



Republic of the Philippines  
COMMISSION ON AUDIT  
Regional Office No. X  
Cagayan de Oro City



May 26, 2014

**Ms. Rosemarie D. Agustin**  
General Manager  
Maramag Water District  
Maramag, Bukidnon

**Dear Manager Agustin:**

We are pleased to transmit the Annual Audit Report of **Maramag Water District**, Maramag, Bukidnon, for the calendar year ended December 31, 2013, in compliance with Section 2, Article IX-D of the Philippine Constitution, and Section 43 of Presidential Decree No. 1445 otherwise known as the Government Auditing Code of the Philippines.

The audit was aimed at ascertaining the propriety of financial transactions, compliance by the district with prescribed laws, rules and regulations, the accuracy of financial records and reports and ultimately the fairness of presentation of the financial statements. Furthermore, the audit was conducted in accordance with generally accepted auditing standards and we believe that it provides reasonable basis for the results of the audit.

The report consists of four (4) parts, Part I – Audited Financial Statements, Part II - Findings and Recommendations, Part III - Status of Implementation of Prior Years' Audit Recommendations, which were discussed with concerned management official and staff, and Part IV – Annexes.

We will appreciate being informed of the actions taken on the recommendations contained in the report, within sixty (60) days from the date of receipt thereof.

We acknowledge the support and cooperation extended to our Audit Group by the officials and employees of Maramag Water District.

Very truly yours,

  
ATTY. ROY L. URSAL  
Regional Director



Republic of the Philippines  
COMMISSION ON AUDIT  
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May 26, 2014

**The Board of Directors**  
Maramag Water District  
Maramag, Bukidnon

Gentlemen:

We are pleased to transmit the Annual Audit Report of **Maramag Water District**, Maramag, Bukidnon, for the calendar year December 31, 2013, in compliance with Section 2, Article IX-D of the Philippine Constitution, and Section 43 of Presidential Decree No. 1445 otherwise known as the Government Auditing Code of the Philippines.

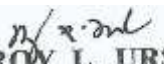
The audit was aimed at ascertaining the propriety of financial transactions, compliance by the Corporation with prescribed laws, rules and regulation, the accuracy of financial records and reports and ultimately the fairness of presentation of the financial statements. Further, the audit was conducted in accordance with generally accepted auditing standards and we believe that it provides reasonable basis for the results of the audit.

The report consists of four (4) parts, Part I – Audited Financial Statements, Part II - Findings and Recommendations, Part III - Status of Implementation of Prior Years' Audit Recommendations, which were discussed with concerned management officials and staff; and Part IV – Annexes.

We have requested the General Manager, Maramag Water District, for the information on the actions taken on the recommendations, contained in the report, within sixty (60) days from the date of receipt hereof.

We acknowledge the support and cooperation extended to our Audit Group by the officials and employees of Maramag Water District.

Very truly yours,

  
ATTY. ROY L. URSAL  
Regional Director



Republic of the Philippines  
**COMMISSION ON AUDIT**  
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**ANNUAL**  
**AUDIT REPORT**

on the

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon

For the Year Ended December 31, 2013

## EXECUTIVE SUMMARY

### BACKGROUND

The Maramag Water District (MWD) is a partner in development of the Local Government Unit of Maramag through water service. It was formed pursuant to Presidential Decree No. 198, as amended and was issued with Conditional Certificate of Conformance (CCC) No. 496 on September 26, 1990.

The operations of the district is managed by a General Manager and assisted by two division managers. The district is complemented with a total of 36 employees of which 22 are regular, eight are casual and six employees are under job order status assigned in four different sections. The Board of Directors which is composed of five members is the policy-making body of the district.

MWD was originally categorized as small water district. As of December 31, 2013, the district was recategorized as Category C average WD based on the implementing guidelines on the Revised Local Water District on Categorization, Recategorization and other Related Matters (LWD – MaCRO).

### Financial Highlights

The comparative figures for CY 2013 and 2012 financial data showed an increase of the district assets, liabilities, equity, gross income, and operating expenses, as summarized below:

Particulars	2013	2012	Increase/ (Decrease)
Total Assets	₱65,896,907.43	₱ 63,472,353.63	₱2,424,553.80
Total Liabilities	25,783,984.69	27,425,591.20	(1,641,606.51)
Total Equity	₱40,112,922.74	₱ 36,046,762.43	₱4,066,160.31

Gross Income	₱ 26,602,214.13	₱ 24,949,363.37	₱1,652,850.76
Operating Expenses	17,512,046.31	16,101,923.06	1,410,123.25
Other Income	24,819.96	21,083.50	3,736.46
Other Expense	3,908,576.47	4,274,869.72	(366,293.25)
Net Income	₱ 5,206,411.31	₱ 4,593,654.09	₱ 612,757.22

## **Operational Highlights**

As of December 31, 2013, the district is serving a population of 38,720. It has total service connections of 7,136 of which 5,957 are active and metered while 3,948 connections are billed. Total water sales billed was computed at ₱25,827,346.26 and collected a total of ₱25,636,896.32 , thereby, registering a collection efficiency of 94% as at year-end.

Water production as of December 31, 2013 was computed at 2,127,820 cubic meters of which the total accounted water was 1,306,188 cubic meters or 50%.

## **SCOPE OF AUDIT**

An audit examination was conducted on the CY 2013 accounts and operations of Maramag Water District (MWD), Maramag, Bukidnon pursuant to COA Office Order No. 2013-086 dated January 11, 2013.

The objectives of the audit are:

1. To ascertain propriety of financial transactions and compliance of the district as to existing laws, rules and regulations;
2. To ascertain the accuracy of financial records and reports of the district;
3. To ascertain the fairness of presentation of the financial statements of MWD for CY 2013.

## **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT**

A qualified opinion was rendered on the financial statements due to unreconciled balance of ₱587,867.46 between the book balance and inventory report of the materials and supplies inventory; the book balance of Accounts Receivables-Customers remained unreconciled with the aging schedule having a variance of ₱412,723.26; the Utility Plant In Service (UPIS) was overstated due to inclusion of unserviceable properties amounting to ₱327,895.55 which also overstates the Accumulated Depreciation account by ₱295,105.70;

Also, Land and Land Rights amounting to ₱485,00.00 could not be validated as the legal documents of ownership are not yet made available as of audit.

## **SUMMARY OF SIGNIFICANT OBSERVATIONS AND RECOMMENDATIONS**

- 1. The book balance of Materials and Supplies Inventory (Account 131) remained unreconciled with the inventory report having a variance of ₱587,867.46 as of December 31, 2013 due to discrepancy in the recording of deliveries/receipts and issuances/ withdrawals of materials and supplies inventory.**

We have recommended that management require the personnel in the Accounting and Property Sections to reconcile regularly the balance per book and that of the monthly stock status report taken into consideration the report on the actual physical count of materials and supplies inventory. Also, require monthly reconciliation on the recording of adjustments, deliveries/receipts and issuances/withdrawals affecting the said account. Effect necessary adjustments either in the books or physical inventory report to have a fair presentation of account balance.

- 2. The book balance of accounts receivables-customers amounting to ₱3.229 million remained unreconciled with the balance per aging schedule amounting to ₱3.642 million having a variance of ₱412,723.26.**

We have recommended that management require the Accounting and Commercial Sections to reconcile regularly the balances per book and aging schedule. Any adjustment made should be well coordinated by the said sections. Also, consider the possibility to incorporate in the computer-based billing and collection system the generation of monthly report of billing adjustments and other manually encoded data inputs showing the total amount of monthly billing adjustments. Effect necessary adjustments either in the book or aging schedule to reconcile the balance of accounts receivables-customers.

- 3. Payments of labor costs for various excavation works, salaries and wages to watchman, job order and casual employees totalling ₱935,382.55 were not supported with the required accomplishment reports and other required supporting documents.**

We have recommended that the district strictly comply with the documentary requirements particularly the accomplishment reports and approved job order/work order to support payments of salaries and wages as prescribed in COA Circular No. 2012-001.

- 4. Various claims of foreign travel expenses totaling ₱219,906.00 incurred by the district officials to attend international seminar/conference in Jakarta, Indonesia in CY 2012 and Tachikawa, Japan in CY 2013 organized by EROPA were not supported with the required authority to travel abroad and without complying other conditions as detailed in the Office of the President Memorandum Circular No. 7 series of 2010 and LWUA Memorandum Circular No. 010-10.**

We have recommended that management required the concerned district officials to submit the required authority to travel. Strictly comply the conditions set as detailed in LWUA Memorandum Circular No. 010-10 and Memorandum Circular No. 7 series of 2010 of the Office of the President in sending participants to international conventions/conferences.

**5. Payments of financial assistance and cash gift to the board of directors totaling ₱52,875.00 for CY 2013 were made without legal basis.**

We have recommended that management strictly observe the pertinent provisions of EO Nos. 24 and 65 and LWUA Memorandum Circular No. 015-12 in approving payments of incentives which should be supported with valid authority. Require the members of the board to refund the CNA received on or before May 31, 2014.

**GENDER AND DEVELOPMENT**

The compliance to Executive Order No. 273, otherwise known as the Philippine Plan for Gender Responsive Development was adhered to as the district had undertaken activities such as health and wellness, sports, and other activities to address women and gender issues within the 5% allocated budget for gender and development.

**COMPLIANCE WITH TAX LAWS, RULES, AND REGULATION**

Pertinent provisions of tax laws, rules, and regulations were strictly observed as the district withheld taxes from employees and suppliers, and remitted the same to the Bureau of Internal Revenue as required.

**STATUS OF SUSPENSIONS, DISALLOWANCES AND CHARGES**

The prior years' audit suspensions and disallowances are still to be reconstructed and subject for reevaluation considering that the copies of notices of disallowance, suspension, and charges were presumed to have been damaged during the flood brought by Typhoon Sendong.

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

As to the status of CY 2009-2012 audit recommendations, our evaluation disclosed that six recommendations were fully implemented, four recommendations were partially implemented, and two recommendations were not implemented as of December 31, 2013.

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# **PART I - AUDITED FINANCIAL STATEMENTS**



Republic of the Philippines  
COMMISSION ON AUDIT  
Regional Office No. X  
Cagayan de Oro City

## INDEPENDENT AUDITOR'S REPORT

### **The Chairman**

Board of Directors  
Maramag Water District  
Maramag, Bukidnon

We have audited the accompanying financial statements of **Maramag Water District**, Maramag, Bukidnon which comprise the Balance Sheet as at December 31, 2013 and the related Statement of Income and Expenses, and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Public Sector Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis of our audit opinion.

***Basis for Qualified Opinion***

As discussed in Part II of the report, the book balance of Materials and Supplies Inventory account remained unreconciled with the inventory report having a variance of ₱587,867.46; the balances per book and aging schedule of Account Receivables-Customers were not reconciled with a variance of ₱412,723.26.

Furthermore, the Utility Plant In Service (UPIS) is overstated by ₱327,895.55 due to inclusion of unserviceable properties which also overstates the Accumulated Depreciation by ₱295,105.70; and Land and Land Rights amounting to ₱485,00.00 could not be validated as the legal documents of ownership were not available as of audit date.

***Qualified Opinion***



In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of **Maramag Water District**, Maramag, Bukidnon as at December 31, 2013 and of its financial performance and its cash flows for the year ended in accordance with state accounting principles.

***Other Matters***

The exit conference for the results of the financial and compliance audit of the CY 2013 operations was conducted on May 13, 2014.

**COMMISSION ON AUDIT**

By:

EDWIN GAA CANIOS  
State Auditor V  
Supervising Auditor

May 16, 2014

**Republic of the Philippines**  
**MARAMAG WATER DISTRICT**  
Maramag,Bukidnon

**Statement of Management's Responsibility**

The statement of Maramag Water District (MWD), Maramag, Bukidnon is responsible for all the information and representation contained in the Balance Sheet and Income Statements for the year ended December 31, 2013. The financial statements referred to have been prepared in conformity with generally accepted accounting principles and reflect amount that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

The Commission on Audit as the Government Auditor thru its representatives has examined the Maramag Water District, Maramag, Bukidnon financial statements in accordance with generally accepted auditing standards.

  
**MARIE PEARLIE P. LUCEÑO**  
Admin./General Service Officer B

May 13, 2014  
Date

  
**ROSEMARIE D. AGUSTIN, MGA**  
General Manager

May 13, 2014  
Date

**MARAMAG WATER DISTRICT**  
**Maramag, Bukidnon**

**BALANCE SHEET**

**December 31, 2013**

(With comparative figures for CY 2012)

**ASSETS AND OTHER DEBITS**

	<u>CY 2013</u>	<u>CY 2012</u>
<b>UTILITY PLANTS:</b>		
Utility Plant in Service <i>(Note 1)</i>	P 59,292,433.40	P 60,257,185.10
Less: Acc. Dep. - Utility Plant in Service	21,226,830.94	25,298,158.84
	<u>38,065,602.46</u>	<u>34,959,026.26</u>
Contruccion Work in Progress <i>(Note 2)</i>	13,252,266.37	15,581,205.27
<b>Total</b>	<b>P <u>51,317,868.83</u></b>	<b>P <u>50,540,231.53</u></b>
<b>FUND ACCOUNT:</b>		
Sinking Funds <i>(Note 3)</i>	2,839,370.73	2,078,689.35
Misc. Special Funds - MWD Retirement Fund	366,473.68	92,698.16
Misc. Special Funds - Tax Reserve	1,891,346.14	1,611,401.94
<b>Total</b>	<b>P <u>5,097,190.55</u></b>	<b>P <u>3,782,789.45</u></b>
<b>CURRENT ASSETS AND OTHER DEBITS:</b>		
Cash on Hand	P 132,417.93	P 94,062.40
Cash in Bank	3,650,029.29	4,216,768.90
Special Deposits <i>(Notes 4)</i>	450,548.74	451,626.25
Petty Cash Fund	4,000.00	4,000.00
Advances to Officers & Employees <i>(Note 5)</i>	105,934.36	197,355.26
Accounts Receivables:		
Trade <i>(Note 6)</i>	3,228,884.44	2,966,717.32
Non-Trade <i>(Note 7)</i>	1,048,539.51	447,935.25
Materials & Supplies Inventory <i>(Note 8)</i>	817,933.78	143,057.27
Prepayments <i>(Note 9)</i>	43,560.00	627,810.00
<b>Total</b>	<b><u>9,481,848.05</u></b>	<b><u>9,149,332.65</u></b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>P <u><u>65,896,907.43</u></u></b>	<b>P <u><u>63,472,353.63</u></u></b>

**LIABILITIES AND OTHER CREDITS**

**CAPITAL:**

Capital Contribution - Government <i>(Note 10)</i>	P 6,635,000.00	P 6,635,000.00
Other Paid - in Capital <i>(Note 11)</i>	842,004.39	842,004.39
Retained Earnings	27,429,507.04	23,976,103.95
Net Income (LOSS)	5,206,411.31	4,593,654.09
<b>Total</b>	<b>P <u>40,112,922.74</u></b>	<b>P <u>36,046,762.43</u></b>

		<b>CY 2013</b>	<b>CY 2012</b>
<b>LONG TERM DEBTS:</b>			
Loans Payable - LWUA	<i>(Note 12)</i>	P 11,808,817.37	P 13,483,439.94
Loans Payable - NLIF	<i>(Note 13)</i>	13,261,625.00	13,261,625.00
<b>Total</b>		<b>P 25,070,442.37</b>	<b>P 26,745,064.94</b>
<b>CURRENT LIABILITIES:</b>			
Customers Deposits	<i>(Note 14)</i>	P 449,423.82	P 449,423.82
Other Current & Accrued Liabilities	<i>(Note 15)</i>	83,794.60	51,354.60
Withholding Taxes Payable		61,223.72	60,497.66
GSIS Premiums Payable		347.15	347.15
GSIS Salary Loans Payable		6,253.31	6,253.31
GSIS Policy Loans Payable		200.00	200.00
Pag-Ibig Contributions Payable		(300.00)	(150.00)
Pag-ibig Loans Payable		4,382.72	4,382.72
Vouchers Payable		108,217.00	108,217.00
<b>Total</b>		<b>713,542.32</b>	<b>680,526.26</b>
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>		<b>P 65,896,907.43</b>	<b>P 63,472,353.63</b>

*(see accompanying Notes to Financial Statements)*

**MARAMAG WATER DISTRICT**  
**Maramag, Bukidnon**

**INCOME STATEMENT**

**December 31, 2013**

**(With comparative figures for CY 2012)**

	<b>CY 2013</b>	<b>CY 2012</b>
<b>Operating Revenues:</b>		
<b>Water Sales:</b>		
Metered Sales - General Customers <i>(Note 16)</i>	P 24,732,502.04	P 22,964,768.91
<b>Total Water Sales</b>	<b>P 24,732,502.04</b>	<b>P 22,964,768.91</b>
<b>Others:</b>		
Penalty Charges	P 1,166,561.40	P 1,100,057.85
Miscellaneous Service Revenues <i>(Note 17)</i>	658,363.20	862,044.44
Other Water Revenues <i>(Note 18)</i>	44,787.49	22,492.17
<b>Total</b>	<b>P 1,869,712.09</b>	<b>P 1,984,594.46</b>
<b>Total Operating Revenues</b>	<b>P 26,602,214.13</b>	<b>P 24,949,363.37</b>
<b>Less: Operation and Maintenance Expenses:</b>		
<b>Water Treatment Expenses:</b>		
742 Operation Labor & Expenses	P -	P -
744 Chemicals & Filtering Materials	208,316.00	222,041.28
<b>Customer Accounts Expenses:</b>		
802 Meter Reading Expenses	-	-
803 Customer Records & Collections	224,247.35	217,107.15
<b>Administrative &amp; General Expenses:</b>		
820 Administrative & General Salaries	6,140,931.65	5,492,855.49
821 Overtime & Holiday Pay	251,940.15	82,464.29
822A GSIS Premiums	729,976.42	653,579.93
822B Pag-ibig Contributions	115,970.12	97,308.90
823 Medicare Expenses	64,787.50	59,050.00
824 Employees Pensions & Benefits	2,410,673.51	2,314,373.20
825 Professional Fees	800.00	700.00
826 Other Outside Services Employed	245,602.00	254,672.00
827 Travel & Per Diem	376,675.83	492,699.64
828 Representation & Entertainment	75,420.50	49,577.60
829 Insurance	62,653.24	69,247.83
830 Office Supplies & Other Expenses	481,614.16	452,455.60
831 Communication Expenses	90,734.25	90,865.70
832 Freight & Handling	118.15	220.00
833 Training Expenses	147,506.00	196,723.00
834 Injuries & Damages	3,000.00	1,944.00
835 Light & Power	2,599,867.04	2,227,878.68
837 Franchise & Regulatory Requirement	46,269.11	33,328.23
838 Director's Fees & Remunerations	434,030.92	589,472.56
839 Advertising & Promotions	28,949.00	26,400.00

	<u>CY 2013</u>	<u>CY 2012</u>
840 Fuel, Oil & Lubricants	461,625.30	514,607.07
841 Rents	-	21,000.00
843 Miscellaneous General & Administrative Expenses	601,531.12	528,594.74
844 Taxes & Licenses	542,281.36	501,718.01
<b>Total Operating Expenses</b>	<b>₱ 16,345,520.68</b>	<b>₱ 15,190,884.90</b>
<b>Maintenance Expenses:</b>		
762 Maintenance of Reservoir & Tanks	₱ 39,093.00	₱ 39,440.77
763 Maintenance of Transmission & Distribution Mains	638,782.43	417,900.41
765 Maintenance of Services	39,419.69	83,808.91
850 Maintenance of General Plant	449,230.51	369,888.07
<b>Total Maintenance Expenses</b>	<b>₱ 1,166,525.63</b>	<b>₱ 911,038.16</b>
<b>Total Operation and Maintenance Expenses</b>	<b>₱ 17,512,046.31</b>	<b>₱ 16,101,923.06</b>
<b>NET INCOME / (LOSS) Before Depreciation</b>	<b>₱ 9,090,167.82</b>	<b>₱ 8,847,440.31</b>
Less: Depreciation	2,298,274.16	2,466,443.76
<b>Utility Income / (LOSS)</b>	<b>₱ 6,791,893.66</b>	<b>₱ 6,380,996.55</b>
ADD: Interest Income	24,819.96	21,083.50
Misc. Non-Operating Revenues	-	-
<b>Sub - Total</b>	<b>₱ 6,816,713.62</b>	<b>₱ 6,402,080.05</b>
Less: Interest on Long-Term Debt	1,610,302.31	1,808,425.96
<b>NET INCOME / (LOSS)</b>	<b>₱ 5,206,411.31</b>	<b>₱ 4,593,654.09</b>

*(see accompanying Notes to Financial Statements)*



**MARAMAG WATER DISTRICT**  
**Maramag, Bukidnon**  
**CASH FLOW STATEMENT**  
**December 31, 2013**  
**(With corresponding figures of CY 2012)**

	<u>CY 2013</u>	<u>CY 2012</u>
<b>RECEIPTS:</b>		
Collection of Water Bills	P 25,636,896.32	P 23,919,053.19
Collection of Water Revenues	658,363.20	613,918.69
Interest in Banks	24,819.96	21,083.50
Refund of Cash Advances	203,410.68	103,089.19
Materials and Supplies Inventory	28,583.45	21,789.53
Fund Transfer	1,444,833.13	1,094,000.00
Others	261,381.28	5,479,105.44
<b>Total RECEIPTS</b>	<b>P 28,258,288.02</b>	<b>P 31,252,039.54</b>
<b>DISBURSEMENTS:</b>		
CAPEX	P 989,234.16	P 908,772.17
Payroll	2,244,632.75	5,492,855.49
Power for Pumping Station	1,998,687.39	2,011,198.15
Debt Service	2,637,045.75	3,537,259.67
Other Operation and Maintenance Expenses	5,851,570.71	7,387,136.91
Advances to Officers and Employees	2,832,614.90	1,186,437.51
Fund Transfer	3,950,848.03	1,094,000.00
Materials and Supplies Inventory	6,102,430.58	1,528,453.76
Construction Work in Progress	866,284.24	3,377,081.25
<b>Total DISBURSEMENTS</b>	<b>P 27,473,348.51</b>	<b>P 26,523,194.91</b>
<b>Net Receipts / (Disbursements)</b>	<b>P 784,939.51</b>	<b>P 4,728,844.63</b>
<b>Cash Balance, Beginning</b>	<b>P 8,549,247.00</b>	<b>P 3,820,402.37</b>
<b>Cash Balance, Ending</b>	<b>P 9,334,186.51</b>	<b>P 8,549,247.00</b>
<b>PROOF OF CASH:</b>		
Cash on Hand	P 132,417.93	P 94,062.40
Cash in Bank: LBP AC# 2102-0006-44	2,269,175.56	2,840,157.65
LBP AC# 2101-0816-40	70,001.33	69,842.11
LBP AC# 2102-0079-32	1,310,852.40	1,306,769.14

	<b>CY 2013</b>	<b>CY 2012</b>
Special Deposits - Customers' Deposits	450,548.74	451,626.25
Sinking Fund - JSA with LWUA	2,839,370.73	2,078,689.35
Misc. Special Deposits:		
Tax Reserve	1,891,346.14	1,611,401.94
MWD Retirement Fund	366,473.68	92,698.16
Petty Cash Fund	4,000.00	4,000.00
<b>TOTAL FUNDS AVAILABLE</b>	<b><u>P 9,334,186.51</u></b>	<b><u>P 8,549,247.00</u></b>

## **NOTES TO FINANCIAL STATEMENTS**

### **Brief Historical Background:**

The Maramag Water District (MWD) was given the Conditional Certificate of Conformance No. 496 approved by the Local Water Utilities Administration (LWUA) on June 11, 1991 and was granted an approved Water Permit No. 15268 per National Water Resources Board Resolution No. 01-0796 on July 23, 1996.

All Local Water Districts in the Philippines were declared as government-owned or controlled corporations (GOCC) with original charter (PD No. 198) in a case decided by the Supreme Court on September 13, 1991 docketed as GR No. 95237-38 entitled "Davao City Water District, et al. vs. Civil Service Commission, et al."

PD 198 - SEC.79 "Exemption from All Taxes, Duties, Fees, Imposts and Other Charges by the Government. To enable the Administration to pay its indebtedness and obligations, and in furtherance and effective implementation of the policies and objectives of this Decree, the Administration is hereby declared exempt."

### **Summary of Significant Accounting Policies**

- a. Financial Statements were prepared in accordance with Generally Accepted Accounting Principles and Standards.
- b. The accounts were classified in conformity with the Commercial Practices System (CPS) manual for Local Water District prescribed by the Local Water Utilities Administration (LWUA).
- c. Accrual method of accounting was used. Revenues are recorded in the period in which services is given and expenses are recorded in the period in which the benefits are received.
- d. Imprest system was used in petty expenses.
- e. Depreciation was computed based on straight line method.
- f. Accounts Receivable - Customer was computed based on monthly billing less collection due for the month.

**Note 1: Utility Plant in Service (UPIS) - ₱ 59,292,433.40**

The Utility Plant in Service (UPIS) account is recorded at acquisition costs less accumulated depreciation. Straight-line method of accounting over the estimated life of the assets is being adopted in the computation of depreciation. The following composed the Utility Plant in Service account as of the balance sheet date:

<b>Asset Description</b>		<b>Acquisition Cost</b>
1.	Land <sup>(note a)</sup>	₱ 485,000.00
2.	Plants & Transmissions	40,803,354.56
3.	Buildings & Structures	8,060,490.84
4.	Machinery & Equipment	9,581,480.68
5.	Furniture & Fixtures	362,107.32
<b>Total</b>		<b>₱ 59,292,433.40</b>

a. **Land = ₱ 485,000.00**

<b>Location</b>		<b>Value (per book)</b>
1.	South Poblacion, Maramag, Bukidnon	₱ 150,000.00
2.	Anahawon, Maramag, Bukidnon	65,000.00
3.	Villafuerte Spring, San Miguel, Maramag, Buk.	50,000.00
4.	Lariosa Spirng, Dologon, Maramag, bukidnon	220,000.00
<b>Total</b>		<b>₱ 485,000.00</b>

\*\*At present, all the purchased lots were not supported with Transfer Certificate of Title (TCT), and only the land situated at South Poblacion and Villafuerte Spring had the Tax Declaration for the two lots.

**Note 2: Construction Work - In Progress (CWIP) - ₱ 13,252,266.37**

The Construction Work - In Progress (CWIP) account is the accumulated values of the construction of future asset of the district that is still in progress. The following composed the Construction Work - In Progress account as of the balance sheet date, but as of the date of the report it has been found out that NLIF Project was not in progress, but only it has NO Certificate of Project Completion;

<b>Asset Description</b>		<b>Cost</b>
101-NLIF	<i>N L I F</i>	₱ 12,090,852.91
101-P9	<i>Purok 9 - Project</i>	47,270.00
101-Pag.	<i>Paglaum (PF &amp; Pumping)</i>	471,510.75
101-Octagon	<i>Octagon Hall - Base Camp</i>	520,538.71
101-Plastering	<i>Plastering</i>	117,794.00
101-Repainting	<i>Repainting of MWD Offices</i>	4,300.00
<b>TOTAL</b>		<b>₱ 13,252,266.37</b>

**Note 3: Sinking Fund - Joint Savings Account with LWUA –P 2,839,370.73**

The account represents the monthly deposits of 3% of gross billing for the amount of water sales to guarantee payment of loans with LWUA. It cannot be withdrawn by the water district without the consent of LWUA. The signatories of the check are the General Manager of Maramag Water District and the LWUA Manager, WD-Mindanao.

**Note 4: Special Deposits-Customer's Deposits Account – P 450,548.74**

The account represents the collections of guaranty deposit's for water installation from concessionaires which is backed-up by cash deposited at Land Bank of the Philippines under Account No. 2101-0835-70.

**Note 5: Advances to Officers and Employees - P 105,934.36**

This account comprises the unliquidated cash advances of officers and employees of the district that remained outstanding as of December 31, 2013.

<u>Name of Employees</u>	<u>Date Granted</u>	<u>Amount</u>
1. Adelina D. Gurrea	02/08/1996 P	463.98
2. Engr. Wilfredo D. Cruz	07/13/1998	5,000.00
3. Alexander M. Sabio	07/15/1998	1,000.00
4. Dir. Alberto L. Balios	09/29/1998	2,000.00
5. Dir. Jimmy C. Wong	09/29/1998	2,000.00
6. Dir. Fr. Cirilo S. Sajelan	09/29/1998	2,000.00
7. Dir. Anna Perla C. Malalang	07/23/1997; 09/29/1998; 01/24/2000; 11/14/2001	29,705.00
8. Joahna Grace A. Pates/Vahey	02/10/1999	1,500.00
9. Atty. Jose S. Malalang	09/07/2001	2,900.00
10. Dir. Nephtali B. Enguito	01/23/2004	16,899.00
11. Dir. Conrado G. Micayabas, Jr.		3,200.00
12. Engr. Victor R. Panganiban		755.38
13. Dir. Antonio P. Carbonilla	2007	3,400.00
14. Dir. Beneforte Dy Tan Malack	10/18/2011; 10/19/2011	32,570.00
17. Dir. Menrado Y. Bonachita	03/05/2013; 11/11/2013	2,541.00
<b>Total</b>		<b><u>P 105,934.36</u></b>

**Note 6: Accounts Receivable – Trade – P 3,228,884.44**

This amount includes all amounts due on accounts arising from the services rendered to customers for water sales, penalties and other incidental services, reduced by the amount of billing adjustment and last reading for cut-off connection for the period.

**Note 7: Accounts Receivable – Non-Trade – P 1,048,539.51**

This account includes the receivables from water meter installation fee, materials, and other receivables not related to water, as detailed below:

Account Code	Particulars	Amount
128-A	Materials	P 244,442.73
128-B	Construction	37,500.00
128-C	Dologon RWSA	17,568.65
128-D	COA Disallowance	647,500.12
128DL	AR-Dologon	12,000.00
128-P	Pedro R. Pacomios Jr./RWSA	6,468.85
128-M	Meter Installation	38,822.00
128-1	Pedro R. Pacomios Jr./XRM Yellow Motorcycle	44,237.16
<b>Total</b>		<b>P 1,048,539.51</b>

**Note 8: Materials and Supplies Inventory - P 143,057.27**

As of December 31, 2013, this account has an unreconciled balance of P 587,867.46 due to unrecorded receipt/issuances of materials since CY 2000 to July 2003. This comprises of the following:

Particulars	Amount
Office Supplies	P 138,691.81
Materials/Maintenance Inventories	638,064.60
Mainline Expansion Materials	393,197.15
Chemical/Water Treatment	27,354.00
Granted Materials: Sen. Rodolfo G. Biazon	208,493.68
<b><i>Balance per Inventory Report</i></b>	<b>P 1,405,801.24</b>
<b><i>Balance per Book*</i></b>	<b>817,933.78</b>
<b><i>Variance</i></b>	<b>P 587,867.46</b>

**Note 9: Prepayments- P 43,560.00**

This account balances per record as of December 31, 2013, represents the purchase of (2) units digital meter reading equipment or machine, detailed as follows:

Particulars	Amount
30% payment of (2)units digital meter reading equipment	43,560.00
<b>Total</b>	<b>P 43,560.00</b>

**Note 10: Capital Contribution - Government – ₱ 6,635,000.00**

This account include donations from the following:

<u>Particulars</u>	<u>Amount</u>
Sen. Rodulfo R. Biazon	₱ 6,000,000.00
Cong. Juan Miguel F. Zubiri	500,000.00
Brgy. South Pob., Maramag, Bukidnon	10,000.00
PTO – Malaybalay, Bukidnon	15,000.00
Prov. Gov't. of Bukidnon	110,000.00
	<u>₱ 6,635,000.00</u>

**Note 11: Other Paid-In Capital - ₱ 842,004.39**

This account was also called as Member's Equity, comprises the amount received from customers' as counterpart in transfer tapping from old distribution lines to new distribution lines.

**Note 12: Long Term Debt (LWUA) – ₱ 11,808,817.37**

The account consists of various loans availed from Local Water Utilities Administration (LWUA) to finance projects of the water district:

<u>Account Number</u>	<u>Duration of Payments Scheme</u>	<u>Outstanding Balance</u>
4-1890 RL	Nov. 2002 – Oct. 2017	₱ 11,809,913.37
3- 739	July 1998 – June 2024	(1,096.00)
3- 452	Jan. 1993 – Dec. 2012	-
00-85 RL		-
		<u>₱ 11,808,817.37</u>

**Note 13: Long Term Debt (NLIF) – ₱ 13,261,625.00**

The account consists of the loan availed from Non - LWUA Initiated Fund (NLIF) to finance projects of the water district.

**Note 14: Customers Deposits – ₱ 449,423.82**

This account pertains to the deposits made by customers normally before the extension of any service connections as security payment of subsequent bills or as a meter deposit. As of present, this has been discontinued.

**Note 15: Other Current and Accrued Liabilities – ₱ 83,794.60**

This account represents the guarantee deposits for water bill payments of contractors undergoing certain projects for the local government unit of Maramag and performance bond of suppliers joining bidding of materials and supplies of Maramag Water District.

**Note 16: Metered Sales-General Customers – ₱ 24,732,502.04**

This pertains to sales of water thru metered connections less billing adjustments due to stock-up meter, water leakages, and other adjustments for the current billing month.

**Note 17: Miscellaneous Service Revenues – ₱ 658,363.20**

This pertains to the collection of fees for reopening connections, labor charges and installation fees for new connections.

**Note 18: Other Water Revenues – ₱ 44,787.49**

This pertains to the collections of materials sold to customers, rentals of steel forms, and all other fees not specified under miscellaneous service revenues.

**Note 19: Interest Income – ₱ 24,819.96**

This interest derived from all deposits maintained at Land Bank of the Philippines LBP and RCBC of Maramag Water District for the calendar year 2013.

**Note 20: Interest on Long Term Debt – ₱ 1,610,302.31**

This account pertains to interest paid of the period for all the loans availed from Local Water Utilities Administration (LWUA).



**PART II - OBSERVATIONS AND RECOMMENDATIONS**

## OBSERVATIONS AND RECOMMENDATIONS

- 1. The book balance of Materials and Supplies Inventory (Account 131) remained unreconciled with the inventory report having a variance of ₱587,867.46 as of December 31, 2013 due to discrepancy in the recording of deliveries/receipts and issuances/ withdrawals of materials and supplies inventory.**

This observation is a reiteration of prior years' audit finding wherein it was recommended that the district reconcile the balances per book and inventory report of materials and supplies inventory account.

Section 112 of P.D. 1445 provides that each government agency shall record its financial transactions and operations conformably with generally accepted accounting principles and in accordance with pertinent laws and regulations.

In CY 2012, the team noted a variance of ₱1.108 million between the balances per book and the report on the physical count of inventories of materials and inventory account. It is worthy to note that as of December 31, 2013, the said variance decreased to ₱587,867.46 (**Annex A**).

Our analysis of monthly balances per book and stock status reports showed variances as the recorded monthly deliveries/receipts and issuances/withdrawals of materials and supplies inventory account disclosed some discrepancies in the amount posted by the storekeeper and accounting personnel as detailed in **Annexes B to E**.

It was noted that the monthly balances per stock status report showed higher balances as compared to the book balance, with an ending balance as of December 31, 2013 stated at ₱1,405,801.83 and ₱817,933.78, respectively, having a variance of ₱587,868.05 (**Annex B**). The said variance could be attributed to the discrepancies in the recording of deliveries/receipts and issuances/withdrawals of materials and supplies for CY 2013 as detailed in **Annexes C and D**, summarized as follows:

Particulars	Monthly Stock Status Report	Book	Variance
Deliveries/Receipts ( <b>Annex C</b> )	₱ 1,838,410.02	₱ 1,736,396.52	₱ 102,013.50
Issuances/Withdrawals ( <b>Annex D</b> )	1,683,240.41	2,177,497.47	(494,257.06)

The team further observed that the issuances/withdrawals of materials and supplies intended for the concessionaires with payment for the cost of said issued materials were recorded twice as the accounting section posted additional amount credited in the books for the said issuances when the same amount was already included in the total issuances already posted in the books based on the MSIJ (**Annexes D and E**).

The existence of unreconciled balance between the physical inventory report and the general ledger is a manifestation that there exist a problem on recording of its

transactions in the Accounting and Property Sections. Such condition affected the validity and accuracy of the reported balance of materials and supplies inventory in the financial statements.

Management concurred with the team's observation and committed to implement the recommendations by requiring the personnel in the Accounting and Property Section to reconcile regularly the balance per book and stock status report and also the reconciliation on the recording of adjustments affecting the materials and supplies inventory account.

**We have recommended that management require the personnel in the Accounting and Property Sections to reconcile regularly the balance per book that of the monthly stock status report taken into consideration the report on the actual physical count of materials and supplies inventory. Also, require monthly reconciliation on the recording of adjustments, deliveries/receipts and issuances/withdrawals affecting the said account. Effect necessary adjustments either in the books or physical inventory report to have a fair presentation of account balance.**

- 2. The book balance of accounts receivables-customers amounting to ₱3.229 million remained unreconciled with the balance per aging schedule amounting to ₱3.642 million having a variance of ₱412,723.26.**

This audit observation is a reiteration of prior years' audit finding wherein the variance noted between the balances per book and aging schedule was computed at ₱376,186.87 as of December 31, 2012 and it was recommended that the district reconcile the said balances.

Section 64 of the Government Accounting and Auditing Manual (GAAM) states that each accounting unit with accounts receivable shall keep one or more subsidiary showing for customers or other types of debtors, the amount due and received from them and the balances of their accounts.

Our review of accounts receivables-customers disclosed that the balances per book and per aging schedule were not reconciled with a variance of ₱412,723.26 as of December 31, 2013 having an increase of ₱36,536.39 as compared with CY 2012 variance of ₱376,186.87. The book balance of accounts receivables-customers was stated at ₱3.229 million which is lower than the balance of ₱3.642 million per aging schedule (**Annex F**).

Per analysis of accounts receivables-customers, the month-end balances of General Ledger (GL) are lower as compared with monthly aging schedules with computed monthly variances as detailed in **Annex G**.

The team noted several instances of erroneous recordings of monthly water sales billed totaling ₱92,850.50 though the same was adjusted in December, 2013 as detailed in **Annex H**. Some other instances of erroneous recordings were noted in the

monthly penalty charges billed wherein the amount of penalty recorded by the accounting section was lower than that of the commercial section as detailed in **Annex I**. As to the recording of collections, there was no variance between the accounting and commercial section as shown in **Annex J**.

It can be noted that the aging schedule is generated from the computerized billing and collection system which showed a higher balance as compared with the book. Further analysis of data inputs via the computer-based system disclosed that the monthly billing adjustments and the last reading after disconnection which were manually encoded in the said system could not be validated as to its accuracy and completeness since the system could not generate a monthly report showing the total amount of the manually encoded data (**Annex K**).

The variance noted between the balances per book and aging schedule existed due to erroneous recordings and that there were adjustments made which were taken up by the commercial section but not recorded in the books or vice-versa.

Management concurred with the team's observation and committed to implement the recommendations. They further disclosed to request the billing programmer to include in the program the generation of a report showing the monthly total entries for the amount debited and credited.

**We have recommended that management require the Accounting and Commercial Sections to reconcile regularly the balances per book and aging schedule. Any adjustment made should be well coordinated by the said sections. Also, consider the possibility to incorporate in the computer-based billing and collection system the generation of monthly report of billing adjustments and other manually encoded data inputs showing the total amount of monthly billing adjustments. Effect necessary adjustments either in the book or aging schedule to reconcile the balance of accounts receivables-customers.**

- 3. Payments of labor costs for various excavation works, salaries and wages to watchman, job order and casual employees totalling P935,382.55 were not supported with the required accomplishment reports and other required supporting documents.**

Section 4.6 of Presidential Decree No. 1445 provides that claims against government funds shall be supported with complete documentation.

Paragraph 1.2.1 of COA Circular No. 2012-001 dated June 14, 2012 provides the following documentary requirements for the liquidation of cash advance for payroll fund salaries, wages, allowances, honoraria and other similar expenses which requires submission of duly verified/accepted accomplishment report in case of payment of salaries to personnel under "job order" status.

Our audit of sampled transactions for CY 2013 disclosed that various payments of salaries and wages and labor costs totaling P935,382.55 (**Annexes L to R**) were

processed and approved without the required accomplishment reports and approved work/job order, summarized as follows:

<b>Particulars</b>	<b>Amount</b>	<b>Annexes</b>
Labor costs for excavation	₱ 50,649.50	L
Salaries & wages for watchman	16,000.00	M
Salaries & wages for Job Order	156,588.43	N
Salaries & wages for Casual	347,144.08	O
Salaries & wages for Pump Operators	50,143.75	P
Salaries & wages for Construction Workers	219,127.51	Q
Salaries & wages for Other Workers	95,729.28	R
<b>Total</b>	<b>₱935,382.55</b>	

The absence of accomplishment reports and other required supporting documents to support the payments of salaries and wages and labor costs is an indication of laxity as to compliance with the requirement of complete documentation.

Management concurred with the team’s observations and committed to implement the recommendations.

**We have recommended that the district strictly comply with the documentary requirements particularly the accomplishment reports and approved job order/work order to support payments of salaries and wages as prescribed in COA Circular No. 2012-001.**

- 4. Various claims of foreign travel expenses totaling ₱219,906.00 incurred by the district officials to attend international seminar/conference in Jakarta, Indonesia in CY 2012 and Tachikawa, Japan in CY 2013 organized by EROPA were not supported with the required authority to travel abroad and without complying other conditions as detailed in the Office of the President Memorandum Circular No. 7 series of 2010 and LWUA Memorandum Circular No. 010-10.**

Memorandum Circular No. 7 series of 2010 of the Office of the President enumerates the required documents to support the claims of foreign travel expenses which include the authority to travel from the Office of the President.

In addition, LWUA Memorandum Circular No. 009-12 provides the conditions relative to the request for authority to travel abroad of Water District Officials/Officers.

Our review of disbursement transactions for Calendar Year 2012 and 2013 disclosed that two district officials attended a seminar entitled “Challenges to Administrative Reform” organized by the Eastern Regional Organization for Public Administration (EROPA) held in Jakarta, Indonesia on October 26 to November 1, 2012. Total foreign travel expenses incurred was computed at ₱119,906.00 (**Annex S**).

Another foreign travel was undertaken by the same district officials on October 13 - 20, 2013 to attend an international conference held in Osaka, Japan, with total travel expenses amounting to ₱100,000.00 as detailed in **Annex S**.

It was noted that claims for foreign travel expenses were not supported with the required authority to travel abroad.

The deficiencies noted for claims of foreign travel expenses specifically the required authority to travel abroad is a manifestation of non-compliance of travel laws, rules, and regulations.

Hence, subject claims of foreign travel expenses as detailed in **Annex S** shall be recommended to be suspended/disallowed in audit. The concerned officials who travelled abroad are required to submit authority to travel abroad.

Management concurred with the team's observation and committed to submit the required documents to support the claims for foreign travel expenses.

**We have recommended that management require the concerned district officials to submit the required authority to travel. Strictly comply the conditions set as detailed in LWUA Memorandum Circular No. 010-10 and Memorandum Circular No.7 series of 2010 of the Office of the President in sending participants to international conventions/conferences.**

**5. Payments of financial assistance and cash gift to the board of directors totaling ₱52,875.00 for CY 2013 were made without legal basis.**

Section 3d of Executive Order No. 65 dated January 2, 2102 provides that salaries, allowances, benefits, and other bonuses shall not be allowed unless specifically authorized by law or Charter and approved by the President.

In addition, Paragraph C of LWUA Memorandum Circular No. 015-12 dated November 22, 2012 pertinently provides that year-end financial assistance and ₱5,000 cash gift are suspended until such time that appropriate clearance or approval from higher authority shall have been obtained.

Our review of disbursements for CY 2013 disclosed payments of financial assistance and cash gift to the Board of Directors totaling ₱52,875.00 per DV Nos. 13-05-18 and 13-11-64 under Check Nos. 1248408 and 1249107, respectively without valid authority, as summarized below:

<b>Name of Board of Director</b>	<b>Financial Assistance</b>	<b>Cash Gift</b>	<b>Total</b>
Abadies, Felix B.	₱ 6,750.00	₱ 5,000.00	₱ 11,750.00
Bonachita, Menrado Y.	3,375.00	2,500.00	5,875.00
Carbonilla, Antonio P.	6,750.00	5,000.00	11,750.00
Estenzo, Elma A.	6,750.00	5,000.00	11,750.00
Malack, Beneforte Dy Tan	6,750.00	5,000.00	11,750.00
<b>Total</b>	<b>₱ 30,375.00</b>	<b>₱ 22,500.00</b>	<b>₱ 52,875.00</b>

As the payments of financial assistance and cash gift to the board of directors were effected without valid authority, such is a manifestation of defiance of Executive Order No. 65 and LWUA Memorandum Circular No. 015-12. Hence, the amount of ₱52,875.00 shall be recommended to be disallowed in audit.

Management concurred with the team's audit observation and disclosed that they have already stopped the payment of financial assistance and cash gift in CY 2014 and will strictly observe the provisions of EO Nos. 24 and 65 and LWUA MC No. 015-12 in approving payments of incentives.

**We have recommended that management strictly observe the pertinent provisions of EO Nos. 24 and 65 and LWUA Memorandum Circular No. 015-12 in approving payments of incentives which should be supported with valid authority. Require the members of the board to refund the CNA received on or before May 31, 2014.**

## **GENDER AND DEVELOPMENT**

The compliance to Executive Order No. 273, otherwise known as the Philippine Plan for Gender Responsive Development was adhered to as the district had undertaken activities such as health and wellness, sports, and other activities to address women and gender issues within the 5% allocated budget for gender and development.

## **COMPLIANCE WITH TAX LAWS, RULES, AND REGULATION**

Pertinent provisions of tax laws, rules, and regulations were strictly observed as the district withheld taxes from employees and suppliers, and remitted the same to the Bureau of Internal Revenue as required.

## **STATUS OF SUSPENSIONS, DISALLOWANCES AND CHARGES**

The prior years' audit suspensions and disallowances are still to be reconstructed and subject for reevaluation considering that the copies of notices of disallowance, suspension, and charges were presumed to have been damaged during the flood brought by Typhoon Sendong.



**PART III – STATUS OF IMPLEMENTATION OF PRIOR  
YEAR’S AUDIT RECOMMENDATIONS**

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

As to the status of CY 2009-2012 audit recommendations, our evaluation disclosed that six recommendations were fully implemented, four recommendations were partially implemented and two recommendations were not implemented as of December 31, 2013, as shown below:

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Management Action</b>	<b>Status of Implementation</b>	<b>Reasons for Partial or Non-Implementation</b>
<p>The book balance of Accounts Receivables- Customers account amounting to ₱2.967 million does not reconcile with the balance per aging schedule totaling ₱3.343 million, showing a variance of ₱376,186.87</p> <p style="text-align: center;"><i>(existing since CY 2006)</i></p>	<p>Require the Commercial and Accounting Sections to review from time to time records and entries made in prior years affecting Accounts Receivables- Trade/customers account to uncover reconciling items.</p>	<p>Management will request the computer programmer to include in the existing computer-based billing and collection system the generation of monthly reports on the total debits and credits manually encoded</p>	<p><i>Not Implemented</i></p> <p><i>Reiterated in CY 2013 as the variance increased to ₱412,723.26</i></p>	<p>The Accounting and Commercial Sections have difficulties in the reconciliations of balances per book and aging schedule as the computer-based system could not generate a monthly report showing the total debits and credits manually encoded in the system</p>
<p><b>The book balance of Utility Plant In-Service (UPIS) and Accumulated Depreciation accounts is overstated by ₱327,895.55 and ₱295,105.70, respectively due to inclusion of unserviceable items</b></p> <p style="text-align: center;"><i>(existing since CY 2006)</i></p>	<p>a. Prepare the necessary procedures to dispose the identified unserviceable equipment so as not to entail additional storage and maintenance cost, if any. Disposal procedures should be in accordance with COA Circular No. 89-296 and Section 79 of P.D. 1445.</p> <p>b. When found valueless and unsalable, the committee should</p>	<p>Management consider the creation of a disposal committee to take charge of the disposal of unserviceable items</p>	<p><i>Not Implemented</i></p>	<p>The district was not able dispose the unserviceable items as they do not have yet created a disposal committee</p>

Audit Observation	Recommendation	Management Action	Status of Implementation	Reasons for Partial or Non-Implementation
	<p>destroy the same and use the inventory and inspection report (I and I Report) for unserviceable property as the basis for dropping the unserviceable properties from the books of account.</p> <p>c. For unserviceable items which were not included in the lapsing schedule of UPIS account, prepare separate list for appropriate action of the disposal committee.</p> <p>d. Effect necessary adjustments to the UPIS account and the Accumulated Depreciation account so as to present fairly the said accounts in the financial statements. Below is the suggested adjusting entries:</p> <p style="margin-left: 40px;">Retained Earnings ₱ 32,789.85 Accum. Dep'n     295,105.70 UPIS                             ₱327,895.55</p>			
<p><b>The book balance of Materials and Supplies Inventory (Account 131) amounting to ₱143,057.27 does not reconcile with the balance per inventory report totaling ₱1,250,632.21</b></p>	<p>Require the Accounting and Property Section to reconcile the balance per book and that of the physical count report of materials and supplies inventory. Effect necessary adjustments either in the</p>	<p>Management will continue the reconciliation of materials and supplies inventory</p>	<p><i>Partially Implemented</i>  <i>Reiterated in CY 2013</i></p>	<p>The Accounting and Property Sections have already reconciled the balances per book and inventory report but</p>

Audit Observation	Recommendation	Management Action	Status of Implementation	Reasons for Partial or Non-Implementation
<p>showing a variance of <b>₱1,107,574.94</b></p> <p><i>(existing since CY 2006)</i></p>	<p>books or physical inventory report to have a fair presentation of account balance.</p>	<p>balances per book and inventory report</p>	<p><i>the variance decreased from ₱1.1 million to ₱587,867.46</i></p>	<p>there are still documents to be retrieved which are necessary as basis in the adjustment</p>
<p><b>The district has an unliquidated cash advances totaling ₱135,855.26 as of December 31, 2012</b></p>	<p>a. Direct the Accounting Section to prepare and submit regularly a monthly report on unliquidated cash advances for monitoring purposes.</p> <p>b. Require the concerned officer and employees of the district to facilitate submission of liquidation reports and supporting documents on or before August 15, 2013.</p> <p>c. Submit a letter-request to the Commission on Audit for possible write off of cash advances of government employees who are already deceased or those that remained unliquidated for more than ten years subject to certain conditions as detailed in COA Resolution No. 80-122 dated April 23, 1980.</p>	<p>Management already sent collection letters to the concerned former BOD and Gen. Manager and to the employees</p>	<p><i>Partially Implemented</i></p> <p><i>the amount of unliquidated cash advance decreased in CY 2013</i></p>	<p>The unliquidated cash advances pertained to the prior years, hence, management</p>

Audit Observation	Recommendation	Management Action	Status of Implementation	Reasons for Partial or Non-Implementation
<b>Land and land rights with a value of ₱485,000.00 were not supported with legal documents of ownership</b>	Make representation with the DENR Regional Office to clarify the conditions set by certain DENR personnel. The non-titling of purchased lots should be properly disclosed as part of the notes to the financial statements.	Management had already submitted the required documents to DENR for the titling of land	<i>Partially Implemented</i>	The district is still awaiting on the action of the DENR officials on their application for the titling of land
<b>₱1.929 million or 58% of the total balance per aging schedule of the accounts receivables-customers was considered inactive accounts and the same were included as part of the current assets</b>	Conduct a thorough investigation on the whereabouts of concessionaires whose accounts were classified as dormant or inactive and determine as to its collectability of their respective accounts. Further, direct the Accounting Section to reclassify the inactive accounts as Other Assets. Also, submit a request for possible write-off of inactive accounts with nil probability of collection to the Commission on Audit.	Management will conduct thorough investigation on the inactive accounts by June, 2014	<i>Partially Implemented</i>	The Accounting Section has not yet reclassified the inactive accounts as they are still awaiting for the recommendation from the Commercial Section

## **PART IV - ANNEXES**

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon

**CY 2013 SUMMARY OF ANNEXES**

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C	Analysis in the Recording of Monthly Deliveries/Receipts of Materials and Supplies for CY 2013	16
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<b><u>ANNEX</u></b>	<b><u>PARTICULARS</u></b>	<b><u>AAR Page No.</u></b>
Q	Summary of Payments of Salaries and Wages of Construction Workers for CY 2013	18 & 19
R	Summary of Other Salaries Paid for Cy	18 & 19
S	Summary of Payments of Foreign Travel Expenses for CY 2012 & 2013	19 & 20



**MARAMAG WATER DISTRICT**

Maramag, Bukidnon

Analysis of Account Balance of Materials and Supplies Inventory (Account 131)

As of December 31, 2013

**ANNEX A**

Finding No. 1, AAR Page No. 16

Particulars	Amount		
	per Inventory Report	per General ledger	Variance
Book Balance as of December 31, 2013		817,933.78	
Type of Inventory Items per Inventory Report as of December 31, 2013			
Office Supplies	138,691.81		
Office Materials/Maintenance	1,031,261.75		
Chemical/Water Treatment	27,354.00		
Donated Materials: Senator Rodolfo Biazon	208,493.68		
Balance as of December 31, 2013	<b>1,405,801.24</b>	<b>817,933.78</b>	<b>587,867.46</b>

Balance as of December 31, 2012


1,250,632.21


143,057.27

1,107,574.94

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member


  
**MA. GLENN D. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Analysis of Monthly Balances of Materials and Supplies Inventory  
CY 2013


**ANNEX B**  
Finding No. 1, AAR Page No. 16

Month	Monthly Ending Balance		Variance	Monthly Increment
	Per Monthly Stock Status Report	Per General Ledger		
Beg.	1,250,632.21	143,057.27	1,107,574.94	
January	1,243,646.82	82,692.03	1,160,954.79	53,379.85
February	1,374,315.26	207,713.66	1,166,601.60	5,646.81
March	1,274,291.88	163,829.57	1,110,462.31	(56,139.29)
April	1,196,343.34	1,320.77	1,195,022.57	84,560.26
May	1,311,681.54	997,632.87	314,048.67	(880,973.90)
June	1,463,982.22	1,369,676.89	94,305.33	(219,743.34)
July	1,526,830.63	1,274,885.98	251,944.65	157,639.32
August	1,581,208.38	1,316,315.03	264,893.35	12,948.70
September	1,489,113.98	1,322,719.08	166,394.90	(98,498.45)
October	1,503,685.05	748,192.26	755,492.79	589,097.89
November	1,461,682.03	807,205.23	654,476.80	(101,015.99)
December	1,405,801.83	817,933.78	587,868.05	(66,608.75)
				(519,706.89)

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

Reviewed by:

  
**MA. GLENN A. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**

Maramag, Bukidnon


Analysis in the Recording of Monthly Deliveries/Receipts of Materials and Supplies  
CY 2013

**ANNEX C**


Finding No. 1, AAR Page No. 16

Month	<i>Monthly Deliveries/Receipt Recorded</i>		Variance (d)-(e)
	<i>per Storekeeper</i>	<i>per Accounting</i>	
	Monthly Stock Status Report (d)	Book (e)	
January	98,535.47	35,467.67	63,067.80
February	224,776.00	222,586.00	2,190.00
March	4,659.70	63,927.50	(59,267.80)
April	122,022.55	38,322.55	83,700.00
May	226,317.00	85,000.00	141,317.00
June	293,459.15	506,022.65	(212,563.50)
July	269,160.00	142,353.50	126,806.50
August	197,253.05	165,610.25	31,642.80
September	18,078.00	117,098.00	(99,020.00)
October	189,830.00	-	189,830.00
November	98,588.80	270,385.60	(171,796.80)
December	95,730.30	89,622.80	6,107.50
TOTAL	1,838,410.02	1,736,396.52	102,013.50

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

Reviewed by:

  
**MA. GLENN A. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader


**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Analysis of Monthly Issuances of Materials and Supplies Inventory  
CY 2013


**ANNEX D**  
Finding No. 1, AAR Page No. 16

Month	<i>Issuances</i>				Variance '(a)-(c)
	<i>per Storekeeper</i>	<i>per Accounting</i>			Storekeeper vs. Accounting
	Monthly Stock Status Report (a)	Issuance/MSIJ (b)	General Ledger (c)	Variance (b)-(c)	
January	105,520.87	102,921.16	95,172.91	7,748.25	10,347.96
February	94,107.56	93,863.37	93,863.37	-	244.19
March	104,683.08	105,091.39	105,091.39	-	(408.31)
April	199,971.09	199,453.71	199,453.71	-	517.38
May	110,978.80	107,143.34	107,143.34	-	3,835.46
June	141,158.47	140,678.63	140,678.63	-	479.84
July	206,311.59	228,167.02	228,167.02	-	(21,855.43)
August	142,875.30	163,534.70	163,534.70	-	(20,659.40)
September	110,172.40	110,425.95	110,425.95	-	(253.55)
October	175,258.93	574,526.82	574,526.82	-	(399,267.89)
November	140,591.82	210,984.13	210,984.13	-	(70,392.31)
December	151,610.50	148,455.50	148,455.50	-	3,155.00
<b>TOTAL</b>	<b>1,683,240.41</b>	<b>2,185,245.72</b>	<b>2,177,497.47</b>	<b>7,748.25</b>	<b>(494,257.06)</b>

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

  
**MA. GLENN A. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**

Maramag, Bukidnon

Summary of Monthly Issuances of Materials and Supplies for new installation  
with collected fees from concessionaires

*(Issuances of materials were recorded twice in the books of accounts)*


CY 2013

**ANNEX E**

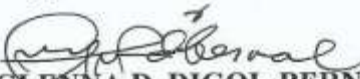
Finding No. 1, AAR Page No. 16

Month	Source Document	Amount Recorded as Credit to Materials & Supplies Inventory Account
January	CRR	660.00
February	CRR	3,701.00
March	CRR	2,720.20
April	CRR	1,377.64
May	CRR	5,686.97
June	CRR	1,700.00
July	CRR	8,977.39
August	CRR	2,646.50
September	CRR	268.00
October	CRR	-
November	CRR	388.50
December	CRR	457.25
<b>TOTAL</b>		<b>28,583.45</b>

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

Reviewed by:

  
**MA. GLENN A. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Analysis of Accounts Receivables-Customers  
As of December 31, 2013

**ANNEX F**  
Finding No. 2, AAR Page No. 17


Age in Days	Residential	Commercial	Government	Total	Percent
15 - 30	763,266.42	182,465.49	159,925.20	1,105,657.11	71%
31 - 60	179,808.87	51,243.94	40,884.40	271,937.21	18%
61 - 90	22,060.07	8,327.95	27,060.00	57,448.02	4%
91 - 120	6,947.91	3,545.57	24,011.20	34,504.68	2%
over 120	7,372.91	22,596.25	51,292.25	81,261.41	5%
<b>TOTAL</b>	979,456.18	268,179.20	303,173.05	1,550,808.43	100%
<b>Inactive Accounts</b>				2,090,799.27	<b>57%</b>
<b>Balance per Aging Schedule</b>				3,641,607.70	
Balance per Book				3,228,884.44	
<b>Variance as of December 31, 2013</b>				<b>412,723.26</b>	


Variance as of December 31, 2012 376,186.87

**Variance - Increment** 36,536.39

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

  
**MA. GLENNA D. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**

Maramag, Bukidnon


Analysis of Balances of Accounts Receivables per Book and per Aging Schedule  
For CY 2013

**ANNEX G**


Finding No. 2, AAR Page No. 17

Month End	Month End Balance		Variance	Monthly Increment
	per GL	per Aging Schedule		
as of Dec. 31, 2012	2,966,717.32	3,342,904.19	(376,186.87)	
January 31, 2013	2,958,885.98	3,354,322.16	(395,436.18)	19,249.31
February 28, 2013	2,923,399.44	3,327,420.88	(404,021.44)	8,585.26
March 31, 2013	3,031,532.59	3,465,873.65	(434,341.06)	30,319.62
April 30, 2013	2,988,540.32	3,422,083.16	(433,542.84)	(798.22)
May 31, 2013	2,898,837.27	3,294,351.43	(395,514.16)	(38,028.68)
June 30, 2013	3,054,604.66	3,455,813.66	(401,209.00)	5,694.84
July 31, 2013	3,071,702.66	3,455,880.88	(384,178.22)	(17,030.78)
August 31, 2013	3,096,162.37	3,487,907.96	(391,745.59)	7,567.37
September 30, 2013	3,136,515.45	3,525,263.55	(388,748.10)	(2,997.49)
October 31, 2013	3,077,666.88	3,615,464.04	(537,797.16)	149,049.06
November 30, 2013	3,098,709.73	3,593,208.21	(494,498.48)	(43,298.68)
December 31, 2013	3,228,884.44	3,641,607.70	(412,723.26)	(81,775.22)
<b>VARIANCE - INCREMENT</b>				<b>36,536.39</b>

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

Reviewed by:

  
**MA. GLENN A. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Analysis of Monthly Water Sales Billed  
For Calendar Year 2013


**ANNEX H**  
Finding No. 2, AAR Page No. 17


Month End	Amount of Water Sales			Remarks
	per GL	per MBS*	Variance	
	(Accounting)	(Commercial)	(GL-MBS)	
January	2,106,478.17	2,109,325.47	(2,847.30)	Misrecording in the accounting section (P110,665.50 was recorded for Zone 141 instead of P113,512.80)
February	2,087,071.52	2,087,071.52	-	
March	2,007,626.23	2,007,626.53	(0.30)	
April	2,158,586.84	2,158,586.84	-	
May	2,132,350.05	2,117,352.95	14,997.10	Misrecording in the accounting section (P130,068.40 was recorded in Zone 141 instead of P115,071.30)
June	2,098,948.75	2,098,948.75	-	
July	2,210,123.97	2,210,123.97	-	
August	2,074,349.02	2,074,349.02	-	
September	2,077,960.13	2,077,960.13	-	
October	2,013,879.22	2,113,879.22	(100,000.00)	Misrecording in the accounting section (P11,509.03 was recorded for Zone 062 instead of P111,509.03)
November	2,070,736.84	2,075,736.84	(5,000.00)	Misrecording in the accounting section (P52,274.15 was recorded for Zone 051 instead of P57,274.15)
December	2,025,735.69	2,025,735.69	-	
<b>TOTAL</b>	<b>25,063,846.43</b>	<b>25,156,696.93</b>	<b>(92,850.50)</b>	P92,850.20 debited to AR at year end (Dec. JV#27)

\*MBS - Monthly Billing Statement

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

  
**MA. GLENN A. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

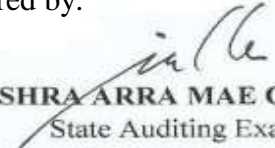


**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Analysis of Monthly Penalty Charges Billed  
For the Year 2013


**ANNEX I**  
Finding No. 2, AAR Page No. 18

Month End	Amount of Penalty Charges			Remarks
	per GL	per MBS*	Variance	
	(Accounting)	(Commercial)	(GL-MBS)	
January	92,046.30	95,045.90	(2,999.60)	Misrecording in the accounting section (P4,598.27 was recorded for Zone 63 instead of P7,598.27); Misrecording in the commercial department (P2,366.28 was recorded for Zone 52 instead of P2,366.68)
February	76,950.07	92,214.77	(15,264.70)	Penalty charge for Zone 141 & 151 for the month was not recorded in the books by the accounting section until March 2013
March	82,790.28	91,272.59	(8,482.31)	Penalty charge for Zone 131, 132, 133, 141 & 151 for the month was not recorded in the books by the accounting section amounting to P23,747.01 until April 2013;
April	126,160.15	102,413.14	23,747.01	Penalty charges for the month of March recognized in April 2013
May	97,356.24	97,356.24	-	
June	87,624.69	101,211.16	(13,586.47)	Penalty charge for Zone 141 & 151 for the month was not recorded in the books by the accounting section until July 2013
July	115,548.28	101,961.81	13,586.47	Penalty charges for the month of June recognized in July 2013
August	92,532.71	92,532.71	-	
September	87,404.68	102,938.49	(15,533.81)	Penalty charge for Zone 141 & 151 amounting to P15,534.11 for the month was not recorded in the books by the accounting section until August 2013
October	119,431.52	103,897.41	15,534.11	Penalty charges for the month of September recognized in October 2013
November	94,996.03	101,064.93	(6,068.90)	Penalty charge for Zone 151 amounting to P6,068.90 for the month was not recorded in the books by the accounting section until December 2013
December	80,504.42	95,761.75	(15,257.33)	Penalty charge for Zone 131, 132, 133, 141 & 151 amounting to P21,326.23 for the month was not recorded in the books by the accounting section until January 2014;
<b>TOTAL</b>	<b>1,153,345.37</b>	<b>1,177,670.90</b>	<b>(24,325.53)</b>	P3,000.00 amount debited to AR at year end (Dec. JV#27)

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

Reviewed by:

  
**MA. GLENN D. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**

Maramag, Bukidnon

Monthly Analysis of Collections

For Calendar Year 2013

**ANNEX J**


Finding No. 2, AAR Page No.


18

Month End	Amount of Collection		
	per GL	per DCR	Variance (GL vs DCR)
	(Accounting)	(Computerized System)	
January	2,177,873.85	2,177,873.85	-
February	2,158,618.10	2,158,618.10	-
March	1,930,288.22	1,930,288.22	-
April	2,294,892.28	2,294,892.28	-
May	2,278,859.34	2,278,859.34	-
June	2,004,815.95	2,004,815.95	-
July	2,269,931.74	2,269,931.74	-
August	2,124,806.49	2,124,806.49	-
September	2,105,344.81	2,105,344.81	-
October	2,141,432.62	2,141,432.62	-
November	2,102,250.34	2,102,250.34	-
December	2,047,782.58	2,047,782.58	-
<b>TOTAL</b>	<b>25,636,896.32</b>	<b>25,636,896.32</b>	-

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

  
**MA. GLENNA D. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Analysis of Data Inputs Via Computer-based Billing and Collection System  
For Calendar Year 2013

**ANNEX K**  
Finding No. 2, AAR Page No. 18

Accounts Receivable, beg.*		3,342,904.19
Add: 2013 Billing*		
Water Sales	25,156,696.93	
Penalty	1,177,670.90	26,334,367.83
Total		29,677,272.02
Less: 2013 Collection*		25,636,896.32
Adjustments: **		4,040,375.70
+Last reading after disconnection		109,260.15
-Monthly billing adjustments		536,454.74
AR Customers, end/Should be		3,613,181.11
AR Customers reflected in AR Aging*		3,641,607.70
Difference		<b>(28,426.59)</b>

*\*data provided by the commercial department*

*\*\*the total adjustments encoded in the computer-based system could not be validated  
since the system could not generate a report showing the total monthly adjustments*

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

Reviewed by:

  
**MA. GLENN A. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Summary of Payments of Labor Costs for Excavation  
For CY 2013

**ANNEX L**  
Finding No. 3, AAR Page Nos. 18 & 19


Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
06-49	1248543	20-Jun-13	Joby B. Matunog	To payment for labor for excavation for mainline expansion at Paglaum Village P9 Base Camp for the period April 18 - June 20, 2013	17,850.00	Y	N	N/A
04-50	1248332	18-Apr-13	Joby B. Matunog	To payment for labor for excavation for mainline expansion at Paglaum Village, P9 Base Camp, Maramag, Bukidnon for the period March 27 - April 18, 2013	12,492.00	Y	N	N/A
04-22	1248304	11-Apr-13	Jolito L. Jorban	To payment for labor for excavation of 2" mainline expansion at P10A South Poblacion, Maramag, Bukidnon for the period April 1-11, 2013	6,220.00	Y	N	N
04-19	1248301	10-Apr-13	Numeriano B. Baldo	To payment for labor for excavation for rehabilitation of mainline expansion at P1A South Poblacion, Maramag, Bukidnon for the period April 5-10, 2013	4,600.00	Y	N	N
08-75	1248765	23-Aug-13	Norberto Q. Sandag Sr.	To payment for labor excavation for the period August 14-20, 2013	3,000.00	Y	N	N
05-11	1248401	3-May-13	Numeriano B. Baldo	To payment for labor for excavation at P1A SP Maramag, Bukidnon, for the period April 24- May 3, 2013	2,600.00	Y	N	N

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
05-08	1248398	2-May-13	Jolito L. Jorban	To payment for labor for excavation of 2" mainline expansion at P10A South Poblacion, Maramag, Bukidno for the period April 22, 2013 to May 2, 2013	2,737.50	Y	N	N
12-26	1249190	6-Dec-13	Noel C. Asuncion	To payment for labor for excavation of distribution line (3/4") at the back of MWD for the period December 4-6, 2013	650.00	Y	N	N
12-55	1350119	12-Dec-13	Noel C. Asuncion	To payment for labor for excavation of 4" mainline at P1A SP Maramag, Bukidnon for the period December 11-12, 2013	500.00	Y	N	N
<b>TOTAL</b>					<b>50,649.50</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>9</b>	<b>0</b>	<b>0</b>
					<b>No. of "N"</b>	<b>0</b>	<b>9</b>	<b>7</b>


"N" - Not attached

"Y" - Attached

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
 State Auditing Examiner II  
 Audit Team Member

Reviewed by:

  
**MA. GLENN D. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Summary of Payments of Salaries and Wages of Watchmen  
For CY 2013

**ANNEX M**

Finding No. 3, AAR Page Nos. 18 & 19

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
04-94	1248376	30-Apr-13	Artemio Mahusay	To payment for monthly allowance of one (1) watchman Dologon spring source for the month of April 2013	600.00	N	N	N
04-95	1248377	30-Apr-13	Arnold R. Sotto	To payment for monthly allowance of one (1) watchman of Dologon reservoir for the month of April 2013	600.00	N	N	N
04-96	1248378	30-Apr-13	Melvin Gotang	To payment for monthly allowance of one (1) watchman of P5 Anahawon reservoir for the month of April 2013	1,000.00	N	N	N
04-97	1248379	30-Apr-13	Juan A. Mahusay, Jr.	To payment for monthly allowance of one (1) watchman Kisanday spring source for the month of April 2013	1,000.00	N	N	N
05-85	1248475	31-May-13	Melvin Gotang	To payment for monthly allowance of one (1) watchman P5 Anahawon reservoir for the month of May 2013	1,000.00	N	N	N
05-86	1248476	31-May-13	Artemio Mahusay	To payment for monthly allowance of one (1) watchman Dologon spring source for the month of May 2013	600.00	N	N	Y
05-87	1248477	31-May-13	Arnold R. Sotto	To payment for monthly allowance of one (1) watchman of Dologon reservoir for the month of May 2013	600.00	N	N	N
05-88	1248478	31-May-13	Juan A. Mahusay, Jr.	To payment for monthly allowance of one (1) watchman of Kinsanday spring for the month of May 2013	1,000.00	N	N	N

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
06-80	1248574	28-Jun-13	Artemio Mahusay	To payment for monthly allowances of one (1) watchman of Dologon spring source for the month of June 2013	600.00	N	N	Y
06-81	1248575	28-Jun-13	Arnold R. Sotto	To payment for monthly allowances of one (1) watchman of Dologon spring source for the month of June 2013	600.00	N	N	N
06-82	1248576	28-Jun-13	Melvin Gotang	To payment for monthly allowances of one (1) watchman of Kisanday spring source for the month of June 2013	1,000.00	N	N	N
06-83	1248577	28-Jun-13	Juan A. Mahusay, Jr.	To payment for monthly allowances of one (1) watchman of Kisanday spring source for the month of June 2013	1,000.00	N	N	N
08-102	1248792	30-Aug-13	Melbin Gotang	To payment for monthly allowance of one (1) watchman of P5 Anahawon reservoir for the month of August 2013	1,000.00	N	N	Y
08-103	1248793	30-Aug-13	Artemio Mahusay	To payment for monthly allowance of one (1) watchman of Dologon reservoir for the month of August 2013	600.00	N	N	Y
08-104	1248794	30-Aug-13	Arnold R. Sotto	To payment for monthly allowance of one (1) watchman of Dologon reservoir for the month of August 2013	600.00	N	N	Y
08-105	1248795	30-Aug-13	Juan A. Mahusay, Jr.	To payment for monthly allowance of one (1) watchman of Kinsanday spring source for the month of August 2013	1,000.00	N	N	N
12-100	1350164	27-Dec-13	Artemio Mahusay	To payment for monthly allowance of one (1) watchman Dologon spring source for the month of December 2013	600.00	N	N	Y
12-101	1350165	27-Dec-13	Arnold R. Sotto	To payment for monthly allowance of one (1) watchman Dologon reservoir for the month of December 2013	600.00	N	N	Y

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
12-98	1350162	27-Dec-13	Juan A. Mahusay, Jr.	To payment for monthly allowance of one (1) watchman Kisanday spring source for the month of December 2013	1,000.00	N	N	N
12-99	1350163	27-Dec-13	Milben Gotang	To payment for monthly allowance of one (1) watchman P5 Anahawan reservoir for the month of December 2013	1,000.00	N	N	Y
<b>TOTAL</b>					<b>16,000.00</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>0</b>	<b>0</b>	<b>8</b>
					<b>No. of "N"</b>	<b>20</b>	<b>20</b>	<b>12</b>


"N" - Not attached

"Y" - Attached

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
 State Auditing Examiner II  
 Audit Team Member

  
**MA. GLENN A. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader



**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Summary of Payments of Salaries and Wages of Job Order Employees  
For CY 2013

**ANNEX N**  
Finding No. 3, AAR Page Nos. 18 & 19


Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
04-29	1248311	15-Apr-13	Joby B. Matunog	To payment for salaries of MWD job orders for the period April 1-15, 2013	15,479.58	N	N	Y
04-89	1248371	30-Apr-13	Joby B. Matunog	To payment for salaries of MWD job order employees for the period April 16-30, 2013	16,685.40	N	N	Y
05-31	1248421	15-May-13	Joby B. Matunog	To payment for salaries of MWD job order employee for the period May 1-15, 2013	13,244.07	N	N	Y
05-94	1248484	31-May-13	Joby B. Matunog	To payment for salaries of MWD job order employees for the period May 16-31, 2013	17,890.52	N	N	Y
06-30	1248524	14-Jun-13	Joby B. Matunog	To payment for salaries of MWD job orders employees for the period June 1-15, 2013	13,584.69	N	N	Y
06-74	1248568	28-Jun-13	Joby B. Matunog	To payment for salaries of MWD job order employees for the period June 17-28,2013	15,478.85	N	N	Y
08-49	1248739	15-Aug-13	Joby B. Matunog	To payment for salaries of MWD job order employees for the period August 1-15, 13	22,093.75	N	N	Y
08-95	1248785	30-Aug-13	Joby B. Matunog	To payment for salaries of MWD job order employees for the period August 16-30, 2013	20,543.75	N	N	Y

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
12-103	1350167	27-Dec-13	Joby B. Matunog	To payment for salaries of MWD job orders employees for the period December 16-27, 2013	10,239.69	N	N	Y
12-57	1350121	13-Dec-13	Joby B. Matunog	To payment for salaries of MWD job orders for the period December 2-13, 2013	11,348.13	N	N	Y
<b>TOTAL</b>					<b>156,588.43</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>0</b>	<b>0</b>	<b>10</b>
					<b>No. of "N"</b>	<b>10</b>	<b>10</b>	<b>0</b>

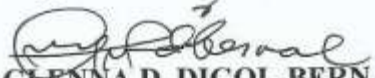
"N" - Not attached

"Y" - Attached

Prepared by:

  
**ISHRA ARRA MAE O. ORPILLA**  
 State Auditing Examiner II  
 Audit Team Member

Reviewed by:

  
**MA. GLENN A. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader

**MARAMAG WATER DISTRICT**

Maramag, Bukidnon

Summary of Payments of Salaries and Wages of Casual Employees  
For CY 2013

**ANNEX O**

Finding No. 3, AAR Page Nos. 18 & 19

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
04-28	1248310	15-Apr-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period April 1-15, 2013	31,409.80	N	N/A	Y
04-88	1248370	30-Apr-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period April 16-30, 2013	34,550.78	N	N/A	Y
05-30	1248420	15-May-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period May 1-15, 2013	28,268.82	N	N/A	Y
05-93	1248483	31-May-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period May 16-31, 2013	37,691.76	N	N/A	Y
06-29	1248523	14-Jun-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period June 1-15, 2013	28,268.82	N	N/A	Y
06-73	1248567	28-Jun-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period June 17-28, 2013	31,409.80	N	N/A	Y
08-48	1248738	15-Aug-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the month of August 1-15, 2013	42,039.00	N	N/A	Y

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
08-94	1248784	30-Aug-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period August 16-30, 2013	37,835.10	N	N/A	Y
12-102	1350166	27-Dec-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period December 16-27, 2013	33,631.20	N	N/A	Y
12-56	1350120	13-Dec-13	Joby B. Matunog	To payment for salaries of MWD casual employees for the period December 2-13, 2013	42,039.00	N	N/A	Y
<b>TOTAL</b>					<b>347,144.08</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>0</b>	<b>0</b>	<b>10</b>
					<b>No. of "N"</b>	<b>10</b>	<b>0</b>	<b>0</b>

"N" - Not attached

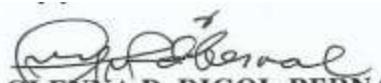
"Y" -

Attached

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
 State Auditing Examiner II  
 Audit Team Member

  
**MA. GLENNA D. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Summary of Payments of Salaries and Wages of Pump Operators  
For CY 2013


**ANNEX P**  
Finding No. 3, AAR Page Nos. 18 & 19

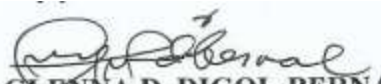
Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgement Receipt
04-31	1248313	15-Apr-13	Joby B. Matunog	To payment for salaries of MWD pump operators for the period April 1-15, 2013	6,825.00	N	N	N/A
04-93	1248375	30-Apr-13	Joby B. Matunog	To payment of salaries of MWD pump operators for the period April 16-30, 2013	7,200.00	N	N	N/A
05-33	1248423	15-May-13	Joby B. Matunog	To payment for salaries of MWD pump operators Lariosa area Tubigon for the period May 1-15, 2013	6,425.00	N	N	N/A
05-91	1248481	31-May-13	Joby B. Matunog	To payment of salaries of pump operators Tubigon Area for the period May 16-31, 2013	6,800.00	N	N	N/A
06-33	1248527	14-Jun-13	Joby B. Matunog	To payment for salaries of MWD pump operators for the period June 1-15, 2013	6,825.00	N	N	N/A
06-76	1248570	28-Jun-13	Joby B. Matunog	To payment of salaries of MWD pump operators - Tubigon area for the period June 16-30, 2013	6,225.00	N	N	N/A
12-66	1350130	16-Dec-13	Joby B. Matunog	To payment for salaries of MWD pump operators for the period December 1-15, 2013	9,843.75	N	N	N/A
<b>TOTAL</b>					<b>50,143.75</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>0</b>	<b>0</b>	<b>0</b>
					<b>No. of "N"</b>	<b>6</b>	<b>6</b>	<b>0</b>

"N" - Not attached  
"Y" - Attached

Prepared by:

Reviewed by

  
**ISHRA ARRA MAE O. ORPILLA**  
State Auditing Examiner II  
Audit Team Member

  
**MA. GLENNA D. DIGOL-BERNAL**  
State Auditor IV  
Audit Team Leader

**MARAMAG WATER DISTRICT**

Maramag, Bukidnon

Summary of Payments of Salaries and Wages of Construction Workers  
For CY 2013

**ANNEX Q**

Finding No. 3, AAR Page Nos. 18 & 19

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
04-25	1248307	12-Apr-13	Joby B. Matunog	To payment for salaries of construction workers for the period April 6-12, 2013	11,950.00	N	N	Y
04-52	1248334	19-Apr-13	Joby B. Matunog	To payment for salaries of construction workers for the period April 13-19, 2013	12,700.00	N	N	Y
04-98	1248380	30-Apr-13	Joby B. Matunog	To payment of construction workers for the period April 27-30, 2013	5,600.00	N	N	Y
05-09	1248399	3-May-13	Joby B. Matunog	To payment for salaries of construction workers for the period May 1-3, 2013	6,500.00	N	N	Y
05-23	1248413	10-May-13	Joby B. Matunog	To payment for salaries of MWD construction workers for the period May 4-10, 2013	11,700.00	N	N	Y
05-39	1248429	17-May-13	Joby B. Matunog	To payment for salaries of construction workers for the period May 11-17, 2013	10,650.00	N	N	Y
05-64	1248454	24-May-13	Joby B. Matunog	To payment for salaries of construction workers for the period May 18-24, 2013	12,100.00	N	N	Y
05-95	1248485	31-May-13	Joby B. Matunog	To payment for salaries of construction workers for the period May 25-31, 2013	12,800.00	N	N	Y
06-11	1248505	7-Jun-13	Joby B. Matunog	To payment of salaries of construction workers for the period June 1-17, 2013	12,250.00	N	N	Y
06-32	1248526	14-Jun-13	Joby B. Matunog	To payment for salaries of construction workers for the period June 8-14, 2013	12,800.00	N	N	Y
06-51	1248545	21-Jun-13	Joby B. Matunog	To payment for salaries of construction workers for the period June 15-21, 2013	9,850.00	N	N	Y

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
06-77	1248571	28-Jun-13	Joby B. Matunog	To payment of salaries of MWD construction workers for the period June 22-28, 2013	10,750.00	N	N	Y
08-15	1248705	5-Aug-13	Joby B. Matunog	To payment for salaries of construction workers for the period August 1-15, 2013	9,150.00	N	N	Y
08-28	1248718	8-Aug-13	Joby B. Matunog	To payment for salaries of construction workers for the period August 6-8, 2013	7,924.38	N	N	Y
08-35	1248725	13-Aug-13	Joby B. Matunog	To payment for salaries of construction workers for the period August 9-12, 2013	8,840.63	N	N	Y
08-56	1248746	16-Aug-13	Joby B. Matunog	To payment for salaries of construction workers for the period August 13-16, 2013	7,700.00	N	N	Y
08-74	1248764	23-Aug-13	Joby B. Matunog	To payment for salaries of construction workers for the period August 17-23, 2013	11,700.00	N	N	Y
08-97	1248787	30-Aug-13	Joby B. Matunog	To payment for salaries of construction workers for the period August 24-30, 2013	11,750.00	N	N	Y
12-108	1350172	27-Dec-13	Joby B. Matunog	To payment for salaries of construction workers for the period Dec 21-27, 2013	7,562.50	N	N	Y
12-29	1249193	6-Dec-13	Joby B. Matunog	To payment for salaries of construction workers for the period December 2-4, 2013	5,100.00	N	N	Y
12-30	1249194	6-Dec-13	Joby B. Matunog	To payment for salaries of construction workers for the period December 2-6, 2013	2,750.00	N	N	Y
12-59	1350123	13-Dec-13	Joby B. Matunog	To payment for salaries of construction workers for the period December 9-13, 2013	8,500.00	N	N	Y
12-87	1350151	20-Dec-13	Joby B. Matunog	To payment for salaries of construction workers for the period Dec 16-20, 2013	8,500.00	N	N	Y
<b>TOTAL</b>					<b>219,127.51</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>0</b>	<b>0</b>	<b>23</b>
					<b>No. of "N"</b>	<b>23</b>	<b>23</b>	<b>0</b>

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
<b>TOTAL</b>					<b>219,127.51</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>0</b>	<b>0</b>	<b>23</b>
					<b>No. of "N"</b>	<b>23</b>	<b>23</b>	<b>0</b>


"N" - Not attached

"Y" - Attached

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
 State Auditing Examiner II  
 Audit Team Member

  
**MA. GLENNA D. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader



**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Summary of Other Salaries Paid  
For CY 2013

**ANNEX R**

Finding No. 3, AAR Page Nos. 18 & 19

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
04-17	1248299	8-Apr-13	Camilo L. Dumale	To payment for labor for grass cutting at fruit trees area at reservoir #2 site, Base Camp, Maramag, Bukidnon for the period April 3-6, 2013	5,000.00	Y	N	N/A
04-30	1248312	15-Apr-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for the period April 1-15, 2013	5,250.00	Y	N	Y
04-90	1248372	30-Apr-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for MWD repairs of servicelines for the period April 16-30, 2013	5,750.00	Y	N	Y
05-32	1248422	15-May-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for repairs of servicelines for the period May 1-15, 2013	5,000.00	Y	N	Y
05-96	1248486	31-May-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for repairs of MWD servicelines for the period May 16-31, 2013	5,760.00	Y	N	Y
06-31	1248525	14-Jun-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for repairs of service lines for the period June 1-15, 2013	5,250.00	Y	N	Y
06-60	1248554	25-Jun-13	Camilo L. Dumale	To payment for labor for grass cutting at Reservoir #2 site Base Camp, Maramag, Bukidnon for the period June 19-21, 2013	5,000.00	Y	N	N/A
06-75	1248569	28-Jun-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for repairs of leakages for the period June 17-28, 2013	5,250.00	Y	N	Y
08-08	1248698	2-Aug-13	Manuel M. Colinare, Jr.	To payment for labor for installation of electrical wirings of MWD extension office	5,100.00	Y	N	N/A

Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
08-106	1248796	30-Aug-13	Benjie E. Merchan	To payment for labor for painting works of MWD extension office for the period August 27-30, 2013	5,000.00	Y	N	N/A
08-29	1248719	12-Aug-13	Benjie E. Merchan	To payment for labor for painting works of MWD Extension Office Building for the period August 8-12, 2013	7,000.00	Y	N	N/A
08-50	1248740	15-Aug-13	Joby B. Matunog	To payment for labor in assisting MWD plumbers for repairs of MWD servicelines for the period August 1-15, 13	2,498.44	Y	N	Y
08-55	1248745	16-Aug-13	Benjie E. Merchan	To payment for labor for painting works of MWD extension office for the period August 13-16, 2013	10,000.00	Y	N	N/A
08-76	1248766	23-Aug-13	Benjie E. Merchan	To payment for labor for painting works of MWD extension office building for the period August 17-23, 2013	8,000.00	Y	N	N/A
08-83	1248773	23-Aug-13	Benjie E. Merchan	To payment of labor for painting of MWD extension office for the period Aug. 23-27, 2013	2,000.00	Y	N	N/A
08-96	1248786	30-Aug-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for repairs of MWD servicelines for the period August 16-30, 2013	2,248.44	Y	N	Y
12-104	1350168	27-Dec-13	Joby B. Matunog	To payment for labor for assisting MWD plumbers for repairs of MWD servicelines for the period December 16-27, 2013	875.00	Y	N	Y
12-24	1249188	6-Dec-13	Noel C. Asuncion	To payment for labor for interconnection of mainline at P5A North Poblacion, Maramag, Bukidnon for the period Nov 28 to Dec. 6, 2013	2,000.00	Y	N	N/A
12-58	1350122	13-Dec-13	Joby B. Matunog	To payment for labor assisting MWD plumbers for MWD repairs of service lines for the period December 2-13, 2013	1,997.40	Y	N	Y


Reference			Payee	Particulars	Amount Charged	Documents Attached		
Voucher #	Check No.	Check Date				Accomplishment Report	Approved Job Order/ Work Order	Acknowledgment Receipt
12-60	1350124	13-Dec-13	Joby B. Matunog	To payment for labor for construction of MWD cabinets for the period Decemebr 9-13, 2013	2,750.00	Y	N	Y
12-88	1350152	20-Dec-13	Joby B. Matunog	To payment for labor for construction of MWD cabinets for the period Decemebr 16-20, 2013	4,000.00	Y	N	Y
<b>TOTAL</b>					<b>95,729.28</b>			
<b>SUMMARY OF INCOMPLETE DOCUMENTS</b>					<b>No. of "Y"</b>	<b>21</b>	<b>0</b>	<b>12</b>
					<b>No. of "N"</b>	<b>0</b>	<b>21</b>	<b>0</b>

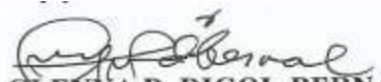
"N" - Not attached

"Y" - Attached

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
 State Auditing Examiner II  
 Audit Team Member

  
**MA. GLENNA D. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader

**MARAMAG WATER DISTRICT**  
Maramag, Bukidnon  
Summary of Payments of Foreign Travel Expenses  
For CY 2012 and 2013


ANNEX S  
Finding No. 4, AAR Page Nos. 19 & 20


DV No.	Payee	Particulars	Check No.	Date	Amount	Actual Expenses	Total
10-76	GM Rosemarie D. Agustin	Cash Advance for travel to Bidakara Jakarta to attend the Eastern Regional Organization for Public Administration (EROPA) Seminar on Challenges to Administrative Reform on Oct. 26 to Nov. 1, 2012	1169636	10/24/12	₱ 55,921.00	42,900.00	
10-77	Dir. Elma A. Estenzo	Cash Advance for travel to Bidakara Jakarta to attend the Eastern Regional Organization for Public Administration (EROPA) Seminar on Challenges to Administrative Reform on Oct. 26 to Nov. 1, 2012	1169637	10/24/12	- 55,921.00	42,900.00	
10-50	3G Travel & Tours	Payment of round-trip airfares of Dir. Estenzo and GM Agustin for CDO-Mnl-CDO on Oct. 26 & Nov. 1, 2012	11696610	10/15/12	14,738.00	14,738.00	
10-49	3G Travel & Tours	Payment of round-trip airfares of Dir. Estenzo and GM Agustin for Mnl-CGK-Mla on Oct. 26 & Nov. 1, 2012	11696609	10/15/12	19,368.00	19,368.00	119,906.00
10-45	GM Rosemarie D. Agustin	CA for travel to Tachikawa, Japan for EROPA conference.	1248976	10/9/13	29,743.00	29,743.00	
10-46	3G Travel & Tour	Plane tickets of Dir. Estenzo-Mla routes on Oct. 13 and Oct. 20, 2013	1248977	10/9/13	20,257.00	20,257.00	

DV No.	Payee	Particulars	Check No.	Date	Amount	Actual Expenses	Total
10-47	Dir. Elma A. Estenzo	CA for travel to Tachikawa, Japan for EROPA conference.	1248978	10/9/13	29,743.00	29,743.00	
10-48	3G Travel & Tour	Plane tickets of GM RD Agustin for Mla-Osaka-Mla routes on Oct. 13 and Oct. 20, 2013	1248979	10/9/13	20,257.00	20,257.00	100,000.00
		<b>GRAND TOTAL</b>			<b>₱ 245,948.00</b>	<b>219,906.00</b>	<b>219,906.00</b>

Prepared by:

Reviewed by:

  
**ISHRA ARRA MAE O. ORPILLA**  
 State Auditing Examiner II  
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**MA. GLENN A. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader

## **PART V – APPENDICES**

MARAMAG WATER DISTRICT  
Maramag, Bukidnon

SUMMARY OF NOTICES OF CHARGE, DISALLOWANCE, SUSPENSION  
Issued for the period covering the transactions for CY 2013

**Notice of Charge:**

NC No.	Date Issued	Particulars	Finding No.	Amount	Annex
		<i>none</i>			

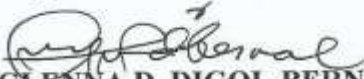
**Notice of Suspension:**

NS No.	Date Issued	Particulars	Finding No.	Amount	Annex
2014-01 (CY 2013)	6/23/14	Actual travel expenses incurred during international conference held in Osaka, Japan	4	100,000.00	S
2014-02 (CY 2012)	6/23/14	Actual travel expenses incurred during international seminar held in Jakarta, Indonesia	4	119,906.00	S
Total				219,906.00	

**Notice of Disallowance:**

ND No.	Date Issued	Particulars	Finding No.	Amount	Annex
2014-01 (CY 2013)	6/23/14	Payment of financial assistance and cash gift to the Board of Directors	5	52,875.00	

Prepared by:

  
**MA. GLENN A. DIGOL-BERNAL**  
 State Auditor IV  
 Audit Team Leader