balances reduced the balances of the affected accounts as at December 31, 2023.

- 1.36. It is worthy to note that in the CY 2022, the abnormal balances in five (5) asset accounts in the total amount of P1.582 billion were already analyzed and adjusted in CY 2023 by the NIA, while the abnormal balances in seven (7) liability accounts decreased by 38.91 per cent or in the amount of P102.658 million from P263.862 million in CY 2022 to P161.204 million in CY 2023.
- 1.37. In summary, in view of the foregoing deficiencies noted in the keeping of accounts, the faithful representation in the financial statements and verifiability of the balances as at December 31, 2023 of Receivables, PPE, Financial liabilities, Inter-agency payables and Trust liabilities accounts could not be established, contrary to Paragraphs 3.10 and 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.
- 1.38. The above observations are reiterations with updates of the previous years' audit observations as the NIA Management was not able to fully implement the recommendations to address the issues raised on various accounts, thus continuously among the bases in the modification of the Auditor's opinion on the fairness of presentation of the financial statements of the Agency.
- 1.39. **We reiterated our previous years' recommendations and top Management agreed to direct:**
- a. **Finance Manager to instruct the Accounting Division to coordinate with the NGAs and GCs concerned for the reconciliation of the variances noted between the balances per books of the NIA vis-a-vis confirmed balances and make necessary adjustments in the books, if warranted;**
  - b. **Administrative Manager and Regional Managers to instruct the Inventory Committees of CO, ROs, PMOs and IMOs to conduct complete physical/inventory count of all PPEs annually, moving forward;**
  - c. **Finance Manager, Administrative Manager and Regional Managers concerned to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs and Inventory Committees of CO, ROs, PMOs and IMOs to reconcile the variances 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;**
  - d. **Finance Manager and Regional Managers concerned to instruct the Accounting Division in the CO and Accounting Sections in the ROs to analyze and verify the abnormal balances in seven (7) liability sub-accounts, and make necessary corrections or adjustments accordingly, for fair presentation of the accounts balances in the financial statements.**

1.40. **We further recommended and top Management agreed to direct the Administrative and Finance Manager of the CO and/or Regional Managers of the ROs to instruct the Accounting Division of CO and Accounting Sections of ROs/IMOs/PMOs concerned to:**

- a. **Prepare and maintain complete PPELCs/CIPLCs for all PPEs in accordance with the forms prescribed under the GAM, Volume II; and**
- b. **Complete the details/information in the SLs of the seven (7) liability sub-accounts.**

1.41. NIA Management gave the following comments:

- a. On the unreconciled variances between the SLs balances and confirmed balances of Receivables-Inter-agency receivables-Due from NGAs, Inter-agency receivables-Due from other GCs, and Inter-agency payables-Due to NGAs accounts, the Accounting Division in CO will coordinate with the agencies and GCs concerned to reconcile the variances and shall make necessary adjustments in the books.
- b. On the incomplete physical count of the PPE items recorded under eight (8) PPE sub-accounts, they are yet to complete the physical inventory taking for the one-time PPE cleansing. They have put on hold temporarily the inventory count to verify the completeness of the supporting documents of each item to properly validate the ownership and control of the inventoried assets and recognize the same in the books. They shall revise the PIP to complete the physical count in CY 2024.
- c. On the unreconciled variances between the GL balances and RPCPPEs, they are continually reconciling the Inventory records of Property and Procurement Division (PPD) of CO and Property and Procurement Sections (PPSs) of ROs, PMOs, and IMOs and the records of Accounting Division of CO and Accounting Sections of ROs, PMOs, and IMOs to identify the variances noted in the PPE accounts. Moreover, the Accounting Division of CO and Accounting Sections of ROs, PMOs, and IMOs together with the PPD of CO and PPSs of ROs, PMOs, and IMOs have been exerting their best effort to locate the documents to substantiate the PPE accounts, as part of the Agency's One-time PPE Cleansing initiative. As the PPE one-time cleansing continues, the variances are expected to be resolved upon its completion.
- d. On the non-maintenance of complete PPELCs and CIPLCs, the CAR, RO Nos. II, IV-B, IX and XIII, MARIIS, and UPRIIS are currently preparing the PPELCs and CIPLCs.
- e. On the seven (7) liability sub-accounts that were only supported with SLs but with incomplete data/details, the Accounting Division in CO has been exerting efforts to locate the supporting documents in order

to complete the information necessary in the SLs. RO No. VII, Bohol IMO, Cebu IMO, and Negros Oriental Satellite Office Management acknowledged that the SLs for the Guaranty/security deposits payable account have not been updated for transactions in CY 2023, covering only transactions up to CY 2021. They intend to rectify this by updating the SLs and ensuring its accuracy. Furthermore, they plan to incorporate in their procedure the printing of a hard copy to facilitate straightforward verification and minimize the risk of errors, recognizing that soft copies are vulnerable to alteration.

- f. On the presence of abnormal balances in the seven (7) liability sub-accounts, the reconciliation/analysis by the Accounting Division of the liability accounts with abnormal balances is still ongoing.

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

**2. The faithful representation in the combined financial statements and verifiability of the balances as at December 31, 2023 of five (5) major asset accounts, i.e. Cash and cash equivalents, Receivables, Inventories, PPE and Other assets (current); and six (6) major liability accounts, i.e. Financial liabilities, Inter-agency payables, Intra-agency payables, Trust liabilities, Other payables and Deferred credits/unearned revenue were not established due to inclusion of the balances of inactive 43 asset sub-accounts and 14 liability sub-accounts in the aggregate amounts of P20.455 billion and P49.619 million, respectively, in view of the lack of complete accounting records/documents, and were only supported by TBs of 73 inactive/unidentified projects, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.**

2.1. Paragraph 3.26 of the Conceptual Framework on the concept of verifiability of information that helps assure users that information in the GPFRs faithfully represents the economic and other phenomena that it purports to represent is quoted in Paragraph 1.1 hereof. Likewise, 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 is quoted in Paragraph 1.2 hereof.

2.2. Verification of the financial statements of the NIA as at and for the years ended December 31, 2023 and 2022 disclosed the inclusion in the combined Statements of Financial Position of the balances of inactive 57 sub-accounts, i.e. 43 asset sub-accounts, [four (4) Cash and cash equivalents sub-accounts, 11 Receivables sub-accounts, two (2) Inventory sub-accounts, 18 PPE sub-accounts, eight (8) Other assets (current) sub-accounts] in the aggregate amount of P20.455 billion; and 14 liability sub-accounts [two (2) Financial liabilities sub-accounts, eight (8) Inter-agency payable accounts, one (1) Intra-agency payables sub-account, one (1) Trust liabilities sub-account, one (1) Other payables sub-account, and one (1) Other deferred credits/unearned sub-account] in the total amount

of P49.619 million, details are presented in **Annex A**, Part IV of this Report. These inactive sub-accounts lacked complete accounting records/documents and were only supported by the TBs of 73 inactive/unidentified projects.

- 2.3. Further, the inclusion in the Statement of Financial Position of the 43 asset and 14 liability sub-accounts was disclosed in Note 3.2 to financial statements, as follows:

*The financial statements consist of the financial reports of NIA CO and 17 ROs including the UPRIIS and the MARIIS, and five (5) 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, revenue, and expenses of NIA's CO, ROs including the UPRIIS and the MARIIS, and PMOs.*

### **3.2.1 Inactive Accounts**

*Financial statements of inactive accounts with total assets and total liabilities of P20.455 billion and P49.619 million, respectively, as at December 31, 2023, from ROs/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 ROs/PMOs. Of the 73 inactive accounts reported since CY 2018, the xxx 23 accounts were already closed to Corporate Fund:*

*Xxxx.*

- 2.4. Inquiry with the Accounting Division Manager on the status of the recognized inactive accounts from inactive/unidentified projects revealed that these accounts balances originated from ROs/PMOs. However, the source documents, such as bank statements, DVs, JEVs, Cash Receipts and Deposits Journals, General Journals, Check Disbursements Journals, GLs, SLs, as well as the financial statements of each inactive project, were not provided upon turn-over of the recording to the NIA CO. These were only supported with 73 TBs. The Accounting Sections concerned were unable to provide the nature or particulars of each inactive project to the CO Accounting Division.
- 2.5. It was also informed that the Offices of these inactive projects were already closed or no longer exist and the officials and personnel of these Offices

could not be identified due to the absence of information and source documents.

- 2.6. In view of the absence of complete accounting records/documents of each inactive project to substantiate the recognition of the 57 sub-accounts, i.e. 43 asset sub-accounts in the aggregate amount of P20.455 billion; and 14 liability sub-accounts in the total amount of P49.619 million, the Audit Teams in the NIA CO were precluded from performing appropriate audit procedures to verify the existence and accuracy of these sub-accounts, contrary to Paragraphs 3.26 of the Conceptual framework and Paragraph 27 of IPSAS 1.

- 2.7. **We recommended that top Management instruct the Accounting Division in the NIA CO to:**

- a. **Exert best effort to locate all the accounting records and supporting documents of the inactive accounts to substantiate the recognition thereof in the books of accounts; and**
- b. **Consider availing the one-time cleansing of all dormant accounts as prescribed under COA Circular No. 2023-008 dated August 17, 2023, re: *Guidelines on the Proper Disposition of Dormant Accounts of National Government Agencies (NGAs) and Instrumentalities, Local Government Units (LGUs) and Government Corporations (GCs)*, Amending COA Circular No. 2016-005 dated December 19, 2016 re: *Guidelines and Procedures on the Write-off of Dormant Receivable Accounts, Unliquidated Cash Advances, and Fund Transfers of NGAs, LGUs and GCs*, for the fair presentation of accounts balances in the financial statements.**

- 2.8. The NIA CO Accounting Division commented that they have been exerting their best efforts and shall locate all the Accounting records and supporting documents of the inactive accounts.

3. **The faithful representation in the financial statements and verifiability of the balance of Accumulated surplus/(deficit) account in the amount of P224.399 billion as at December 31, 2023 were not obtained due to the recognition of Prior period adjustments and other adjustments covering calendar years (CYs) 2020 to 2023 in the total debits and credits amounting to P6.527 billion and P16.020 billion, respectively, without relevant 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 inability to use, or misuse of, reliable information, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.**

- 3.1. This is a reiteration with updates of the previous year's audit observation because Management was not able to fully implement the recommendation



to submit for audit the documents supporting the Prior period adjustments and other adjustments covering CYs 2020 to 2022.

3.2. Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1 are quoted in Paragraphs 1.1 and 1.2 hereof.

3.3. 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.

3.4. Paragraph 7 of 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 authorized 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.*

3.5. Paragraph 47 of 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.*

- 3.6. 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 RCAs for 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) including prior period effects of changes in accounting policy and errors, and other capital adjustments. This account is used to close the Revenue/Income and Expenses summary account.</i>

- 3.7. Audit of the Accumulated surplus/(deficit) account with a balance in the amount of P224.399 billion as at December 31, 2023, disclosed that Prior period adjustments and other adjustments covering CYs 2020 to 2023 in the total debits and credits amounting to P6.527 billion and P16.020 billion, respectively, (Table 7, next page) had been recognized under this account in CYs 2022 to 2023.
- 3.8. Verification, however, disclosed that the JEVs drawn to take up the Prior period adjustments and other adjustments for CYs 2020 to 2023 in the total debits and credits of P6.527 billion and P16.020 billion, respectively, have no 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 inability to use, or misuse of, reliable information.
- 3.9. In CY 2023, the Accounting Sections of the NIA RO No. XIII, UPRIIS and BBMP-II were not able to furnish the Accounting Division in CO and Audit Teams of the documents supporting the JEVs drawn to record Prior period adjustments in the total debits of P1.452 billion and total credits of P1.675 billion (Table 7).
- 3.10. The lacking supporting documents that should have been submitted for audit to prove the validity/correctness of the recognition of Prior period adjustments and other adjustments in the books of accounts are, among others, the following:
- Schedules of Receivables and Payables, GLs, SLs and documents, i.e. DVs, JEVs, Official Receipts (ORs), PPELCs/CIPLCs, Lapsing Schedule of PPE, among others, to support the JEVs drawn to correct previous accounting entries made or recognize prior years' unrecorded transactions;
  - Reconciliation statements of the Intra-agency accounts and supporting documents of the reconciling items in the elimination of the reciprocal accounts; and

- c. Analysis made by the NIA CO Accounting Division on omissions from and misstatements in the financial statements for one or more prior periods.

**Table 7 - Summary of Prior Period Adjustments and Other Adjustments  
For CYs 2020 to 2023 Without Supporting Documents**

Particulars	Debit	Credit
<b>CY 2020</b>		
Various adjustments made on assets accounts	P -	P 9,058,925,650
Adjustments on Accounts payable	30,177,452	119,307,583
Closing of non-moving accounts/projects	2,043,394	-
Adjustments on PPE	91,256,338	-
Adjustments on Intra-agency accounts	840,749,030	10,389,778
	<b>964,226,214</b>	<b>9,188,623,011</b>
<b>CY 2021</b>		
Reclassification of prior years' expense accounts	93,404,468	993,543
Adjustment on Accounts payable	-	6,532,639
Closing of non-moving accounts/projects	623,409	-
Adjustments on Intra-agency accounts	29,367,001	37,050,475
Various adjustments on assets accounts	11,986,291	86,296,422
Adjustments on PPE	65,525,571	23,885,619
	<b>200,906,740</b>	<b>154,758,698</b>
<b>CY 2022</b>		
Adjustments on Intra-agency accounts	2,041,354,596	4,950,962,935
Closing of non-moving accounts/projects	-	30,004,075
Adjustments on Accounts payable	-	21,499,867
Various adjustments	1,390,738,224	-
Adjustments on PPE	477,829,481	-
	<b>3,909,922,301</b>	<b>5,002,466,877</b>
<b>CY 2023</b>		
Adjustments on Construction in progress (CIP) for non-capitalizable expenses	-	1,260,664,595
Adjustments of depreciation for completed projects	-	396,515,900
Adjustments to PPE due to one-time cleansing	-	5,332,756
Overstatement of income and expenses	-	11,883,503
Derecognition of other assets already disposed	-	159,800
Adjustments on inventory	1,251,058	-
Adjustments on various payable accounts	714,227	-
Adjustments on Intra-agency accounts	1,449,932,918	-
	<b>1,451,898,203</b>	<b>1,674,556,554</b>
	<b>P6,526,953,458</b>	<b>P16,020,405,140</b>

- 3.11. It is worthy to mention, however, that NIA Management was able to submit most of the supporting documents for Prior period adjustments and Other adjustments covering CYs 2020 to 2022. Out of the P20.949 billion unsupported total debits covering CYs 2020 to 2022 adjustments, the supporting documents of the adjustments in the aggregate amount of P15.874 billion or 75.77 per cent were already submitted; while, out of the P116.129 billion unsupported total credits covering CYs 2020 to 2022 adjustments, the supporting documents of the adjustments in the total amount of P101.784 billion or 87.65 per cent were also submitted and accordingly verified by the Audit Teams.
- 3.12. Nevertheless, in view of the absence of documents to support the JEVs drawn to take up the Prior period adjustments and Other adjustments covering CYs 2020 to 2023 in the total debits and credits amounting to

P6.527 billion and P16.020 billion, respectively, the Audit Teams were 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, contrary to Paragraph 3.26 of the Conceptual Framework and Paragraph 27 of IPSAS 1.

- 3.13. **We reiterated our previous year's recommendations that top Management direct the Finance Manager of the CO and Regional Managers of the ROs to instruct the Accounting Division of CO and Accounting Sections of ROs/PMOs/IMOs to:**
- a. **Ensure that all JEVs drawn to recognize the Prior period adjustments are duly supported with complete documentations and approved by authorized officials, moving forward; and**
  - b. **Submit immediately for audit the supporting documents covering CYs 2020 to 2023 unsupported Prior period adjustments and Other adjustments in the total debits and credits in the amounts of P6.527 billion and P16.020 billion, respectively.**
- 3.14. The NIA CO, UPRIIS, RO No. XIII and BBMP-II Management informed that they will furnish the Audit Teams with the supporting documents as soon as these become available.

## **B. NON-FINANCIAL**

### **IRRIGATION CONTRACTS/PROJECTS IMPLEMENTATION**

- 4. Deficient planning and monitoring of the implementation of the various irrigation contracts/projects by the NIA resulted in, among others:**
  - a. Incurrence of significant delays ranging from 31 to 1,113 calendar days in the implementation of 161 irrigation contracts/projects with total cost of P2.042 billion that were programmed to be completed in CYs 2021, 2022 and 2023; and, suspension of and/or granting of contract time extensions (CTEs) on 75 contracts with total cost in the amount of P5.063 billion and one (1) contract in the amount of \$193.494 million, which further delay the completion of these irrigation projects; thus depriving the intended beneficiaries of the timely use thereof;**
  - b. Negative slippages ranging from 0.03 to 93.00 per cent incurred by the contractors in the implementation of 24 on-going irrigation projects costing P4.228 billion, which further delay the completion thereof;**
  - c. Termination of two (2) irrigation contracts with total contract cost of P116.638 million due to contractor's fault or for convenience, thus wastage of government funds;**
  - d. Cumulative positive variation orders for 12 infrastructure projects with total contract cost of P182.413 million implemented by NIA CAR, exceeded the 10 per cent of the original contract price, contrary to Item 1.4 of Annex E of the 2016 Revised Implementing Rules and Regulations (IRR) of RA No. 9184; and**
  - e. Various deficiencies, such as, damaged canal, non-operational, delayed construction, among others, on 29 completed infrastructure projects with total cost of P294.911 million were noted during the technical/ocular inspection, in NIA MARIIS, CAR, and three (3) IMOs; while nine (9) irrigation systems were not properly maintained, hence depriving the beneficiaries of the full use of these irrigation projects.**
- 4.1. These are reiterations with updates of the prior years' observations as the noted deficiencies in the planning and monitoring of the irrigations projects, which resulted in the delayed implementation thereof, still persist.**
- 4.2. In line with the NIA's mandate to contribute to the country's program on rice self-sufficiency and alleviation of poverty through irrigation development, pursuant to RA No. 3601, as amended by PD Nos. 552 and 1702, the Agency 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.**

4.3. 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, and the procurement activities are carried out in accordance with RA No. 9184 and its the Revised IRR.

4.4. Section 17.6 of the Revised IRR of RA No. 9184, provides that:

*17.6 Detailed Engineering for the Procurement of Infrastructure Projects*

*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.*

4.5. Likewise, Item 1 of Annex "A" – Detailed Engineering for the Procurement of Infrastructure Projects of the Revised IRR of RA No. 9184, states that:

*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.*

4.6. Review and evaluation of the implementation by the NIA of the irrigation contracts/projects nationwide during the CY 2023 revealed various deficiencies/lapses, as discussed hereunder, which could be attributed to deficient planning and monitoring of the implementation thereof.

*Incurrence of significant delays ranging from 31 to 1,113 calendar days in the implementation of 161 irrigation contracts/projects with total cost of P2.042 billion that were programmed to be completed in CYs 2021, 2022 and 2023; and, suspension of and/or granting of CTEs on 75 contracts with total cost in the amount of P5.063 billion and one (1) contract in the amount of \$193.494 million*

- 4.7. As of December 31, 2023, audit disclosed that there were 161 irrigation contracts/projects with total contract cost of P2.042 billion programmed to be completed in CYs 2021, 2022 and 2023, which were not completed as scheduled, incurring delays ranging from 31 to 1,113 calendar days. The breakdown of these 161 irrigation contracts/projects and the causes of the delays in the implementation thereof are presented in Table 8.

**Table 8 - Breakdown of Irrigation Contracts/Projects with Significant Delays in the Implementation**

Implementing Office	Delay (in CDs)	No. of Contracts with delays				No. of Contracts	Contract Cost	Causes of Delay*							
		31 to 180 CDs*	181 to 360 CDs*	361 to 720 CDs**	Above 721 CDs**			a	b	c	d	e	f	g	h
CAR	37 to 654	28	5	3	-	36	P 115,396,161	✓	✓	✓	✓	✓			✓
RO No. II	46 to 1,084	6	5	6	2	19	1,041,338,633	✓	✓				✓	✓	
Isabela IMO	31 to 1,113	17	2	5	1	25	183,084,341	✓	✓	✓	✓	✓			
Cagayan-Batanes IMO	38 to 178	9	-	-	-	9	69,796,916	✓		✓		✓	✓		
Quirino IMO	40	1	-	-	-	1	2,204,456	✓					✓		
MARIIS	31 to 274	28	2	-	-	30	161,627,058	✓	✓			✓	✓		✓
RO No. VII	790	-	-	-	1	1	2,675,379	✓						✓	
EWSIMO	80 to 294	4	4	-	-	8	48,045,564	✓	✓	✓			✓		✓
Northern Samar IMO	53 to 457	2	3	2	-	7	134,742,624	✓	✓						
LAMISCA IMO	31 to 484	22	-	1	-	23	216,351,340	✓	✓	✓	✓	✓	✓	✓	✓
RO No. XI	165	1	-	-	-	1	62,550,226	✓	✓						
Davao Oriental IMO	48	1	-	-	-	1	4,617,948	✓		✓			✓		
		<b>119</b>	<b>21</b>	<b>17</b>	<b>4</b>	<b>161</b>	<b>P2,042,430,646</b>								

\*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, etc.

IMO - Irrigation Management Office

CAR - Cordillera Administrative Region

MARIIS - Magat River Integrated Irrigation System

EWSIMO - Eastern-Western Samar IMO

LAMISCA - Lanao del Norte-Misamis Occidental-Misamis Oriental-Camiguin

- 4.8. Compared with prior year's data, the number of irrigation contracts/projects that incurred delays in the implementation increased by 94 per cent or 78 contracts/projects from 83 in CY 2022 to 161 contracts/projects in CY 2023.

- 4.9. Further, 75 and one (1) irrigation projects/contracts with total contract costs in the amounts of P5.063 billion and \$193.494 million, respectively, implemented by the NIA CO, six (6) IMOs, and two (2) ROs were suspended and/or granted with CTEs for various reasons, as presented in Table 9.

**Table 9 - Breakdown of Irrigation Projects/Contracts with Suspension and/or with CTEs**

Implementing Office	No. of Projects/Contracts	Contract Cost	Causes of Suspension or Grant of CTEs								
			a	b	c	d	e	f	g	h	i
CO	10	P4,157,636,539	✓		✓			✓			✓
	1	\$193,494,092						✓			
RO No. II	3	133,113,219	✓					✓			
Cagayan-Batanes IMO	8	68,740,046	✓		✓			✓			
Quirino IMO	1	12,783,426								✓	
EWSIMO	10	56,475,359	✓	✓				✓			
RO No. IX	10	428,155,899	✓		✓			✓			✓
LAMISCA IMO	27	149,836,665	✓	✓	✓	✓	✓	✓	✓		✓
Davao del Sur IMO	1	14,176,716	✓				✓	✓			
Davao Oriental IMO	5	42,562,949	✓					✓			
	<b>75</b>	<b>P5,063,480,818</b>									
	<b>1</b>	<b>\$ 193,494,092</b>									

Causes of Suspension or grant of 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, on-going harvest period, on-going farming activities
- (f) Variation Order, change of scheme or site of development and/or revision of plans, designs, and program of work, contract time extension
- (g) Poor project planning, supervision, monitoring, and control
- (h) Delay in the approval of demolition permit/Delay in on-going application of Special Use Agreement in Protected Areas (SAPA)
- (i) Others, such as, late releases of funds, late payment to Contractors, delayed delivery of construction materials, Pandemic, etc.

- 4.10. In view of the significant delays, ranging from 31 to 1,113 calendar days in the completion of 161 irrigation contracts/projects and the suspension of and/or granting of CTEs on 76 irrigation contracts/projects, the intended beneficiaries were not able to promptly benefit from these irrigation projects.

*Negative slippages ranging from 0.03 to 93.00 per cent incurred by the contractors in the implementation of 24 on-going irrigation projects costing P4.228 billion*

- 4.11. Twenty-four (24) on-going irrigation contracts/projects costing P4.228 billion being implemented by the NIA CO, two (2) ROs and two (2) IMOs, incurred negative slippages, ranging from 0.03 to 93.00 per cent, as presented in Table 10.



**Table 10 - Breakdown of On-going Contracts/Projects with Negative Slippages  
As of December 31, 2023**

<b>Implementing Office</b>	<b>No. of Contracts/ Projects</b>	<b>Negative Slippage (%)</b>	<b>Amount</b>
CO*	8	0.19 to 34.37	P3,930,808,370
EWSIMO	3	14.58 to 36.58	6,614,885
RO No. IX	7	<b>0.03</b> to 39.37	197,890,611
LAMISCA IMO	4	15.00 to <b>93.00</b>	22,607,758
RO No. XI	2	16.92 to 16.94	69,973,245
	<b>24</b>		<b>P4,227,894,869</b>

\*Includes six (6) projects/contracts already included in Table 9 - Projects with Suspensions/CTEs

4.12. Out of the 24 contracts/projects presented in Table 10, 11 contracts/projects with total contract cost of P915.364 million incurred negative slippages beyond 15 per cent as of December 31, 2023, as shown in Table 11.

**Table 11 - Breakdown of On-going Contracts/Projects with Negative Slippages of  
More Than 15 Per cent  
As of December 31, 2023**

<b>Implementing Office</b>	<b>No. of Contracts/ Projects</b>	<b>Negative Slippage (%)</b>	<b>Amount</b>
CO	2	18.50 and 34.37	P792,724,942
EWSIMO	2	23.79 and 36.58	12,182,880
RO No. IX	1	39.37	17,875,141
LAMISCA IMO	4	15.00; 20.00; 65.00; 93.00	22,607,758
RO No. XI	2	16.92 and 16.94	69,973,245
	<b>11</b>		<b>P915,363,966</b>

4.13. However, none of these contracts/projects was terminated or rescinded by the NIA, contrary to Item III.A.2, Annex "I" of the 2016 Revised IRR of RA No. 9184, on the "Grounds for Termination of Contracts" which states, viz.:

*2. 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; Xxx*

4.14. 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 two (2) irrigation contracts with total contract cost of P116.638 million due to contractor's fault or for convenience, thus wastage of government funds*

- 4.15. There were two (2) irrigation contracts/projects with total contract cost of P116.638 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 12.

**Table 12 - Terminated Contracts**

Implementing Office	No. of Contracts	Amount	No. of Days Delay in the Termination	Remarks/Actions not undertaken by Management
Northern Samar IMO (NSIMO)	2	P 35,379,560	7	Contract Terminated for Convenience per recommendation of the RO Contract Termination Review Committee (CTRC) dated June 5, 2023 and signed Resolution dated June 27, 2023 for Contract Termination endorsed to NSIMO.
		81,258,106	336	Contract Terminated by Default by RO CTRC recommendation dated August 22, 2022 and the Contractor was blacklisted for one (1) year starting September 1, 2022.
	<b>2</b>	<b>P 116,637,666</b>		

- 4.16. 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.

*Cumulative positive variation orders for 12 infrastructure projects with total contract cost of P182.413 million implemented by the NIA CAR, exceeded the 10 per cent of the original contract price, contrary to Item 1.4 of Annex E of the 2016 Revised IRR of RA No. 9184*

- 4.17. Item 1.4 of Annex E of the 2016 Revised IRR of RA No. 9184 states that:

**1. VARIATION ORDERS – CHANGE ORDER/EXTRA ORDER**

- 1.4. Any cumulative positive Variation Order beyond ten percent (10%) of the original contract price shall be subject of another contract to be bid out if the works are separable from the original contract. In exceptional cases where it is urgently necessary*

*to complete the original scope of work, the Head of the Procuring Entity may authorize a positive variation order that will make the cumulative value of the positive Variation Orders go beyond ten percent (10%) but not more than twenty percent (20%) of the original contract price, subject to the guidelines to be determined by the [Government Procurement Policy Board] GPPB: Provided, however, That appropriate sanctions shall be imposed on the designer, consultant or official responsible for the original detailed engineering design which failed to consider the Variation Order beyond ten percent (10%).*

- 4.18. Notwithstanding the above provision, 12 infrastructure projects implemented by the NIA CAR with a total contract cost of P182.413 million have cumulative variation orders that exceeded the allowed 10 per cent of the original contract price, in which the highest cumulative variation order percentage is 38.50 per cent, as presented in Table 13.

**Table 13 - List of Irrigation Projects with Positive Variation Order Above 10 percent**

<b>Project Name</b>	<b>Contract Amount</b>	<b>Total Positive Variation Order</b>	<b>Percentage</b>
1. CW-Ifugao-11-2022 Huhluacan SIP	P 6,526,798	P 809,746	12.41
2. CW-ALPIP-08-2020 ALPIP	6,789,731	2,613,725	<b>38.50</b>
3. CW-MP-35-2022 Patpatayan CIS	1,534,515	259,808	16.93
4. CW-MP-32-2022 Pega Len-ey CIS	2,054,194	345,440	16.82
5. CW-MP-10-2022 Iwang Kareo SIP	2,304,622	467,054	20.27
6. CW-Kalinga-03-2022 Cafayu Solar PIP	2,952,525	695,212	23.55
7. CW-Kalinga-43-2022 UCRIS	23,654,932	2,923,994	12.36
8. CW-MP-06-2022 Chanchaneg Foyfoy Mamokchang SIP	8,100,000	2,151,016	26.56
9. CW-Kalinga-12-2022 San Francisco SIP Ph. II	28,152,647	6,299,011	22.37
10. CW-C-Kalinga-42-2022 UCRIS, Quezon	9,427,726	1,022,271	10.84
11. CW-Abra-23-2022 Cluster 4 Construction of various SIP	21,812,723	2,999,944	13.75
12. CW-ALPIP-01-2020 ALPIP Package 1	69,102,416	19,339,458	27.99
	<b>P182,412,829</b>	<b>P39,926,679</b>	

*SIP – Small Irrigation Project; CIS – Communal Irrigation System; UCRIS – Upper Chico River Irrigation System*

- 4.19. As reported, the reasons for the revisions of works on the 12 irrigation projects/contracts were as follows:

- a. Restationing of item of work due to ROW issues and concerns;
- b. Revisions in work item due to actual need/condition at site;
- c. Revision/update of Good for the Construction (GFC) drawings/plans and specifications;
- d. Revision of plans;
- e. Refusal of land owners of original route to install proposed item of work;
- f. Programmed irrigation facilities do not suit the actual site condition;
- g. Reprioritization of works due to request from the beneficiaries;
- h. Reprioritization of scope of work due to heavy rains/typhoons;

- i. Changes in the scheme of development based on the result of Geo-resistivity survey conducted by the contractors;
  - j. Cancellation of manual backfill and compaction due to the presence of rock along the route of pipeline; and
  - k. Cancellation of materials due to changes in item of work.
- 4.20. Almost all of the reasons cited for the positive variation orders could be attributed to deficient detailed engineering investigations, surveys and designs for the projects. Granting that the variation orders were necessary, any cumulative positive Variation Order exceeding 10 per cent of the original contract price shall be subject of another contract to be bid out if the works are separable from the original contract and appropriate sanctions should be imposed on the designer, consultant, or official responsible for the initial detailed engineering design, who failed to consider the Variation Order beyond 10 per cent of the original total contract price, as provided in Item 1.4 of Annex E of 2016 Revised IRR of RA No. 9184.

*Various deficiencies, such as, damaged canal, non-operational, delayed construction, among others, on 29 completed infrastructure projects with total cost of P294.911 million were noted during the technical/ocular inspection in NIA MARIIS, CAR, and three (3) IMOs; while nine (9) irrigation systems were not properly maintained, hence depriving the beneficiaries of the full use of these irrigation projects*

- 4.21. Audit disclosed that 29 completed irrigation projects with aggregate cost of P294.911 million implemented by NIA CAR, MARIIS and three (3) IMOs 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 **Annex B**, Part IV of this Report.
- 4.22. The damages and deficiencies noted would indicate that the work accomplishments of the contractors concerned were not accurately evaluated by NIA Management, resulting in the payments of defective works subject for rectification, which would either entail additional cost or delay the utilization of the non-operational irrigation projects by the intended beneficiaries, among others.
- 4.23. **We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, PMOs and IMOs concerned to:**
- a. **Adhere strictly to the pertinent provisions of RA No. 9184 and its 2016 Revised IRR in the planning/procurement of the irrigation contracts/projects to be implemented, and 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/implemented;

- 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 of 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. **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 their completion;**
- d. **Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress billing are 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;**
- e. **File appropriate charges against erring/defaulting contractors; and**
- f. **Consider imposing administrative sanctions against NIA officials and personnel who are remiss in their duties, specifically in planning and monitoring of the implementation of irrigation contracts/projects, that resulted in delays, suspensions, terminations, and wastage of government funds.**

4.24. **We further recommended that top Management instruct the Regional Manager of NIA CAR to ensure that any Variation Order does not exceed 10 per cent of the original contract price in accordance with Item 1.4 of Annex "E" of the 2016 Revised IRR of RA No. 9184.**

4.25. NIA Management gave the following comments:

- a. They are continuously exerting best efforts to ensure timely completion of the contract works. Regular coordination meetings with the concerned implementing offices, contractors, and other concerned are being conducted to immediately address the pending/arising issues in the implementation of the irrigation contracts/projects and discuss the fast tracking of the accomplishments/works.

- b. In order to reflect the correct targets and actual accomplishments, the contractors are constantly reminded to submit the latest/revised construction programs.
  - c. They are one with COA in improving and enhancing NIA's overall processes. As the Agency endeavors to further develop its policies and improve its existing guidelines, a Memorandum Circular re: *Guidelines and Procedures in Terminating Contracts due to Fault of the Contractor for Locally Funded Infrastructure Projects* is now being prepared in order to ensure strict compliance with the process of contract termination and its consequential sanctions in accordance with the provisions of the RA No. 9184.
  - d. CAR Management commits to conduct regular monitoring and periodic inspection on the completion date of their infrastructure projects to avoid similar findings in the future. In addition, they will ensure that all projects procured in the succeeding years are consistent with the provision on allowable variation order.
- 4.26. As an audit rejoinder, the Audit Teams acknowledged NIA Management's initial efforts to implement the audit recommendations and commitment to take necessary actions to address the problems and issues noted in the implementation of the irrigation contracts/projects for the benefit of the farmers. Their full compliance with the recommendations shall be monitored in the succeeding audit.

#### PROCUREMENT OF INFRASTRUCTURE PROJECTS

5. **The pertinent provisions of RA No. 9184 and its 2016 Revised IRR, particularly on the conduct of Pre-procurement, Pre-bid Conference, Advertising and Posting of Invitation to Bid (ITB), Opening of Bids, Bid Evaluation, issuance of Notice of Award (NOA) and Notice to Proceed (NTP), and the corresponding requirements on timelines within which procurement activities are to be conducted, were not strictly adhered to by the NIA ROs in the procurement of 165 infrastructure contracts/projects with total cost of P1.602 billion, posing risk that the infrastructure contracts/projects 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 years' observation as Management did not fully address the issues raised on the procurement of infrastructure contracts/projects.
  - 5.2. RA No. 9184, its 2016 Revised IRR, 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 Revised IRR of RA No. 9184 provides for the functions of the Bids and Awards Committee (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. Audit disclosed that the NIA CAR, RO Nos. IV-B and XI, and 11 IMOs awarded 165 contracts with aggregate contract cost of P1.602 billion (Table 14) in CY 2023 that were not compliant with pertinent provisions of RA No. 9184 and its 2016 Revised IRR.

**Table 14 – Breakdown of Awarded Infrastructure Contracts in CY 2023  
Not Compliant with Pertinent Provisions of RA No. 9184 and its Revised IRR**

Office(s) Involved	No. of Contracts	Total Contract Cost/ABC
CAR	17	P 79,528,941
RO No. IV-B	8	139,601,975
Camarines Norte IMO	12	75,403,896
Camarines Sur IMO	24	257,816,439
Aklan-Capiz IMO	17	152,664,506
Antique IMO	10	88,854,667
EWSIMO	30	334,575,675
Zamboanga-Basilan-Sulu-Tawi-Tawi IMO (ZAMBASULTA IMO)	13	116,410,302
LAMISCA IMO	1	7,200,000
RO No. XI	4	158,231,479
Davao del Norte IMO	12	54,359,022
Davao del Sur IMO	7	76,109,079
Davao De Oro IMO	1	13,670,813
Davao Oriental IMO	9	47,581,956
	<b>165</b>	<b>P1,602,008,750</b>

- 5.5. The deficiencies noted in the audit of the procurement of the above-mentioned infrastructure contracts are summarized **Annex C**, Part IV of this Report.

- 5.6. The non-adherence to the pertinent provisions of RA No. 9184 and its 2016 Revised IRR, posed risk that the 165 contracts costing P1.602 billion were awarded to contractors who might not be eligible and responsive with the requirements of the contracts.
- 5.7. **We reiterated our previous year's recommendation and top Management agreed to require the Regional/Project Managers of ROs and PMOs concerned to ensure that the NOA and NTP are posted 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 Sections 37.1.6 and 37.4.2 of the 2016 Revised IRR of RA No. 9184.**
- 5.8. **We further recommended that top Management direct the Regional/Project Managers of ROs, PMOs and IMO concerned to:**
- a. **Instruct the BAC, its Secretariat and the Technical Working Group (TWG) to thoroughly comply with the procurement procedures and timelines prescribed under RA No. 9184 and its 2016 Revised IRR to ensure transparency and efficiency in the NIA's procurement activities by:**
    - a.1. **Sending invitation to observers, in addition to the representative of COA, at least five (5) calendar days before the date of the procurement stage/activity, and to monitor the procurement proceedings as required under Sections 13.1 and 13.3 of the 2016 Revised IRR of RA No. 9184;**
    - a.2. **Posting the ITB for seven (7) calendar days at any conspicuous place within the premises of NIA, in accordance with Section 21.2.1(a) of the 2016 Revised IRR of RA No. 9184;**
    - a.3. **Exerting best efforts to complete the Bid Evaluation and Post-qualification process in accordance with Sections 32.4 and 34.8 of the 2016 Revised IRR of RA No. 9184; and**
    - a.4. **Preparing the minutes of the pre-procurement conference, pre-bid conference and opening of bids, and the notices of Lowest Calculated Bid pursuant to Sections 6.4, 22.4 and 25.6 and Item 13.2 of Appendix 3 of the 2016 Revised IRR of RA No. 9184;**
  - b. **Require the contractors with completed projects to post warranty security for structural defects and failures, as stipulated in Section 62.2.3.3 of the 2016 Revised IRR of RA No. 9184; and**



- c. **Instruct the Project-in-Charge by administration to strictly observe the P500,000.00 limitation set forth under Item 4.8 of Appendix 1 of the 2016 Revised IRR of RA No. 9184.**

5.9. NIA Management gave the following comments:

- a. The NIA CAR, RO No. IV-B, Camarines Sur IMO, Camarines Norte Sur IMO, Antique IMO, Aklan-Capiz IMO, EWSIMO, ZAMBASULTA IMO and LAMISCA IMO assured that they will take measures to strictly adhere to the prescribed processes and timelines in conducting procurement of infrastructure contracts and to avoid similar occurrences in the future.
- b. The delayed procurement activities in ZAMBASULTA IMO could be attributed to the late submission and approval of the Program of Works (POW) and there were additional projects for modification of the CY 2023 POW/Approved budget released by the NIA CO on October 27, 2023, which pushed the procurement process to a later date.
- c. The Regional Manager in RO No. XI assured that the posting of warranty security will be emphasized during pre-bid conferences.
- d. The Construction Section Head of Davao del Norte IMO committed that they will comply with the recommendation with regard to projects by administration on pakyaw labor contracts, observing the P500,000.00 limit and the prescribed selection criteria for pakyaw groups.

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

- 6. **The NIA CO, six (6) ROs, UPRIIS and five (5) IMOs were not able to recoup the advance payments to contractors/sub-contractors in the total amount of P1.057 billion for 154 contracts/projects which were either terminated, completed, or unknown status, contrary to Paragraph 46 of the General Conditions of the Contract (GCC) of the 5<sup>th</sup> Edition of the Philippine Bidding Documents (PBD) for the Procurement of Infrastructure Projects. The non-recoupment of the advances deprived the NIA of the funds for its other projects, giving unwarranted benefits to contractors, and poses risk of possible loss of government funds 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 years' observation on the non-recoupment of advances to contractors as Management was not able to comply with the recommendations.

6.2. Section 4, Annex “E” of the 2016 Revised IRR 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. Xxx.*

6.3. Paragraph 46 of the 5<sup>th</sup> 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 15.

**Table 15 - Grounds for Termination of Contracts vis a vis Pertinent Provisions in the PBD for the Procurement of Infrastructure Projects**

<b>Grounds for Termination of Contracts</b>	<b>Para. 46, GCC of the 5<sup>th</sup> Edition of the PBD for the Procurement of Infrastructure Projects</b>
Termination for Default of Contractor (Section III (A) (2), Annex “I” of the 2016 Revised IRR, 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 less advance payments received up to the date of the issue of the certificate 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 Revised IRR, RA No. 9184)	
Termination for Unlawful Acts (Section III (D), Annex “I” of the 2016 Revised IRR, RA No. 9184)	46.3 The net balance due shall be paid or repaid within twenty-eight (28) days from the notice of termination.

<b>Grounds for Termination of Contracts</b>	<b>Para. 46, GCC of the 5<sup>th</sup> Edition of the PBD for the Procurement of Infrastructure Projects</b>
Termination for Convenience (Section III (B), Annex "I" of the 2016 Revised IRR, 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 less advance payments received up to the date of the certificate.
Termination by Contractor (Section III (E) (1), Annex "I" of the 2016 Revised IRR, 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/Sub-Contractors showed that the NIA was not able to recoup the advance payments in the total amount of P1.057 billion (Table 16) from the contractors of 154 terminated/completed/unknown status contracts.

**Table 16 - Unrecouped Advance Payments from Contractors of Terminated/Completed/Unknown Status Contracts As of December 31, 2023**

<b>Office Involved</b>	<b>No. of Contracts</b>	<b>Amount</b>	<b>Remarks</b>
CO	54	P 949,541,551	Completed, Terminated, Unknown status
RO No. II	2	815,685	Terminated
UPRIIS	3	2,311,211	Completed in CYs 2017 to 2018
Palawan IMO (PIMO)	11	2,620,894	Completed, Terminated in CYs 2019 to 2023
Occidental Mindoro IMO (OMIMO)	12	8,980,327	Completed, Terminated in CYs 2017 to 2023
RO No. V	8	4,437,781	Unknown status
Camarines Sur IMO	7	12,457,866	Terminated
RO No. VII	26	11,060,610	Completed, Terminated in CYs 2017 to 2023
LAMISCA IMO	18	7,216,281	Completed
RO No. XI	1	1,307,675	Completed, Unknown status
Davao del Norte IMO	3	345,361	Completed, Unknown status
RO No. XII	5	41,276,838	Terminated, Completed in CYs 2017 to 2023
RO No. XIII	4	14,621,141	Terminated in CYs 2019 to 2020
	<b>154</b>	<b>P1,056,993,221</b>	

- 6.5. In NIA CO, RO No. II and Camarines Sur IMO, no legal remedies were pursued against defaulting contractors, or Surety Bonds were not forfeited to recover the advance payments. The unrecouped amounts included advances in the amount of P128.198 million to contractors, who still hold valid Philippine Contractors Accreditation Board (PCAB) licenses, but NIA has not pursued the recoupment of the said advances. Additionally, legal disputes and arbitration awards in favor of contractors contributed to the delayed recoupment of advances from defaulting contractors.

- 6.6. In UPRIIS, the advance payments to contractors were not deducted/recouped from their progress billings. Although Management had sent demand letters to the defaulting contractors, the advance payments remained outstanding as at audit date.
- 6.7. Management of RO Nos. V, VII, XII, XIII, PIMO, OMIMO and LAMISCA IMO justified that the causes of non-recoupment of the advance payments to contractors were the non-submission by the latter of the final billings with supporting documents and/or challenges in project verification/validation.
- 6.8. The delayed/non-recoupment of the outstanding advance payments from the contractors, whose contracts were already terminated could be attributed to lack of prescribed policy or guidelines to ensure that the Accounting Division in the CO and the Accounting Sections in the ROs/PMOs/IMOs are promptly informed and furnished with the Notice of Termination of contracts duly approved by the CTRC.
- 6.9. 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 of government funds since some of the contractors could no longer be located and the Surety Bonds posted by them were already expired.
- 6.10. **We reiterated our prior years' audit recommendations that top Management:**
- a. **Direct the Legal Services of CO and concerned ROs to Blacklist the defaulting contractors who did not return the advance payments for the 154 terminated, completed or unknown status contracts, pursuant to Item 6, Appendix 17 of the 2016 Revised IRR of RA No. 9184;**
  - 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 Notice of Termination pursuant to Paragraph 46, GCC of the 5<sup>th</sup> Edition of the PBD for the Procurement of Infrastructure Projects; and**
  - c. **Require the officers and personnel concerned in the CO and ROs to exert utmost efforts to recoup the advance payments to contractors in the total amount of P1.057 billion, and hold them responsible in case of non-recoupment thereof, if warranted.**

6.11. **We further recommended that top Management require the Legal Services to initiate legal proceedings against defaulting contractors, if warranted, or negotiate repayment terms with the contractors, or pursue bond claims from the surety companies to recoup the advance payments.**

6.12. Management provided the following comments:

- a. The NIA CO Accounting Division and Contract Management Division are working to locate documents related to contracts and projects, despite challenges with old records. They have already sought legal advice on actions against defaulting contractors. Although some details were missing, they had recouped the amount of P33.539 million for three (3) contracts. They have also drafted Expanded Guidelines for Termination of Contracts, to be included in the Financial Management Department Operations Manual upon approval.
- b. Management of RO Nos. II, XII, XIII, PIMO and OMIMO, acknowledged the audit observations and they are proactively addressing the unrecouped advances from terminated contracts of defaulting contractors and pursuing legal recourse as needed.
- c. UPRIS Management informed that legal action has been filed against a contractor.
- d. RO No. V Management is diligently working in recovering the advances to contractors. Letters for the submission of the final billing documents have been sent to the concerned contractors.
- e. RO No. VII Management plans to offset unrecouped balances from terminated contracts against project accomplishments once calculated. They will notify contractors of unrecovered balances, negotiate deductions, or demand payment.
- f. LAMISCA IMO Management committed to recover the remaining unrecouped advance payment in CY 2024.

6.13. 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.

**7. Surety Bonds/Bank Guarantees in the total amount of P274.107 million posted by the Contractors to guarantee the 15 per cent advance payments were no longer valid due to non-payment of annual premiums by the Contractors, contrary to Item 4.2 of Annex E of the 2016 Revised IRR of RA No. 9184, and consequently posing a significant risk that NIA might not be**

**able to recover or recoup the advances to contractors in case of termination or abandonment of contracts.**

- 7.1. Item 4.2 of Annex E of the 2016 Revised IRR of RA No. 9184, provides that:

*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.*

- 7.2. As required in the above quoted provision, an irrevocable standby letter of credit, bank guarantee, or surety bond must be submitted and accepted by the procuring entity before any advance payment is made to a contractor. The surety bond or bank guarantee must remain effective/valid until the advance payment is fully recouped.
- 7.3. Verification of the Surety Bonds or Bank Guarantees posted by contractors to guarantee the advance payments disclosed that most of these bonds have validity period from the date of posting of the bond until the advance payment is fully recouped. Hence, the NIA did not require renewal of the Surety Bond/Bank Guarantee posted by the contractors even if the said surety bond is posted to guarantee a multi-year contract.
- 7.4. However, the Audit Team noted that the premiums paid by the contractors is only for one (1) year, even if the contract duration of the infrastructure contract/project is more than one year (multi-year contract). Relative thereto, the Audit Team sent letters to various insurance/surety companies to inquire/confirm the validity periods of the surety bonds/bank guarantees posted by various contractors. Based on the replies of the insurance/surety companies, the validity of a surety bond/bank guarantee is indicated in the face of the bond certificate as long as the premiums are paid.
- 7.5. It was further noted that various contractors did not pay the premiums of the surety bonds/bank guarantees after one (1) year from posting, hence these surety bonds/bank guarantees were no longer valid despite the validity period indicated in the face of the bond certificate is until the advance payment is fully recouped.
- 7.6. Information gathered from the insurance/surety companies revealed that surety bonds/bank guarantees posted by various contractors in the total amount of P274.107 million (Table 17) are no longer valid since the annual premiums were not paid by the contractors.

**Table 17 - Breakdown of Surety Bonds/Bank Guarantees no longer Valid  
Due to Non-payment of Premiums**

Office Involved	Contract No. Covered by the Surety Bond/Bank Guarantee	Validity Period	Amount
CO	SRIPD-C-30	June 13, 2018 to June 13, 2019	P 11,974,537
	R1-DSRIPD-C-35	November 9, 2021 to November 9, 2022	133,924,887
	CAR-MSRIPD-C-18RW	April 1, 2022 to April 1, 2023	27,148,154
		April 26, 2022 to April 26, 2023	
	R7-BSRIPD-C-27RW	January 24, 2023 to January 24, 2024	27,016,952
	R6-BSRIPD-C-34	March 23, 2023 to March 23, 2024	59,421,337
RO No. XIII	LCB-SDS-CANTILAN (RRRENIS)-1-08-2017	June 14, 2017 to June 14, 2018	3,035,519
	LCB-SDS-MADRID (RRRENIS)-2-13-2017	June 14, 2017 to June 14, 2018	1,959,138
Surigao Sur IMO	Del LCB-SDS-CANTILAN (RRRENIS)-1-08-2017	June 14, 2017 to June 14, 2018	3,035,518
	LCB-SDS-MADRID (RRRENIS)-2-13-2017	June 14, 2017 to June 14, 2018	1,959,138
	LCB-SDS-CANTILAN-(RENIS)-35-2017R	July 30, 2019 to July 30, 2020	1,741,785
	LMC-TAGO RIS-2019-RO	July 23, 2019 to July 23, 2020	2,890,043
		August 22, 2019 to August 22, 2020	
			<b>P 274,107,008</b>

- 7.7. Considering that the surety bonds/bank guarantees are no longer valid due to non-payment of premiums, the NIA is exposed to risk of non-recoupment of the advance payments in the event of contract termination due to non-performance by the contractors or unforeseen circumstances as the recovery from the insurance/surety companies could not be pursued.
- 7.8. **We recommended that top Management direct the Finance and Engineering Department Managers of CO and Regional Manager of RO No. XIII to instruct the Construction Management Division/Monitoring Unit to:**
- a. **Require the contractors concerned to pay the premiums in arrears of the surety bonds/bank guarantees and provide the NIA offices concerned proof of payment of the premiums to ensure the validity thereof; and**
  - b. **Designate a responsible personnel or section to monitor the validity of surety bonds/bank guarantees and all similar insurance policies, so as to promptly notify the concerned contractors to pay the premiums due.**
- 7.9. The NIA CO Management commented that they have already directed the concerned contractors, through a letter, to renew their surety bonds/bank guarantees posted and submit the renewed policy contracts to NIA immediately.
- 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.

## **COMPLIANCE WITH PROPERTY INSURANCE LAW**

- 8. Insurable PPEs and other assets with total cost of P75.113 billion were not insured with the General Insurance Fund (GIF) of the Government Service Insurance System (GSIS) in CY 2023, 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.**

- 8.1. This is a reiteration of prior years' observation as Management was not able to fully implement the audit recommendations, specifically in ensuring that all insurable assets and interests of the NIA are covered by insurance with the GIF of the GSIS.
- 8.2. 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.
- 8.3. 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 5.1 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/OU) in order to avoid double payment. The Head of the Agency shall issue specific guidelines/instructions to the R/DOs/Bs/OU to submit their respective accurate and updated PIF for consolidation at the C/HO.*

- 8.4. 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.*

- 8.5. Verification of records and analysis of the insurance payments transactions in CY 2023 revealed that insurable PPE items and other assets with total cost of P75.113 billion of CO, two ROs, and four IMOs were not insured with the GIF of the GSIS contrary to the above-cited laws and regulations, breakdown shown in Table 18.

**Table 18 - List of Insurable Assets Not Insured with the GIF of the GSIS in CY 2023**

<b>Office Involved</b>	<b>Insurable Assets</b>	<b>Amount</b>
CO	Construction in Progress-Buildings and Other Structures, Construction in Progress-Infrastructure Assets, Other Land Improvements, Water Supply Systems, Power Supply Systems, Other Structures, Construction and Heavy Equipment, Military, Police and Security Equipment, Other Machinery and Equipment, Other Transportation Equipment, Other Property, Plant and Equipment	P74,777,059,712
Cagayan-Batanes IMO	Office Buildings, Other Structures and various Irrigation Systems	90,560,065
Aklan-Capiz IMO	Office Buildings, Other Structures, Machinery, Office Equipment, Furniture and Fixtures, IT Equipment and Software, Construction and Heavy Equipment, Technical and Scientific Equipment, Other Machinery and Equipment, Motor Vehicles	48,867,742
Antique IMO	Land Improvements, Office Buildings, Other Structures, Office Equipment, Furniture and Fixtures, IT Equipment and Software, Construction and Heavy Equipment, Technical and Scientific Equipment, Other Machinery and Equipment, Transportation Equipment	41,971,720
RO No. VII	Land Improvements, Buildings, Other Structures, Office Equipment, Furniture and Fixtures, Construction and Heavy Equipment, Electrical Equipment, Motor Vehicles, Information and Communications Equipment, Technical and Scientific Equipment, Other Machinery and Equipment	120,805,755
RO No. VIII	Motor Vehicles, Construction and Heavy Equipment	7,465,089
Leyte IMO	Motor Vehicles, Construction and Heavy Equipment	26,274,103
		<b>P75,113,004,186</b>

8.6. Management of the concerned NIA offices provided the following justifications for non-insuring and non-bonding of risks of insurable assets, properties, and interests with the GIF of the GSIS in CY 2023:

- a. NIA CO Management opted to prioritize insurance coverage for motor vehicles and buildings, including their contents, because insuring the water systems alone would require premiums estimated to be as high as P600 million per annum, based on the assessment by the GSIS. Furthermore, there was no appraisal for other insurable assets, which might result in paying higher premiums if the properties are not properly appraised.
- b. Management of NIA Aklan-Capiz IMO and Antique IMO informed that some insurable assets were not insured due to insufficient budget allotted for the payment of the insurance premiums.
- c. The RO No. VII Property Officer was not able to prepare the required PIF. Additionally, they are still preparing the necessary documents for the insurance coverage application for the buildings and their contents. Also, the old Construction and Heavy Equipment costing P23.711 million, which require frequent repairs, are not insured because obtaining insurance seemed impractical.

- d. Management of RO No. VIII and Leyte IMO explained that some PPE items were not insured with the GIF of the GSIS due to insufficient funds for premiums, and lack of monitoring of insurance policies expiration dates.
- 8.7. Moreover, the PIF of the NIA ROs and IMOs were not consolidated, with each office paying its respective insurance premiums to the GSIS, which is contrary to Section 5.1.g of COA Circular No. 2018-002 dated May 31, 2018.
- 8.8. It is emphasized that absence of insurance coverage for all insurable assets and interests exposed the NIA to the risk of non-indemnification in case of losses or damages due to fortuitous events and other casualty.
- 8.9. **We reiterated our previous years' recommendations that top Management:**
  - a. **Allocate funds/budget yearly for the insurance premiums of all 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 all 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.**
- 8.10. **We further recommended that top Management instruct the Regional Managers of the ROs to require the Property Officers to prepare consolidated and updated PIFs as the basis for the centralized payment of insurance premiums for all NIA PPEs regionwide.**
- 8.11. Management provided the following comments:
  - a. NIA CO Property Section will streamline the PIF submission process for accuracy and completeness in CY 2025. Management will appraise the Water Supply Systems to determine the insurable amount and will coordinate with the GSIS and the DBM to secure annual funding for insurance premiums of all physical assets and address related concerns.
  - b. RO No. II Management is in the process of preparing the requirements for insuring all insurable properties. Buildings awaiting Bureau of Fire Protection (BFP) Certification may be excluded, while hazardous ones are under review. Management will follow up those lacking requirements to ensure full insurance coverage for NIA Cagayan Batanes IMO's properties with the GSIS.
  - c. Management of Antique IMO acknowledged oversight in not insuring their other PPEs and other assets due to the reduction in the budget

allocation. They intend to realign their budget to adequately cover insurance premiums, ensuring compliance with regulatory provisions and safeguarding NIA Antique IMO's assets effectively.

- d. RO No. VII Management is coordinating with the GSIS and preparing the PIF. They have formed an appraisal committee to ensure accurate property valuation and allocated P2 million for insurance coverage. Functional properties are prioritized due to budget constraints.
- e. RO No. VIII Management committed to comply with the audit recommendation.

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

#### **GENDER AND DEVELOPMENT (GAD)**

- 9. The NIA was able to have a Philippine Commission on Women (PCW)-endorsed GAD Plan and Budget (GPB) in CY 2023 in the amount of P3.609 billion out of P40.843 billion or 8.84 per cent of the approved appropriation for CY 2023 of the NIA, in consonance with PCW-National Economic and Development Authority (NEDA)-DBM Joint Circular (JC) No. 2012-01. However, existing rules and regulations on GAD were not fully complied with in view of the following deficiencies noted in the mainstreaming of GAD perspective in the NIA's operation:
  - a. Absence of a six-year GAD Agenda, which is the Agency's strategic framework and plan on gender mainstreaming and achieving women's empowerment and gender equality, contrary to Section 5.1 of the PCW-NEDA-DBM 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. In CY 2023, the NIA reported implementation of 110 out of the target of 208 GAD-related Programs, Activities, and Projects (PAPs), hence only the amount of P1.854 billion or 51.37 per cent was utilized out of the allocated amount of P3.609 billion, due to inadequate design, monitoring and evaluation of the PAPs, depriving the targeted beneficiaries of the benefits expected from these planned PAPs;
  - c. 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 as bases or inputs for planning, budgeting and in identifying the current gender issues to be addressed by the Agency; and

- d. **Non-assignment of Responsibility Centers (RCs) for GAD to properly account for the GAD expenditures and other GAD-related financial transactions, contrary to COA Circular No. 2021-008 dated September 06, 2021.**

9.1. This is a reiteration with updates of the prior years' observation as Management did not fully address the issues raised on the implementation of GAD-related PAPs.

9.2. The PCW-NEDA-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.*

9.3. It is worth mentioning that the NIA was able to have a PCW-endorsed GPB in CY 2023 in the amount of P3.609 billion out of P40.843 billion or 8.84 per cent of the approved appropriation for CY 2023 of the NIA, in consonance with PCW-NEDA-DBM JC No. 2012-01. Nevertheless, audit of the NIA's implementation of GAD for CY 2023 revealed the following observations:

*Absence of a six-year GAD Agenda*

- 9.4. 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.*

- 9.5. Section 3.1 of PCW MC No. 2018-04 dated September 19, 2018, re: *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.*

- 9.6. 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.

- 9.7. As provided under Section 5 of PCW MC No. 2018-04, the steps in formulating the GAD Agenda include (1) *organizing the planning team*; (2) *conducting gender analysis*; (3) *setting the Agency's GAD Vision and Mission*; (4) *formulating the GAD goals*; (5) *prioritizing Gender Issues and/or GAD Mandates per GAD Goal*; (6) *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.

- 9.8. In line with the above-quoted provisions of PCW MC No. 2018-04, Management conducted the GAD activity relative to the formulation of the GAD Agenda. On October 23-27, 2023, Management held the Gender and Development Agenda Workshop, which was attended by 70 personnel from NIA-CO GAD Focal Point System (GFPS) and from ROs. The objective of this workshop was to develop the GADSF and GADSP of the Agency. Additionally, it sought to enhance participants' understanding on the gender sensitivity, gender analysis and use of gender analysis tools, GAD planning and budgeting. Resource Trainers were certified by the PCW as members of the Gender and Development Resource Pool.
- 9.9. This NIA initiative is aligned with the steps outlined in PCW MC No. 2018-04, significantly contributing to the formulation of the GAD Agenda as prescribed, thereby demonstrating their dedication to promoting gender equality. However, the Vice-Chairperson of the NIA GFPS Committee informed that the formulation of the GAD Agenda is not yet finalized as at audit date.
- 9.10. In view of the absence of a GAD Agenda, the NIA was unable to ensure that the Agency-specific priority gender-issues are completely identified and addressed, and it 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 NIA's operations and programs. Additionally, there is no 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.

*NIA reported implementation of 110 out of the target of 208 GAD-related PAPs, hence only the amount of P1.854 billion or 51.37 per cent was utilized out of the allocated amount of P3.609 billion, due to inadequate design, monitoring and evaluation of the PAPs, depriving the targeted beneficiaries of the benefits expected from these planned PAPs*

- 9.11. For CY 2023, the NIA's approved corporate operating budget (COB) amounted to P40.843 billion, of which P3.609 billion or 8.84 per cent was allocated for implementation of GAD PAPs. However, comparison of the GPB for CY 2023 vis-à-vis the GAD AR submitted by NIA to the PCW and furnished the Audit Team showed that out of the 208 planned GAD PAPs with total budget of P3.609 billion for CY 2023, only 110 PAPs were implemented with total expenses of P1.854 billion, representing 51.37 per cent of the GAD budget, while 98 planned GAD PAPs were not implemented during the year, as summarized in Table 19.

**Table 19 - GPB vis-à-vis the GAD AR for CY 2023**

GAD PAPs	Per GPB		Per GAD AR		Variance/Not Implemented	
	No. of Activity	GAD Budget	No. of Activity	GAD Expenses	No. of Activity	Amount
Client-focused	36	P 16,737,830	10	P 739,816	26	P 15,998,014
Organization-focused	41	21,682,991	10	3,263,642	31	18,419,349
Attributed program	131	3,570,387,498	90	1,849,711,855	41	1,720,675,643
	<b>208</b>	<b>P3,608,808,319</b>	<b>110</b>	<b>P1,853,715,313</b>	<b>98</b>	<b>P1,755,093,006</b>

9.12. Inquiry with the Vice-Chairperson of the GFPS disclosed that the low utilization of the GAD funds and the unimplemented GAD PAPs for CY 2023 were due to certain GAD PAPs outlined in the endorsed GPB being omitted from the NIA-approved budget as per the GAA. The inability to revise the GAD GPB during its second pass was rooted in time constraints that hindered the incorporation of the new GAD activities aligned with the approved GAA. Also, the GFPS did not attribute the proportionate salaries and wages of its personnel directly involved in planning, implementing, and monitoring GAD activities in their reported expenses.

9.13. The non-implementation of the planned 98 GAD PAPs and low utilization of GAD funds for CY 2023 deprived the targeted beneficiaries of the benefits expected from these GAD PAPs.

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

9.14. 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.*



- 9.15. Verification revealed that the NIA lacked an updated GAD database containing gender statistics and sex-disaggregated data. It was noted that the Agency's data were gathered in CY 2017, thus, it might no longer serve as effective bases or inputs for planning, budgeting and in identifying the current gender issues to be addressed by the Agency.
- 9.16. 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.

*RCs and RC codes for the GFPS were not yet established*

- 9.17. Section 4 of COA Circular No. 2021-008 dated September 6, 2021, on the assignment of RCs for the GFPS to Account, Monitor, and Report GAD Expenses and Other GAD-Related Financial Transactions, provides guidelines and procedures for assigning RCs and codes for the GFPS to manage GAD expenses and related financial transactions, as follows:

- 4.1. Xxx.
- 4.2. *Government entities shall establish their own responsibility accounting by creating or assigning RCs and RC codes.*
- 4.3. Xxx.
- 4.4. *A separate RC and RC code for the GFPS assigned by the entity concerned shall serve as the RC for GAD-related expenses.*
- 4.5. *The RC for GFPS assigned or created shall be under the office of the agency head for NGAs and GCs, xxx.*
- 4.6. *The RC code assigned for GFPS shall be reflected in the enhanced electronic National Government Accounting System (eNGAS) and electronic Budget (eBudget) System or in any computerized or manual accounting system implemented by the government entity concerned.*

- 9.18. The COA Circular emphasizes the importance of establishing RCs for clear accountability and oversight across different functions. Designating specific units as RCs allows organizations to monitor performance, allocate resources efficiently, and ensure alignment with organizational goals, facilitating effective expense monitoring and resource allocation. Integrating RC codes into the manual accounting system enhances financial management and reporting by providing unique identifiers for RCs, enabling precise tracking of GAD-related expenses and transactions. This allows NIA to generate detailed reports on GAD expenditures.

- 9.19. However, audit disclosed that NIA has not yet established RCs or assigned RC codes for its GFPS.
- 9.20. In view of the non-compliance with the provision of the afore-mentioned COA Circular, monitoring, tracking of expenses, and generating detailed reports on GAD-related expenditures could not be readily performed.
- 9.21. **We reiterated our previous years' recommendations and top Management agreed to direct the GFPS of NIA to:**
- a. **Finalize the six-year GAD Agenda, and to consider seeking the assistance of the PCW in the finalization thereof, pursuant to the pertinent provisions of the PCW-NEDA-DBM JC No. 2012-01 and PCW MC No. 2018-04 dated September 19, 2018;**
  - b. **Formulate an effective monitoring system to ensure that all the identified GAD PAPs will be timely and fully undertaken within the year; and**
  - c. **Update GAD database containing gender statistics and sex-disaggregated data to ensure a more effective GAD planning, budgeting as well as implementation of GAD PAPs.**
- 9.22. **We further recommended that top Management require the Finance Manager to assign RCs and RC codes in consonance with COA Circular No. 2021-008 dated September 6, 2021 to enhance monitoring, tracking and reporting for GAD-related expenditures.**
- 9.23. Management acknowledged the audit recommendations and committed to finalizing the GAD Agenda in collaboration with the PCW to seek guidance in the finalization process. They will update the GAD database through coordination among divisions, including Corporate Planning Services, the Human Resources Division, the Institutional Development Division, and the Engineering Department. Moving forward, budgets will be fully utilized for planned activities, including attributing the salaries and wages of personnel directly involved in planning, implementing, and monitoring of the GAD activities. The implementation of responsibility accounting is pending the finalization of codes, with the GFPS staff training plan on proper accounting practices.
- 9.24. As a rejoinder, the Audit Team appreciated Management's efforts to comply with the audit recommendations. Continuous compliance by the NIA with GAD-related issuances will be evaluated and monitored in the succeeding audits.

## **COMPLIANCE WITH TAX LAWS**

10. Taxes withheld in the total amount of P15.809 million pertaining to taxes in CY 2023 and prior years were not yet remitted to the Bureau of Internal Revenue (BIR), contrary to Item II (1) (c) of BIR Revenue Memorandum Order (RMO) No. 8-2003 dated March 3, 2003 and Item B (4) of BIR Revenue Memorandum Circular (RMC) No. 23-2012 dated February 14, 2012, thus might result in the imposition of penalties and charges for delayed remittance and deprived the National Government of the immediate use of additional revenue.

10.1. Item II (1) (c) of BIR 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. Xxx.*

10.2. Item B (4) of BIR 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 xxx.*

10.3. 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 Jalaur River Multi-purpose

Project Stage II (JRMP-II), of the total unremitted taxes of P152.765 million as of December 31, 2023 pertaining to the CY 2023 and prior years, only P136.956 million were remitted in January 2024, leaving a balance of P15.809 million unremitted taxes, breakdown is shown in Table 20.

**Table 20 - Unremitted Balance of Withholding Tax**

Office Involved	Unremitted Withheld Taxes as of December 31, 2023	Remittance made in January 2024	Breakdown of Unremitted Balance		
			Current Year	Prior Years	Total
CAR	P 22,316,723	P 19,791,207	P 2,525,516	P -	P 2,525,516
RO No. III	51,646,240	49,706,504	636,931	1,302,805	1,939,736
RO No. V	17,319,149	13,771,797	88,057	3,459,295	3,547,352
RO No. VI	4,173,318	3,293,673	286,115	593,530	879,645
JRMP-II	669,698	566,685	-	103,013	103,013
RO No. VII	8,674,770	8,620,180	1,087	53,503	54,590
RO No. IX	5,200,910	5,151,026	49,884	-	49,884
RO No. X	18,078,626	14,216,807	1,970,557	1,891,262	3,861,819
RO No. XIII	24,685,576	21,838,040	821,314	2,026,222	2,847,536
	<b>P 152,765,010</b>	<b>P 136,955,919</b>	<b>P 6,379,461</b>	<b>P 9,429,630</b>	<b>P 15,809,091</b>

10.4. NIA ROs Management gave the following explanation with regard to the unremitted taxes:

- a. RO No. V Management explained that the remaining amount in the Due to BIR account is for adjustment and that they will be coordinating with the BIR to secure a certification that they have no unremitted tax for CY 2023 and prior years.
- b. RO No. VI Acting Senior Accounting Processor A informed that the balance of the unremitted taxes under Fund 501 LFPs is still under reconciliation with the books of the IMOs.
- c. In RO No. VII, the portion of the unremitted taxes in the amount of P17,991 pertained to tax refund to employees and taxes withheld in advance from employee who is currently on maternity leave.
- d. In RO No. X, the unremitted balances represent taxes withheld from projects.
- e. In RO No. XIII, the unremitted balance is still subject for reconciliation with the records of the field offices.

10.5. 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.

10.6. **We reiterated our previous years' recommendation that top Management direct the NIA officials and personnel concerned to immediately remit the withheld 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**

11. Premiums contributions and loan amortizations due to GSIS in the total amount of P27.275 million pertaining to CY 2023 and prior years' contributions/amortizations were not yet remitted to the GSIS, contrary to RA No. 8291, otherwise known as the Government Service Insurance Act of 1997, thus, exposing NIA to additional charges in the form of interest, penalties and surcharges, and might affect on the eligibility to benefits of member-employees.

- 11.1. 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.*

- 11.2. 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.*

11.3. 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.*

11.4. 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 state 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.*

11.5. Verification disclosed that of the total unremitted GSIS premium contributions and loan amortizations in the amount of P42.253 million as of December 31, 2023, pertaining to CY 2023 and prior years' balances of the NIA CO, eight ROs and JRMP-II, only the amount of P14.977 million was remitted in January 2024, leaving an unremitted balance P27.275 million, breakdown shown in Table 21.

**Table 21 - Breakdown of GSIS Premiums and Loan Repayments vis-à-vis Amounts Remitted to the GSIS in January 2024**

Office Involved	Unremitted Premiums and Loan Amortizations as of December 31, 2023	Remittances in CY 2024	Unremitted Balances		
			Current Year	Prior Years	Total
CO	P 25,764,089	P 1,174,370	P 21,735,592	P 2,854,127	P 24,589,719
CAR	44,405	11,579	29,459	3,367	32,826
RO No. III	1,549,073	572,922	238,619	737,532	976,151
RO No. V	2,984,808	2,354,925	6,507	623,376	629,883
RO No. VI	1,362,123	1,155,787	11,359	194,977	206,336
JRMP-II	18,326	2,639	-	15,687	15,687
RO No. VII	3,529,712	3,431,948	118,610	(20,846)	97,764
RO IX	2,037,979	1,392,843	582,500	62,636	645,136
RO No. X	3,229,150	2,621,757	380,849	226,544	607,393
RO No. XIII	1,733,129	2,258,684	-	(525,555)	(525,555)
	<b>P 42,252,794</b>	<b>P 14,977,454</b>	<b>P 23,103,495</b>	<b>P 4,171,845</b>	<b>P 27,275,340</b>

11.6. The delayed/non-remittance of the premiums and loan amortizations to the GSIS exposes the Agency to risk of paying interest, surcharges and penalties, and this might also affect on the eligibility to GSIS benefits of member-employees.

- 11.7. We reiterated our previous years' recommendation that top Management direct the NIA officials and personnel concerned to immediately remit the premium contributions and loan repayments/amortizations of the employees to the GSIS to avoid unnecessary interest, penalties and surcharges that will be imposed by the GSIS for delayed remittance.
- 11.8. RO No. III Management commented that the IMOs were instructed to prepare a detailed schedule of GSIS premium contributions and loan amortizations of personnel to ensure that these are remitted on time.
- 11.9. RO No. V Management commented that coordination shall be made with the GSIS to update employees' service record. Meanwhile, they are still exerting efforts to reconcile the other accounts.

## **COMPLIANCE WITH RA NO. 10606, NATIONAL HEALTH INSURANCE ACT**

12. Premiums contributions due to PhilHealth amounting to P5.110 million pertaining to CY 2023 and prior years' contributions were not yet remitted to PhilHealth, contrary to Sections 11 and 18(b) of the IRR of RA No. 10606.

- 12.1. Sections 11 and 18 (b) of the IRR of RA No. 10606 or the "National Health Insurance Act of 2013" state that:

### *Section 11. Remittance of Premium Contributions*

*Remittance of contribution shall be mandatory for all members. It shall be made to PhilHealth offices or to any of the accredited collecting agents. Failure to timely remit the appropriate premium contribution shall be subject to interest and penalties as prescribed by the Corporation without prejudice to other applicable penalties herein provided.*

### *Section 18. Payment of Premium Contributions*

*b. The monthly premium contribution of employed members shall be remitted by the employer on or before the date prescribed by the Corporation.*

- 12.2. In addition, PhilHealth Circular No. 0001, Series of 2014, dated January 9, 2014, prescribes the revised payment schedule for the applicable month starting March 2014 onwards for the Formal Sector, specifically all Government and Private Employers, as follows:

<b>Existing</b>	<b>New Payment Schedule</b>
Every 10 <sup>th</sup> day of the month following the applicable period	Employers with PENs ending in 0-4 Employers with PENs ending in 5-9
	Every 11 <sup>th</sup> -15 <sup>th</sup> day of the month following the applicable period Every 16 <sup>th</sup> – 20 <sup>th</sup> day of the month following the applicable period

- 12.3. Since NIA's PhilHealth Employer No. (PEN) - 140474000005, ends with "5", it should remit to PhilHealth every 16<sup>th</sup> - 20<sup>th</sup> day of the month following the applicable period.
- 12.4. Verification disclosed that of the total unremitted PhilHealth premium contributions of P7.290 million as of December 31, 2023, pertaining to CY 2023 and prior years' premiums, in CO, eight ROs and JRMP-II, only the amount of P2.180 million was remitted in January 2024, leaving an unremitted balance in the amount of P5.110 million, breakdown in Table 22.

**Table 22 - Unremitted Balances of PhilHealth Premium Contributions**

Office Involved	Unremitted Balance as of December 31, 2023	Remittances in January 2024	Unremitted Balances		
			Current Year	Prior Years	Total
CO	P 4,289,065	P 474,262	P 3,801,236	P 13,567	P 3,814,803
CAR	18,589	-	18,589	-	18,589
RO No. III	242,684	117,029	25,805	99,850	125,655
RO No. V	321,710	245,697	2,591	73,422	76,013
RO No. VI	342,135	161,323	(3,039)	183,851	180,812
JRMP-II	267,558	263,620	-	3,938	3,938
RO No. VII	434,132	418,586	15,546	-	15,546
RO No. IX	89,546	127,746	(13,730)	(24,470)	(38,200)
RO No. X	646,635	191,997	179,322	275,316	454,638
RO No. XIII	637,592	179,396	-	458,196	458,196
	<b>P 7,289,646</b>	<b>P 2,179,656</b>	<b>P 4,026,320</b>	<b>P 1,083,670</b>	<b>P 5,109,990</b>

- 12.5. In CO, inquiry with the Accounting Division revealed that the unremitted balance was due to reconciling items in prior years.
- 12.6. In RO No. XIII, the remaining unremitted balance is still for reconciliation with the records of the respective IMOs.
- 12.7. The delay in the remittance to PhilHealth of premium contributions may compromise the benefits of the NIA employees, and exposes NIA to interest and penalties that will be imposed by the PhilHealth, as provided under Section 11 of the IRR of RA No. 10606.
- 12.8. **We recommended that top Management direct the concerned personnel to remit the balance of premium contributions to PhilHealth and henceforth, implement control measures to ensure timely and complete remittance thereof.**
- 12.9. Management of RO No. III committed to conduct further verification of the prior years' records and transactions to establish the accurate amount of Due to PhilHealth account. Also, the IMOs were instructed to prepare the detailed schedule of the amount withheld and remitted to PhilHealth to fast track the conduct of reconciliation.



### **COMPLIANCE WITH RA NO. 9679 (Pag-IBIG)**

13. Premium contributions and loan amortizations due to Pag-IBIG Fund in the amount of P3.052 million, pertaining to CY 2023 and prior years' unremitted balances, were not yet remitted to the Home Development Mutual Fund (HDMF), contrary to Section 3(a), Rule VII of the IRR of RA No. 9679 and Item 4, Part E of HDMF Circular No. 275 dated January 22, 2010, thus exposing the NIA to additional charges in the form of interest and penalties for late remittance, and might affect the benefits of member-employees.

- 13.1. Section 3(a), Rule VII of the IRR of RA No. 9679 or the "Home Development Mutual Fund Law of 2009, otherwise known as Pag-IBIG (Pagtutulungan sa kinabukasan: Ikaw, Bangko, Industriya at Gobyerno) Fund", provides that:

*All employers shall remit to the Fund their contributions and the contributions of their covered employees as well as the latter's loan amortizations or payments to the Fund xxx.*

- 13.2. In addition, Item 4, Part E of HDMF Circular No. 275 dated January 22, 2010 provides that:

*Employers shall remit the required monthly employer and employee contributions to the nearest Pag-IBIG branch or its authorized collecting banks, together with the duly accomplished Membership Contribution Remittance Form (MCRF), in accordance with the following remittance schedule:*

<i><b>First Letter of employee's name</b></i>	<i><b>Due date</b></i>
<i>A to D</i>	<i>10<sup>th</sup> to 14<sup>th</sup> day of the month following the period covered</i>
<i>E to L</i>	<i>15<sup>th</sup> to the 19<sup>th</sup> day of the month following the period covered</i>
<i>M to Q</i>	<i>20<sup>th</sup> to the 24<sup>th</sup> day of the month following the period covered</i>
<i>R to Z, Numeral</i>	<i>25<sup>th</sup> to the end of the month following the period covered</i>

*Failure or refusal of the employer to pay or to remit the contributions herein prescribed shall not prejudice the right of the covered member to the benefits under the Fund. Such employer shall be charged a penalty equivalent to **1/10 of 1% per day of delay** of the amount due starting on the first day immediately following the due date until the date of full settlement.*

- 13.3. Verification disclosed that of the total unremitted Pag-IBIG premium contributions and loan amortizations in the amount of P5.766 million as of December 31, 2023, pertaining to CY 2023 and prior years' unremitted balances, in CO, eight ROs and JRMP-II, only the amount of P2.714 million was remitted in January 2024, leaving an unremitted balance of P3.052 million, breakdown shown in Table 23.

**Table 23 - Unremitted Balances of Pag-IBIG Premium Contributions and Loan Amortizations**

Office Involved	Unremitted Premiums and Loan Amortizations as of December 31, 2023	Remittances in January 2024	Unremitted Balances		
			Current Year	Prior Years	Total
CO	P 1,725,103	P 162,100	P 282,657	P 1,280,346	P 1,563,003
CAR	60,897	39,850	21,047	-	21,047
RO No. III	335,529	159,077	(39,135)	215,587	176,452
RO No. V	244,100	207,490	5,067	31,543	36,610
RO No. VI	632,629	408,784	1,760	222,085	223,845
JRMP-II	8,760	2,296	-	6,464	6,464
RO No. VII	334,161	316,085	8,885	9,191	18,076
RO No. IX	372,627	222,173	17,275	133,179	150,454
RO No. X	777,073	593,261	(1,936)	185,748	183,812
RO No. XIII	1,275,283	603,189	-	672,094	672,094
	<b>P 5,766,162</b>	<b>P 2,714,305</b>	<b>P 295,620</b>	<b>P 2,756,237</b>	<b>P 3,051,857</b>

- 13.4. According to RO No. XIII Management, the remaining unremitted balance is still for reconciliation with the records of the respective IMOs.
- 13.5. The delay in the remittance of Pag-IBIG premium contributions and loan amortizations exposes the NIA to penalties that will be imposed by the HDMF, as provided under Item 4, Part E of HDMF Circular No. 275 dated January 22, 2010.
- 13.6. **We recommended that the top Management direct the concerned personnel to remit the balance of premium contributions and loan amortizations to HDMF and henceforth, implement control measures to ensure timely and complete remittance thereof.**

#### **SUMMARY OF AUDIT SUSPENSIONS, DISALLOWANCES, AND CHARGES**

14. As of December 31, 2023, the total unsettled audit suspensions, disallowances and charges for all funds amounted to P1.168 billion, P4.155 billion, P2.225 million, respectively. In addition, there is an unsettled audit suspension in the amount of USD3.864 million under the General Fund. The summary of the audit suspensions, disallowances and charges for CY 2023 is shown in Table 24, while the details and status of the unsettled balances are presented in **Annex D**, Part IV of this Report.

**Table 24 - Summary of Audit of Suspensions, Disallowances and Charges  
For the CY 2023**

	Beginning Balance, January 01, 2023	Adjustments	Adjusted Beginning Balance, January 01, 2023	Issuances CY 2023	Compliance/ Settlements CY 2023	Ending Balance, December 31, 2023
I. Suspensions	P1,186,029,311 USD 3,863,967	P ( 230,572) -	P 1,185,798,739 USD 3,863,967	P 68,555,777 -	P 86,835,981 -	P 1,167,518,535 USD 3,863,967
II. Disallowances	P3,975,435,390	P 133,968,844	P 4,109,404,234	P 55,843,697	P 10,430,042	P 4,154,817,889
III. Charges	P 2,225,264	-	P 2,225,264	-	-	P 2,225,264
<b>Total US Dollar</b>	<b>USD 3,863,967</b>	<b>-</b>	<b>USD 3,863,967</b>	<b>-</b>	<b>-</b>	<b>USD 3,863,967</b>
<b>Total Philippine Peso</b>	<b>P5,163,689,965</b>	<b>P 133,738,272</b>	<b>P 5,297,428,237</b>	<b>P 124,399,474</b>	<b>P 97,266,023</b>	<b>P 5,324,561,688</b>

- 14.1. **We reiterated our previous years' 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**

### PART III - STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS

Of the 55 audit recommendations embodied in the prior years' Annual Audit Reports (AARs), 11 were implemented, 39 were not implemented and five (5) were closed, details are as follows:

Reference	Observations	Recommendations	Actions Taken/Comments
<b>2022 AAR</b>			
<b>FINANCIAL</b> Observation (AO) No. 1 Page 100	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.:	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:	Updated and reiterated in Part II - Observation and Recommendation No. 1 of this Report.
		a. Prepare and maintain complete SLs for all accounts to come up with verifiable and reliable account balances in the financial statements;	Not Implemented.  Verification disclosed that the total amounts of P571.863 million and P1.590 billion in assets and liabilities accounts, respectively, were already provided with subsidiary ledgers (SLs).
		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;	Not Implemented.  PPE Ledger Cards (PPELCs)/Construction-in-Progress Ledger Cards (CIPLCs) were prepared and maintained for various PPE items at various Regional Offices (ROs).
		c. Exert efforts to locate the supporting documents to provide the necessary data on SLs without details;	Not Implemented.
	a. Non-maintenance of complete subsidiary ledgers (SLs) to support the General Ledger (GL)		

Reference	Observations	Recommendations	Actions Taken/Comments
	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;	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.	Implemented.  Not Implemented.  Not Implemented.
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;	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	The total amounts of P1.582 billion and P105.169 million in assets and liabilities, respectively, with abnormal balances were already analyzed and adjusted.  Implemented.
c.	Unreconciled variances in the total absolute amount of P41.046 billion between		

Reference	Observations	Recommendations	Actions Taken/Comments
	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	information in decision-making and accountability for these assets.	
	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.		
<b>Other Observations:</b>			
	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.	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.	Not Implemented.  The reconciliation of the variances with the National Government Agencies (NGAs), Government Corporations (GCs), and creditors is still ongoing.
	Non-conduct of annual physical/inventory count of PPE items in the total amount of P486.679 million in NIA CO and two IMO, thus existence thereof was not established	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-	Not Implemented.  Inventory Committees in Apayao Irrigation Management Office (AIMO) and Bukidnon Irrigation Management Office (BIMO) had completed their inventory taking, while

Reference	Observations	Recommendations	Actions Taken/Comments
		006 and NIA MC No. 84, s. 2018.	CO will still continue with the inventory count of its PPE in CY 2024.
AO No. 2 Page 114	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.	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.	Not Implemented.  With partial submission of JEVs and supporting documents in the total debits and credits in the amounts of P15.874 billion and P101.784 billion, respectively.  Updated and reiterated under Part II - Observation and Recommendation No. 3 of this Report.
AO No. 3 Page 117	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	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	Implemented.



Reference	Observations	Recommendations	Actions Taken/Comments
	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.	achievement of financial reporting objectives and, for better understandability of the financial statements by the users and other stakeholders.	
<b>NON-FINANCIAL</b> AO No. 4 Page 121	<p>Deficient planning and monitoring of the implementation of the irrigation contracts/projects by the NIA resulted in, among others:</p> <p>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;</p> <p>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;</p>	<p>We reiterated our previous years' audit recommendations that top Management instruct the NIA officials and personnel in the CO, ROs, and PMOs concerned to:</p> <p>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;</p> <p>b. Require the contractors to regularly submit progress billings and status of work accomplishments, ensure immediate validation of the reports</p>	<p>Updated and reiterated in Part II - Observation and Recommendation No. 4 of this Report.</p> <p>Not Implemented.</p> <p>Not Implemented.</p>

Reference	Observations	Recommendations	Actions Taken/Comments
	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	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;	
	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.	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;	Not Implemented.
		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	Not Implemented.
		e. Ensure that a thorough inspection and validation of the actual accomplishments on all infrastructure projects submitted for progress	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/Comments
		<p>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.</p> <p>We, likewise, reiterated our previous years' recommendations that top Management:</p> <p>a. File appropriate charges against erring/defaulting contractors; and</p> <p>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.</p>	
AO No. 5 Page 130	<p>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</p>	<p>We reiterated our previous year's recommendations and top Management agreed to require the Regional/Project Managers of ROs and PMOs concerned to:</p>	<p>Updated and reiterated in Part II - Observation and Recommendation No. 5 of this Report.</p>

Reference	Observations	Recommendations	Actions Taken/Comments
	<p>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.</p>	<p>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</p> <p>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:</p> <p>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;</p> <p>b.2. Posting of Supplemental/Bid Bulletin issued by the BAC in the PhilGEPS, the NIA website, and in any conspicuous place in the</p>	<p>Implemented.</p> <p>Not Implemented.</p> <p>Implemented.</p>

Reference	Observations	Recommendations	Actions Taken/Comments
		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	Implemented.
		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).	Implemented.
AO No. 6 Page 135	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	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	Not Implemented.  Updated and reiterated in Part II - Observation

Reference	Observations	Recommendations	Actions Taken/Comments
	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.	<p>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</p> <p>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 5<sup>th</sup> Edition of the PBD for the Procurement of Infrastructure Projects.</p> <p>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.</p>	<p>and Recommendation No. 6 of this Report.</p> <p>Not Implemented.</p> <p>Management has started formulating guidelines for timely communication of Notices of Termination to the Accounting Division/Section in the Central Office (CO) and Regional Offices (ROs), and for recouping advances to contractors within 28 days as per GCC of the 5th Edition of the PBD for Infrastructure Projects.</p> <p>Not Implemented.</p>

Reference	Observations	Recommendations	Actions Taken/Comments
AO No. 7 Page 139	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.	<p>We reiterated our previous year's recommendations that top Management:</p> <ul style="list-style-type: none"> <li>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;</li> <li>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</li> <li>c. Impose sanctions for non-compliance as duly provided under Section 5.5 of COA Circular No. 2018-002, if warranted.</li> </ul>	<p>Not Implemented</p> <p>Updated and reiterated in Part II - Observation and Recommendation No. 8 of this Report.</p> <p>Not Implemented.</p> <p>Not Implemented.</p>
AO No. 8 Page 142	<p>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:</p> <ul style="list-style-type: none"> <li>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</li> </ul>	<p>We reiterated our previous year's recommendations and top Management agreed to direct the GAD Committee of NIA to:</p> <ul style="list-style-type: none"> <li>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</li> </ul>	<p>Updated and reiterated in Part II - Observation and Recommendation No. 9 of this Report.</p> <p>Not Implemented.</p> <p>Management is finalizing the six-year GAD Agenda of the Agency.</p>

Reference	Observations	Recommendations	Actions Taken/Comments
	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. Ensure that all the GAD PAPs outlined in the succeeding annual GPBs be fully implemented to address the gender issues of the Agency.	Not Implemented.
	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;	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;	Implemented.
		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	Not Implemented.
	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,	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.	Not Implemented.



Reference	Observations	Recommendations	Actions Taken/Comments
	thus the attribution to the Agency's CY 2022 GPB of the total CY 2022 Corporate Operating Budget (COB) remained at five per cent; 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.		
AO No. 9 Page 148	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.	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.	Not Implemented.  Updated and reiterated in Part II - Observation and Recommendation No. 10 of this Report.
AO No. 10 Page 151	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.	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.	Not Implemented.  Updated and reiterated in Part II - Observation and Recommendation No. 11 of this Report.

Reference	Observations	Recommendations	Actions Taken/Comments
<b><u>2021 AAR</u></b>			
<b>FINANCIAL</b>			
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.	Closed.  The recommendation was substantially addressed, leaving an uneliminated balance of P378,630 only.
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 million payment for progress billing of a contractor in Balog-Balog Multi-Purpose Project (BBMP), instead of PPE-Construction in Progress (CIP)-Other Structures account, thereby understating the PPE account and overstating the expense account by the said amount; and (b) non-derecognition of unserviceable PPE items totaling P73.062 million in NIA CO, three Irrigation Management Offices (IMOs) and one Project Management Office (PMO), which resulted in the overstatement of PPE account by P73.062 million and the Accumulated Depreciation and Accumulated Surplus/(Deficit) accounts by undetermined amounts; all in contrary to Paragraphs 13, 14,	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 million progress payment to a contractor in BBMP;  a.2. Derecognize from the books of accounts the unserviceable PPE items totaling P73.062 million upon disposal duly supported with IIRUP; and  a.3. Analyze and complete the necessary documents and information to	Implemented.  Not Implemented.  Not Implemented.

Reference	Observations	Recommendations	Actions Taken/Comments
	24, 26, 30, 31 and 82 of IPSAS 17. Likewise, the non-reclassification from PPE-CIP account to the appropriate 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.	reclassify completed infrastructure projects totaling P12.507 billion from PPE-CIP account to appropriate PPE, Assistance to LGUs, and Assistance to NGOs/CSOs accounts, and recognize corresponding depreciation on the PPE sub-accounts affected; and	
		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.	Closed.  The recommendation was substantially complied with as the depreciation for PPEs in the total amount P1.032 billion was already provided.
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Reference	Observations	Recommendations	Actions Taken/Comments
	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 count of PPEs, in compliance with Item 5.1 of COA Circular No. 2020-006 and NIA MC No. 84, s. 2018.	Not Implemented.  Inventory Committee in RO III has completed their physical inventory taking, while the CO will continue their PPE physical inventory taking in CY 2024.
	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.	Not Implemented.
	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	We recommended and top Management agreed to require the Accounting Sections of the ROs concerned/Accounting	Implemented.

Reference	Observations	Recommendations	Actions Taken/Comments
	No. 2020-002 and Appendix 77 of GAM for NGAs, Volume II.	Division of CO to prepare and maintain complete PPELCs/CIPLCs and update said records on a regular basis.	
	Derecognition of PPE items with total cost of P462.028 million from the books of accounts of RO No. 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; otherwise, reverse the entry made.	Not Implemented.  Reversal entry made for P230.644 million out of P462.028 million.
<b><u>2020 AAR</u></b> AO No. 10 Page 102	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.	We recommended that Management require the AD/S of ROs concerned to:  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;  b. Send demand letters to the officers and employees concerned who have long outstanding CAs, to support request for	Closed.  The recommendation was substantially complied with.          Closed.

Reference	Observations	Recommendations	Actions Taken/Comments
		write-off of accounts, if warranted; and	
		c. Strictly adhere to the rules and regulations on the liquidation of CAs.	Closed.
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 "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.	We recommended and Management agreed to direct the Offices concerned to:	Updated and reiterated in Part II – Observation and Recommendation Nos. 11, 12, and 13 of this Report.
		a. Remit the employer's and employees' contributions and loans amortizations/ payments on time to the GSIS/Pag-IBIG/ PhilHealth to avoid interests, penalties and surcharges;	Implemented.
		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;	Not Implemented.  The Accountable Officers of RO Nos. IV-A and XIII have already refunded the amount P1,155 and P9,771, respectively, to the NIA. However, the Accountable Officer of CO has not yet refunded the amount of P53,702 to the NIA. This amount is for issuance of a Notice of Disallowance (ND).
		c. Exert utmost efforts to analyze and make necessary adjustments on the PYs' unremitted contributions and loan payment amortizations and fully remit to the	Not Implemented.

Reference	Observations	Recommendations	Actions Taken/Comments
		GSIS/Pag-IBIG/ PhilHealth PYs' contributions; if warranted;	
		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	Not Implemented.
		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.	Not Implemented.

## **PART IV - ANNEXES**



**Breakdown of Fifty-Seven (57) Inactive Sub-Major Accounts of  
Inactive/Completed Projects  
As at December 31, 2023**

No.	Account Title	Corporate Fund	General Fund	Total
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>				
1.	Cash in bank-local currency, current account	P 27,121,506	P 21,883,328	P 49,004,834
2.	Petty cash	418,393	6,950	425,343
3.	Cash collecting officers	7,550	-	7,550
4.	Cash in bank-local currency, savings account	(4,890,670)	-	(4,890,670)
		22,656,779	21,890,278	44,547,057
<i>Receivables – net</i>				
5.	Accounts receivable	-	157,340	157,340
6.	Loans receivable-others	-	44,921	44,921
7.	Due from national government agencies (NGAs)	71,210	-	71,210
8.	Due from local government units (LGUs)	-	148,925	148,925
9.	Due from other government corporations (GCs)	1,423	-	1,423
10.	Due from other funds	361,429	-	361,429
11.	Due from regional/branch offices	17,000	-	17,000
12.	Due from central/home/head office	-	200	200
13.	Due from officers and employees	29,210	463,872	493,082
14.	Receivable-disallowances/charges	14,913	335,808	350,721
15.	Other receivables	1,743,178	4,394,197	6,137,375
		2,238,363	5,545,263	7,783,626
<i>Inventories</i>				
16.	Construction materials inventory	-	30,497	30,497
17.	Other supplies and materials inventory	-	106,065	106,065
		-	136,562	136,562
<i>Property, plant and equipment (PPE)-net</i>				
18.	Water supply systems	1,754,951,234	8,037,868,685	9,792,819,919
19.	Other land improvements	299,141,519	4,050,844,335	4,349,985,854
20.	Buildings	478,549,131	37,332,479	515,881,610
21.	Agricultural and forestry equipment	-	514,220,366	514,220,366
22.	Land	82,500	77,504,342	77,586,842
23.	Other infrastructure assets	74,486,215	-	74,486,215
24.	Furniture and fixtures	34,002,749	13,871,249	47,873,998
25.	Technical and scientific equipment	-	11,127,627	11,127,627
26.	Office equipment -net	657,201	8,870,833	9,528,034
27.	Information and communications technology equipment -net	222,477	7,169,646	7,392,123
28.	Motor vehicles	-	3,055,826	3,055,826
29.	Communications equipment	-	1,597,566	1,597,566
30.	Disaster response and rescue equipment	-	317,500	317,500
31.	Books	-	7,909	7,909
32.	Military, police, and security equipment	-	46,410	46,410
33.	Other machinery and equipment	176,015	112,719,388	112,895,403
34.	Other PPE	-	120,900	120,900
35.	Construction in progress - infrastructure assets	572,070,606	4,296,378,594	4,868,449,200
		3,214,339,647	17,173,053,655	20,387,393,302
<i>Other assets - current</i>				
36.	Advances to contractors/sub-contractors	-	11,828,620	11,828,620
37.	Other prepayments	68,984	-	68,984
38.	Advances to officers and employees	-	263,645	263,645
39.	Advances to special disbursing officer	672,020	156,321	828,341
40.	Advances for payroll	-	(199,823)	(199,823)
41.	Other assets	174,475	2,048,265	2,222,740
42.	Guaranty deposits	3,259	-	3,259
43.	Other deposits	-	2,700	2,700
		918,738	14,099,728	15,018,466
		<b>P3,240,153,527</b>	<b>P17,214,725,486</b>	<b>P20,454,879,013</b>

No.	Account Title	Corporate Fund	General Fund	Total
<b>LIABILITIES</b>				
<i>Financial liabilities</i>				
1.	Accounts payable	P -	P 6,598,121	P 6,598,121
2.	Due to officers and employees	252,782	29,693	282,475
		252,782	6,627,814	6,880,596
<i>Inter-agency payables</i>				
3.	Due to Bureau of Internal Revenue (BIR)	1,244,691	3,760,524	5,005,215
4.	Due to Government Service Insurance System (GSIS)	89,565	170,723	260,288
5.	Due to Pag-IBIG	22,388	72,826	95,214
6.	Due to Philippine Health Insurance Corporation (PhilHealth)	111,887	44,006	155,893
7.	Due to NGAs	21,122,491	609,970	21,732,461
8.	Due to other GCs	195,987	1,934,414	2,130,401
9.	Due to LGUs	(473)	541,405	540,932
10	Due to Treasurer of the Philippines	203	-	203
		22,786,739	7,133,868	29,920,607
<i>Intra-agency payables</i>				
11.	Due to other funds	418,957	396,376	815,333
		418,957	396,376	815,333
<i>Trust liabilities</i>				
12.	Guaranty /security deposits payable	186,204	300,876	487,080
		186,204	300,876	487,080
<i>Other payables</i>				
13.	Other payables	6,413,365	5,838,579	12,251,944
		6,413,365	5,838,579	12,251,944
<i>Deferred credits/unearned revenue</i>				
14.	Other deferred credits	(736,981)	-	(736,981)
		(736,981)	-	(736,981)
<b>57</b>		<b>P 29,321,066</b>	<b>P 20,297,513</b>	<b>P 49,618,579</b>

**Summary List of Completed Irrigation Projects with Deficiencies/Defects/Damages  
As of December 31, 2023**

<b>Implementing Office</b>	<b>Name of Contract/Project</b>	<b>Contract Cost</b>	<b>Status/Deficiencies/Defects</b>
CAR	1. CW Apayao Larip-02-2020 LARIP	P 55,056,096	Verified accomplishment was only 97.59 per cent due to damage in the canal lining with a range of 100 meters due to the use of 10mm diameter instead of 12mm RSB
CAR	2. CW Apayao-L-02-2020 Anninipan Payanan SIP Ph	26,014,257	Operational with defects  Items II and III Canal Structures and Canalization; Canal structures were provided like the turnouts; however, these were not maintained, requiring clearing and desilting on the Head Lateral Gate. Work items under Access Road are non-permanent structures which would be susceptible to changes due to surface runoff, traffic compaction, and road collapse, among others
CAR	3. CW-C-Laya West CIP Phase II-01-2020	16,468,773	Fully operational with noted deficiency  Contract quantities were met except for those some missing parts of Turn Out Gates like hand wheels and steel gates
CAR	4. CW-C-UCRIS (Magaogao Area)-01-2018	16,175,401	Operational  Item C (Sheet Piles) under this contract is questionable while the other contract implemented by the same contractor is considered completed
CAR	5. CW UCRIS-16-GAA 2019/ UCRIS	10,189,165	Operational  There were exposed re-bars of honeycomb at the back of the completed retaining wall at Sta. 4+503 which are vulnerable to rusting
CAR	6. CW-C-UCRIS (Magaogao Area)-01-2017	29,731,393	Operational  The project was evaluated to be 99.90 per cent accomplished valued at P29,700,972.29 due to underrun incurred in Item No. D.1 (211 kg. /sq. m. Reinforced Concrete w/ Dewatering). Only 17 units of

Implementing Office	Name of Contract/Project	Contract Cost	Status/Deficiencies/Defects
			chute blocks were provided on the downstream apron of the dam instead of 18 units
CAR	7. CW Benguet-08-2018 Shelpi Creek Sablan Peday-Patad SIP	8,873,148	Not operational  Damaged 3" dia. High Density Poly Ethylene (HDPE) Pipes along the ongoing construction project implemented by the Department of Public Works and Highways (DPWH)-CAR, hence no water from the Reservoir Tank 1; no water from Reservoir Tanks 2, 3, 4, 5, 6, 7, & 8; and no water from Lateral Tanks 1, 2, 3, & 4
MARIIS	8. 2020-D4-ISR-Cauayan- REVPOW 14 Lot 2: Concreting of Canal Service Road along Lateral D4 Sta. 3+418- 3+578 (160m)	833,064	Fully operational with noted deficiency  Six (6) spans of the concrete pavement with a calculated volume of 10.8 cu.m. were scaling. No. of spans = 6; Length m. = 4.50; Length m. = 4.50; Thickness = 0.20; Volume cu.m. = 10.80
MARIIS	9. 2021-D4-ISR-Cauayan- POW 7 Lot 1: Concreting of Canal Service Road along Lateral D2d1 Sta. 0+000-0+580 (580m)	3,897,997	Two (2) spans of the concrete pavement with a calculated volume of 7.2 cu.m. were scaling. No. of spans = 2.00; Length m. = 4.50; Thickness = 0.20; Volume cu.m. = 7.20
MARIIS	10. 2018-DII-COB-San Mateo-01: Construction of Roofing, Improvement of Office Rooms, and Facilities	1,796,050	The installed two (2) Panel Boards have four (4) holes instead of twelve (12) holes, hence a deficiency of P4,200.00; and the installed two (2) Circuit Breakers were 60 amperes instead of 100 amperes thus, a deficiency of P550.00
MARIIS	11. 22019-D3-RREIS-San Manuel -Siffu RIS- Package 11: Construction of Reinforced Concrete Canal Lining along SMC Lat. Sta 0+527.2 – 0+727.2, SMC Sta 11+470.4 – 11+585.5; Construction Safety and Health Program including Mobilization/	2,965,590	Statement of Work Accomplished (SWA) dated July 5, 2019 has the same date as the Notice to Proceed (NTP), and the date of receipt thereof by the contractor

Implementing Office	Name of Contract/Project	Contract Cost	Status/Deficiencies/Defects
	Demobilization/ Temporary Facilities, San Manuel, Isabela		
MARIIS	12. 2019-D3-RREIS-San Manuel-Magat RIS- Package 7: Construction of Reinforced Concrete Canal Lining along NDC 7 Sta. 6+158.6 - 6+476.6; Construction Safety and Health Program including Mobilization/ Demobilization/ Temporary Facilities, San Manuel, Isabela	6,293,369	SWA dated July 5, 2019 has the same date as the NTP, and the date of receipt thereof by the contractor
MARIIS	13. MARIIS 2021-DRD- CCAW-Ramon-RIS-G- 004: Database Real-Time Monitoring for Measuring Weirs at Damage Gallery EFG, Aguinaldo Ramon, Isabela	2,896,492	As per SWA dated October 22, 2021, the project was 100% completed. However, the construction of the project incurred a delay of 35 days from September 17, 2021 to October 22, 2021
MARIIS	14. MARIIS-DII-RREIS-2019- SAN MATEO, 01 SAVINGS POW: Construction of Concrete Lining along Lateral A, Sta. 3+855 – 3+879	435,868	As per SWA dated October 22, 2021, the project was 100% completed. However, the construction of the project incurred a delay of 46 days from April 25, 2020 to June 9, 2020
MARIIS	15. 2021-D3-RNIS-ROXAS (SIFFU RIS) – Package 23: Construction of Reinforced Concrete Canal Lining along NMC Sta. 11+605 – 11+825 (L=220m)	2,363,864	As per SWA dated June 09, 2020, the project was 100% completed. However, the construction of the project incurred a delay of 11 days from May 07, 2021 to May 18, 2021
MARIIS	16. MARIIS-2020-DRD-COB- Ramon-RIS-Infra- 001: Restoration and Protection of Eroded Slopes at MARIIS Main Canal, Ramon, Isabela	4,960,772	As per SWA dated September 09, 2021, the project was 100% completed. However, the construction of the project incurred a delay of 43 days from July 28, 2021 to September 09, 2021

<b>Implementing Office</b>	<b>Name of Contract/Project</b>	<b>Contract Cost</b>	<b>Status/Deficiencies/Defects</b>
MARIIS	17. 2020-DII-RREIS#1, Ramon – Construction of Concrete Canal Lining, Ramon, Isabela	8,857,961	As per SWA, the project was 100% complete, however, the 49.32 square meters (6 spans x 3 meters x 2.74 meters) were damaged by the typhoon and need restoration
MARIIS	18. 2020-D1-ICSR-Echague (Magat RIS), Concreting of Canal Service Road, Echague, Isabela	2,971,050	Minor scaling was noted with an area of 112.50 square meters; Transversal cracks were noted - 15 areas/sites of the constructed pavement; and Longitudinal cracks were noted – 39 areas/sites or 438.75 square meters of the constructed pavement
MARIIS	19. 2020-DRD-CCAW-Ramon RIS-Infra 001, Sediment Catchment Structures, General Aguinaldo, Ramon, Isabela	2,874,052	Numerous documents stated in the Resolution of Final Inspection and Completion were not submitted, thus computation of liquidated damages cannot be made
MARIIS	20. 2020-D1-RNIS-San Isidro (Magat RNIS), Construction of Concrete Canal Lining, Echague, Isabela	4,498,641	Two documents stated in the Resolution of Final Inspection and Completion of Civil Works Contract were not submitted, hence evaluation as to whether the project was implemented on time cannot be determined
MARIIS	21. 2020-01-RREIS-Santiago City (BDD), Construction of Concrete Canal Lining, Structures and Plastering of 4" CHB	4,648,109	Inspection revealed that based on the documents submitted, it appeared that the implementation of the project was delayed by 20 calendar days despite the 331-day-time suspension granted thus, subject to the imposition of liquidated damages
CBIMO	22. LCB-CBIMO 04-14 for the Construction of Service Road and Project Facilities of Alcala-Amulung Pump Irrigation Project (AAPIP)	8,397,425	<p>The administrative building was never been used since its completion on July 27, 2015. The building was totally wrecked due to super-typhoons and due to wear and tear, thus, considered uninhabitable and not conducive for use</p> <p>The building was not utilized by the NIA Management due to complications in the contract of the pump irrigation system that was not funded due to occurrence of problem in the area</p>

<b>Implementing Office</b>	<b>Name of Contract/Project</b>	<b>Contract Cost</b>	<b>Status/Deficiencies/Defects</b>
			The RO is now conducting a detailed engineering and feasibility study of the project as the budget for such is already approved
Palawan IMO	23. Procurement of Solar Powered Pump, Pump House, Control Panel and Accessories Installation and Labor of Isumbo PIP, Sofronio Espanola Palawan	3,557,290	There was no CHB lined canal constructed which was later learned that it was replaced by a 2" black PVC plastic pipes, but on the day of testing of the water discharges from the pump, many of the pipes were busted along the pipeline due to the inability to withstand the water pressure. There was no other development on the project after it happened. The cost of the CHB lined canal amounting to P622,172 was reported as completed in the work accomplishment and paid by the Agency prior to the changes
Palawan IMO	24. Construction of Canal Lining and Canal Structure of Iwahig-Kulandanum Communal Irrigation System	8,266,528	The accomplished 81 cu.m concrete blocks were redesigned and revised without an approved Variation Order resulting to cost deficiency equivalent to P485,856
Palawan IMO	25. Repair of Diversion Works, Canal Lining, and Canal Structures of Batang-Batang River Irrigation System, Narra, Palawan	9,215,236	Mathematical error was noted on the reported work accomplishment
Palawan IMO	26. Construction of Access Road with Slope Protection going to Ibato-Iraan Small Reservoir Irrigation Project (SRIP) Aborlan, Palawan	3,696,601	Transverse cracks on portland cement concrete pavement. Visible defects were noted on the concrete pavement
Palawan IMO	27. Construction of Canal Lining and Canal Structure of Marangas II Communal Irrigation Project	13,136,136	Liquidated damages were deducted from final billing of the contractor per Disbursement Voucher (DV) No. 501-23-10-158 dated October 24, 2023 amounting P140,819, however the liquidated damages imposed is short by P26,216

<b>Implementing Office</b>	<b>Name of Contract/Project</b>	<b>Contract Cost</b>	<b>Status/Deficiencies/Defects</b>
Palawan IMO	28. Construction of Canal lining and Canal Structures of Panitian SIP located in Bgy. Panitian, Municipality of Espanola	27,513,338	Use of 10mm dia. Grade 40 reinforcing steel bars in which the laboratory test result showed that its density has a deviation of -10.14 per cent which is higher than the allowable limit of -6.00 per cent which would indicate that the steel bars used did not meet the Grade 40 specification requirement of the Philippine National Standards (PNS)
Mindoro Oriental- Marinduque- Romblon IMO	29. Restoration of Mag-Asawang Tubig River Irrigation System (MTRIS) for CY 2020, Naujan, Oriental Mindoro	8,327,108	Non-installation of filter cloth and oversized boulders at the first section of Gabion (1.0x1.0x2.0m) both in Stations 0+000 to 0+033
		<b>P294,910,774</b>	

*CAR – Cordillera Administrative Region  
 CBIMO – Cagayan Batanes Irrigation Management Office  
 CIP - Communal Irrigation Project  
 MARIIS – Magat River Integrated Irrigation System  
 POW-Program of Works  
 SIP - Small Irrigation Project*



**Deficiencies Noted on Various Awarded Infrastructure Contracts  
As of December 31, 2023**

<b>Observation</b>	<b>Implementing Office</b>	<b>Provision(s) of 2016 Revised IRR of RA No. 9184 not adhered to</b>	<b>No. of Contracts</b>	<b>Contract Amount</b>	<b>Specific deficiencies/Lacking Documents/Remarks</b>
Pertinent provisions of RA No. 9184 and its 2016 Revised IRR, particularly on the conduct of Pre-procurement, Pre-bid and Opening of Bids Conferences, Bid Evaluation, Advertising and Posting of Invitation to Bid (ITB), Notice of Award (NOA), and Notice to Proceed (NTP), and the corresponding requirements on timelines within which procurement activities are to be conducted, were not strictly adhered to by the ROs of the NIA in the procurement of 165 infrastructure contracts/projects with total costs of P1.602 billion	Cordillera Administrative Region (CAR)	Sections 39.3; 62.2.2	17	P 79,528,941	<ul style="list-style-type: none"> <li>Actual duration of the project from contract signing to project completion, including the period until the issuance of the certificate of final acceptance or the defects liability period, exceeded the coverage of the bond</li> </ul>
	Regional Office (RO) No. IV-B	Sections 13.1; 13.3; 21.2.1; 23.1.vii 25.2.3; 34.8; 37.1.2; 37.1.6 37.4.2	8	139,601,975	<ul style="list-style-type: none"> <li>Only two (2) observers were invited in all stages of procurement process</li> <li>Observers received the invitation to attend the Pre-bid Conference less than five (5) calendar days (CDs) before the date of the procurement stage/activity</li> <li>Certification on the posting of ITB for the awarded contracts stated that the ITB was posted for seven (7) CDs instead of the actual period/date of posting of ITB at any conspicuous place within the agency's premises</li> <li>The approval of the Head of Procuring Entity (HoPE) of the recommendation of the Bids and Awards Committee (BAC) for the award of the contract to the bidder with Lowest Calculated Responsive Bid (LCRB) was not dated, hence the maximum 15 CDs for the approval/disapproval of the recommendation could not be determined</li> <li>Late (not within the period prescribed) posting of awarded and approved contracts and</li> </ul>

Observation	Implementing Office	Provision(s) of 2016 Revised IRR of RA No. 9184 not adhered to	No. of Contracts	Contract Amount	Specific deficiencies/Lacking Documents/Remarks
					<p>NTP in the Philippine Government Electronic Procurement System (PhilGEPS) website</p> <ul style="list-style-type: none"> <li>• No proof of posting of NOA, Contract and NTP at any conspicuous place within the agency's premises reserved for this purpose</li> <li>• The date of the conduct of Post-Qualification was not stated in the Post-Qualification Report</li> <li>• The pieces of equipment in the List of Contractor's Major Equipment submitted to support the Bid Data Sheet were not included under the Property, plant and equipment account in the audited Financial Statements of the Contractor, hence the ownership of the Contractor over the pieces of equipment pledged for the contract is doubtful</li> <li>• The complete description of the equipment pledged for the contract to be bid was not indicated in the List of the Contractor's Major Equipment, thus compliance with the minimum requirement of equipment for the contract could not be determined</li> </ul>
	Camarines Norte Irrigation Management Office (IMO)	Sections 32.4; 34.8; 37.1.2; 37.1.6; 37.4.2	12	75,403,896	<ul style="list-style-type: none"> <li>• Bid evaluation was completed after nine (9) CDs from receipt of proposals/bid opening date</li> <li>• The date on the conduct of Post-Qualification was not stated in the Post-Qualification Report</li> </ul>

Observation	Implementing Office	Provision(s) of 2016 Revised IRR of RA No. 9184 not adhered to	No. of Contracts	Contract Amount	Specific deficiencies/Lacking Documents/Remarks
					<ul style="list-style-type: none"> <li>• Issuance and approval of certain BAC Resolutions Recommending Approval of Award were made beyond the maximum allowed period of 15 CDs from determination of the bidder with LCRB</li> <li>• NOAs were published in the PhilGEPS website beyond the reglementary period of three (3) CDs from issuance thereof</li> <li>• NTPs were published in the PhilGEPS website beyond the reglementary period of 15 CDs from issuance</li> </ul>
	Camarines Sur IMO	Section 20.1	24	257,816,439	<ul style="list-style-type: none"> <li>• Pre-procurement conferences were held after or during the posting or publication of the ITB in the PhilGEPS and agency websites and on the agency bulletin board</li> </ul>
	Antique IMO	Sections 6.4; 22.4; 25.6; 37.1.6, 37.4.2; 37.4.1, Item 13.2 Appendix 3	10	88,854,667	<ul style="list-style-type: none"> <li>• The Minutes of the Pre-procurement Conference, Pre-bid Conference and opening of bids were not prepared</li> <li>• The NOAs, Contracts and NTPs of projects procured were not posted in any conspicuous place within the agency reserved for the purpose and on the PhilGEPS website within the prescribed period</li> <li>• The issuance of NTP was delayed by 10 days</li> <li>• The Notice of Lowest Calculated Bid (LCB) was not prepared</li> </ul>
	Aklan-Capiz IMO	Sections 37.1.6, 37.4.2	17	152,664,506	<ul style="list-style-type: none"> <li>• The NOAs, Contracts and NTPs of projects procured were not posted in any conspicuous place within the agency reserved for the</li> </ul>

Observation	Implementing Office	Provision(s) of 2016 Revised IRR of RA No. 9184 not adhered to	No. of Contracts	Contract Amount	Specific deficiencies/Lacking Documents/Remarks
					purpose and on the PhilGEPS website within the prescribed period
	Eastern-Western Samar IMO	Sections 37.1.2; 37.1.3; 37.2.2; 39.1	30	334,575,675	<ul style="list-style-type: none"> <li>The NOAs were issued beyond the allowed maximum operational timeline or with delays ranging from 11 to 18 CDs</li> <li>Late posting or submission of/ undated Performance Security (Surety Bond)</li> </ul>
	Zamboanga-Basilan-Sulu-Tawi-tawi IMO	"Annex A" Detailed Engineering for the Procurement of Infrastructure Projects	13	116,410,302	<ul style="list-style-type: none"> <li>Delayed procurement of projects due to delayed conduct of detailed engineering activities, which include the preparation of Program of Work (POW).</li> </ul>
	Lanao del Norte-Misamis Occidental-Misamis Oriental-Camiguin (LAMISCA) IMO	Sections 8.5.2, 25.2 (b)(i)	1	7,200,000	<ul style="list-style-type: none"> <li>The BAC passed the technical evaluation of a bidder with expired PhilGEPS Certificate of Registration</li> </ul>
	RO No. XI	Sections 62.2.3, 62.2.3.3	4	158,231,479	<ul style="list-style-type: none"> <li>Final payments were made to contractors for completed projects without requiring them to post warranty securities for Structural Defects and Failures</li> <li>The amount of a pakyaw labor contract per project exceeded the P500,000.00 limit per pakyaw group</li> </ul>
	Davao de Oro IMO		1	13,670,813	
	Davao del Sur IMO		7	76,109,079	
	Davao Oriental IMO		9	47,581,956	
	Davao del Norte IMO	Item 4.8 Appendix 1	12	54,539,022	
			165	P1,602,188,750	

## DETAILS AND STATUS OF UNSETTLED AUDIT SUSPENSIONS, DISALLOWANCES AND CHARGES As of December 31, 2023

### A. AUDIT SUSPENSIONS

Notices of Suspension (NS)		Particulars	Person(s) Responsible	Amount	Status
No.	Date				
<b>CENTRAL OFFICE (CO)</b>					
<b><u>Corporate Fund</u></b>					
2017-001-501	01/25/2017	Non-submission of supporting documents	Officers and employees concerned	P 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-
<b><u>NIA Consult, Inc. (NIACI), former subsidiary of the NIA, subsumed in CO-Corporate Fund</u></b>					
2014-003-NIACI	02/19/2014	Incomplete documents to support payment	Officers and employees concerned	21,000.00	For further verification as to compliance with the NS
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-
<b><u>General Fund (Philippine Peso)</u></b>					
2017-003-101	12/20/2017	Lack of supporting documents	Officers and employees concerned	14,500,000.00	For further verification as to compliance with the NS
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-	-do-	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-

<b>Notices of Suspension (NS)</b>					
<b>No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Person(s) Responsible</b>	<b>Amount</b>	<b>Status</b>
2014-028-101	09/22/2014	Lack of supporting documents	Officers, employees and contractor concerned	1,460,325.30	Documents submitted, for validation of the Audit Team
2014-027-102	09/18/2014	-do-	Former Acting Deputy Administrator	13,128,635.51	-do-
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 Team
2013-003-101(11)	04/22/2013	- do -	-do-	42,016,752.06	-do-
2013-006-102 (13)	08/02/2013	Non-submission of supporting documents	-do-	4,614,325.52	-do-
12-017-101(11)	11/26/2012	- do -	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	- do -	Acting DAEO, et al.	150,000.00	-do-

<b>Notices of Suspension (NS)</b>					
<b>No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Person(s) Responsible</b>	<b>Amount</b>	<b>Status</b>
12-011-101(11)	06/25/2012	Non-submission of supporting documents	Manager, IDD, et al.	214,625.00	For further verification as to compliance with the NS
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-
<b>TOTAL CO (Philippine Peso)</b>				<b>P1,040,339,320.64</b>	
<b><u>General Fund (US Dollar US\$)</u></b>					
2016-014-102	11/07/2016	Lack of supporting documents	Former NIA Administrator, et al.	\$3,863,966.92	For further verification as to compliance with the NS
<b>TOTAL CO (US\$)</b>				<b>\$3,863,966.92</b>	
<b><u>CORDILLERA ADMINISTRATIVE REGION (CAR)</u></b>					
<b><u>Kalinga Irrigation Management Office (IMO) - General Fund</u></b>					
2023-02-501 LFP (20-21) KIMO	05/23/2023	Non-submission of supporting documents	Former Senior Accounting Processor A, et al.	P 9,542,479.20	Received by Management on June 6, 2023
<b><u>Regional Office (CAR) - Corporate Fund</u></b>					
2023-03-501 COB (23)	07/18/2023	Non-submission of legal basis from the Governance Commission for Government-Owned or Controlled Corporation (GCG) for the payment of per diems	Regional Manager, et al.	102,000.00	Received by Management on July 20, 2023 and ND was issued dated January 8, 2024
<b><u>Kalinga IMO - Corporate Fund</u></b>					
2023-04-501 COB (21)	11/13/2023	Non-submission of disbursement vouchers (DVs) and their supporting documents	Former Chief Corporate Accountant B, et al.	154,350.83	Submitted documents during the 1st quarter of CY 2024; Notice of Settlement of Suspension, Disallowance and Charge (NSSDC) No. 2024-04 dated February 13, 2024
<b>TOTAL CAR</b>				<b>9,798,830.03</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. I</u></b>					
<b><u>Regional Office No. I - General Fund</u></b>					
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.	919,548.44	Fully settled with NSSDC dated April 30, 2024
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. I</b>				<b>919,548.44</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. III</u></b>					
<b><u>Upper Pampanga River Integrated Irrigation Systems (UPRIIS) - Corporate Fund</u></b>					
2023-001 (2023)	10/18/2023	Payment of salaries with incomplete documents	NIA-UPRIIS employees	31,566,233.66	Received by Management on October 18, 2023
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. III</b>				<b>31,566,233.66</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. V</u></b>					
<b><u>Regional Office No. V - General Fund</u></b>					
12-012-101	11/05/2012	Long overdue projects which have incurred more than 10% slippage	Officers and employees concerned	3,758,313.48	For further verification as to compliance with the NS  With NS Justification according to Management but no evidence of receipt by COA
12-011-101	11/05/2012	-do-	-do-	4,902,538.59	-do-
12-009-101	10/03/2012	Project was 20.26% above COA estimate and 10.26% above authorized limit	Officers and employees concerned, and contractor	136,472.77	With NS Justification forwarded to former Supervising Auditor on June 7, 2012 for NS Nos. 12-001-101(12) & 12-002-

<b>Notices of Suspension (NS)</b>					
<b>No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Person(s) Responsible</b>	<b>Amount</b>	<b>Status</b>
					101(12) and October 11, 2012 for NS No. 12-009-101
12-008-101	10/01/2012	Project was only 87.46% completed per Technical Inspection Report rendered by the COA Technical Inspector	Officers and employees concerned, and contractor	321,928.49	-do-
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-
12-001-101 (12)	05/09/2012	Project was 36.10% above COA estimate and 26.10% above authorized limit	-do-	459,700.87	-do-
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. V</b>				<b>9,668,929.48</b>	
<b>REGIONAL IRRIGATION OFFICE NO. VI</b>					
<b><u>Regional Office No. VI - Corporate Fund</u></b>					
2022-002-501	02/03/2022	Non-submission of supporting documents for payment of Collective Negotiation Agreement (CNA)	Officers and employees concerned	3,120,333.34	Some documents submitted, for validation of the Audit Team
09-002-102-(09)	11/13/2009	Lack of supporting documents	-do-	80,793.75	No reply/answer from Management on file. No DVs on file; on-going retrieval of documents is being performed
09-001-102 (09)	11/13/2009	-do-	-do-	112,031.25	-do-
09-001-501	11/13/2009	-do-	-do-	1,573,658.72	No reply/answer from Management on file; No DVs on file for the years 2006-2008; on-going retrieval of documents is being performed
<b><u>Iloilo - Guimaras IMO - Corporate Fund</u></b>					
2013-001-501 (2012)	01/10/2013	Non-submission of supporting documents for payment of CNA for CY 2012	Officers and employees concerned	2,329,000.00	For issuance of Notice of Disallowance (ND)
2010-002-501 DA	07/02/2010	Payment of motor engine	-do-	78,553.57	No reply/answer from Management on file; No DVs on file; on-going retrieval of documents is being performed
2010-001-501 DA	07/02/2010	Partial payment of Communal Irrigation System	-do-	1,900,000.00	-do-
<b><u>Antique IMO - Corporate Fund</u></b>					
2020-001-501-(18)	01/30/2020	Missing DV and supporting documents	Officers and employees concerned	7,360.00	No reply/answer from Management on file; No DVs on file; on-going retrieval of documents is being performed
2012-003-501	03/12/2012	Non-submission of supporting documents for salary claim	-do-	13,298.76	-do-
2011-007-501(10)	07/19/2011	Payment of CNA incentive	-do-	48,000.00	-do-
2011-006-501(10)	07/19/2011	-do-	-do-	1,302,000.00	-do-
2011-005-501(10)	07/01/2011	Payment of Cost of Living and Amelioration Allowance without specific authority from Department of Budget and Management (DBM)/ President	-do-	497,301.80	-do-



<b>Notices of Suspension (NS)</b>					
<b>No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Person(s) Responsible</b>	<b>Amount</b>	<b>Status</b>
		of the Republic of the Philippines			
2011-004-501(10)	07/01/2011	-do-	Officers and employees concerned	49,490.00	No reply/answer from Management on file; No DVs on file; on-going retrieval of documents is being performed
2011-003-501(10)	07/01/2011	-do-	-do-	1,008,300.00	-do-
2011-002-501(10)	03/17/2011	Payment of CNA incentive	-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 and Amelioration Allowance	-do-	226,245.76	-do-
2010-001-501(10)	04/26/2010	Payment of CNA for CY 2010	-do-	150,000.00	-do-
<b><u>Capiz IMO - Corporate Fund</u></b>					
2011-001-(2010)	01/26/2011	Non-submission of supporting documents for payment of CNA	Officers and employees concerned	50,000.00	No reply/answer from Management on file; No DVs on file; on-going retrieval of documents is being performed
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-
<b><u>Regional Office No. VI - General Fund</u></b>					
09-002-101-(09)	11/13/2009	Lack of supporting documents	Officers and employees concerned	98,000.00	No reply/answer from Management on file; No DVs on file; on-going retrieval of documents is being performed
09-001-101 (09)	11/13/2009	-do-	-do-	112,506.00	-do-
<b><u>Iloilo - Guimaras IMO - General Fund</u></b>					
2010-002-101	10/14/2010	Lack of supporting documents	Officers and employees concerned	268,195.11	No reply/answer from Management on file. No DVs on file; on-going retrieval of documents is being performed
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	Lack of supporting documents	-do-	28,960.72	-do-
<b><u>Regional Office No. VI - Special Fund</u></b>					

<b>Notices of Suspension (NS)</b>					
<b>No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Person(s) Responsible</b>	<b>Amount</b>	<b>Status</b>
09-004-158-(07)	12/21/2009	Lack of supporting documents for liquidation of cash advance	Officers and employees concerned	16,000.00	No reply/answer from Management on file. No DVs on file; on-going retrieval of documents is being performed
09-002-158-(07)	11/12/2009	Lack of supporting documents for liquidation of cash advance	Officers and employees concerned	8,958.00	-do-
09-001-158-(07)	11/12/2009	-do-	-do-	11,710.25	-do-
09-001-158A2-(07)	11/12/2009	-do-	-do-	9,972.25	-do-
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. VI</b>				<b>21,277,027.42</b>	
<b>REGIONAL IRRIGATION OFFICE NO. VII</b>					
<b><u>Regional Office No. VII - Corporate Fund</u></b>					
2011-002-501 COB- (11)	09/05/2011	Non-submission of complete documents for payment of CNA incentives for CY 2010	Officers and employees concerned	768,000.00	For further evaluation
2011-001-501 COB- (11)	09/05/2011	Non-submission of complete documents for payment of CNA incentives for CY 2009	-do-	306,000.00	-do-
2011-011-501(10)	02/07/2011	Non-submission of complete documents for monthly retainer's fee	Lawyer/consultant concerned	84,000.00	-do-
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. VII</b>				<b>1,158,000.00</b>	
<b>REGIONAL IRRIGATION OFFICE NO. VIII</b>					
<b><u>Regional Office No. VIII - Corporate Fund</u></b>					
2023-019-501 COB (2023) BNLSLIMO	12/14/2023	Lack of supporting documents	Officers and employees concerned	546,509.00	Documents to comply with the suspension were received after the said date. Management Letter (ML) had been prepared, finalized and submitted already
2023-017-501 COB RO	12/06/2023	Absence of justification from BAC on the reason of chosen supplier despite higher quoted price	-do-	79,026.78	-do-
2023-014-501 COB RO	10/05/2023	Absence of justification on the rebooking of flight	-do-	4,064.00	Settlement made in the 1st quarter of 2024
2023-010-501 COB RO	10/02/2023	Absence of travel order	-do-	25,401.18	-do-
2023-009-501 COB (2021) BNLSLIMO	05/23/2023	Abnormal consumption of electricity of NIA Bito River Irrigation System (RIS)	-do-	62,390.00	Documents in compliance with the suspension were received after the reporting date. ML had been prepared, finalized and submitted already
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. VIII</b>				<b>717,390.96</b>	
<b>REGIONAL IRRIGATION OFFICE NO. IX</b>					
<b><u>Regional Office No. IX - Corporate Fund</u></b>					
Details for update	-	Details for update	Details for update	350,961.43	Details for update
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. IX</b>				<b>350,961.43</b>	
<b>REGIONAL IRRIGATION OFFICE NO. X</b>					
<b><u>Regional Office No. X - General Fund</u></b>					
2018-001-501-2018	06/29/2018	Security consultancy services from June 2017 to May 2018	Officers, employees and consultant concerned	600,000.00	Documents submitted by the agency are for re-evaluation by the Audit Team

<b>Notices of Suspension (NS)</b>					
<b>No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Person(s) Responsible</b>	<b>Amount</b>	<b>Status</b>
2015-001-101-2013	03/02/2015	Non-submission of DVs and supporting documents for a contract project	Officers, employees and consultant concerned	16,966,788.82	The matter was referred to the Legal Services Sector (LSS) last July 14, 2015. Awaiting reply
2014-001-101-2013	10/09/2014	-do-	-do-	22,570,512.00	-do-
<b><u>Lanao del Norte, Misamis Occidental, Misamis Oriental, and Camiguin (LAMISCA) IMO - General Fund</u></b>					
2023-002-LFPs (2017)	06/26/2023	Non-submission of DVs and supporting documents	Officers and employees concerned	1,636,732.40	Followed up with Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
2016-001-101-(2015)	02/16/2016	-do-	-do-	12,369.12	-do-
2016-001-101-(2015)	02/16/2016	-do-	-do-	205,000.00	-do-
2014-001-101-(13)	01/24/2014	-do-	-do-	8,063.57	-do-
2013-002-MDS-101	11/19/2013	-do-	-do-	93,610.00	-do-
2013-002-MDS-101-(13)	11/19/2013	-do-	-do-	69,287.09	-do-
<b><u>LAMISCA IMO - Corporate Fund</u></b>					
2023-001-COB	06/26/2023	Unsubmitted DV and supporting documents	Officers and employees concerned	30,653.61	Followed up with Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
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-
2018-001-501	05/07/2018	Non-submission of various DVs and supporting documents	-do-	3,975,772.26	-do-
2016-002-501 (2015)	03/17/2016	Unsubmitted liquidation report of cash advances	-do-	22,156.00	-do-
2016-001-501 (2015)	02/16/2016	Unsubmitted DV and supporting documents relative to purchase of battery	Officers, employees and contractor concerned	6,761.28	-do-
2016-001-501 (2015)	02/16/2016	Unsubmitted DV and supporting documents relative to cash advance for project inspection	-do-	50,000.00	-do-
2016-001-501 (2015)	02/16/2016	Unsubmitted DV and supporting documents relative to payment of telephone bill for August 2015	-do-	766.80	-do-
2016-001-501 (2015)	02/16/2016	Unsubmitted DV and supporting documents relative to purchase of office supplies	-do-	10,856.48	-do-
<b><u>Bukidnon IMO - General Fund</u></b>					
2023-04	09/26/2023	Non-submission of DVs	Officers and employees concerned	90,691.27	Submitted documents and for issuance of NSSDC
2022-001	01/18/2022	Non-submission of DVs and supporting documents	-do-	38,330.37	For verification and subject for issuance of ND
2021-011	09/24/2021	Non-submission of DV	-do-	2,876.32	-do-

<b>Notices of Suspension (NS)</b>					
<b>No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Person(s) Responsible</b>	<b>Amount</b>	<b>Status</b>
2021-006	08/11/2021	Non-submission of DV	Officers and employees concerned	19,607.13	Person liable already resigned and with undertaking to pay in installment
2020-017 Taytay Unggoy CIP, GESA	10/21/2020	-do-	-do-	26,811.00	For verification and subject for issuance of the ND
2020-11 NIS RIP FSSM PC	10/21/2020	-do-	-do-	46,000.00	-do-
2020-10 NIS RIP FSSM PC	10/20/2020	Non-submission of supporting documents relative to liquidation of cash advance	Employee concerned	11,500.00	-do-
2020-09 BIMO MOE	10/20/2020	Non-submission of supporting documents	-do-	13,145.00	-do-
<b><u>LAMISCA IMO - Special Fund</u></b>					
2023-003-Special Fund (2018-2019)	06/26/2023	Unsubmitted DV and supporting documents	Officers and employees concerned	34,234.29	Followed up with Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
2016-004-Special Fund-(2014)	07/25/2016	Unsubmitted supporting documents	-do-	35,000.00	-do-
2016-003-Special Fund-(2016)	07/22/2016	-do-	-do-	74,550.00	-do-
2016-002-Special-(2015)	03/17/2016	Unsubmitted liquidation of cash advances	Employee concerned	6,600.00	-do-
2016-002-Special-(2015)	03/17/2016	-do-	-do-	50,000.00	-do-
2016-001-Special-(2015)	02/16/2016	Non-submission of documents related to withholding tax from April to June 2015	Officers and employees concerned	642.81	-do-
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. X</b>				<b>50,360,580.04</b>	
<b>REGIONAL IRRIGATION OFFICE NO. XIII</b>					
<b><u>Regional Office No. XIII - General Fund</u></b>					
2023-16 (2022)	06/22/2023	Incomplete documentation	Officers and employees concerned	31,252.00	Submitted documents are still for verification
2023-15 (2022)	06/22/2023	-do-	-do-	22,447.92	Fully settled in May 2024
2023-14 (2022)	06/22/2023	-do-	-do-	38,531.44	-do-
2023-13 (2022)	06/22/2023	-do-	-do-	15,900.00	Submitted documents are still for verification
2023-12 (2022)	06/22/2023	-do-	-do-	5,329.00	Fully settled in May 2024
2023-10 (2022)	05/29/2023	-do-	-do-	59,000.00	Submitted documents are still for verification
2023-08 (2022)	05/29/2023	-do-	-do-	182,400.00	-do-
2023-07 (2022)	05/29/2023	-do-	-do-	9,750.00	-do-
2023-06 (2022)	05/29/2023	-do-	-do-	23,748.00	Fully settled in May 2024
2023-05 (2022)	05/29/2023	-do-	-do-	31,500.00	Submitted documents are still for verification
2023-04 (2022)	05/29/2023	-do-	-do-	269,500.00	-do-
12-003-101(12)	11/19/2012	Incomplete documentary requirements	Officers and employees concerned	18,002.00	Documents submitted for validation of the Audit Team

<b>Notices of Suspension (NS)</b>					
No.	Date	Particulars	Person(s) Responsible	Amount	Status
<b><u>Agusan del Norte, Surigao del Norte and Dinagat Islands (ASDI) IMO - Corporate Fund</u></b>					
2023-15 (2022)	07/21/2023	Incomplete documentation	Officers and employees concerned	5,780.00	Submitted documents are still for verification
2023-14 (2022)	06/15/2023	-do-	-do-	68,469.00	-do-
2023-13 (2022)	06/15/2023	-do-	-do-	98,614.10	-do-
2023-12 (2022)	06/02/2023	-do-	-do-	15,750.00	-do-
2023-11 (2022)	06/02/2023	-do-	-do-	25,425.62	-do-
2023-05 (2022)	05/26/2023	-do-	-do-	46,980.00	Fully settled in January 2024
2023-03 (2022)	05/26/2023	-do-	-do-	46,620.00	-do-
2023-02 (2022)	05/26/2023	-do-	-do-	47,880.00	-do-
2023-01 (2022)	05/26/2023	-do-	-do-	40,320.00	-do-
19-007-501 LFPS-CABRIS-(19)	11/13/2019	Incomplete documentary requirements	-do-	39,750.00	Documents submitted for validation of the Audit Team
17-002-501TF-(17)	07/25/2017	Leave monetization not in accordance with Civil Service Commission (CSC) rules and regulations	-do-	26,464.02	Fully settled in May 2024
17-001-501TF-(17)	07/17/2017	-do-	-do-	182,643.52	-do-
<b><u>Surigao del Sur (SDS) IMO - Corporate Fund</u></b>					
2023-004	12/13/2023	Payment of meals and accommodation	Officers and employees concerned	7,312.50	Compliance with NS, for follow-up with Management
2023-003	12/13/2023	-do-	-do-	2,343.75	-do-
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. XIII</b>				<b>1,361,712.87</b>	
<b>GRAND TOTAL (Philippine Peso)</b>				<b>P1,167,518,534.97</b>	
<b>GRAND TOTAL (US Dollar)</b>				<b>US\$ 3,863,966.92</b>	

## B. AUDIT DISALLOWANCES

<b>Notices of Disallowance (ND)</b>					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
<b><u>CO General Fund</u></b>					
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
2014-010-101	05/06/2014	-do-	-do-	647,262.50	-do-
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	Payment of honorarium to officers of the NIA and other reimbursable costs	Former Administrator, et al.	1,164,821.36	With NFD and COE dated Nov. 03, 2015 and Jan. 27, 2016, respectively

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>		<b>Status</b>
2014-005-101	04/11/2014	-do-	-do-		-do-
12-015-101(04)	11/28/2012	Transfer of income already paid by Fund 101 to Fund 501	Former Administrator, et al.	Deputy	With NFD dated June 5, 2013
11-010-102(09)	07/19/2011	Overpayment of terminal leave	Former Acting DAAF, et al.		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		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 Administrator, et al.	Deputy	With Corporate Government Sector (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.		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-		With CGS Cluster 5 Decision No. 2019-005 dated February 28, 2019, sustaining the ND with modification
2016-003-102	04/06/2016	Procurement exceeded the current prevailing market price and no volume discount availed	-do-		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 Administrator, et al.	Deputy	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.		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-		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.		With CGS 5 Decision No. 2016-039 dated October 12, 2016; for automatic review by the Commission Proper
HCAAP 2014-002 (12)	08/28/2014	-do-	-do-		With CGS 5 Decision No. 2016-039 dated October 12, 2016; for automatic review by the Commission Proper

<b>Notices of Disallowance (ND)</b>							
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>		
2017-014-102	12/20/2017	Payment for advances/ mobilization fees	Participatory Irrigation Development Project (PIDP) Manager, et al.	201,272,895.12	With Memorandum	Appeal	
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	With CGAS Cluster 5 Decision No. 2021-013 dated April 12, 2021		
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 dated March 11, 2022		
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	No Data		
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 Memorandum 2019-020	Appeal No.	
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		
<b>Total CO - General Fund</b>				<b>2,234,327,203.97</b>			

**Corporate Fund**

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2016-004-501	08/03/2016	Expense was only recognized when payment was made in CY 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	-do-	406,315.78	With NFD dated November 2016, but COE is not issued due to Motion for Leave to File and Admit Appeal Memorandum
2014-002-501 (12)	05/30/2014	CNA incentive in excess of the DBM prescribed ceiling of P25,000	-do-	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-



<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2015-005-NIACI	09/15/2015	Not adequately supported with appropriate/proper documents	Employee concerned	41,000.00	With NFD dated March 24, 2022 and CGS Cluster 5 Decision No. 2018-042 dated November 28, 2018
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	NIACI Consultants, et al.	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-
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-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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	-do-
2016-002-501 (A)	06/06/2016	Lack of supporting documents	Former NIA Administrator, et al.	28,680,000.00	Supplemental ND. No Appeal was received upon expiration of the six-month period
2016-005-50	08/05/2016	Payment of Overtime (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,

Notices of Disallowance (ND)								
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status			
					2016.	With	partial	
					settlement			
12-004-NIACI (10)	11/23/2012	Payment contrary 1987 Constitution and absence of documentary requirements to support rendition of work	NIACI Officers, et al.	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.	21,500.00		-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-		

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2013-101-501 (11)	10/23/2013	Payment of CNA incentive in excess of the DBM prescribed ceiling of P25,000	Acting Manager- Accounting Division, et al.	22,500.00	With Petition for Review
2013-100-501 (11)	10/23/2013	-do-	-do-	15,000.00	-do-
2013-099-501 (11)	10/23/2013	-do-	-do-	6,000.00	-do-
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-	255,500.00	-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-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2013-062-501 (11)	09/10/2013	Payment of CNA incentive in excess of the DBM prescribed ceiling of P25,000	Acting Manager- Accounting Division, et al.	27,500.00	With Petition for Review
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-
2013-038-501 (11)	08/23/2013	-do-	-do-	962,000.00	-do-
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-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2014-004-NIACI (12)	03/12/2014	Payment considered unnecessary expenditures	Acting Manager- Accounting Division, et al.	139,889.55	With Petition for Review
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 Memorandum 2023-017 Appeal No.
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-Irrigators' Association (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	Former Administrator, et al.	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 of Motor vehicles under NIA Corporate Fund	Former Administrator, et al.	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	Liquidation of cash advances not supported with complete documents	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
<b>Total CO – Corporate Fund</b>				<b>1,102,471,439.29</b>	
<b><u>CO - Special Fund</u></b>					
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

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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 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
10-001-158(09)	03/22/2010	Payment of CNA lacked legal basis	Officers and employees concerned	165,000.00	For updating of status
<b>Total CO - Special Fund</b>				<b>1,127,193.37</b>	
<b>TOTAL - CO</b>				<b>3,337,925,836.63</b>	
<b>CAR</b>					
<b><u>CAR - General Fund</u></b>					
2023-40-501LFP (19-20)	12/01/2023	Overpayment resulting from erroneous computation and withholding of taxes	Officers and employees concerned	14,681.60	Received by Management on January 1, 2024
2023-39-501LFP (20)	12/01/2023	-do-	-do-	7,869.43	-do-
2023-38-501LFP (19-20)	12/01/2023	-do-	-do-	16,242.74	-do-
2023-37-501LFP (21)	11/30/2023	-do-	-do-	6,213.79	-do-
2023-36-501LFP (18-20)	11/21/2023	-do-	-do-	48,329.80	Received by Management on November 22, 2023
2023-35-501LFP (19)	11/20/2023	-do-	-do-	7,984.33	-do-
2023-34-501LFP (22)	11/20/2023	-do-	-do-	4,565.11	Settled under NSSDC No. 2024-02 dated January 5, 2024
2023-33-501LFP (20)	11/13/2023	-do-	-do-	6,596.78	Received by Management on November 15, 2023
2023-32-501LFP (20)	11/10/2023	-do-	-do-	36,225.53	-do-
2023-30-501LFP (18-21)	11/10/2023	-do-	-do-	39,368.16	-do-
2023-29-501LFP (18)	11/08/2023	-do-	-do-	14,713.40	Received by Management on November 13, 2023
2023-28-501LFP (21)	11/08/2023	-do-	-do-	10,026.87	-do-
2023-27-501LFP (22)	11/08/2023	-do-	-do-	12,210.38	-do-
2023-26-501LFP (21)	11/08/2023	-do-	-do-	10,363.80	-do-
2023-25-501LFP (22)	11/08/2023	-do-	-do-	6,353.87	-do-
2023-24-501LFP (21)	11/07/2023	-do-	-do-	11,198.84	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2023-23-501LFP (22)	11/07/2023	Overpayment resulting from erroneous computation and withholding of taxes	Officers and employees concerned	11,857.54	Received by Management on November 13, 2023
2023-22-501LFP (22)	11/07/2023	-do-	-do-	10,550.92	-do-
2023-21-501LFP (22)	10/27/2023	-do-	-do-	16,228.50	-do-
SND 15-03-101-(10)	09/14/2023	Unsettled suspension matured into disallowance	-do-	35,919.04	Received by Management on September 26, 2023; From NS. No. 15-001-101-(10) dated July 24, 2015
ND No. 2023-20-501LFP (18-20)	05/24/2023	The quantity accomplished as grouted riprap in the Tuerian Intake was deficient by 3.52 cu. m. with equivalent cost of P52,816.58	-do-	52,816.58	Received by Management on June 5, 2023; With partial settlements
2021-02-501 LFP (17-18)	05/10/2021	Overpayment resulting from erroneous computation of liquidated damages	Regional Manager, et al.	14,961.48	Appeal Memorandum was received by COA-CAR on November 5, 2021
2021-01-501 LFP (17-18)	05/10/2021	-do-	-do-	23,565.35	-do-
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; With partial settlements
<b><u>Kalinga IMO - General Fund</u></b>					
2023-19-501LFP (2013)	02/12/2023	Unsettled suspension matured into disallowance	Officers and employees concerned	103,572.56	Received by Management on February 6, 2023; Answer to the appeal transmitted to COA-CAR RO on September 1, 2023
2023-18- 501LFP (2014)	01/12/2023	-do-	-do-	340,616.69	Received by Management on February 6, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023
2023-17- 501LFP (2014)	01/12/2023	-do-	-do-	51,299.36	Received by Management on February 2, 2023; Answer to the appeal transmitted to COA-CAR RO on September 8, 2023
2023-16- 501LFP (2013-2016)	01/12/2023	-do-	-do-	7,538,952.07	Received by Management on January 25, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023
2023-15-501LFP (2013/2014)	01/12/2023	-do-	-do-	4,660,712.53	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023



Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2023-14-501LFP (2014-2016)	01/12/2023	Unsettled suspension matured into disallowance	Officers and employees concerned	5,012,764.66	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 8, 2023
2023-13-501LFP (2014-2016)	01/12/2023	-do-	-do-	3,741,922.31	-do-
2023-12- 501LFP (2015/2016)	01/12/2023	-do-	-do-	1,853,291.96	Received by Management on January 25, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023
2023-11- 501LFP (2013/2016)	01/12/2023	-do-	-do-	4,289,655.17	Received by Management on January 25, 2023; Answer to the appeal transmitted to COA-CAR RO on September 1, 2023
2023-10- 501LFP (2016)	01/12/2023	-do-	-do-	518,006.69	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023
2023-09-501LFP (2013)	01/12/2023	-do-	-do-	3,317,637.29	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 1, 2023
2023-08-501LFP (2014)	01/12/2023	-do-	-do-	2,373,330.61	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023
2023-07- 501LFP (2013)	01/12/2023	-do-	-do-	4,333,111.79	Received by Management on January 25, 2023; Answer to the appeal transmitted to COA-CAR RO on September 1, 2023
2023-06-501LFP (2015/2016)	01/12/2023	-do-	-do-	2,036,879.76	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 8, 2023
2023-05-501LFP (2016)	01/12/2023	-do-	-do-	1,945,800.85	-do-
2023-04-501LFP (2015/2016)	01/12/2023	-do-	-do-	2,488,663.09	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023
2023-03-501LFP (2015/2016)	01/12/2023	-do-	-do-	1,326,304.92	Received by Management on January 24, 2023; Answer to the appeal

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
					transmitted to COA-CAR RO on September 1, 2023
2023-02-501LFP (2015/2016)	01/12/2023	Unsettled suspension matured into disallowance	Officers and employees concerned	1,581,119.57	Received by Management on January 24, 2023; Answer to the appeal transmitted to COA-CAR RO on September 14, 2023
2023-01	01/12/2023	-do-	-do-	2,135,842.77	Received by Management on January 26, 2023; Answer to the appeal transmitted to COA-CAR RO on September 8, 2023
2022-05-501 LFP (17)	12/13/2022	Deficiencies in the submitted supporting documents	Former Senior Accounting Processor and Principal Engineer B, et al.	2,427,436.80	Received by Management on December 12, 2022
2022-04-101(11)	10/24/2022	Incomplete supporting documents	Former Division Manager, et al.	34,352.58	Received by Management on October 25, 2022
2022-03-101 (11-12)	10/12/2022	-do-	Former/Retired Regional Manager, et al.	1,094,045.30	-do-
2018-06-101-(11) KIMO	10/01/2018	Non-submission of the supporting documents required within the prescribed period	Employees concerned	10,459.00	For issuance of NFD and COE
2018-05-101-(11) KIMO	10/01/2018	-do-	-do-	7,709.00	-do-
2018-04-101-(10) KIMO	10/01/2018	Irregular procurement of pipes after the completion of the project	Former Division Manager, et al.	94,575.00	With NFD dated August 8, 2021 and COE dated December 6, 2021
2018-003-101 (11) KIMO	07/06/2018	Deficiency of 6.33 percent on the completed Communal Irrigation System	Retired Regional Manager, et al.	93,253.00	-do-
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	Former 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 procurement of construction materials	-do-	9,516.97	-do-
16-001-101-(12)	05/23/2016	Procured three units of pump with accessories were missing or not installed	Former Division Manager, Project Engineer	345,480.00	With Memorandum dated February 7, 2017 filed by persons liable
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)	08/15/2012	Excessive claim of per diems	Employee concerned	1,120.00	No Appeal was filed within the reglementary period.

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
					Employee transferred to NIA CAR-Ifugao Satellite Office
<b>Total CAR – General Fund</b>				<b>54,351,066.36</b>	
<b><u>CAR - Corporate Fund</u></b>					
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 and Security Consultant	350,000.00	Received by Management on April 24, 2018. On appeal, Except of Documents and Summary of Events (EDSE) submitted on December 10, 2018
16-002-501-(15)	10/06/2016	Payment of Cost-of-Living Allowance and Amelioration Allowance not compliant with RA No. 6758	Retired Regional Manager; Chief Corporate Accountant; and Retired employee	68,647.55	For issuance of NFD and COE; Payees were not given copy of the ND by previous Audit Teams
15-009-501-(07)	10/12/2015	Payment of CNA incentive for CYs 2007-2008 made to officials performing managerial functions	Employee concerned	10,000.00	Paid under OR No. 3007363 dated November 20, 2023; Unremitted as of December 31, 2023
15-008-501-(07)	08/25/2015	-do-	Retired Regional Manager; Collection Representative A, et al.	20,000.00	With NFD No. 2023-002 dated October 4, 2023 received by Management on October 11, 2023
15-007-501-14 (07-08)	07/29/2015	Payment of CNA incentive for CYs 2007-2008 made to officials performing managerial functions	Former Regional Manager, et al.	55,000.00	NFD No. 2023-001 dated October 4, 2023 received by Management on October 11, 2023
15-005-501-14(RO)	06/09/2015	Payment of Viability Incentive Grant (VIG) for CY 2012 without legal basis	Retired Regional Manager, et al.	1,335,960.00	Issued NFD No. 2024-001 dated January 15, 2024 received by management on January 22, 2024
15-006-501-14(RO)	06/09/2015	Payment of VIG has no legal basis	-do-	1,974,971.28	With CGAS C5 Decision No. 2016-009 dated May 18, 2016
13-003-501-12	01/17/2014	CNA granted for CY 2011 in excess of P25,000.00	-do-	320,000.00	With CGAS C5 Decision No. 2015-015 dated October 30, 2015
13-002-501-12	01/17/2014	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 on Oct. 24, 2017
12-005-501-10	06/27/2012	Early payment of CNA	Former Division Manager, et al.	500,000.00	NFD No. 2022-399 dated December 22, 2022. Affirmed under Decision No. 2020-505 dated Jan. 31, 2020. Affirmed under COA-CAR Decision No. 2015-044 dated July 20, 2015

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
12-004-501-10	06/27/2012	Early payment of CNA	Former Regional Manager, et al.	2,050,000.00	-do-
12-003-501-10	06/27/2012	-do-	-do-	2,350,000.00	-do-
12-001-501-11 CAR RO	06/05/2012	CNA granted for CY 2011 in excess of P25,000.00	Former Regional Manager, et al.	760,000.00	-do-
<b><u>Kalinga IMO - Corporate Fund</u></b>					
2018-001-501-(16)	01/10/2018	Incurred an underrun of 33.56 per cent in a project	Division Manager Project-In-Charge, et al.	137,458.65	For issuance of NFD and COE
2015-010-501 (11)	12/01/2015	Payment of 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; and 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
<b><u>Apayao IMO - Corporate Fund</u></b>					
2020-002	11/25/2020	Payment for the first 30 days of transferred employees without legal basis	Officers and employees concerned	27,000.00	Received by persons liable on December 2, 2020 through constructive service
2016-001-501 (2013-14)-NIA AIMO	05/20/2016	Payment of VIG	-do-	170,000.00	Received by person liable on August 3, 2016  Unnumbered NFD dated December 11, 2019 was issued
2016-002-501 (2013-14)-NIA AIMO	05/20/2016	-do-	-do-	117,000.00	Unnumbered NFD dated December 11, 2019 was issued  Original amount was P940,832.15, For issuance of COE
<b>Total CAR - Corporate Fund</b>				<b>19,288,311.57</b>	
<b><u>CAR - Special Fund</u></b>					
2023-31-501CARP (20)	11/10/2023	Overpayment resulting from erroneous computation and withholding of taxes	Officers and employees concerned	9,495.83	Received by Management on November 15, 2023
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 COA-CAR Regional Director
12-012-158-11	01/11/2013	Actual accomplishment of the project is only 97.47 percent	-do-	227,842.15	-do-
12-002-158-11	06/05/2012	Payment of CNA in excess of the P25,000.00 limit	Former/Retired Regional Manager, et al.	55,000.00	NFD No. 2022-399 dated December 22, 2022  Affirmed under Decision No. 2020-505 dated Jan. 31, 2020. Affirmed under COA-CAR Decision

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
					No. 2015-044 dated July 20, 2015
<b><u>Kalinga IMO - Special Fund</u></b>					
2019-07-158-CARP CARE (09-10)	10/14/2019	Work accomplished is deficient by 40.68 percent as per COA Technical Service	Retired Regional Manager, et al.	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 was P1,195,184.80
<b>Total CAR - Special Fund</b>				<b>1,384,643.85</b>	
<b>TOTAL - CAR</b>				<b>75,024,021.78</b>	
<b><u>REGIONAL OFFICE NO. I</u></b>					
<b><u>La Union IMO - General Fund</u></b>					
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 October 30, 2015  With Petition for Review
<b><u>Pangasinan IMO - General Fund</u></b>					
2013-01-101 (12)	12/27/2013	Payment of CNA for CY 2012 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
<b>Total Regional Office No. I - General Fund</b>				<b>351,000.00</b>	
<b><u>Regional Office No. I - Corporate Fund</u></b>					
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
NIA RO1 ND No.- 2013-02-501(12)	12/27/2013	Payment of CNA for CY 2010 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 I 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-
2011-05-001	05/06/2011	-do-	-do-	460,000.00	-do-
<b><u>La Union IMO - Corporate Fund</u></b>					
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 CGAS C5 Decision No. 2015-020 dated December 22, 2015  With partial payments amounting to P325,000.00

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
LUIMO-2013-01-501(12)	12/27/2013	Payment of CNA for CY 2012 in excess of P25,000 limit	Employees concerned	654,000.00	On Appeal; With partial payments amounting to P339,477.65
12-002-501(12)	08/22/2012	-do-	NIA La Union (LU) IMO officers and employees	216,000.00	On Appeal; With partial payments amounting to P24,250.00
12-001-501 (COB)-(11)	01/31/2012	Payment of CNA 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 P97,250.00
11-501-COB-001 (10)	05/11/2011	Payment of CNA for CY 2010 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
<b><u>Agno River Integrated Irrigation Project (ARIIP) – Corporate Fund</u></b>					
2013-12-001(F501)	12/27/2013	Payment of CNA for CY 2010 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 by liable persons. Original amount was P11,841,500
<b><u>Pangasinan IMO (PIMO) - Corporate Fund</u></b>					
PIMO-2015-01-001-501 COB(13)	04/30/2015	Payment of VIG without legal basis	Employees concerned	2,209,456.99	With COA CGAS C5 Decision No. 2015-020 dated December 22, 2015
NIA PIMO ND No. 2013-01-501(12)	12/27/2013	Payment of CNA for CY 2012 in excess of the DBM prescribed ceiling of P25,000 and not approved by the Board of Directors	-do-	2,255,750.00	With COA CGAS C5 Decision No. 2015-015 dated October 30, 2015
12-001-501-(11)	01/09/2012	Payment of CNA for CY 2011 in excess of the DBM prescribed ceiling of P25,000 and not approved by the Board of Directors	Division Manager, et al.	64,440.00	For updating of status
11-001-501-(10)	05/11/2011	Payment of CNA for CY 2010 in excess of the DBM prescribed ceiling of P25,000 and not approved by the Board of Directors	-do-	180,000.00	On Appeal
<b><u>Ilocos Sur IMO (ISIMO) - Corporate Fund</u></b>					
15-001 (14)	05/07/2015	Payment of VIG for CY 2013 without legal basis	Employees concerned	508,000.00	With COA CGAS C5 Decision No. 2021-059 dated February 15, 2021
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-12-002 (12)	12/06/2012	Payment of VIG for CY 2013 without legal basis	Employees concerned	882,000.00	With COA CGAS C5 Decision No. 2015-009 dated July 28, 2015

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
SM-12-001 (12)	04/11/2012	Payment of CNA for CY 2011 in excess of P25,000.00 limit	-do-	80,000.00	With COA RO I Decision No. 2015-019 dated May 25, 2015
NIA – BPIS		-do-	Officials and employees	360,000.00	For updating of status
<b><u>Ilocos Norte IMO (INIMO) - Corporate Fund</u></b>					
2015-01 501COB (2013)		Payment for VIG CY 2013 without legal basis	NIA INIMO officials and employees	814,100.00	With COA CGAS C5 Decision No. 2015-020 dated December 22, 2015
2015-01 501COB (2014)		Payment for VIG CY 2014 without legal basis	-do-	1,611,391.00	-do-
<b>Total Regional Office No. I - Corporate Fund</b>				<b>20,957,737.91</b>	
<b><u>La Union IMO - Special Fund</u></b>					
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  With partial payments amounting to P28,500.00
<b><u>Pangasinan IMO - Special Fund</u></b>					
2013-01-158(12)	12/27/2013	Payment of CY 2012 CNA incentive in excess of the DBM prescribed ceiling of P25,000	Officers and employees	78,000.00	Affirmed under COA CGS Cluster 5 Decision No. 2015-015 dated October 30, 2015
<b>Total Regional Office No. I – Special Fund</b>				<b>117,000.00</b>	
<b>TOTAL - REGIONAL IRRIGATION OFFICE NO. I</b>				<b>21,425,737.91</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. II</u></b>					
<b><u>Regional Office No. II - General Fund</u></b>					
NIA RO2-2022-09 (2012)	10/26/2022	Unrecouped advances	NIA Officers concerned and Contractor	187,958.10	Copy of decision not yet provided
NIA RO2-2022-07 (2012-2014)	10/25/2022	-do-	-do-	183,949.46	-do-
NIA RO2-2022-06 (2014-2015)	10/25/2022	Unrecouped advances	-do-	138,722.81	Copy of decision not yet provided
NIA RO2-2022-08 (2012)	10/17/2022	-do-	-do-	189,994.33	-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 dated May 31, 2023
NIA RO2-2022-02-501(2017)	06/06/2022	Unrecouped advances	-do-	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
NIA RO2-2022-01-501(2015)	05/26/2022	Unrecouped advances	NIA Officers concerned and Contractor	552,766.50	Copy of decision not yet provided

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2018-NIARO2-0002 (2017)	11/05/2018	Payment of VIG without legal basis	-do-	4,132,914.42	With CGAS Cluster 5 Decision No. 2020-002 dated Jan. 22, 2020  With Petition for Review
2018-NIARO2-0003 (2015)	08/31/2018	Payment for Job Order	Regional Irrigation Manager, et al.	214,438.54	With CGAS Cluster 5 Decision dated April 27, 2022  With Petition for Review
<b>Total Regional Office No. II - General Fund</b>				<b>7,065,424.78</b>	
<b><u>Nueva Vizcaya IMO - Corporate Fund</u></b>					
2018-001-501 (2017)-NVIMO	03/02/2018	Payment of VIG for CY 2014 without legal basis	Employees concerned	199,417.10	With NFD dated October 24, 2018, and COE No. 2019-001 dated Nov. 28, 2019  Amount of ND was P847,129.00 with partial settlements of P642,501.90 in CYs 2019-2022
2018-001-501-(2017)-NVIMO	03/02/2018	Payment of VIG for CY 2015 without legal basis	-do-	25,540.24	With NFD dated October 24, 2018 and COE No. 2019-002 dated Nov. 28, 2019  Amount of ND was P334,880.00 with partial settlements of P307,339.76 in CYs 2020-2022
<b><u>Isabela IMO - Corporate Fund</u></b>					
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
<b><u>Cagayan-Batanes IMO - Corporate Fund</u></b>					
2019-001-501 (2017)	11/12/2019	Incomplete documentation	Employees concerned	241,892.22	For issuance of NFD
2019-002-501 (2015)	11/12/2019	-do-	-do-	69,610.50	-do-
2018-003-501 (2015) CBIMO	04/10/2018	Payment of fuel without complete documentation	-do-	24,041.45	For issuance of COE
2018-002-101 (2015)	04/10/2018	Payment of fuel with lacking documents	Acting Division Manager, et al.	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  For issuance of NFD and COE
2017-004-501-(2014-2015)-CBIMO	06/12/2017	Payment of VIG for CYs 2014 and 2015 without legal basis	Employees concerned	5,174,122.00	With CGAS Cluster 5 Decision No. 2018-031 dated Sept. 7, 2018



<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
					With Petition for Review before the CP
<b><u>Magat River Integrated Irrigation System (MARIIS) - Corporate Fund</u></b>					
NIA MARIIS DI-2023-01(2021)	09/22/2023	Payment of hazard pay	Various employees of NIA MARIIS Division I	1,232,000.00	No Appeal has been filed yet
2018-NIA MARIIS-0001 (2017)	05/11/2018	Payment of VIG	Officers and employees concerned	133,240,449.33	With Petition for Review before the CP
<b>Total Regional Office No. II - Corporate Fund</b>				<b>140,538,679.05</b>	
<b>TOTAL - REGIONAL IRRIGATION OFFICE NO. II</b>				<b>147,604,103.83</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. III</u></b>					
<b><u>Regional Office No. III - Corporate Fund</u></b>					
2017-02-501(2014-2016)/ RO	09/04/2017	Grant of VIG without legal basis	Officers and employees concerned	8,703,162.68	With Appeal
2015-01(2013/2014)/ RO	07/21/2015	-do-	-do-	3,849,000.00	With COA CGS Cluster 5 Decision No. 2016-016
					With Petition for Review before the CP
<b><u>TARZAM IMO - Corporate Fund</u></b>					
2017-003-F501-COB(2017)	08/11/2017	Grant of VIG for CY 2016 without legal basis	Employees concerned	700,000.00	Appeal still with COA Regional Office No. III, received on April 3, 2018
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-
<b><u>PAMBAT IMO - Corporate Fund</u></b>					
2017-03-501(2014-2016) / PAMBAT	09/04/2017	Grant of VIG without legal basis	Employees concerned	2,440,000.00	With Appeal
2015-01 (2013/2014)/ PAMBAT	07/21/2015	-do-	-do-	590,222.13	With COA CGS Cluster 5 Decision No. 2016-016
<b><u>BANE IMO - Corporate Fund</u></b>					
2017-03-501(2014-2016)/ BANE	09/04/2017	Grant of VIG without legal basis	Officers and employees concerned	25,072,000.00	With Appeal
16-01-101 (14) BANE	10/06/2016	Payments to a contractor	-do-	6,843,899.96	-do-
2015-01(2013/2014)/ BANE	07/21/2015	-do-	-do-	4,340,000.00	With COA CGAS Cluster 5 Decision No. 2016-001
					With Petition for Review before the CP
2015-002-F501-COB(2013)	08/11/2015	Grant of VIG for CY 2012 without legal basis	-do-	698,701.68	With Petition for Review before the CP
2015-001-F501 COB(2014)	07/30/2015	Grant of VIG for CY 2013 without legal basis	-do-	497,830.76	-do-
<b><u>UPRIIS - Corporate Fund</u></b>					
17-004-501 (17)	10/04/2017	Payment of VIG for CY 2016 without legal basis	Officers and employees concerned	442,200.00	For updating of status
17-003-501 (17)	09/04/2017	Payment of VIG for CY 2016 without legal basis	Officers and employees concerned	10,982,900.00	For updating of status
17-003-501 (17)	09/04/2017	-do-	-do-	5,183,400.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
17-003-501 (17)	09/04/2017	-do-	-do-	3,683,755.61	-do-
17-003-501 (17)	09/04/2017	Payment of VIG for CY 2014 without legal basis	-do-	3,704,000.00	-do-
17-003-501 (17)	09/04/2017	-do-	-do-	4,545,035.93	-do-
17-003-501 (17)	09/04/2017	Payment of VIG for CY 2015 without legal basis	-do-	6,363,000.00	-do-
17-003-501 (17)	09/04/2017	Payment of VIG for CY 2016 without legal basis	-do-	3,730,544.89	-do-
17-002-501 (16)	09/04/2017	Payment of VIG for CY 2015 without legal basis	-do-	6,220,000.00	-do-
17-002-501 (16)	09/04/2017	-do-	-do-	1,050,000.00	-do-
17-002-501 (16)	09/04/2017	-do-	-do-	2,248,260.57	-do-
17-002-501 (16)	09/04/2017	-do-	-do-	2,366,020.00	-do-
17-002-501 (16)	09/04/2017	-do-	-do-	6,104,454.29	-do-
17-002-501 (16)	09/04/2017	-do-	-do-	4,481,939.24	-do-
17-002-501 (16)	09/04/2017	-do-	-do-	2,948,000.00	-do-
17-001-501 (16)	09/04/2017	-do-	-do-	12,208,690.00	-do-
17-001-501 (16)	09/04/2017	-do-	-do-	3,780,733.87	-do-
17-001-501 (16)	09/04/2017	-do-	-do-	3,775,750.00	-do-
17-001-501 (16)	09/04/2017	-do-	-do-	5,852,498.00	-do-
17-001-501 (16)	09/04/2017	-do-	-do-	7,591,889.20	-do-
17-001-501 (16)	09/04/2017	-do-	-do-	6,276,875.00	-do-
17-001-501 (16)	09/04/2017	-do-	-do-	4,755,666.67	With a consolidated appeal originally filed before the Regional Director, COA Region III
15-01-501(13) OMS	07/13/2015	Payment of VIG for CYs 2012 and 2013 without legal basis	Officers and employees concerned	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-
13-53-501(13)	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 in the amount 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	-do-	-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

<b>Notices of Disallowance (ND)</b>					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
<b>Total Regional Office No. III - Corporate Fund</b>				<b>260,702,889.57</b>	
<b>TOTAL - REGIONAL IRRIGATION OFFICE NO. III</b>				<b>260,702,889.57</b>	
<b>REGIONAL IRRIGATION OFFICE NO. IV-A</b>					
<b><u>Regional Office No. IV-A - General Fund</u></b>					
2013-005-501 / PIDP	10/16/2013	Payment of CNA incentive for CY 2012	Officers and employees concerned	30,000.00	With Petition for Review
2013-005-501 / 101 MDS	10/16/2013	-do-	-do-	60,000.00	With Memorandum Appeal
<b>Total Regional Office No. IV-A - General Fund</b>				<b>90,000.00</b>	
<b><u>Regional Office No. IV-A - Corporate Fund</u></b>					
2015-003-501(13)	11/20/2015	Payment of VIG for CY 2013 without legal basis	Officers and employees concerned	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 an Appeal Memorandum
<b>Total Regional Office No. IV-A - Corporate Fund</b>				<b>8,095,095.17</b>	
<b><u>Regional Office No. IV-A - Special Fund</u></b>					
Region IV-A 2013-006-501	10/18/2013	Payment of CNA incentive for CY 2012	-do-	60,000.00	The consolidated Appeals were denied under COA CGAS C5 Decision No. 2016-008 dated May 13, 2016
Region IV-A 2013-005-501	10/16/2013	-do-	-do-	90,000.00	With Memorandum Appeal
<b>Total Regional Office No. IV-A - Special Fund</b>				<b>150,000.00</b>	
<b>TOTAL - REGIONAL IRRIGATION OFFICE NO. IV-A</b>				<b>8,335,095.17</b>	
<b>REGIONAL IRRIGATION OFFICE NO. IV-B</b>					
<b><u>Regional Office No. IV-B - Corporate Fund</u></b>					
18-003-501(17)-NIA MIMAROPA RO	08/30/2018	Payment of VIG without legal basis	Former Regional Manager; Division Manager, Engineering and Operations Division (EOD); Acting Manager, Administrative and Finance Division (AFD); and Payees	P 1,449,047.00	ND affirmed under CGAS C5 Decision No. 2019-010 dated April 12, 2018
2015-003-501 (12 & 13) MIMAROPA RO	09/09/2015	-do-	Officers and employees concerned	1,343,861.68	ND affirmed under CP COA Decision No. 2022-272 dated January 24, 2022
2015-001-501(13) MIMAROPA RO	09/03/2015	Excess CNA Payment – Regional Office	Former Acting Division Manager, et al.	5,000.00	ND affirmed under CP COA Decision No. 2020-403 dated January 31, 2020

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2013-001-501 (12) MIMAROPA RO	12/20/2013	-do-	-do-	195,000.00	-do-
<b><u>Mindoro Oriental-Marinduque-Romblon (MOMARO) IMO - Corporate Fund</u></b>					
18-002-501(17)-NIA MOMARO IMO	08/30/2018	Excess CNA Payment – Regional Office	Former Acting Division Manager, et al.	210,000.00	ND affirmed under CGAS C5 Decision No. 2019-038 dated November 23, 2019
18-001-501(17)-NIA MOMARO IMO	08/30/2018	-do-	-do-	3,654,000.00	ND affirmed under CGAS C5 Decision No. 2019-041 dated December 9, 2019
2015-004-501(13&14) MOMARO IMO	09/09/2015	Payment of VIG without legal basis	-do-	4,116,638.03	ND affirmed under CP COA Decision No. 2022- 272 dated January 24, 2022
2015-002-501(13 & 14) MOMARO IMO	09/03/2015	Excess CNA payment – Regional Office	-do-	107,810.95	With Petition for Review before the COA CP
2013-002-501 (12) MOMARO IMO	12/20/2013	-do-	-do-	2,120,000.00	ND affirmed under CP COA Decision No. 2020- 403 dated January 31, 2020
<b><u>Occidental Mindoro IMO - Corporate Fund</u></b>					
2020-001-501(18) OMIMO	09/30/2020	Retainer's fee with no concurrence from COA and approval from OGCC	Officers and employees concerned	35,200.00	For updating of status. Original amount of ND was P136,000.00
2018-001-501(2017) OMIMO	08/31/2018	Payment of VIG without legal basis	-do-	459,728.70	With COA CGAS Cluster 5 Decision No. 2019-040
2016-001-501 (13) PIMO	03/18/2016	-do-	-do-	415,544.71	ND affirmed under CGAS 5 Decision No. 2016-056 dated November 17, 2016
2015-001-501 (14) OMIMO	10/27/2015	-do-	-do-	87,000.00	Original amount of ND was P354,495.27
<b><u>Palawan IMO - Corporate Fund</u></b>					
2018-001-501-(17)- NIA-PIMO	08/22/2018	Payment of VIG without legal basis	Division Manager; Sr. Accounting Processor A; and payees	1,993,739.44	With Petition for Review before the COA CP
2016-002-501 (14) NIA PIMO	03/18/2016	-do-	Officers and employees concerned	991,427.60	-do-
<b>Total Regional Office No. IV-B – Corporate Fund</b>				<b>17,183,998.11</b>	
<b>TOTAL - REGIONAL IRRIGATION OFFICE NO. IV-B</b>				<b>17,183,998.11</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. V</u></b>					
<b><u>Regional Office No. V - General Fund</u></b>					
2020-001-101-(2019)	10/07/2020	Payment for water pumps not in accordance with approved appropriation	Officers and employees concerned	6,865,200.00	On Appeal
<b>Total Regional Office No. V - General Fund</b>				<b>6,865,200.00</b>	
<b><u>Regional Office No. V - Corporate Fund</u></b>					
2017-01-100 (2014)	05/25/2017	Payment of VIG without the approval of the President	Officers and employees concerned	236,213.96	With Petition for Review dated January 19, 2022
2016-048-0-(2014)	12/08/2016	Payment of VIG without the approval of the President	Officers and employees concerned	98,218.59	With Petition for Review before the COA CP
2016-047-0-(2014)	12/08/2016	-do-	-do-	237,478.80	-do-
2016-046-0-(2014)	12/08/2016	-do-	-do-	320,000.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2016-045-0-(2014)	12/08/2016	-do-	-do-	11,200.00	-do-
2016-044-0-(2014)	12/08/2016	-do-	-do-	135,800.00	-do-
2016-043-0-(2014)	12/08/2016	-do-	-do-	3,200.00	-do-
2016-042-0-(2014)	12/08/2016	-do-	-do-	20,785.75	-do-
2016-041-0-(2014)	12/08/2016	-do-	-do-	30,000.00	-do-
2016-040-0-(2014)	12/08/2016	-do-	-do-	26,000.00	-do-
2016-039-0-(2014)	12/08/2016	-do-	-do-	20,000.00	-do-
2016-038-0-(2014)	12/08/2016	-do-	-do-	22,000.00	-do-
2016-037-0-(2014)	12/08/2016	-do-	-do-	135,000.00	-do-
2016-033-0-(2014)	12/08/2016	-do-	-do-	72,000.00	-do-
2016-032-0-(2014)	12/08/2016	-do-	-do-	16,000.00	-do-
2016-031-0-(2014)	12/08/2016	-do-	-do-	268,000.00	-do-
2016-030-0-(2014)	12/08/2016	-do-	-do-	61,337.28	-do-
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	Payment of VIG without the approval of the President	Officers and employees concerned	31,000.00	With Petition for Review before the COA CP
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-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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-
<b><u>Albay-Catanduanes IMO - Corporate Fund</u></b>					
2016-001-(2013)	12/23/2016	Payment of VIG without the necessary approval by the President	Acting IMO Head, Sr. Institutional Development Officer, Sr. Accountant, payees, et al.	399,549.72	With partial settlement of P178,000.00 and P169,437.28 or in the total amount of P347,437.28  Original ND amount was P746,987.00
<b>Total RO No. V - Corporate Fund</b>				<b>6,210,730.01</b>	
<b>TOTAL - REGIONAL IRRIGATION OFFICE NO. V</b>				<b>13,075,930.01</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. VI</u></b>					
<b><u>Regional Office No. VI - General Fund</u></b>					
09-011-101- (01/02)	11/13/2009	Unsubmitted DVs and supporting documents	Officers and employees concerned	P 39,026.98	With NFD dated August 16, 2018  Subject to further verification since upon initial confirmation, NFD was not received by the persons liable who are no longer connected with NIA Region VI
09-002-101-(08)	11/13/2009	Hotel accommodation already included in per diems	-do-	1,040.00	With NFD dated August 15, 2018  Subject to further verification since upon initial confirmation, NFD was not received by the persons liable who are no longer connected with NIA Region VI
11-005-101-(10)	12/29/2011	Unsettled NS matured into disallowance for expenses during the NIA's 47th Anniversary	-do-	150,000.00	With pending appeal before the Regional Director
11-004-101-(10)	02/08/2011	Payment of CNA incentive for CY 2009	-do-	775,000.00	-do-
<b><u>Iloilo-Guimaras IMO - General Fund</u></b>					
2017-001-101	08/31/2017	Overpayment of PERA	Officers and employees concerned	2,908.84	Subject to further verification since upon initial confirmation, NFD was not received by the persons liable who are no longer connected with NIA Region VI
11-001-101	02/17/2011	Payment of honoraria of BAC members for 2010	Officers and employees concerned	32,000.00	Subject to further verification since upon initial confirmation, NFD was not received by the persons liable who are no longer connected with NIA Region VI

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
11-002-101	05/13/2011	Payment of items mobilization/demobilization as part of pay	-do-	24,000.00	Documents not on file  On-going retrieval of documents is being performed
<b><u>Antique IMO - General Fund</u></b>					
2013-003-101(12)	01/04/2013	Salaries and PERA of casual employees charged to projects	Officers and employees concerned	44,566.27	With NFD dated October 9, 2018
2013-002-101(12)	01/03/2013	Salaries and wages of casual employees charged to project	-do-	679,116.59	With NFD dated September 21, 2018  With partial settlements made
2012-013-101(12)	12/18/2012	Travel of NIA-AIMO employees	-do-	55,629.00	With NFD dated October 9, 2018
2012-012-101(12)	12/14/2012	Travel of regular and casual employees for the NIA's 49th Anniversary	-do-	101,796.68	With NFD dated September 21, 2018
2012-010-101(11)	11/20/2012	Travel of job order personnel for the NIA's 49th Anniversary	-do-	18,991.60	No Appeal from ND
2012-006-101(11)	04/11/2012	Travelling expenses	-do-	3,520.00	With NFD dated October 9, 2018
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 COE
<b><u>Aklan IMO - General Fund</u></b>					
2012-101-001-(08/09/10/11)	08/16/2012	Payment of CNA incentive for CYs 2008-2011	Officers and employees concerned	191,500.00	With appeal before the Regional Director  With partial settlement
<b>Total Regional Office No. VI - General Fund</b>				<b>2,166,099.96</b>	
<b><u>Regional Office No. VI - Corporate Fund</u></b>					
09-002-501	11/06/2009	Payment of various expenses lacking legal basis	Officers and employees concerned	7,816.54	With NFD dated August 15, 2018  Subject to further verification since upon initial confirmation, NFD was not received by the persons liable who are no longer connected with NIA Region VI
15-01-501-(14)	06/16/2015	Payment of VIG for CY 2013 without legal basis	Officers and employees concerned	812,453.07	With pending appeal before the Cluster Director, CGAS C5
13-009-501 (12)	01/10/2013	Payment of CNA incentive for CYs 2011 and 2012	-do-	8,989,750.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2012-007-501(11)	08/30/2012	Payment of various expenses during NIA's 48th Anniversary	-do-	157,656.33	With Appeal before the COA Regional Director of RO VI
2011-005-501(11)	02/07/2011	Payment of CNA incentive for CY 2011	-do-	1,770,000.00	COA Decision No. 2021-529 dated Dec. 17, 2021, denying the petition for review of the persons liable
2011-006-501	12/29/2011	Payment of CNA incentive for CYs 2009 and 2010	-do-	3,788,000.00	-do-
2011-004-501 (10)	08/31/2011	Payment of CNA incentive for CY 2009	-do-	6,220,000.00	With Appeal before the COA Regional Director of RO VI
<b><u>Iloilo-Guimaras IMO - Corporate Fund</u></b>					
2022-001-501	01/28/2022	Overpayment of hazard pay	Officers and employees concerned	2,500.00	For issuance of NFD  Subject to further verification since upon initial confirmation, the ND was settled already. Awaiting proof of settlement; for issuance of NSSDC
2019-001-501LFPs	04/08/2019	Overpayment of wages and PERA	-do-	94,866.32	For issuance of NFD  Subject to further verification since upon initial confirmation, the ND was settled already  Awaiting report on proof of settlement; for issuance of NSSDC
2018-001-501 LFPs (17)	01/23/2018	Extravagant expenditures for hotel accommodation	-do-	44,062.50	With NFD dated August 6, 2018  Subject to further verification since upon initial confirmation, NFD was not received by the persons liable who are no longer connected with NIA Region VI
2017-001-501 LFPs	08/31/2017	Overpayment of PERA	-do-	33,725.19	With NFD dated August 6, 2018  Subject to further verification since upon initial confirmation, the ND was settled already  Awaiting report on proof of settlement; for issuance of NSSDC
2015-01-501 IGIMO (13)	06/24/2015	Payment of VIG for CY 2013	Officers and employees concerned	3,332,764.67	With COA CGAS C5 Decision No. 2022-016 dated May 30, 2022



<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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 of RO VI
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-
<b><u>Antique IMO - Corporate Fund</u></b>					
2015-001-501 (13)	06/24/2015	Payment of VIG for CY 2013 without legal basis	Officers and employees concerned	821,396.90	ND affirmed under COA CGAS Cluster 5 Decision No. 2016-010 dated May 20, 2016
2013-004-501(12)	01/04/2013	Payment of salaries and wages of casual employees	-do-	305,074.30	With NFD dated September 21, 2018  Partial settlement of P5,400.00 and P27,000.00
2012-009-501 (12)	10/29/2012	Payment of CNA incentive for CY 2011	-do-	514,200.00	With NFD dated September 11, 2018. Partial settlement of P85,500.00 and P25,800.00
2012-008-501 (12)	10/29/2012	-do-	-do-	467,300.00	With NFD dated September 11, 2018. Partial settlement of P20,300.00 and P2,400.00
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	With Appeal before the COA Regional Director of RO VI
2011-002-501 (11)	11/03/2011	Payment of honorarium as BAC member	-do-	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-
<b><u>Aklan IMO - Corporate Fund</u></b>					
2015-002-501-(07/08)	07/29/2015	Payment of CNA for CY 2007	-do-	10,000.00	With NFD dated September 3, 2018
2015-001-501-(14)	06/10/2015	Payment of VIG for CY 2013 without legal basis	Officers and employees concerned	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 for CY 2011	-do-	1,050,000.00	With Petition for Review before the COA CP

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2012-501-06-(09)	08/16/2012	Payment of CNA for CY 2010	-do-	1,680,000.00	-do-
2012-501-05-(09)	08/16/2012	Payment of CNA for CY 2009	-do-	648,000.00	-do-
2012-501-04-(09)	08/16/2012	Payment of CNA for CY 2010	-do-	1,800,000.00	-do-
2012-501-03-(09)	08/16/2012	Payment of CNA for 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 for CYs 2008 and 2009	-do-	2,370,000.00	-do-
<b><u>Capiz IMO - Corporate Fund</u></b>					
2019-002-501(16&17)	09/11/2019	Irregular payment of wages to casual employees	Employee concerned	1,812.12	Unrefunded balance due to death of one NIA ACIMO employee
2015-002-501-(07/08)	07/27/2015	Payment of CNA for CY 2007	-do-	9,350.00	With NFD dated Sept. 3, 2018; person liable had already retired
2015-001-501-(14)	06/10/2015	Payment of VIG for CY 2013 without legal basis	Officers and employees concerned	117,400.00	Original amount was P186,727.00, various NIA ACIMO employees refunded a total amount of P69,327.00
<b><u>Negros Occidental IMO - Corporate Fund</u></b>					
2018-008-501 (17)	06/11/2018	Payment of VIG for CY 2014 without legal basis	Officers and employees concerned	18,000.00	With COA CGS Cluster 5 Decision No. 2020-031
2018-007-501 (17)	06/11/2018	Payment of VIG for CYs 2014 and 2015 without legal basis	-do-	586,000.00	-do-
2018-006-501 (17)	06/11/2018	-do-	-do-	153,000.00	-do-
2018-005-501 (17)	06/11/2018	-do-	-do-	1,615,900.00	-do-
2018-004-501 (17)	06/11/2018	Payment of VIG for CY 2015 without legal basis	-do-	486,000.00	-do-
2018-003-501 (17)	06/11/2018	-do-	-do-	637,500.00	-do-
2018-002-501 (17)	06/11/2018	Payment of VIG for CY 2014 without legal basis	-do-	468,000.00	-do-
2018-001-501 (17)	06/11/2018	-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	Payment of VIG for CY 2013 without legal basis	Officers and employees concerned	573,000.00	For updating of status
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	Officers and employees concerned	104,848.70	-do-
2015-007-501 (13)	07/06/2015	-do-	-do-	107,120.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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	-do-	-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 Memorandum Appeal
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-
<b><u>JRMP II - Corporate Fund</u></b>					
2015-02-501(13)	09/07/2015	Payment of conference and registration fee	Officers and employees concerned	72,000.00	On Appeal
2014-001-501(12)	02/13/2014	Payment of CNA for CY 2012	-do-	4,029,500.00	-do-
<b>Total Regional Office No. VI - Corporate Fund</b>				<b>71,726,561.61</b>	
<b><u>Regional Office No. VI - Special Fund</u></b>					
12-009-158	07/31/2012	Payment of CNA incentive for CY 2010	Officers and employees concerned	98,000.00	With Appeal before the COA Regional Director of RO VI
11-008-158	02/18/2011	-do-	-do-	50,000.00	-do-
09-007-158	11/12/2009	Payment of CNA incentive for CYs 2006, 2008 and 2010	-do-	150,000.00	-do-
<b><u>Antique IMO - Special Fund</u></b>					
2013-01-158(12)	01/02/2013	Payment of salary of casual employees	Employees concerned	69,451.42	With NFD dated October 9, 2018; With partial settlements
<b>Total Regional Office No. VI - Special Fund</b>				<b>367,451.42</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. VI</b>				<b>74,260,112.99</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. VII</u></b>					

Notices of Disallowance (ND)								
No.	Date	Nature of Disallowance			Person(s) Liable		Amount	Status
<b><u>Regional Office No. VII - Corporate Fund</u></b>								
2023-049-DA (2016)	09/25/2023	Payment of traveling expenses			Officers and employees concerned		3,190.00	NDs were duly received by all persons liable on October 31, November 3 and November 15, 2023
2023-048-DA (2016)	09/25/2023		-do-			-do-	1,497.00	
2023-047-DA (2016)	09/25/2023		-do-			-do-	3,115.00	
2023-046-DA (2016)	09/25/2023		-do-			-do-	3,952.00	
2023-045-DA (2016)	09/25/2023		-do-			-do-	3,035.00	
2023-044-DA (2016)	09/25/2023		-do-			-do-	880.00	
2023-043-DA (2016)	09/25/2023		-do-			-do-	3,035.00	
2023-042-DA (2016)	09/25/2023		-do-			-do-	1,048.00	
2023-041-DA (2016)	09/25/2023		-do-			-do-	1,497.00	
2023-040-DA (2016)	09/25/2023	Payment for renewal of motor vehicle registration				-do-	7,458.12	
2023-039-DA (2016)	09/25/2023	Payment of traveling expenses				-do-	4,715.00	
2023-038-DA (2016)	09/25/2023		-do-			-do-	1,664.00	
2023-037-DA (2016)	09/25/2023		-do-			-do-	1,987.00	
2023-036-DA (2016)	09/25/2023		-do-			-do-	1,987.00	
2023-035-DA (2016)	09/25/2023		-do-			-do-	845.00	
2023-034-DA (2016)	09/25/2023		-do-			-do-	3,115.00	
2023-033-DA (2016)	09/25/2023		-do-			-do-	3,167.00	
2023-032-DA (2016)	09/25/2023		-do-			-do-	1,497.00	
2023-031-DA (2016)	09/25/2023		-do-			-do-	1,497.00	
2023-030-DA (2016)	09/25/2023	Payment of telephone expenses				-do-	4,221.42	
2023-029-DA (2016)	09/25/2023	Payment of traveling expenses				-do-	1,527.00	
2023-028-DA (2016)	09/25/2023		-do-			-do-	2,452.00	
2023-027-DA (2016)	09/25/2023		-do-			-do-	1,694.00	
2023-026-DA (2016)	09/25/2023		-do-			-do-	1,794.00	
2023-025-DA (2016)	09/25/2023		-do-			-do-	1,737.00	
2023-024-DA (2016)	09/25/2023		-do-			-do-	2,294.00	
2023-023-DA (2016)	09/25/2023		-do-			-do-	1,655.00	
2023-022-DA (2016)	09/25/2023		-do-			-do-	1,041.00	
2023-021-DA (2016)	09/25/2023	Payment of traveling expenses			Officers and employees concerned		4,730.00	
2023-020-DA (2016)	09/25/2023		-do-			-do-	1,502.00	
2023-019-DA (2016)	09/25/2023		-do-			-do-	1,402.00	
2023-018-DA (2016)	09/25/2023	Reimbursement of publication fee				-do-	9,658.00	
2023-017-DA (2016)	09/25/2023	Payment of traveling expenses				-do-	1,574.00	

Notices of Disallowance (ND)					Status
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	
2023-016-DA (2016)	09/25/2023	-do-	-do-	3,157.00	NDs were duly received by all persons liable on October 31, November 3 and November 15, 2023
2023-015-DA (2016)	09/25/2023	Payment for renewal of motor vehicle registration	-do-	5,546.36	
2023-014-DA (2016)	09/25/2023	Payment of premium bond	-do-	1,125.00	
2023-013-DA (2016)	09/25/2023	Payment of meals expenses	-do-	2,287.00	
2023-012-DA (2016)	09/25/2023	Payment of traveling expenses	-do-	1,880.00	
2023-011-DA (2016)	09/25/2023	Payment of water services	-do-	1,962.53	
2023-010-DA (2016)	09/25/2023	Payment of traveling expenses	-do-	9,290.00	
2023-009-DA (2016)	09/25/2023	-do-	-do-	3,952.00	
2023-008-DA (2016)	09/25/2023	-do-	-do-	880.00	
2023-007-DA (2016)	09/25/2023	Reimbursement of emergency purchases	-do-	7,395.05	
2023-006-DA (2016)	09/25/2023	Payment of traveling expenses	-do-	2,315.00	
2023-005-DA (2016)	09/25/2023	-do-	-do-	4,200.00	
2023-004-DA (2016)	09/25/2023	-do-	-do-	3,035.00	
2023-003-DA (2016)	09/25/2023	-do-	-do-	3,035.00	The ND was not properly received by the persons liable hence, the Audit Team cannot issue NFD
2023-002-DA (2016)	09/25/2023	-do-	-do-	3,115.00	
2023-001-DA (2016)	09/25/2023	Payment of room accommodation	-do-	1,400.00	With Appeal filed by former OIC-Provincial Irrigation Officer, et al.
2011-004-101NIA DA (10)	08/31/2011	Irregular payment of catering services	-do-	25,000.00	
2011-003-101 NIA DA (10)	06/06/2011	Irregular payment of traveling expenses	-do-	15,297.00	-do-
2011-030-101(10)	02/25/2011	Irregular payment of traveling expenses	-do-	20,605.94	With Appeal filed by former OIC-Provincial Irrigation Officer, et al.
2011-008-101(10)	02/15/2011	Irregular payment of personnel services	-do-	16,350.96	
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	Irregular payment of Officers and employees personnel services concerned	-do-	14,988.38	With Appeal filed by former OIC-Provincial Irrigation Officer, et al.
2011-012-101(10)	02/15/2011	-do-	-do-	17,988.36	
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	Irregular payment of CNA incentive	-do-	15,000.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2011-018-101(10)	02/15/2011	Irregular payment of personnel services	-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-
2011-005-101(10)	02/02/2011	Irregular payment of CNA incentive	-do-	25,000.00	-do-
2011-004-101(10)	02/02/2011	Irregular payment of overtime services	-do-	844.74	-do-
2011-001-101(10)	02/02/2011	-do-	-do-	2,266.32	-do-
2011-003-101(10)	02/02/2011	Irregular payment of personnel services	-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.
2010-004-102(09)	06/18/2010	Failure to deduct, withheld and remit taxes	-do-	1,500.00	With NFD No. 2023-001 (2009) dated October 18, 2023
2010-003-102(09)	06/18/2010	-do-	-do-	1,012.46	-do-
2010-002-102(09)	06/16/2010	Payment of CNA incentive to those who perform managerial functions	-do-	3,996.30	-do-
2010-001-102(09)	06/15/2010	Failure to deduct, withheld and remit taxes	-do-	420.00	-do-
2021-001-501(2020)	04/21/2021	Payment of COVID-19 hazard pay	Officers and employees concerned	2,500.00	Partially settled; Pending issuance of NSSDC; Original amount of ND was P229,150.00
2015-002-501(14)	12/08/2015	Payment of VIG with no appropriate legal basis	-do-	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-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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-
2011-001-501 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	The ND was not properly received by the persons liable; hence, the Audit Team cannot issue NFD
2011-001-501 COB- (10)	02/07/2011	Payment of retainer's fee, contrary to Retainership Agreement	-do-	68,250.00	-do-
2011-005-501 NDC - (10)	02/02/2011	Irregular payment of overtime services	-do-	2,621.21	With Appeal filed by former Irrigation Superintendent II, et al.
2011-004-501 NDC - (10)	02/02/2011	Irregular payment of uniform/clothing allowance	-do-	8,000.00	-do-
2011-003-501 NDC - (10)	02/02/2011	Irregular payment of Productivity Incentive Benefit	-do-	2,000.00	-do-
2011-002-501 NDC - (10)	02/02/2011	Irregular payment of personnel services	-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 incentive 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	Payment of CNA incentive to those who perform managerial functions	Officers and employees concerned	25,000.00	With Appeal filed by former Regional Manager, et al.
2010-001-501 (09)	06/03/2010	Unnecessary and excessive expense	-do-	10,286.00	The ND was not properly received by the persons liable; hence, the Audit Team cannot issue NFD
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-
<b>Regional Office No. VII - Corporate Fund</b>				<b>23,160,386.85</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. VII</b>				<b>23,160,386.85</b>	

**REGIONAL IRRIGATION OFFICE NO. VIII**  
**Regional Office No. VIII - Corporate Fund**

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2023-001	11/02/2023	Unnecessary payment of meals	Officers and employees concerned	981.00	Unsettled
2022-003-501 (2021) COB RO	08/07/2022	Payment of seat reservation and additional baggage on airfare	-do-	6,450.00	With CGAS Cluster 5 Decision No. 2022-022
2022-001-501 (2021) COB RO	08/06/2022	Payment of meal expenses	-do-	3,764.00	With CGAS Cluster 5 Decision No. 2017-035
2022-002-501 (2021) COB RO	07/07/2022	-do-	-do-	6,078.00	With Appeal
2019-003('18) LFP 501	11/04/2019	Unnecessary travel claim	Travel agency concerned	8,259.88	For updating of status
2019-004('18) LFP 501	10/28/2019	Excessive travel claims	Officers and employees concerned	800.00	-do-
2019-001(18) LFP 501	10/02/2019	-do-	-do-	4,385.28	-do-
2019-002(18) LFP 501	10/02/2019	-do-	-do-	800.00	-do-
2019-003-501 (2016) LFP N. Samar	09/19/2019	Unsettled NS matured into disallowance	Supplier concerned	4,800.00	-do-
2017-011-501 (2016) LFP N. Samar	07/13/2017	Payment of penalties and surcharge	LTO, et al.	6,170.00	-do-
2017-013-501 (2016) LFP N. Samar	07/13/2017	Payment of penalties	-do-	1,020.00	-do-
2017-020-501 (2007) RO	06/22/2017	Payment of CNA CY 2007	-do-	585,000.00	With Appeal
2017-015-501 (2016) LFP N. Samar	05/10/2017	Payment of penalties	-do-	240.00	For updating of status
2017-014-501 (2016) LFP N. Samar	05/09/2017	Payment of surcharge	-do-	200.00	-do-
2017-010-501 (2016) LFP N. Samar	05/05/2017	Payment of penalties	-do-	2,976.00	-do-
2017-004-501 (2016) LFP N. Samar	04/25/2017	-do-	-do-	600.00	-do-
2017-008-501 (2016) LFP N. Samar	04/25/2017	Irregular payment of expenses	Officers and employees concerned	1,354.00	-do-
2017-002-501 (2016) LFP N. Samar	04/10/2017	Payment of penalties	LTO, et al.	8,928.00	Partially settled
2016-002-101 (2016) Regular N. Samar	12/02/2016	Unsettled NS matured into disallowance	-do-	840.00	For updating of status
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
2015-001-(15) 501 COB	09/22/2015	-do-	-do-	12,000.00	Partially settled.
2015-032-501 (2007) RO	07/10/2015	Payment of CNA CY 2007	-do-	70,000.00	With CGAS Cluster 5 Decision No. 2017-026
2015-031-501(13) N. Samar	04/16/2015	Payment of VIG CY 2011 without legal basis	-do-	1,258,500.00	With CGAS Cluster 5 Decision No. 2015-019



<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2015-030-501(12) Leyte	03/31/2015	-do-	-do-	995,200.00	With CGAS Cluster 5 Decision No. 2016-031
2015-028-501(12) E. Samar	03/25/2015	-do-	-do-	164,297.50	-do-
2015-029-501(12) W. Samar	03/25/2015	-do-	-do-	195,000.00	-do-
2015-016-501(13) Leyte	03/18/2015	Payment of VIG CY 2013 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-
2015-019-501(13) Leyte	03/18/2015	-do-	-do-	60,000.00	-do-
2015-020-501(13) Leyte	03/18/2015	-do-	-do-	160,000.00	-do-
2015-021-501(13) Leyte	03/18/2015	Payment of VIG CY 2012 without legal basis	-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-
2015-001-501(14) Leyte	03/17/2015	-do-	-do-	1,971,700.00	With Appeal
2015-002-501(14) Leyte	03/17/2015	Payment of VIG CY 2012 without legal basis	Officers and employees concerned	600,000.00	With Appeal
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	Payment of VIG CY 2013 without legal basis	-do-	155,000.00	-do-
2015-008-501(14) Leyte	03/17/2015	-do-	-do-	180,000.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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 CGAS Cluster 5 Decision No. 2016-003  With Petition for Review
2015-015-501(14) Leyte	03/17/2015	-do-	-do-	200,000.00	-do-
2014-013-501(RO) 2012	02/26/2014	Payment of CNA CY 2012	-do-	639,000.00	With COA CGAS Cluster 5 Decision No. 2015-015
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	02/26/2014	-do-	-do-	893,250.00	-do-
2014-012-501(W. Samar) 2012	02/24/2014	Payment of CNA CY 2012	-do-	1,935,000.00	-do-
2014-010-501(N. Samar) 2011	02/21/2014	Payment of CNA CY 2011	-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-
2014-009-501(W. Samar) 2011	02/20/2014	Payment of CNA CY 2011	-do-	1,385,025.00	-do-
2014-008-501(E. Samar) 2011	02/18/2014	Payment of CNA CY 2011	Officers and employees concerned	1,554,000.00	With COA CGAS Cluster 5 Decision No. 2015-015  With Petition for Review
2014-006-501(NIS) 2011	02/12/2014	Payment of CNA CY 2013	-do-	3,452,500.00	-do-
2014-005-501(NIS) 2012	02/06/2014	Payment of CNA CY 2012	-do-	2,700,000.00	-do-
2014-003-501(Leyte) 2012	01/17/2014	-do-	-do-	1,530,000.00	-do-
2014-004-501(Leyte) 2011	01/17/2014	Payment of CNA CY 2011	-do-	1,521,000.00	-do-
2014-002- 501(RO)2011	01/15/2014	-do-	-do-	2,543,500.00	-do-
2014-001-501(RO) 2012	01/14/2014	Payment of CNA CY 2012	-do-	2,160,000.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2014-007-501(E. Samar) 2012	01/14/2014	-do-	-do-	1,620,000.00	-do-
2012-001-F501COB (10)	04/04/2012	Payment of RATA	-do-	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-
2012-008-F501COB (10)	04/04/2012	-do-	-do-	126,000.00	-do-
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-
<b>Total Regional Office No. VIII - Corporate Fund</b>				<b>40,535,674.66</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. VIII</b>				<b>40,535,674.66</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. IX</u></b>					
<b><u>Regional Office No. IX - Corporate Fund</u></b>					
2014-55-501(12)	06/09/2016	Irregular payment of CNA Incentive	Officers and employees concerned	14,000.00	Reissued to all liable persons
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	Irregular payment of CNA Incentive	Officers and employees concerned	14,000.00	Reissued to all liable persons
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-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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-
2015-09-501(2007-14)	07/28/2015	Unauthorized payment of VIG	-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-
2015-11-501(2008-09)	07/28/2015	-do-	-do-	45,000.00	-do-
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-
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	-do-
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	Unauthorized payment of VIG	Officers and employees concerned	338,528.00	ND reissued to all liable persons
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-

Notices of Disallowance (ND)						
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status	
2014-02-501(12)	12/23/2014	Unauthorized payment of CNA Incentive	-do-	39,000.00	-do-	
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-	
2014-22-501(12)	12/23/2014	-do-	-do-	39,000.00	-do-	
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	Unauthorized payment of CNA Incentive	Officers and employees concerned	39,000.00	ND reissued to all liable persons	
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-	

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
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-
Details for update		Details for update	Details for update	473,165.00	Details for update
<b>Total Regional Office No. IX - Corporate Fund</b>				<b>12,144,578.80</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. IX</b>				<b>12,144,578.80</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. X</u></b>					
<b><u>LAMISCA IMO - General Fund</u></b>					
2023-004-501LFPs (2017)	05/22/2023	Non-submission of various DVs and supporting documents	Officers and employees concerned	235,372.05	Followed up with Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
2023-005-501LFPs (2018)	05/22/2023	Non-submission of various DVs and supporting documents	-do-	235,372.16	-do-
2023-006-501LFPs (2018)	05/22/2023	Non-submission of various DVs and supporting documents	Officers and employees concerned	870,480.57	Followed up with Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
2023-012-501LFPs (2018)	05/22/2023	-do-	-do-	175,718.77	-do-
2023-014-501LFPs (2019)	05/22/2023	-do-	-do-	19,655.00	-do-
<b><u>Bukidnon IMO - General Fund</u></b>					
2021-001 NISRIP FAPS	03/24/2021	Unsettled NS matured into Disallowance	Officers and employees concerned	1,340.00	To be deducted from terminal leave
2021-065 NISRIP FSSM	09/15/2021	-do-	-do-	518.96	Subject for payment
2021-066 102 NISRIP	09/16/2021	-do-	-do-	10,570.00	-do-
2021-107 NISRIP	10/06/2021	-do-	-do-	20,380.24	To be deducted from terminal leave

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2018-02 NIS RIP PC/LP	06/26/2018	Payment of accommodation, meals, snacks, training kits, and supplies	-do-	3,200.00	With NFD issued dated July 27, 2018; COE already issued and received by Management on August 09, 2019
12-004-101-FSDE- IRPEP-11	08/28/2012	Payment of CNA for CY 2009	Employee concerned	6,089.85	-do-
12-005-101-FSDE- IRPEP-11	08/28/2012	-do-	-do-	6,807.99	-do-
12-006-101-FSDE- IRPEP-11	08/28/2012	-do-	-do-	2,635.49	Partially settled
12-007-101-FSDE-11	08/28/2012	Payment of round-trip plane ticket	-do-	7,026.00	With NFD issued dated July 27, 2018
12-008-101 FSDE IRPEP-11	08/28/2012	Payment of cash advance for traveling expenses and per diems	-do-	14,142.48	-do-
12-010-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	14,142.48	Subject for payment
12-011-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	11,555.48	Partially settled
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-	4,442.48	-do-
12-014-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	3,262.48	To be deducted from terminal leave
12-015-101 FSDE- IRPEP-11	08/28/2012	-do-	-do-	14,142.48	With NFD issued dated July 27, 2018
12-016-101 IRPEP Dagumbaan CIS-11	08/28/2012	-do-	-do-	3,542.48	Partially settled
12-017-101 IRPEP IDP-11	08/28/2012	-do-	-do-	11,826.48	With NFD issued dated July 27, 2018
12-018-101-IRPEP IDP-11	08/28/2012	Payment of cash advance for traveling expenses and per diems	Employee concerned	7,626.48	Partially settled
12-020-101 FSDE IRPEP-11	08/28/2012	Payment of round-trip plane ticket	-do-	5,112.80	For issuance of NFD
12-021-101 FSDE IRPEP-11	08/28/2012	-do-	-do-	5,029.48	-do-
12-024-101 IRPEP- IDP-11	08/28/2012	Payment of 15 days monetization of leave credits (MLC) for CY 2011	-do-	9,681.28	-do-
12-025-101 FSDE IRPEP-11	08/28/2012	Payment of 20 days MLC for CY 2011	-do-	8,318.75	-do-
12-028-101 FSDE IRPEP-11	12/28/2012	Payment of 10 days MLC for CY 2011	-do-	2,258.35	Settled with NSSDC No. 2024-04-042 dated April 18, 2024
12-029-101 FSDE IRPEP-11	12/29/2012	Reimbursement of expenses	-do-	2,391.67	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
12-030-101 FSDE IRPEP-11	12/29/2012	Reimbursement of various goods purchased	-do-	4,182.00	To be deducted from terminal leave
12-031-101-FSDE IRPEP-11	12/29/2012	Reimbursement of expenses	-do-	5,000.00	For issuance of NFD
12-036-101 FSDE IRPEP-11	03/04/2013	-do-	-do-	2,298.00	-do-
12-033-101-FSDE IRPEP-11	01/09/2012	-do-	-do-	11,080.00	-do-
12-034-101 FSDE IRPEP-11	01/09/2012	Reimbursement of meals	-do-	5,075.00	-do-
12-035-101 FSDE IRPEP-11	01/09/2012	Reimbursement of expenses	-do-	3,070.65	With NFD issued dated July 27, 2018; COE already issued and received by Management on August 09, 2019
12-032-101 FSDE IRPEP-11	01/08/2012	Reimbursement of expenses incurred for meals	Officers and employees concerned	11,078.50	To be deducted from terminal leave
<b>Total Regional Office No. X - General Fund</b>				<b>1,768,569.36</b>	
<b><u>Regional Office No. X - Corporate Fund</u></b>					
2015-001-501 (2013)	05/25/2015	Payment of VIG for CY 2013 without legal basis	Officers and employees concerned	3,961,897.00	With COA Decision No. 2020-458
2015-002-501 (2014)	06/02/2015	Payment of VIG for CY 2014 without legal basis	-do-	1,023,765.00	With CGAS Cluster 5 Decision No. 2024-016 sustaining the ND
2014-001-501 (2013)	01/01/2014	Payment of CNA incentive for CY 2013 in excess of the DBM prescribed ceiling of P25,000.00	Division Manager, et al.	1,957,000.00	COA Decision 2020-043; Waiting for issuance of NFD
2020-001		Overpayment of CNA incentive for CY 2019	Employee concerned	1,924.33	To be deducted from terminal leave
<b><u>LAMISCA IMO - Corporate Fund</u></b>					
2023-007-501 (2015)	08/31/2023	Unsubmitted liquidation of cash advances	Employee concerned	20,726.16	Followed up Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
2023-008-501 (2020)	08/31/2023	Non-submission of Daily Time Records	Officers and employees concerned	380,104.00	Followed up Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
2023-002-501COB (2018)	05/22/2023	Non-submission of various DVs and supporting documents	-do-	341,148.60	-do-
2023-001-501COB- (2020-2021)	02/06/2023	Irregular payment of transportation allowance	Employee concerned	30,000.00	Settled in January 2024.
2021-002-501 LFPs (2020)	10/29/2021	Payment of FY 2020 Service Recognition Incentive to casual personnel charged against fund 501-LFPs	Officers and employees concerned	440,000.00	For issuance of NFD.
2021-001-501(2014-2016)	05/14/2021	Irregular payment for construction for failure to follow appropriate rules of procedure per COA Circular No. 2012-003	-do-	557,772.00	-do-



<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2020-002-501-(2018)	01/31/2020	Payment of tax penalties	-do-	871,722.38	With NFD dated March 17, 2021; For issuance of COE
2020-001-501-(2019)	01/14/2020	Unsubmitted disbursement vouchers and supporting documents	-do-	4,474,587.37	-do-
2019-001-501-(2018)	11/17/2019	Unsubmitted DVs and supporting documents	-do-	3,019,106.14	For issuance of COE
2019-002-501-(2017)	10/07/2019	Payment of first billing for a project	-do-	3,706,784.74	Cluster Decision on the Appeal under automatic review by the CP
2015-002-501-(2013)	08/17/2015	Payment of VIG for CY 2014 without legal basis	-do-	2,869,700.00	With COA RO X Decision No. 2019-068; For issuance of NFD
2015-003-501-(2013)	08/17/2015	-do-	-do-	147,118.00	With Appeal Memorandum
2015-001-501-(2014)	06/16/2015	Payment of VIG for CY 2014 without legal basis	-do-	4,541,000.00	With COA RO X Decision No. 2019-067 dated November 5, 2018; For issuance of NFD
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	For issuance of NFD and COE as the Appeal was denied under COA CGAS Cluster 5 Decision No. 2017-002 dated January 13, 2017; For issuance of partial NSSDC
<b><u>Bukidnon IMO - Corporate Fund</u></b>					
2022-001 (2018)	03/21/2022	Unsettled NS due to non-submission of DV and supporting documents	-do-	1,000.00	For issuance of NFD
2022-002 (2019)	03/21/2022	-do-	-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	Unsettled NS due to lack of supporting documents	Officers and employees concerned	20,035.00	For issuance of NFD
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-
2021-091 (2018) MOOE	10/07/2021	-do-	-do-	10,300.00	-do-
2021-093 (2018) MOOE	10/07/2021	-do-	-do-	6,000.00	-do-
2021-098 (2018) San Roque	10/06/2021	-do-	-do-	1,300.00	-do-
2021-099 (2018) San Roque Panadtalan CIS	10/06/2021	-do-	-do-	12,520.00	-do-

Notices of Disallowance (ND)		Nature of Disallowance	Person(s) Liable	Amount	Status
No.	Date				
2021-100 (2018) RKRIS LFPs	10/06/2021	-do-	-do-	12,520.00	-do-
2021-101 (2018) CARIIS CIP	10/06/2021	-do-	-do-	12,520.00	To be deducted from terminal leave
2021-102 (2018) IMTSS	10/06/2021	-do-	-do-	600.00	For issuance of NFD
2021-104 (2018) MOOE	10/06/2021	-do-	-do-	6,692.27	-do-
2021-110 (2019) Kulaman	10/06/2021	-do-	-do-	25,919.01	-do-
2021-094 (2018) MOOE	10/05/2021	-do-	-do-	20,350.35	-do-
2021-083(2018) IMTSS LFPs	10/01/2021	-do-	-do-	950.00	-do-
2021-085(2018) IMTSS LFPs	10/01/2021	-do-	-do-	520.00	-do-
2021-087 (2018) MOOE	10/01/2021	-do-	-do-	450.00	-do-
2021-088 (2018) MOOE	10/01/2021	-do-	-do-	5,175.00	-do-
2021-073 (2018) Talasan CIP	09/30/2021	-do-	-do-	70,000.00	-do-
2021-077(2018) MURIS LFPs	09/30/2021	-do-	-do-	4,050.00	-do-
2021-078(2018) MURIS LFPs	09/30/2021	-do-	-do-	4,050.00	-do-
2021-079(2018) MOOE	09/30/2021	-do-	-do-	3,190.00	-do-
2021-080(2018) Talasan CIP	09/30/2021	-do-	-do-	14,335.76	-do-
2021-082(2018) Kalabugao CIP	09/30/2021	-do-	-do-	4,160.00	-do-
2021-068 (2017) Talasan CIS MINSAAD	09/22/2021	Unsettled NS matured into disallowance	Officers and employees concerned	1,500.00	Settled, with NSSDC No. 2024-03-031 dated March 18, 2024
2021-069 (2017) PRIS LFPs	09/22/2021	-do-	-do-	1,060.00	Settled, with NSSDC No. 2024-04-040 dated April 12, 2024
2021-071 (2018) Taytay Unggoy CIP	09/22/2021	-do-	-do-	1,960.00	Settled, with NSSDC No. 2024-03-032 dated March 18, 2024
2021-072 (2018) Kili Kili CIS	09/22/2021	-do-	-do-	1,960.00	For issuance of NFD
2021-064	08/26/2021	-do-	-do-	7,848.43	For updating of status
2021-060	08/26/2021	-do-	-do-	44,631.00	-do-
2021-061	08/26/2021	-do-	-do-	1,090,567.95	-do-
2021-062	07/20/2021	-do-	-do-	37,478.57	-do-
2021-063	07/20/2021	-do-	-do-	657,280.60	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
2021-025 (2019)	06/29/2021	-do	-do-	2,200.00	For issuance of NFD
2021-026 (2019)	06/29/2021	-do-	-do-	1,800.00	-do-
2021-027 (2019)	06/29/2021	-do-	-do-	1,700.00	-do-
2021-028 (2019)	06/29/2021	-do-	-do-	1,800.00	-do-
2021-030 (2019)	06/29/2021	-do-	-do-	1,800.00	-do-
2021-032 (2019)	06/29/2021	-do-	-do-	1,800.00	-do-
2021-033 (2019)	06/29/2021	-do-	-do-	1,800.00	-do-
2021-034 (2019)	06/29/2021	-do-	-do-	1,800.00	-do-
2021-036 (2019)	06/29/2021	-do-	-do-	1,100.00	-do-
2021-037 (2019)	06/29/2021	-do-	-do-	21,794.48	-do-
2021-038 (2019)	06/29/2021	-do-	-do-	13,952.36	-do-
2021-039 (2019)	06/29/2021	-do-	-do-	1,800.00	-do-
2021-040 (2019)	06/29/2021	-do-	-do-	1,390.00	-do-
2021-041 (2019)	06/29/2021	-do-	-do-	1,390.00	-do-
2021-042 (2019)	06/29/2021	-do-	-do-	16,868.16	-do-
2021-043 (2019)	06/29/2021	-do-	-do-	13,030.00	-do-
2021-044 (2019)	06/29/2021	-do-	-do-	17,330.48	-do-
2021-045 (2019)	06/29/2021	-do-	-do-	17,330.48	-do-
2021-047 (2019)	06/29/2021	-do-	-do-	1,960.00	-do-
2021-048 (2019)	06/29/2021	-do-	-do-	2,420.00	-do-
2021-049 (2019)	06/29/2021	-do-	-do-	20,239.00	-do-
2021-050 (2019)	06/29/2021	-do-	-do-	3,620.00	Settled, with NSSDC No. 2024-03-034 dated March 19, 2024
2021-051 (2019)	06/29/2021	-do-	-do-	1,300.00	For issuance of NFD
2021-052 (2019)	06/29/2021	-do-	-do-	27,821.20	-do-
2021-053 (2019)	06/29/2021	Unsettled NS matured into disallowance	Officers and employees concerned	1,080.00	For issuance of NFD
2021-054 (2019)	06/24/2021	-do-	-do-	3,420.00	-do-
2021-055 (2019)	06/24/2021	-do-	-do-	27,474.88	-do-
2021-056 (2019)	06/24/2021	-do-	-do-	18,150.00	-do-
2021-007 (2019)	06/23/2021	Travelling expenses not in compliance with Executive Order (EO) No. 77	-do-	20,515.00	-do-
2021-008 (2019)	06/23/2021	-do-	-do-	338.96	To be deducted from terminal leave
2021-010 (2019)	06/23/2021	-do	-do-	9,860.00	For issuance of NFD
2021-011 (2019)	06/23/2021	-do-	-do-	9,860.00	-do-
2021-012 (2019)	06/23/2021	-do-	-do-	9,860.00	-do-
2021-014 (2019)	06/23/2021	-do-	-do-	9,860.00	-do-
2021-015 (2019)	06/23/2021	-do-	-do-	600.00	-do-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2021-016 (2019)	06/23/2021	-do-	-do-	736.32	-do-
2021-017 (2019)	06/23/2021	-do-	-do-	3,860.00	-do-
2021-018 (2019)	06/23/2021	-do-	-do-	3,860.00	-do-
2021-019 (2019)	06/23/2021	-do-	-do-	880.00	-do-
2021-021 (2019)	06/23/2021	-do-	-do-	880.00	-do-
2021-022 (2019)	06/23/2021	-do-	-do-	1,700.00	-do-
2021-004 (2017) PRIS LFPs	04/13/2021	-do-	-do-	320.00	-do-
2021-002 (2017) Sigmatan CIS LFPs	04/13/2021	-do-	-do-	1,100.00	-do-
2020-001 501(2019)-345 MOOE	07/22/2020	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	07/22/2020	-do-	-do-	1,761.00	-do-
2020-003 501(2019)-411 MOOE	07/22/2020	-do-	-do-	900.00	-do-
2019-007-2019	01/08/2020	Unsettled NS matured into disallowance	-do-	2,426,736.36	For updating of status
2019-005 (2019)	12/19/2019	-do-	-do-	6,000.00	-do-
2019-006 (2019)	12/19/2019	-do-	-do-	56,500.00	-do-
2019-004 (2018)	07/24/2019	-do-	-do-	2,799,348.68	-do-
2019-002-501-(2015)	07/09/2019	-do-	-do-	9,359.04	NFD already issued dated May 18, 2021 and released/received on July 22, 2021
2019-003-501-(2017)	07/09/2019	-do-	-do-	2,660,998.64	With Appeal Memorandum
2019-01(2017)	07/17/2019	Excessive claims	-do-	1,461.88	For issuance of NFD
2018-001-501-2016	03/31/2018	Payment of CNA incentive for 2016 without complete documentation	-do-	2,488,750.01	NFD already issued dated March 24, 2021 and released/received on April 21, 2021
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 No. Decision No. 2019 - 067 dated November 5, 2018; For issuance of NFD; Partially settled, on-going deduction
2014-501-001-(2013)	03/24/2014	Payment of CNA incentive for CY 2012 in excess of the DBM prescribed ceiling of P25,000.00	-do-	3,205,250.00	With COA Decision No. 2020-043 dated January 31, 2020; Partially settled, on-going deduction
12-004-501-IRPEP-Paiwaig CIS-11	12/28/2012	Payment of cash advance for traveling expenses and per diems	-do-	12,717.00	For issuance of NFD Partially settled

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
12-005-501-IRPEP-La Fortuna CIS-11	12/28/2012	-do-	-do-	13,642.48	With NFD already issued and received on July 27, 2018
12-007-501-IRPEP-Paiwaig CIS-11	12/28/2012	Payment for round-trip plane ticket, terminal fee and booking service fee	-do-	6,127.00	-do-
<b>Total Regional Office No. X - Corporate Fund</b>				<b>52,651,962.61</b>	
<b><u>LAMISCA IMO - Special Fund</u></b>					
2023-009-158ARISP (2018)	05/22/2023	Non-submission of various DVs and supporting documents	Officers and employees concerned	21,767.85	Followed up Management compliance with COA NIA LAMISCA Memorandum dated January 4, 2024
2023-010-102MINSAAD (2018)	05/22/2023	-do-	-do-	4,751.27	-do-
<b>Total Regional Office No. X - Special Fund</b>				<b>26,519.12</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. X</b>				<b>54,447,051.09</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. XI</u></b>					
<b><u>Regional Office No. XI - General Fund</u></b>					
09-25-F101-06	12/28/2009	Failure to submit boarding pass	Officers and employees concerned	8,042.00	For issuance of NFD
09-30-F101-07	12/28/2009	Excess payment of court appearance fee	-do-	800.00	-do-
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	-do-	39,120.00	With COA RO XI Decision No. 2015-18 dated December 23, 2015
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
09-04-F101-09	12/01/2009	Excess payment of per diems	-do-	480.00	For issuance of NFD
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	Officers and employees concerned	56,559.80	For issuance of NFD
<b>Total Regional Office No. XI - General Fund</b>				<b>130,041.80</b>	
<b><u>Regional Office No. XI - Corporate Fund</u></b>					
NIARO-2021-001-501LFPs(2020)	11/10/2021	Purchase of 11 units of cellular phones	Officers and employees concerned	164,690.00	CGAS C5 Decision No. 2023-028 dated August 23, 2023
NIARO-2021-001-501 Local Trust(2020)	11/10/2021	Purchase of 15 units of cellular phones	-do-	353,841.00	With Appeal Memorandum
NIARO-2018-001-501(COB)_VIG	11/21/2018	Payment of VIG allowance for CYs 2014-2015	-do-	734,700.00	NFD No. NIARO-2023-002-COB dated July 11, 2023
2016-001-501 (14)	06/20/2016	Payment for repair of motor vehicle	-do-	27,100.00	For issuance of NFD
2015-501-001-(14)	01/12/2015	Remittance of PhilHealth and HDMF, GSIS	-do-	9,475.28	-do-

Notices of Disallowance (ND)					
No.	Date	Nature of Disallowance	Person(s) Liable	Amount	Status
		contributions of a retired employee			
2015-501-002-(14)	01/12/2015	Overpayment of salaries and wages of a retired employee	-do-	110,923.50	-do-
2015-004-501-(13)	10/20/2015	Payment of VIG allowance for CY 2013 without legal basis	-do-	2,126,867.00	With NFD No. 2023-093 dated March 20, 2023
2015-005-501-(14)	10/20/2015	Payment of VIG allowance for CY 2014 without legal basis	-do-	1,588,500.00	-do-
2015-501-003	09/18/2015	Payment of CNA for CY 2012	-do-	3,666,000.00	With NFD No. NIARO-2023-001-501 dated July 3, 2023
13-001-501-(11)	12/18/2013	Payment of CNA for CY 2011	-do-	2,297,900.00	With NFD No. NIARO-2022-001-COB dated December 28, 2022
12-001-501- (11)	01/18/2012	-do-	-do-	4,016.65	For issuance of NFD
12-003-501- (11)	01/18/2012	-do-	-do-	4,400.00	-do-
09-02-F501-NDC	12/29/2009	No details since no documents found on file	Retired employee	240.00	For updating
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
09-05-F501-NDC	12/29/2009	Excess payment of traveling expenses	-do-	2,800.00	-do-
09-07-F501-NDC	12/29/2009	Details for update	Retired employee	1,220.00	-do-
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 March 1, 2016
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
09-54-F501-COB-LBP	12/28/2009	Payment of CNA incentive for CY 2006	Officers and employees concerned	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 to 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 March 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

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
09-01-F501-POSTAL	12/28/2009	Lack of supporting documents	-do-	75,679.53	NFD No. 2016-03-007 dated March 1, 2016
09-38-F501-PNB	12/28/2009	Unsettled suspension matured into disallowance	-do-	20,729.34	For issuance of NFD
09-37-F501-PNB	12/24/2009	Details to be updated	-do-	40,000.00	-do-
09-36-F501-PNB	12/02/2009	Payment of RATA and cellphone allowances	-do-	2,400.00	-do-
09-01-F501-LBP-LT	11/29/2009	Payment of CNA to regional manager and division managers	-do-	100,000.00	-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	Payment of CNA to regional manager and division managers	Officers and employees concerned	25,000.00	-do-
09-14-F501-PNB	11/23/2009	-do-	-do-	35,000.00	-do-
<b><u>Davao de Oro - Corporate Fund</u></b>					
2023-002-501LFPs		Payment of project allowance	Employee concerned	500.00	With partial settlement; payment thru installment
IMO De Oro-2021-001-501Local Trust	11/10/2021	Purchase of cellular phones	Officers and employees concerned	17,500.00	With settlement of P16,400.00 in CY 2023
18-001(15)	09/10/2018	-do-	-do-	274,000.00	With partial settlement; payment thru installment
15-001	03/20/2015	Payment of VIG for CYs 2012 and 2013	-do-	231,000.00	-do-
13-003(11)	11/27/2013	-do-	-do-	216,614.00	-do-
<b><u>Davao Oriental IMO - Corporate Fund</u></b>					
22-001-501-12	03/22/2022	Payment of CNA Incentive in excess of P25,000.00 for CY 2012	Officers and employees concerned	1,142,250.00	For issuance of NFD
2015-001-501(2012 and 2013)	10/27/2015	Payment of VIG without legal basis	-do-	470,800.00	For issuance of NFD
2013-002-501-DO (12)	11/25/2013	Payment of CNA incentive in excess of P25,000.00	Officers and employees concerned	1,063,750.00	With partial settlement of P150,000.00; For issuance of NSSDC
<b><u>Davao del Sur IMO - Corporate Fund</u></b>					
IMO -Del Sur- 2021-001-501LFPs(2020)	11/03/2021	Insufficient supporting documents	Officers and employees concerned	2,604,198.00	With COA CGAS C5 Decision No. 2023-009 dated March 8, 2023; With Petition for Review
NIA-DDSur-2018-001_VIG	11/21/2018	Payment of VIG allowance for CY 2014 and CY 2015	-do-	629,150.00	With NFD No. CCD5-2023-014(AG-B) dated December 6, 2023
2016-001-501(DDS)-(13)	06/15/2016	Payment of VIG allowance for CY 2012	-do-	173,000.00	With NFD No. CCD5-2023-013 (AG-B) dated December 6, 2023
2015-002-501 (DDS)-(13)	10/20/2015	-do-	-do-	995,575.07	With COA CGAS C5 Decision No. 2016-058 dated November 17, 2016; With Petition for Review

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2015-003-501 (DDS)-(14)	10/20/2015	Payment of VIG allowance for CY 2013	-do-	1,431,100.00	-do-
2015-001-501 (DDS)-(12)	09/18/2015	Payment of CNA Incentive for CY 2012	-do-	1,194,152.78	With NFD No. IMO del Sur-2023-001 dated July 3, 2023
2013-001-501(DDS)-(12)	09/09/2013	Payment of CNA Incentive for CY 2011 without legal basis	-do-	311,071.40	With NFD No. IMO del Sur-2022-001-COB dated December 28, 2022
<b><u>Davao del Norte IMO - Corporate Fund</u></b>					
18-001	03/20/2015	Payment of VIG without legal basis	Officers and employees concerned	691,750.00	With partial settlement; payment thru installment
12-001-004(11)	12/28/2012	Payment of CNA Incentive in excess of P25,000.00	-do-	1,302,031.15	-do-
18-001	09/10/2018	Payment of CNA	-do-	1,008,000.00	-do-
<b>Total Regional Office No. XI - Corporate Fund</b>				<b>31,372,336.80</b>	
<b><u>Regional Office No. XI - Special Fund</u></b>					
NIARO-2021-001-501 CARP(2020)	11/10/2021	Purchase of cellular phones for CARP personnel	Officers and employees concerned	26,970.00	With NFD No. CCD5-2023-2015 (AG B) dated December 6, 2023
09-01-F158-MINSSAD	11/25/2009	Unauthorized grant of honorarium for CY 2008	-do-	240,076.47	With NFD No. 2016-003-001 dated March 1, 2016
<b>Total RO No. XI - Special Fund</b>				<b>267,046.47</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. XI</b>				<b>31,769,425.07</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. XII</u></b>					
<b><u>Regional Office No. XII - General Fund</u></b>					
2012-001-101(11)	03/01/2012	Payment of CNA incentive	Officers and employees concerned	128,400.00	With NFD dated October 30, 2016; With partial settlements
<b>Total Regional Office No. XII - General Fund</b>				<b>128,400.00</b>	
<b><u>Regional Office No. XII - Corporate Fund</u></b>					
2013-008-501(12)	12/21/2013	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	1,184,100.00	With NFD-CCD5-2023-003 (AG-B) dated May 29, 2023 and COE-CCD5-2023-002 (AG-B) dated June 13, 2023
2012-001-501(11)	06/24/2012	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	83,600.00	Original amount was P285,000.00. With partial settlement totaling P201,400.00
2008-501-01(07)	07/02/2008	-do-	-do-	18,700.00	With NFD dated February 12, 2015; No settlement made yet
<b><u>Malitubog Maridagao Irrigation Project (MMIP-II) - Corporate Fund</u></b>					
2013-001-501	09/26/2013	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	302,750.00	Original amount was P539,750.00. With partial settlement of P237,000.00
<b><u>Cotabato IMO - Corporate Fund</u></b>					
2013-001-501(12)	12/17/2013	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	2,892,922.14	With NFD-CCD5-2023-006 (AG-B) dated May 29, 2023 and COE-CCD5-



<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
					2023-001 (AG-B) dated June 13, 2023
<b><u>SKIMO - Corporate Fund</u></b>					
2015-001-501	07/02/2015	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	44,750.00	Original amount was P62,500.00. Fully settled in 2024
2014-001-501	03/19/2014	-do-	-do-	36,000.00	Original amount was P723,100.00. With partial settlement of P687,100.00
2013-001-501	09/26/2013	-do-	-do-	536,453.60	Original amount was P1,290,000.00. With partial settlement of P753,546.40
<b><u>SCIMO - Corporate Fund</u></b>					
2013-001-501	09/26/2013	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	1,382,782.75	Original amount was P2,905,500.00. With partial settlement of P1,522,717.25
2012-004-501(11)	01/24/2012	-do-	-do-	375,000.00	Fully settled
<b><u>SIBRIS -Corporate Fund</u></b>					
2013-001-501	09/26/2013	Payment of CNA incentive for CY 2007 in excess of the DBM prescribed ceiling of P25,000	Officers and employees concerned	244,566.67	Original amount was P565,750.00. With partial settlement of P321,183.33. The amount P234,000.00 is with NFD No. NFD-CCD5-2023-009 (AG-B) dated November 13, 2013
<b>Total - Regional Office No. XII - Corporate Fund</b>				<b>7,101,625.16</b>	
<b><u>RO No. XII - Special Fund</u></b>					
2012-006-158(11)SCIMO	01/24/2012	Excess payment of CNA for CY 2011	Officers and employees concerned	5,000.00	No settlement made yet, For issuance of NFD and COE
2012-006-158(11)SCIMO	01/24/2012	Excess payment of CNA for CY 2011	Officers and employees concerned	5,000.00	No settlement made yet, For issuance of NFD and COE
<b>Total RO No. XII - Special Fund</b>				<b>10,000.00</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. XII</b>				<b>7,240,025.16</b>	
<b><u>REGIONAL IRRIGATION OFFICE NO. XIII</u></b>					
<b><u>ASDI IMO - General Fund</u></b>					
2023-02 (2022)	07/31/2023	Excessive claim of per diem	Employee concerned	600.00	Fully settled in June 2024
19-002-501 LFPS-(17)	05/20/2019	Payment of relocation allowance	-do-	12,000.00	For issuance of NFD
19-001-501 COB-(17)	05/20/2019	Payment of VIG for CY 2014 2015 without legal basis	-do-	2,058,333.33	Included in the appeal filed by NIA CO per query with the Chief Corporate Accountant of the RO
17-001-101-(16)	06/05/2017	Labor services under Pakyaw Contracting System in excess of the P500,000.00 limit	Officers and employees concerned	45,267.07	With NFD dated January 28, 2019 and COE dated February 4, 2019

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
16-01-101 (16) ADN	05/03/2016	Failure to complete the construction project within reasonable time under Contract No. LMC-CABTRIS-01-2012V by the fault of the contractor	-do-	1,117,129.03	With CGAS Cluster V Decision No. 2024-022 dated June 27, 2024
16-02-101 (16) ADN	05/03/2016	Failure to complete the construction project within reasonable time under Contract No. LMC-CABTRIS-01-ASDI-ADN-IMO-2014 by the fault of the contractor	-do-	392,604.53	-do-
15-07-101-(14) ADN	03/11/2015	Payment of relocation allowance	-do-	12,000.00	With NFD and COE; For follow-up; Partially settled
15-09-101-(14) ADN	03/11/2015	-do-	-do-	24,000.00	With NFD and COE
15-11-101-(14) ADN	03/11/2015	-do-	-do-	1,000.00	With NFD and COE Partially settled
15-01-501-(14) ADN	03/11/2015	-do-	-do-	24,000.00	With NFD and COE
15-02-501-(14) ADN	03/11/2015	-do-	-do-	5,000.00	With NFD and COE Partially settled
2014-003-501-(13)	04/21/2014	Payment of CNA incentive in excess of P25,000.00	-do-	3,713,750.00	With Decision No. 2015-015 dated October 30, 2015; With partial settlement of P117,000.00
<b>Total Regional Office No. XIII - General Fund</b>				<b>7,405,683.96</b>	
<b><u>Regional Office No. XIII - Corporate Fund</u></b>					
2023-08 (2022)	10/26/2023	Unnecessary expenses	Employee concerned	720.00	Fully settled in January 2024
2023-02 (2022)	06/22/2023	Excessive claim of per diem	-do-	1,400.00	-do-
2023-04 (2022)	06/22/2023	-do-	-do-	1,400.00	-do-
21-019(19)-501LFPs	06/16/2021	Excessive travel claims	Officers and employees concerned	1,342.00	For issuance of NFD
21-004(19)-501LFPs	06/04/2021	Excessive travel claims	Officers and employees concerned	638.40	For issuance of NFD
21-001(19)-501COB	06/03/2021	-do-	-do-	1,571.94	-do-
21-002(19)-501COB	06/03/2021	-do-	-do-	784.00	Partially settled
19-001-501 COB-(17)	05/20/2019	Payment of VIG for CY 2014 2015 without legal basis	-do-	1,482,918.00	Included in the appeal filed by NIA CO per query with the Chief Corporate Accountant of the RO
15-07-501-(14) RO	07/13/2015	Payment of VIG for CY 2013 without legal basis	-do-	25,000.00	-do-
15-08-501-(14) RO	07/13/2015	-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	-do-
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-

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
15-03-501-(14) RO	07/03/2015	-do-	-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-
15-02-101(14)RIO	03/11/2015	Payment of relocation allowance	Employee concerned	24,000.00	With NFD and COE
2014-002-501-(13)	04/21/2014	Payment of CNA incentive in excess of P25,000.00	Officers and employees concerned	3,814,000.00	With CGAS C5 Decision No. 2015-015 dated Oct. 30, 2015; With partial settlement amounting to P39,000.00
09-076-501 COB-(09)	10/08/2009	Liquidation of CA	-do-	5,000.00	Fully settled in February 2024
<b><u>ASDI IMO - Corporate Fund</u></b>					
21-001-501 COB-(17)	06/24/2021	Payment of CNA CY 2017	Officers and employees concerned	9,000.00	For issuance of NFD
19-002-501 COB-(17)	05/20/2019	Payment of project allowance without legal basis	-do-	17,500.00	-do-
15-14-501 (14) ASDI	07/15/2015	Payment of VIG for CY 2013	-do-	2,010,000.00	Petition for Review was denied under COS Decision No. 2022-152; With NFD No. 2023-103 dated March 20, 2023
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-
15-18-501 (14) ASDI	07/15/2015	-do-	-do-	596,000.00	-do-
<b><u>ADS IMO - Corporate Fund</u></b>					
2019-001-501 (17)	09/10/2019	Payment of VIG	Officers and employees concerned	608,000.00	Under appeal
2019-002-501 (17)	09/10/2019	-do-	-do-	558,000.00	-do-
2015-001-501-COB	10/01/2015	Payment of VIG	Officers and employees concerned	828,000.00	Under appeal
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-
2014-004-501 (13)	04/21/2014	Excessive payment of CNA	-do-	32,750.00	-do-
2014-005-501 (13)	04/21/2014	-do-	-do-	4,380,750.00	-do-
2014-001-101/501 (12)	04/21/2014	Details for update	-do-	1,877,250.00	For further verification
<b><u>SDS IMO - Corporate Fund</u></b>					
2023-004	04/27/2023	Reimbursement of excessive meal allowance and forest park entrance fees	Employee concerned	3,423.00	For issuance of NFD
2021-01-001	01/08/2021	Reimbursement of meals during overtime	Officers and employees concerned	25,578.00	Under appeal

<b>Notices of Disallowance (ND)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Disallowance</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
2019-06-022	06/17/2019	Payment of VIG without legal basis	-do-	262,900.00	-do-
2015-001-501(14)	06/09/2015	-do-	-do-	1,638,000.00	For issuance of NFD
2014-001-501 (13)	04/21/2014	Payment of CNA Incentive for the CY 2012 exceeded the DBM prescribed ceiling of P25,000.00 per employee	NIA SDS IMO Personnel	1,058,500.00	With CGAS C5 Decision No. 2015-015 dated October 30, 2015; With partial settlements
<b>Total Regional Office No. XIII - Corporate Fund</b>				<b>22,575,056.84</b>	
<b><u>Regional Office No. XIII - Special Fund</u></b>					
12-005-GOP3 (12)	09/17/2012	Overpayment of salaries	Officers and employees concerned	2,280.81	For further verification by the Audit Team
<b>Total Regional Office No. XIII - Special Fund</b>				<b>2,280.81</b>	
<b>TOTAL REGIONAL IRRIGATION OFFICE NO. XIII</b>				<b>29,983,021.61</b>	
<b>GRAND TOTAL</b>				<b>P 4,154,817,889.24</b>	

## C. AUDIT CHARGES

<b>Notices of Charge (NC)</b>					
<b>No.</b>	<b>Date</b>	<b>Nature of Charge</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
<b>CO</b>					
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
<b>TOTAL CENTRAL OFFICE</b>				<b>1,200,000.00</b>	
<b><u>REGIONAL OFFICE NO. VI</u></b>					
<b><u>Aklan-Capiz IMO</u></b>					
2012-501-02	11/19/2012	Restitution of 10% discount for prompt payment	Employee concerned	4,094.63	With NFD dated September 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-
<b>TOTAL REGIONAL OFFICE NO. VI</b>				<b>10,243.92</b>	
<b><u>REGIONAL OFFICE NO. X</u></b>					
<b><u>Regional Office No. X</u></b>					
19-001-501	4/17/2019	Withdrawal of mobile drilling rig from the motor pool without the approval of the Regional Irrigation Manager; Signing of lease contract without prior approval of proper authorities; Non-payment of rental for use of drilling rig	Officers and employees concerned	P 437,360.00	For issuance of NFD
<b><u>Bukidnon IMO</u></b>					
04-001 (17)	04/17/2018	House rental payment	Employee concerned	22,974.00	For issuance of NFD
04-002 (17)	04/17/2018	-do-	-do-	7,288.00	-do-
04-003 (17)	04/17/2018	-do-	-do-	6,340.00	-do-
04-004 (17)	04/17/2018	-do-	-do-	14,964.00	-do-
04-005 (17)	04/17/2018	-do-	-do-	6,340.00	-do-
04-006 (17)	04/17/2018	-do-	-do-	17,336.00	-do-

<b>Notices of Charge (NC)</b>		<b>Nature of Charge</b>	<b>Person(s) Liable</b>	<b>Amount</b>	<b>Status</b>
<b>No.</b>	<b>Date</b>				
04-007 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-008 (17)	04/17/2018	-do-	-do-	7,816.00	-do-
04-009 (17)	04/17/2018	-do-	-do-	17,812.00	-do-
04-010 (17)	04/17/2018	-do-	-do-	16,892.00	-do-
04-011 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-012 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-013 (17)	04/17/2018	-do-	-do-	9,428.00	-do-
04-014 (17)	04/17/2018	-do-	-do-	6,536.00	-do-
04-015 (17)	04/17/2018	-do-	-do-	7,508.00	-do-
04-016 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-017 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-018 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-019 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-020 (17)	04/17/2018	-do-	-do-	8,292.00	-do-
04-021 (17)	04/17/2018	-do-	-do-	19,908.00	-do-
04-022 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-023 (17)	04/17/2018	-do-	-do-	18,064.00	-do-
04-024 (17)	04/17/2018	-do-	-do-	23,290.00	-do-
04-025 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-026 (17)	04/17/2018	-do-	-do-	6,980.00	-do-
04-027 (17)	04/17/2018	-do-	-do-	21,530.00	-do-
04-028 (17)	04/17/2018	-do-	-do-	3,179.16	-do-
04-029 (17)	04/17/2018	-do-	-do-	3,179.16	-do-
04-030 (17)	04/17/2018	-do-	-do-	262.50	-do-
04-031 (17)	04/17/2018	-do-	-do-	612.50	-do-
04-032 (17)	04/17/2018	House rental payment	Employee concerned	10,232.00	For issuance of NFD
04-033 (17)	04/17/2018	-do-	-do-	10,882.00	-do-
04-034 (17)	04/17/2018	-do-	-do-	7,976.00	-do-
04-035 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
04-036 (17)	04/17/2018	-do-	-do-	15,396.00	-do-
04-037 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
04-038 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
04-039 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
04-040 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
04-041 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
04-042 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
04-043 (17)	04/17/2018	-do-	-do-	19,428.00	-do-
<b>TOTAL REGIONAL OFFICE NO. X</b>				<b>946,621.32</b>	

**REGIONAL OFFICE NO. XI**

Notices of Charge (NC)		Nature of Charge	Person(s) Liable	Amount	Status
No.	Date				
<u>Davao del Norte IMO</u>					
501 COB / 2013-05	11/06/2013	Denied relief of accountability for lost cash collections of P160,785.43	Officers and employees concerned	68,398.71	Remaining balance will be deducted from the terminal benefit of employees concerned
TOTAL REGIONAL OFFICE NO. XI				68,398.71	
GRAND TOTAL				P 2,225,263.95	