Republic of the Philippines
PROVINCE OF ZAMBOANGA DEL SUR
Municipality of Molave

OFFICE OF THE SECRETARY TO THE SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE 53rd REGULAR SESSION OF THE SANGGUNIANG BAYAN (12TH MUNICIPAL COUNCIL UNDER THE LGC OF 1991) OF THE MUNICIPALITY OF MOLAVE, PROVINCE OF ZAMBOANGA DEL SUR HELD AT SB SESSION HALL ON JULY 14, 2026 AT 9:00 A.M.

Officers/Members	Position	Present	Absent	Remarks
Hon. Monalisa J. Glepa	Mun. Vice Mayor	✓		P.O.
Hon. Desiderio L. Jabello	SB Member	✓		
Hon. Cornelio R. Salinas	SB Member	✓		
Hon. Illuwil D. Orbita	SB Member	✓		
Hon. Joel M. Geromo	SB Member	✓		
Hon. Jonathan S. Uy	SB Member	✓		
Hon. Jacosalem A. Perong, Jr.	SB Member	✓		
Hon. Leonila J. Bermejo	SB Member	✓		
Hon. Welie R. Cabasag	SB Member	✓		
Hon. Earl Louise A. Glepa, LNB Pres.	Ex-Officio Member	✓		
Hon. Charina A. Jordan, SKF Pres.	Ex-Officio Member	✓		

RESOLUTION NO. 12th-437-2026

A RESOLUTION RESPECTFULLY REQUESTING THE MUNICIPAL MAYOR, HON. CYRIL REO A. GLEPA, M.D., TO DIRECT THE CONCERNED DEPARTMENT/OFFICE HEADS TO ACT UPON AND COMPLY WITH THE RECOMMENDATIONS CONTAINED IN THE COMMISSION ON AUDIT (COA) ANNUAL AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2025.

WHEREAS, the Sangguniang Bayan received the Commission on Audit the Annual Audit Report for the year ended December 31, 2025 of this municipality and was referred to the concerned committee for action;

WHEREAS, after due deliberation, the committee found that the Annual Audit Report contains Thirteen (13) Audit Observations requiring immediate attention and appropriate action by the concerned departments and offices, to wit:

1. The Inventory Committee failed to conduct the regular physical inventory count of all inventories and Property, Plant and Equipment (PPE), contrary to the requirement provided under Section 124, Chapter 7, Volume I of the Manual on New Government Accounting System (NGAS) for Local Government Units (LGUs), hence, existence, completeness, valuation and condition of recorded inventories and PPE, with net amounts totaling Php 4.110 million and Php1.063 billion respectively, could not be ascertained as of year-end;

2. The Construction in Progress (CIP) accounts reported in the year-end financial statements of the municipality totaling Php 250.680 million cannot be relied upon due to the inclusion of costs pertaining to completed projects and the presence of misclassified account. These deficiencies consequently affect the fair presentation of the CIP account and the related property, plant and equipment (PPE) balances;

3. Various donated properties totaling Php4.273 million received by the LGU were not reported by the concerned office to the Accounting Office and the General Service Office (GSO) for recording and inventory purposes; hence, these remain unrecorded in the books of accounts, resulting in the understatement of the appropriate Property, Plant, and Equipment (PPE) accounts and the non-recognition of the corresponding depreciation.

4. Property, Plant and Equipment (PPE) totaling Php1.683 million were reported missing, but were neither disclosed in the financial statements nor subjected to appropriate investigation, contrary to existing government accounting and property management regulations, thus, affecting the fair presentation of

affected account in the financial statements and the non-establishment of accountability.

5. No adjustment was made as of year-end for Five (5) stale checks totaling Php 0.867 million resulting in the understatement of the Cash in Bank-Local Currency Current Account (CIB-LCCA) and over/understatement of related accounts.

6. Advertisement collections of the LGU FM Radio Station totaling Php232,390.00 were improperly recorded entirely as income instead of recognizing the corresponding liability amounting to Php120,842.80, comprising of the 40% share of the marketing unit which was recorded as expense and the 20% share of net income due to the Philippine Broadcasting Service- Bureau of Broadcast Services (PBS-BBS) which was not recognized as of December 31, 2025, contrary to IPSAS 1 and Municipal Ordinance No. 11th-14-2022, resulting in the overstatement of income and expenses and understatement of liabilities, thereby affecting the fair presentation of the financial statements.

7. Adjusting entry to record a book reconciling item in the agency's BRS as of December 31, 2025 amounting to Php5,223.81 was not made. In the same manner, the necessary adjustment was also not made in the Treasury books. This resulted to the understatement of the CIB-LCCA by the same amount and misstating other accounts affected, rendering the reported balance inaccurate.

8. Deficiencies in the implementation of inventory management system, indicating weaknesses in internal control over inventory, particularly on welfare goods and replacement parts under the custody of the Local Disaster Risk Reduction and Management (LDRRM) Office and Municipal Water System (MWS) Office resulted to unreliable inventory records; loss or wastage due to missing, damages and/or expired items; and accountability risk.

9. The necessary validation and assessment of existing project conditions relative to requests for time extension or suspension of work by contractors were not strictly implemented by management, hence, delays in project implementation may have occurred without sufficient justification and proper evaluation. Moreover, deficiencies in the validation, monitoring and reporting weakened management's control over project implementation, resulting in projects remaining unfinished beyond target completion dates, inconsistencies in monitoring reports, inaccurate reporting of project completion status, and non-imposition of liquidated damages.

10. The 20% Development Fund was not optimally used for the attainment of desired socio-economic and environmental outcomes as manifested in the non-implementation of four (4) Programs, Projects, and Activities (PPAs), contrary to the provisions of Sections 3.2.3 of DBM- Department of Finance (DOF)-DILG JMC No. 1.

11. Various deficiencies were noted in the appropriation and utilization of the Local Disaster Risk Reduction and Management Fund (LDRRMF) and in the preparation of the Local Disaster Risk Reduction and Management Fund Investment Plan (LDRRMFIP) contrary to Section 21 of RA 10121. Item 5.0 of NDRRMC, DBM and DILG JMC No. 2013-01 dated March 25, 2013 and COA Circular No. 2012-002 dated September 12, 2012.

12. The LGU through the GFPS, has not prepared its GAD Agenda, submitted its GAD Plan and Budget (GPB) beyond the prescribed period, and was unable to provide the necessary attachments to support its GAD Accomplishment Report, contrary to the pertinent provisions of the Philippine Commission on Women (PCW)-Department of Interior and Local Government (DILG)-Department of Budget and Management (DBM)-National Economic and Development Authority (NEDA) Joint Memorandum Circular (JMC) No. 2013-01, as amended by JMC No. 2016-01.

Cc: MO, MPDC

13. GAD Corner was not established in the Municipality, as required under pertinent provisions of PCW Memorandum Circular No. 2025-05 dated June 23, 2025.

WHEREAS, each of the foregoing Audit Observations is accompanied by corresponding recommendations issued by the Commission on Audit, which require appropriate action and compliance by the concerned department and office heads;

WHEREAS, the Sangguniang Bayan deems it necessary to request the Municipal Mayor to direct all concerned department and office heads to immediately act upon and implement the recommendations contained in the Annual Audit Report in order to strengthen internal controls, improve financial management, ensure compliance with applicable laws, rules and regulations, and prevent the recurrence of similar audit findings;

WHEREAS, copies of the pertinent Audit Observations and corresponding COA recommendations should be reproduced and furnished to the concerned departments and offices through the Office of the Municipal Mayor to facilitate prompt compliance.

NOW, THEREFORE, on motion of Honorable Salinas and duly seconded by Honorable Uy, the Sangguniang Bayan of Molave, Zamboanga del Sur, hereby;

RESOLVED, as it is hereby resolved to respectfully requesting the Municipal Mayor, Hon. Cyril Reo A. Glepa, M.D., to direct the concerned Department/Office Heads to act upon and comply with the recommendations contained in the Commission on Audit (COA) Annual Audit Report for the year ended December 31, 2025.

UNANIMOUSLY APPROVED, this 14th day of July, 2026 at Molave, Zamboanga del Sur.

CERTIFIED CORRECT:

JUNARD C. SAYSON
A.O. V/O.I.C.

ATTESTED AND DULY CERTIFIED:

MONALISA J. GLEPA, R.N.
Mun. Vice Mayor/ Presiding Officer

OFFICE OF THE MAYOR
MUNICIPALITY OF MOLAVE
PROVINCE OF ZAMBOANGA DEL SUR
RECEIVED
CRIS GEM [illegible]
Date: 7/16/26 Time: 3:09 PM

Received by:
John Paul Cavan
Staff 1 - MPDO
7/16/26

Cc: MO, MPDC