



Republika ng Pilipinas
SANGGUNIANG PANLUNGSOD NG MARIKINA

PRESENT :

Hon. JOSE FABIAN I. CADIZ, M.D. City Vice Mayor/
Presiding Officer

DISTRICT I

Hon. RONNIE S. ACUÑA	City Councilor
Hon. FRANKIE C. AYUSON	City Councilor
Hon. JOSEPH B. BANZON	City Councilor
Hon. WILLIE N. CHAVEZ	City Councilor
Hon. SAMUEL S. FERRIOL	City Councilor
Hon. MARIO M. DE LEON	City Councilor
Hon. EVA AGUIRRE-PAZ	City Councilor
Hon. THADDEUS ANTONIO M. SANTOS, JR.	City Councilor

DISTRICT II

Hon. ARIEL V. CUARESMA	City Councilor
Hon. PAUL B. DAYAO	City Councilor
Hon. MARK ALBERT J. DEL ROSARIO	City Councilor
Hon. ERNESTO M. FLORES	City Councilor
Hon. SUSANA P. MAGTUBO	City Councilor
Hon. ROMMEL F. ORTIZ	City Councilor
Hon. RUBEN R. REYES	City Councilor
Hon. XYZA DIAZEN-SANTOS	City Councilor

SECTORAL REPRESENTATIVE

Hon. LEVY DL DE GUZMAN Liga President

ORDINANCE NO. 018
Series of 2016

ORDINANCE CREATING THE INTERNAL AUDIT SERVICE OFFICE IN THE CITY OF MARIKINA, DEFINING ITS FUNCTIONS AND COMPOSITION

Introduced by: Councilor MARIO M. DE LEON
Councilor ERNESTO M. FLORES
Councilor RONNIE S. ACUÑA
Councilor PAUL B. DAYAO
Councilor JOSEPH B. BANZON
Councilor FRANKIE C. AYUSON
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Councilor EVA AGUIRRE-PAZ
Councilor LEVY DL DE GUZMAN
And
Vice-Mayor JOSE FABIAN I. CADIZ, M.D.

WHEREAS, the City Government of Marikina recognizes the importance and necessity of continuously evaluating and improving the quality of service provided to the Constituents of this City thru a system of internal auditing that will ensure the effective and appropriate functioning of the local offices and departments in utilizing their resources, complying with legal, contractual and procedural requirements, and in implementing their respective programs and activities;

WHEREAS, relative to this, the City Government of Marikina deems it integral to create the Internal Auditor Service Office pursuant to Republic Act No. 3456 (Internal Auditing Act of 1962) as amended by R.A. No. 4177, Administrative Order No. 278 issued on April 28, 1992 and Administrative Order No. 70 issued on April 14, 2003 which mandates all heads of government agencies, GOCCs, GFI, SUCs and Local Government Units to immediately organize an Internal Auditing System in their respective offices, which shall function in accordance with the policies establish by the provisions of R.A. No. 3456 as amended by R.A. No. 4177.

NOW THEREFORE, BE IT ORDAINED AS IT IS HEREBY ORDAINED by the City Council of Marikina in session duly assembled that:

SECTION 1. TITLE. This Ordinance shall be known as the "Ordinance Creating the Internal Audit Service Office of Marikina City".

SECTION 2. CREATION OF THE INTERNAL AUDIT SERVICE OFFICE OF MARIKINA CITY. The Internal Audit Service Office of Marikina City is hereby created as an integral part of the Office of the Mayor and shall assit in the management and effective discharge of the responsibilities of the office.

SECTION 3. FUNCTIONS AND ACTIVITIES OF THE INTERNAL AUDIT SERVICE OFFICE :

A. Without encroaching on the authority and mandate of the Commission on Audit, the Internal Audit Service Office (IASO) shall discharge three (3) major functions:

- 1) Compliance Audit – Evaluation of the degree of compliance with laws, regulations, managerial policies, operating procedures, accountability measures, ethical standards and contractual obligations;
- 2) Management Audit – Appraisal of systems and processes, organization and staffing structures, operations and management practices, records, reports and performance standards of the City Government of Marikina;
- 3) Operational Audit – Evaluation of the outcome, output, process and input to determine whether government operations, programs and projects of the city are effective, efficient, ethical and economical.

B. Relative to its functions, the IASO shall perform the following internal audit activities:

- 1) Ascertaining the reliability and integrity of financial and operational information and the means used to identify, measure, classify and report such information;

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- 2) Ascertaining the extent of compliance and reviewing the systems established to ensure compliance with government policies, plans and procedures, laws and regulations which have impact on operations;
- 3) Ascertaining the extent to which the assets and other resources of the institutions are accounted for and safeguarded from losses of all kinds;
- 4) Reviewing and evaluating the soundness, adequacy and application of accounting, financial and other operating controls and promoting the most effective control at reasonable cost;
- 5) Reviewing operations or programs to ascertain whether or not results are consistent with established objectives and goals and whether or not such programs are being carried out as planned;
- 6) Evaluating the quality of performance of groups/individuals in carrying out their assigned responsibilities;
- 7) Preparing the internal audit report to document the results of its activities directly to the Local Chief Executive which shall include recommended corrective actions on operational deficiencies observed.

C. The IASO shall be detached from all functions of routine operating character, such as the following:

- 1) Pre-audit of vouchers and counter-signature of checks;
- 2) Inspection of deliveries, although the internal auditor may, as part of his examination, observe inspection;
- 3) Preparation of treasury and bank reconciliation statements;
- 4) Development and installation of systems and procedures, however, in exceptional cases, the internal auditor may assist by way of giving suggestions;
- 5) 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;
- 6) Maintaining property records; and
- 7) All other activities related to operations.

D. Internal Audit shall be performed with proficiency and due professional care in accordance with the following:

- 1) The IAS shall ensure that the technical proficiency and educational background of internal auditors are appropriate for the audit to be performed
- 2) Internal auditors shall possess/obtain the knowledge, skills and discipline needed to carry out the audit responsibilities of the IAS;
- 3) The IAS shall ensure that the internal audits are properly supervised and performed with due professional care, observing confidentiality of information and communication;
- 4) The IAS shall conduct the audit in conformity with International Standards for the Professional Practice of Internal Auditing; and
- 5) The Code of Ethics promulgated by the Association of Government Internal Auditors (AGIA) shall be strictly observed to maintain high standards of honesty, objectivity, diligence and loyalty.

SECTION 5. CREATION OF THE NEW POSITIONS. The following positions under the Internal Audit Service Office of Marikina City are hereby created:

POSITIONS

SALARY GRADE

Internal Auditor V

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Internal Auditor II	15
Internal Auditor II	15
Internal Auditing Assistant	8
Internal Auditing Assistant	8

SECTION 6. QUALIFICATIONS//REQUIREMENTS OF POSITIONS OF THE INTERNAL AUDIT SERVICE OFFICE. As provided for by the Civil Service Commission's Memorandum Circular No. 12, Series of 2006, the following are the minimum qualification standards for the IASO positions:

- a) Internal Auditor V
 - Salary Grade - 24
 - Level - 2
 - Education - Master's Degree
 - Work Experience - 4 years in the position involving management and Supervision
 - Training - 24 hours of training in management and Supervision
 - Eligibility - Career Service (Professional/Second Level Eligibility)

- b) Internal Auditor II
 - Salary Grade - 15
 - Level - 2
 - Education - Bachelor's Degree relevant to the job
 - Work Experience - 1 year of relevant experience
 - Training - 4 hours of relevant training
 - Eligibility - Career Service (Professional/Second Level Eligibility)

- c) Internal Auditing Assistant
 - Salary Grade - 8
 - Level - 1
 - Education - Completion of 2 years of study in college
 - Training - 4 hours of relevant training
 - Eligibility - Career Service (Sub-Professional/First Level Eligibility)

SECTION 7. DUTIES AND RESPONSIBILITIES. The duties and responsibilities of the positions under the Internal Audit Service Office shall be determined by the Local Chief Executive consistent or in accordance with the general functions provided for the Civil Service Commission.

SECTION 8. BUDGETARY REQUIREMENTS AND APPROPRIATION. The budget necessary for the organization and operation of the Internal Audit Service Office of Marikina City shall be taken from the Annual Budget of the Office of the Mayor.

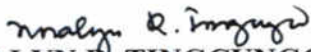
SECTION 9. SEPARABILITY CLAUSE. If for any reason, any provision, section or part of this Ordinance is declared not valid by a Court of competent jurisdiction or suspended or revoked by the authorities concerned, such judgment shall not affect or impair the remaining provisions, sections or parts shall continue to be in full force and effect.

SECTION 10. EFFECTIVITY CLAUSE. This ordinance shall take effect upon its approval.

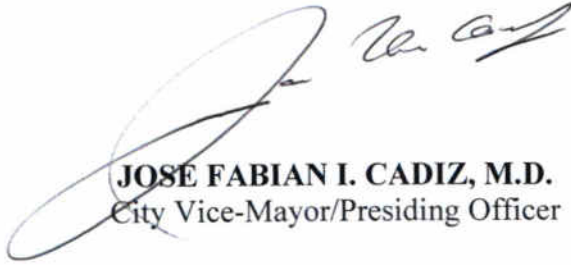
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UNANIMOUSLY APPROVED by the **SANGGUNIANG PANLUNGSOD** of **MARIKINA** this 13th day of April, 2016.

I hereby certify to the passage of the foregoing **ORDINANCE** which was duly enacted by the **CITY COUNCIL** of **MARIKINA** during its 14th Regular Session held on April 13, 2016.


NORALYN R. TINGCUNGO
Secretary to the Sanggunian

ATTESTED BY:


JOSE FABIAN I. CADIZ, M.D.
City Vice-Mayor/Presiding Officer

APPROVED by the Hon. City Mayor on MAY 05 2016


DEL R. DE GUZMAN
City Mayor