




Republic of the Philippines
Department of Environment and Natural Resources
ENVIRONMENTAL MANAGEMENT BUREAU
Regional Office No. VIII
DENR 8 Compound, Brgy. 2, Jones Extension, Tacloban City
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March 16, 2022

ENVIRONMENTAL MANAGEMENT BUREAU
RELEASED BY: 
DATE: 3/16/2022
TIME: 8:58am

HON. DIEGO P. RIVERA

Mayor

City Government of Calbayog

Province of Samar

Attention: **The City Accountant**

Subject: **DEMAND FOR LIQUIDATION OR REFUND OF FINANCIAL ASSISTANCE TO LOCAL GOVERNMENT UNITS**

Sir:

Greetings!

This letter has reference to the fund transfer made by EMB 8 to your office in the amount of **P 285,000.00** covered by **LDDAP/ADA No. 9918090402** dated **9/12/2018** intended for the establishment of the Materials Recovery Facilities (Safe Closure) and **P 42,750.00** covered by **LDDAP No. 9918090432** dated **9/25/2018** for the implementation of the National Ecosavers Program in your locality.

COA Circular No. 94-013 dated December 13, 1994 sets forth the rules and regulations in the grant, utilization and liquidation of funds transferred to implementing agencies. It aims to ensure that the transfer is properly taken up in the books of the Source Agency (SA) and the Implementing Agency (IA). Likewise, it guarantees utilization of the fund for its intended purpose along with compliance to appropriate accounting and reporting requirements.

Section 4.6 of the aforementioned circular further provides that *within ten (10) days after the end of each month or at the end of the agreed period for the project*, the IA shall submit the Report of Checks Issued (RCI) and the Report of Disbursement (RD) to report the utilization of the funds. Moreover, Section 6.7 requires the IA to return to the SA any unused balance upon completion of the project.

In compliance to COA's Audit Observation Memorandum No. 2022-003 (2021), recipient LGUs shall be compelled by EMB8 to immediately submit the utilization/liquidation reports pursuant to COA Circular 94-013. Furthermore, as communicated to the management during the conduct of the Exit Conference for the Calendar Year 2021, fund transfers which remain outstanding for more than one year

raises doubt whether these were utilized for their intended purpose, hence, shall be refunded to the IA.

Please be apprised that as of this juncture, we have not received any liquidation/utilization report verified by your Resident Auditor, thus, the said fund transfer remains outstanding per our records. In this regard, may we request the immediate submission of the liquidation reports and/or refund of any unutilized portion thereof. Kindly submit the documentary requirements verified by your Resident Auditor to the Accountant of this Office with the following details:

MS. LIKA NEL Q. MEJIDO

Accountant III

DENR-Environmental Management Bureau Regional Office 8

DENR Compound, Brgy. 2, Jones Street, Tacloban City

To reiterate, pertinent COA rules and regulations on liquidation of fund transfers require the submission of the following, to wit:

- 1.) Copy of the Report of Check Issued and Report of Disbursement certified correct by the Accountant, approved by the Head of Implementing Agency and duly audited by the Auditor of the Implementing Agency;
- 2.) Credit Notice issued by the Auditor of the Implementing Agency.

We hope to receive your liquidation/utilization reports as soon as possible in order to facilitate the recording in the books of accounts. This shall clear our records of any unliquidated fund transfers and prevent the issuance of a Notice of Suspension from the Commission on Audit.

Thank you and more power.

For and in the absence of the OIC - Regional Director,


ENGR. MA. CORAZON G. DACUYAN

Chief, Finance and Administrative Division

DENR-EMB8, Tacloban City





cc: COA Auditor
EMB 8 - Records Section
File