REPUBLIC OF THE PHILIPPINES
SANGGUNIANG PANLUNGSOD
CITY OF MANDALUYONG

ISO 9001:2015
QUALITY MANAGEMENT SYSTEM
CB CERT. NO. 119910

ORDINANCE NO. 967, S-2024

AN ORDINANCE CREATING THE INTERNAL AUDIT SERVICE OFFICE AND REPEALING THE ORDINANCE NO. 540, S-2014 CREATING THE INTERNAL AUDIT SERVICE UNDER THE ORGANIZATIONAL STRUCTURE OF THE CITY GOVERNMENT OF MANDALUYONG

WHEREAS, Republic Act No. 3456, otherwise known as the "Internal Auditing Act of 1962" as amended by R.A. No. 4177, established the internal control system in all government agencies, subdivisions and instrumentalities of the national government, including local government units, and required the said agencies to create, establish and organize an Internal Audit Service in their respective offices;

WHEREAS, the creation of the Internal Audit Service manifests the continuous effort of the City Government of Mandaluyong to strengthen accountability, ensure ethical, economical, efficient and effective operations of the City Government, improve the quality and quantity of outputs and outcomes and enable the local government to better respond to the requirements of the public they serve;

WHEREAS, the City Government of Mandaluyong, in compliance with Republic Act. No. 3456 as amended, enacted the Ordinance No. 540, S-2014 Creating the Internal Audit Service under the Organizational Structure of the City Government of Mandaluyong;

WHEREAS, to effectively implement and comply with the mandate of Republic Act. No. 3456 as amended, the Internal Audit Services of the City Government of Mandaluyong will be converted into a Division under the Office of the City Mayor;

WHEREAS, in view of the foregoing, there is a need to create the Internal Audit Services Office and to repeal the Ordinance No. 540, S-2014 creating the Internal Audit Service Under the Organizational Structure of the City Government of Mandaluyong.

NOW, THEREFORE, BE IT ORDAINED, by the Sangguniang Panlungsod of Mandaluyong in session assembled:

SECTION 1. There is hereby created, under the organizational structure of the City Government of Mandaluyong the Internal Audit Service Office which shall assist the City Government to achieve an efficient and effective fiscal administration and performance of government affairs and functions.

SECTION 2. The Internal Audit Service Office shall be under the direct administrative control and supervision of the Office of the City Mayor. It shall be an independent staff unit and shall correspondingly perform staff functions.

SECTION 3. The Internal Audit Service Office shall be headed by its Internal Audit Manager which position is equivalent to City Government Assistant Department Head II with Salary Grade 24.

SECTION 4. The Internal Audit Manager shall report directly to the City Mayor and shall have the following functions:

1. Ensure that the technical proficiency and education background of internal auditors are appropriate for the audit to be performed;

2. Ensure that internal auditors possess the knowledge, skills and discipline needed to carry out the audit responsibilities of the office;

3. Ensure that internal audits are properly supervised and performed with due professional care;

4. Conduct the audit in conformity with International Standards for Professional Practice of Internal Auditing; and

5. Strictly observe the Code of Ethics promulgated by the Association of Government Internal Auditors (AGIA) to maintain high standards of honesty, objectivity, diligence and loyalty.

SECTION 5. The Internal Audit Service Office shall perform the following functions:

1. Advise the City Mayor on all matters relating to management control and operations audit of the executive and other offices;

2. Determine the reliability and integrity of financial and operational information and the means used to identify, measure, classify and report such information;

3. Conduct management audit and operations performance audit of the City government functions, programs, projects, activities, and outputs and determine the extent of compliance with their mandate, policies, government regulations, established objectives, systems, procedures, processes, and contractual obligations;

4. Determine the extent to which the assets and other resources of the City are accounted for and safeguarded from all kinds of losses;

5. Review operation or programs to ascertain whether or not the results are inconsistent with established objectives and goals;

6. Analyze and evaluate management deficiencies and assist top management by recommending realistic courses of action;

7. Review and appraise systems and procedures, organizational structures, asset management practices, financial and management records, reports, and performance standards of the City Government;

8. Evaluate the quality of performance of groups/individuals in carrying out their assigned responsibilities; and

9. Perform such other related duties and responsibilities as may be assigned or delegated by the City Government or as may be required by law.

SECTION 6. The Internal Audit Service Office may be called upon by the City Mayor to perform special assignments. However, it shall not be responsible for or required to participate in procedures which are essentially a part of regular operating activities or in operations which are the primary responsibility of another office in the City Government.

Further, the Internal Audit Service Office shall be detached from all functions of routine operating character, such as:

1. Pre-Audit of vouchers and counter-signature of checks;

2. Conduct of internal quality audit as part of the ongoing implementation of the QMS;

3. Participation in procurement procedures, including membership in the Bids and Awards Committee, its secretariat or technical working group;

4. Preparation or review of draft policies, guidelines, standards or operating procedures of other offices;

5. Inspection of deliveries, although the internal auditor may, as part of his examination, observe inspection;

6. Preparation of treasury and bank reconciliation statements;

7. Development and installation of systems and procedures, however, in exceptional cases, the internal auditor may assist by way of giving suggestions;

8. Taking physical inventories, however, the Internal Auditor may review the plans in advance and observe and test-check the accuracy of counting, costing and summarizing;

9. Preparation or review of draft policies, guidelines, standards or operating procedures of other offices;

10. Review and certification of financial reports before approval by the agency head;

11. Conduct of physical inventories;

12. Maintaining property records; and

13. All other activities related to operations.

SECTION 7. REPEALING CLAUSE. Ordinance No. 540, S-2014 Creating the Internal Audit Service under the Organizational Structure of the City Government of Mandaluyong is hereby repealed for being inconsistent with this Ordinance.

SECTION 8. SEPARABILITY CLAUSE. Should any part or section of this Ordinance be declared as unconstitutional or invalid by any court of competent jurisdiction, such judgment shall not affect or impair the remaining provisions, sections, or parts thereof, which shall continue to be in full force and effect.

SECTION 9. This Ordinance shall take effect immediately upon approval and after publication in a newspaper of general circulation in Metro Manila.

ENACTED on this 12th day of February 2024, in the City of Mandaluyong.

I HEREBY CERTIFY THAT THE FOREGOING ORDINANCE WAS ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MANDALUYONG IN A REGULAR SESSION HELD ON THE DATE AND PLACE FIRST ABOVE GIVEN.

MA. TERESA S. MIRANDA
Sanggunian Secretary

ATTESTED BY:

CARMELITA A. ABALOS
City Vice Mayor
& Presiding Officer

APPROVED BY:

BENJAMIN S. ABALOS
City Mayor

Date: MAR 14 2024

DISTRICT I	DISTRICT II
ANTONIO DLS. SUVA, JR. Councilor	BENJAMIN A. ABALOS III Councilor
ANJELO ELTON P. YAP Councilor	ALEXANDER C. STA. MARIA Councilor
DANILO L. DE GUZMAN Councilor	REGINALD S. ANTIOJO Councilor
RODOLFO M. POSADAS Councilor	LESLIE F. CRUZ Councilor
CARISSA MARIZ S. MANALO Councilor	MICHAEL R. OCAMPO Councilor
ESTANISLAO V. ALIM III Councilor	MICHAEL ERIC G. CUEJILO Councilor

DARWIN A. FERNANDEZ
LnB President

CHERILYN V. MINA
SK Federation President