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1997 REVISED RULES OF PROCEDURE OF THE COMMISSION ON AUDIT

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Pursuant to Section 6 of Article IX-A of the Constitution of the Republic of the Philippines, and by virtue of the powers vested in it by existing laws, the Commission on Audit hereby promulgates the following rules governing pleadings and practice before it.

Rule I
Introductory Provisions

SECTION 1. Title of the Rules. — These rules shall be known and cited as the Revised Rules of Procedure of the Commission on Audit.

SECTION 2. Applicability. — These rules shall govern the pleadings and practice in the Commission on Audit in all matters, litigated cases, actions and proceedings, including administrative cases originally acted upon by or appealed to it in the exercise of its quasi-judicial function.

SECTION 3. Construction. — These rules shall be liberally construed in order to effective carry out the power, authority and duty of the Commission on Audit as vested upon it by the Constitution and the existing laws, and to achieve just, speedy and inexpensive determination and disposition of any matter or case before it.

SECTION 4. Meaning of Words. — Whenever used in these rules, the following words or terms shall mean:

a. Accounts — the bookkeeping records, including journals, ledgers, vouchers and other supporting papers; a detailed statement of items of debits and credits;

b. Appellant — the party who appeals the final order or decision of the Auditor;

c. Appellee — the Auditor whose order or decision is the subject of the appeal;

d. Auditors — the heads of the auditing units, groups or teams of the Commission on Audit;

e. Certificate of Settlement and Balances (CSB) — A written notification by the Auditor to the agency head and the accountable officer concerned of the total suspensions, disallowances and charges found in audit, as well as the total settlements thereof;

f. Chairman — the Chairman of the Commission on Audit or Presiding Officer of the Commission Proper;

g. Charges — inclusions or additions to an accountability pertaining to the assessment, appraisal or collection of revenues, receipts and other incomes such as those arising from under-appraisal, under-assessment or under-collection;

h. Commission — the Commission on Audit;

i. Commission Proper — the Chairman and the two Commissioners;

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j. Commissioner — a Commissioner of the Commission on Audit;

k. Directors — the heads of the Central Offices and Regional Offices of the Commission;

l. Government agency or agency of the government or agency — any department, bureau or office of the National Government, or any of its branches and instrumentalities or any local government unit, as well as any government-owned or controlled corporation, including its subsidiaries, or other self-governing board or commission of the government;

m. Interlocutory Order — an order issued by the Commission Proper or any of its Members, other than the final decision;

n. Member — the Chairman or a Commissioner;

o. Money claim — a demand for payment of a sum of money, reimbursement on compensation arising from law or contract due from or owing to a government agency;

p. Petitioner — the party who appeals the final order or decision of the Director to the Commission Proper;

q. Record of case — consists of the pleadings, documents and papers filed with the Auditor or Director, which support the decision or action subject of appeal. In case of audit disallowances/charges, the papers shall include certified true copies of the notice of suspension, notice of disallowance/charge, and Certificate of Settlement and Balances. In either case, the documents shall include the pertinent working papers and relevant evidences;

r. Rollo — consists of the original of the pleadings (petition, answer and reply), notices, motions, memoranda or briefs and other relevant documents which are filed in the Commission Proper thru the Commission Secretary in appealed and original cases. These are fastened or stitched in chronological order in a folder separate from the record of the case originating from the Auditor;

s. Respondent — in administrative cases, the term refers to an employee of the Commission charged with offenses punishable under Civil Service laws. In cases of petitions or money claims, the term refers to the party required to answer the petition;

t. Secretary — the head of the Commission Secretariat.

Rule II
Jurisdiction and Powers of the Commission on Audit

SECTION 1. General Jurisdiction: — The Commission on Audit shall have the power, authority, and duty to examine, audit and settle all accounts pertaining to the revenue and receipts of and expenditures or uses of funds and property. Owned or held in trust by, or pertaining to the Government, or any of its subdivisions, agencies, or instrumentalities, including government-owned and controlled corporations with original charters, and on a post-audit basis: (a) constitutional bodies, commissions and offices that have been granted fiscal autonomy under the Constitution; (b) autonomous state colleges and universities; (c) other government-owned or controlled corporations and their subsidiaries; and (d) such non-governmental entities receiving subsidy or equity directly or indirectly, from or through the government, which are required by law or the granting institution to submit to such audit as a condition of subsidy or equity. However, where the internal control system of the audited agencies is inadequate, the Commission may adopt such measures, including temporary or special pre-audit, as are necessary and appropriate to correct the deficiencies. It shall keep the general accounts of the Government, and for such period as may be provided by law, preserve the vouchers and other supporting papers pertaining thereto.

The Commission shall have exclusive authority to the limitations in Article IX of the Constitution, to define the

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scope of its audit and examination, establish the techniques and methods required therefor, and promulgate accounting and auditing rules and regulations including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant, or unconscionable expenditures, or uses of government funds and properties.

Specifically, such jurisdiction shall extend over but not limited to the following cases and matters involving:

a. Disallowance of expenditures or uses of government funds and properties found to be irregular, unnecessary, excessive, extravagant, or unconscionable;

b. Money claims due from or owing to any government agency;

c. Determination of policies, promulgation of rules and regulations, prescription of standards governing the performance by the Commission of its powers and functions;

d. Resolution of novel, controversial, complicated or difficult questions of law relating to government accounting and auditing;

e. Charges made in the audit of revenues and receipts resulting to under-appraisal, under-assessment or under-collection;

f. Certificates of Settlement and Balances issued by the auditors;

g. Appointment of the officials and employees of the Commission, including disciplinary actions against its personnel;

h. Exercise of its visitorial power over non-government organizations (1) subsidized by the government, (2) those required to pay levies or government shares, (3) those funded by donations through the government, (4) those for which Government has put up a counterpart fund, or (5) those entrusted with government funds or properties;

i. Audit of the financial operations of public utilities whenever required by law;

j. Authorization and enforcement of the settlement of accounts subsisting between agencies of the government;

k. The compromise or release in whole or in part, of any settled claim or liability to any government agency pursuant to Section 36, P.D. 1445;

l. Submission of papers relative to government obligations pursuant to Section 39. P.D. 1445;

m. Opening and revision of settled accounts;

n. Retention of money due to a person for satisfaction of his indebtedness to the Government;

o. Checking and audit of all property or supplies of the government agency;

p. Seizure by the Auditor of the office of the local treasurer found to have a shortage in cash;

q. Constructive distraint of property of any accountable officer with shortage in his accounts upon a finding of a prima facie case of malversation of public funds or property against him;

r. The keeping of the general accounts of the Government and for such period as may be provided by law, preserve the vouchers and other supporting papers pertaining thereto; and

s. Collection of indebtedness due the Government, or any of its subdivisions, agencies or instrumentalities, or any government-owned or controlled corporations or self-governing board or commission.

SECTION 2. The Powers and Functions of the Chairman as Chief Executive Officer. — As Chief Executive

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Officer of the Commission, the Chairman shall (1) control and supervise the general administration of the Commission, (2) direct and manage the implementation and execution of policies, standards, rules and regulations promulgated by the Commission, and (3) control and supervise the audit of highly technical or confidential transactions or accounts of any government agency.

The two (2) Commissioners may assist in the general administration of the Commission, upon proper delegation by the Chairman.

SECTION 3. Powers, Functions, and Duties of Auditors Representatives of the Commission. — The Auditors shall exercise such power and function as provided by law and as may be authorized by the Commission in the examination, audit and settlement of the accounts, funds, financial transactions and resources of the agencies under their respective audit jurisdiction.

SECTION 4. Appellate Jurisdiction. — The Commission Proper shall have appellate jurisdiction to review, reverse, modify, alter or affirm the reports, resolutions, orders, decisions and other dispositions of the Auditors or Directors concerned.

SECTION 5. Entities within the Jurisdiction of the Commission. — The authority and power of the Commission to examine, audit and settle all accounts extend to the following entities:

a. National Government, its departments, bureaus, agencies and offices, including Philippine embassies, consulates and other foreign based government agencies;

b. Local government units, their agencies, and other instrumentalities;

c. Government owned and/or controlled corporations and their subsidiaries;

d. Constitutional bodies, commissions and offices that have been granted fiscal autonomy under the Constitution;

e. Autonomous state colleges and universities; and

f. Non-governmental organizations subject to the visitorial power of the Commission.

Rule III
Organizational Structure of the Commission Proper and How It Transacts Business

SECTION 1. The Commission Proper. — (1) For purposes of this rule and as a component of the organizational structure of the Commission, the Chairman and the two Commissioners shall together be known as the Commission Proper and as such shall be distinguished from the other components of the Commission consisting of the central and regional offices subsisting or which may hereinafter be created. (2) The Commission Proper shall sit as a body to determine policies, promulgate rules and regulations, and prescribe standards governing the performance by the Commission of its powers and functions. (3) The Chairman shall act as the presiding officer of the Commission Proper and the Chief Executive Officer of the Commission.

SECTION 2. Regular Session. — The Commission Proper shall hold its regular sessions at the Commission Proper Board Room, COA Central office, Quezon City every Tuesdays and Thursdays without need of call, unless it decides otherwise.

SECTION 3. Special Session. — Whenever public interest requires, the Chairman on his own initiative or upon recommendation of any of the two Commissioners may call a special session at the time and place designated by the Commission Proper.

SECTION 4. Quorum and Voting. — The Commission Proper shall decide by a majority vote of all its members

any case or matter brought before it within sixty (60) days from the date of its submission for decision or resolution. A case or matter is deemed submitted for decision or resolution upon the filing of the last pleading brief or memorandum required by the rules of the Commission or by the Commission itself.

SECTION 5. Powers and Duties of the Chairman as Presiding Officer. — As Presiding Officer the power and duties of the Chairman when discharging his functions in actions or proceedings before the Commission Proper shall include the following:

(a) To issue calls for the special sessions of the Commission Proper;

(b) To preside over the sessions of the Commission Proper;

(c) To preserve order and decorum during the session;

(d) To decide all questions of order by any Member;

(e) To summon the parties to a case brought before the Commission Proper for resolution;

(f) To issue subpoena and subpoena duces tecum;

(g) To administer oaths and otherwise take testimony in any investigation or inquiry on any matter within the jurisdiction of the Commission;

(h) To sign interlocutory orders, resolutions or ruling in cases not yet assigned to a Member;

(i) To exercise such other powers and duties as are vested upon him by law or by the Commission Proper.

SECTION 6. Power and Duties of the Two (2) Commissioners. — As members of the Commission Proper, the power and duties of the two (2) Commissioners shall include the following:

(a) To attend, participate in the deliberations of, and vote during all regular and special sessions of the Commission Proper where any case, issue, or matter within its jurisdiction is under consideration;

(b) To sign interlocutory orders, resolutions or ruling in cases and matters assigned to them for study and reporting;

(c) To require the appearance of any official or employee of the Commission in order to obtain information pertinent to a case assigned to him, the formulation of policy and the promulgation of accounting and auditing rules and regulations, or to direct the submission of any document, report, or record in the possession of such official or employee;

(d) To exercise such other powers as are vested upon him by law or by specific provisions of these rules.

SECTION 7. The Commission Secretary. — The Commission Secretary who shall have the rank of an Assistant Commissioner shall perform the following functions:

(a) Prepare the agenda for the sessions of the Commission Proper based on the priority set by it;

(b) Prepare and keep the minutes of all sessions, hearings and conferences of the Commission Proper;

(c) Keep a Docket wherein shall be entered in chronological order the cases and the proceedings had thereon and a Book of Decisions which shall contain the original copy of the decisions or resolutions rendered by the Commission in the order of their dates;

(d) Perform such related functions as may be authorized by the Chairman or the Commission Proper.

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SECTION 8. Assistance to the Commission Proper. — The Assistant Commissioners and Directors of the Central and Regional Offices shall assist the Commission Proper in the performance of its adjudicatory functions in the cases or matters related to their respective functions and responsibilities.

SECTION 9. Power to Issue Subpoena and Subpoena Duces Tecum. — The Chairman or any Commissioner of the Commission, the Assistant Commissioners, the Central Office Directors, the Regional Directors, the Auditors of any government agency, and any other official or employee of the Commission specially deputed in writing for the purpose by the Chairman shall, in compliance with the requirement of due process, have the power to summon the parties to a case brought before the Commission for resolution, issue subpoena and subpoena duces tecum, administer oaths, and otherwise take testimony in any investigation or inquiry on any matter within the jurisdiction of the Commission.

Rule IV
Proceedings Before the Auditor

SECTION 1. Auditors as Representatives of the Commission. — The Auditors shall exercise such powers and functions as may be authorized by the Commission in the examination, audit and settlement of the accounts, funds, financial transactions, and resources of the agencies under their respective audit jurisdiction.

SECTION 2. Role of the Auditor. — The Auditor shall maintain complete independence and exercise professional care and be guided by applicable laws, regulations and the generally accepted principles of auditing and accounting in the performance of the audit work as well as in the preparation of audit and financial reports.

SECTION 3. Responsibility to Accumulate Sufficient Evidence. — The Auditor shall obtain, accumulate, and safeguard sufficient evidence to provide an appropriate factual bases for his opinions, conclusions, judgments and recommendations. Evidence needed to support his findings may be (1) physical evidence obtained by observation, photograph, ocular inspection, or similar means, (2) testimonial evidence obtained by interviewing and taking sworn statements from witnesses (3) documentary evidence consisting of letters, contracts, reports, extracts from books of accounts, invoices, receipts and computer print-outs and (4) analytical evidence such as analysis sheets/working papers prepared.

The technicalities of law and the rules governing the admissibility and sufficiency of evidence obtaining in the courts of law shall not strictly apply.

SECTION 4. Report, Certificate of Settlement and Balances, Notice of Disallowances and Charges, Order or Decision of the Auditor. — The result of the audit work of the Auditor may be in the form of a report, Certificate of Settlement and Balances, notice of disallowances and charges, audit observation, order or decision which shall clearly and distinctly state his findings of facts, conclusions, recommendations and dispositions. The factual findings shall be adequately established by evidence and the conclusions, recommendations or dispositions shall be supported by applicable laws, regulations, jurisprudence and the generally accepted accounting and auditing principles on which the report, Certificate of Settlement and Balances, notice of disallowances and charges and order or decision are based.

SECTION 5. Number of Copies and Distribution. — The report, Certificate of Settlement and Balances, notice of disallowances and charges, and order or decision of the Auditor shall be prepared in such number of copies as may be necessary for distribution to the following: (1) original to the head of agency being audited; (2) one copy to the Auditor for his record; (3) one copy to the Director who has jurisdiction over the agency of the government under audit; (4) other copies to the agency officials directly affected by the audit findings.

SECTION 6. Finality of the Report, Certificate of Settlement and Balances, Order or Decision. — Unless a request

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for reconsideration is filed or an appeal is taken, the report, Certificate of Settlement and Balances, order or decision of the Auditor shall become final upon the expiration of six (6) months after notice thereof to the parties concerned.

SECTION 7. Motion for Reconsideration. — The Auditor shall entertain only one (1) motion for reconsideration. If the Auditor reconsiders or modifies his original decision disallowing a transaction, the same shall be automatically reviewed by the Directors. In this event, the Auditor shall, within ten (10) days, certify the case and elevate the entire record to the Director for review.

Rule V
Appeal from Auditor to Director

SECTION 1. Who May Appeal. — An aggrieved party may appeal from an order or decision or ruling rendered by the Auditor embodied in a report, memorandum, letter, notice of disallowances and charges, Certificate of Settlement and Balances, to the Director who has jurisdiction over the agency under audit.

SECTION 2. How Appeal Taken. — An appeal from an order, decision or ruling by the Auditor may be taken to the Director within six (6) months after notification to the party of the report, notice of disallowance and charges, Certificate of Settlement and Balances, order or decision complained of, by filing with the Auditor a Notice of Appeal.

SECTION 3. Caption. — The party appealing shall be called the "Appellant" and the Auditor as the adverse party the "Appellee".

SECTION 4. Transmittal of Record. — The Auditor shall, within ten (10) days after receipt of the notice of appeal, transmit to the Director the entire records of the case, every page of which shall be numbered at the bottom.

SECTION 5. Appeal Memorandum and Reply. — Upon receipt of the records of the case, the Director shall issue an Order requiring the appellant to file an appeal memorandum within twenty (20) days from receipt of the Order. The appellant shall serve a copy of his appeal memorandum to the Auditor or appellee who may reply thereto within the same period of time. With the filing of the appeal memorandum and reply or lapse of the period within which to file them, the appeal shall be deemed submitted for resolution.

SECTION 6. Power of Director on Appeal. — The Director may reverse, modify, alter, or affirm the decision or ruling of the Auditor. However, should the Director render a decision reversing, modifying or altering the decision or ruling of the Auditor, the Director shall, within ten (10) days, certify the case and elevate the entire record to the Commission Proper for review and approval.

SECTION 7. Period to Decide Case. — The Director shall render his decision on the case within thirty (30) days after submission for resolution.

SECTION 8. Motion for Reconsideration. — Only one (1) motion for reconsideration of the order or decision of the Director shall be entertained.

SECTION 9. Interruption of Time to Appeal. — The receipt by the Auditor of the Notice of Appeal and/or Motion for Reconsideration shall stop the running of the period of appeal to the Commission Proper (6 months) and shall resume to run upon receipt by the appellant of the Director's final decision.

Rule VI
Appeal from Director to Commission Proper

SECTION 1. Who May Appeal and Where to Appeal. — The party aggrieved by a final order or decision of the

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Director may appeal to the Commission Proper.

SECTION 2. How Appeal Taken. — Appeal shall be taken by filing a petition for review in seven (7) legible copies, with the Commission Secretariat, a copy of which shall be served on the Director. Proof of service of the petition on the Director shall be attached to the petition.

SECTION 3. Period of Appeal. — The appeal shall be taken within the time remaining of the six (6) months period under Section 2, Rule V, taking into account the suspension of the running thereof under Section 9 of the same Rule.

SECTION 4. Caption. — The party appealing shall be called the "Petitioner/Appellant" and the Director as the adverse party the "Respondent/Appellee".

SECTION 5. Contents of Petition. — The petition for review shall contain a concise statement of the facts and issues involved and the grounds relied upon for the review, and shall be accompanied by a duplicate original or a certified true copy of the order or decision appealed from, together with certified true copies of such relevant portions of the record as are referred to therein and other supporting papers. The petition shall state the specific dates showing that it was filed within the reglementary period.

SECTION 6. Transmittal of Record. — Within fifteen (15) days from receipt of the petition for review, the Director shall transmit to the Commission Secretary the entire record of the case under review.

SECTION 7. Answer. — Within the same period as stated in the preceding section, the Director may answer the petition, which he may file with the Commission Secretary together with the records of the case. A copy of the answer shall be served on petitioner. The answer shall (a) point out the insufficiencies or inaccuracies in the petitioner's statement of facts and issues and (b) state the reasons why the petition should be denied or dismissed.

SECTION 8. Reply. — Petitioner may file a reply within ten (10) days from receipt of said answer.

Rule VII
Pleadings, Mode of Filing and Docketing of Cases in the Commission Proper

SECTION 1. Form of Pleadings. — Pleadings, motions, notices and other papers shall contain a caption setting forth the name of the Commission on Audit, the title of the case, the docket number and the description of the pleading. They shall be printed, mimeographed or typewritten on double-spaced legal size of bond paper. Proof of service of such papers on the adverse party or auditor concerned or parties having a direct interest in the case is necessary and must be shown therein.

SECTION 2. Number of Copies of Pleadings. — Every petition, answer, reply, motion, notice and other papers required by these rules to be filed in a case before the Commission Proper thru the Commission Secretary shall be made in seven (7) legible copies. However, when there is more than one respondent, the petitioner must file additional number of copies of the petition as there are additional respondents.

SECTION 3. Mode of Filing. — The filing of pleadings, motions and other papers may be done either by personal delivery or by registered mail. If the filing is made by personal delivery, the receiving clerk shall promptly and legibly stamp on the face of the first page of the pleading the exact date and time it was received and filed and thereafter affix his initials.

If the filing is by registered mail, the date of mailing stamped by the post office of origin, shall be considered as date of filing. The envelope or a portion thereof showing the date of mailing and registry stamp containing the pleading, motion and other papers shall be attached thereto. The date of actual receipt shall also be legibly stamped or indicated on the first page of the pleading.

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When a petition does not have the complete annexes or the required number of copies, the petitioner shall be required to complete the annexes or file the necessary number of copies of the petition before the case is docketed.

SECTION 4. Other Modes of Filing. — Pleadings, motions and other papers sent by ordinary mail, by private messengerial services, or by any mode other than personal delivery or registered mail, shall be deemed filed only on the date and time they are actually received. The date and time of actual receipt shall be stamped and signed by the receiving clerk.

SECTION 5. Docketing and Assignment of Number. — Upon the filing of the initial pleading or petition, the receiving clerk shall docket the same and assign to it a number. The numbering of initial pleadings or petitions must be consecutive according to the date they are received, and prefixed as follows:

COA CP Case No. _____ _____
(Year) (Number)

After docketing and numbering, the original copy of the petition shall be fastened or stitched to a folder. Subsequent pleadings, motions and other papers that will be filed in the course of the proceedings shall also be entered in the docket book, including the excerpts of the decision, and the original copies thereof shall be fastened to the same folder or rollo of the case and paged accordingly.

Rule VIII
Original Cases Filed Directly with the Commission Proper

SECTION 1. Money Claim. — Cases involving money claim against the Government cognizable by the Commission Proper may be filed directly with the Commission Secretary.

SECTION 2. Petition. — A claimant for money against the Government, whose claim is cognizable by the Commission Proper, may file a petition. The party seeking relief shall be referred to as "Petitioner" and the government agency or instrumentality against whom a claim is directed shall be referred to as "Respondent".

SECTION 3. Contents of Petition. — The petition shall contain the personal circumstances or juridical personality of the petitioner, a concise statement of the ultimate facts constituting his cause of action, a citation of the law and jurisprudence upon which the petition is based and the relief sought. The petition shall be accompanied by certified true copies of documents as are referred to therein and other supporting papers.

SECTION 4. Filing of Petition. — The petition shall be filed with the Commission Secretary, a copy of which shall be served on the respondent. Proof of service of the petition on the respondent shall be attached to the petition.

SECTION 5. Order to Answer. — Upon receipt of the petition, the Commissioner Secretary shall refer the petition to the Chairman who shall issue an order requiring respondent to answer the petition within fifteen (15) days from notice thereof.

SECTION 6. Answer. — Within the said fifteen (15) days from receipt of the Order, the respondent shall file with the Commission Secretary an answer to the petition. The answer shall be accompanied by certified true copies of documents referred to therein together with other supporting papers. The answer shall (a) point out insufficiencies or inaccuracies in the petitioner's statement of facts and issues and (b) state the reasons why the petition should be denied or dismissed. Copy of the answer shall be served on the petitioner and the proof of service thereof shall be attached to the answer.

SECTION 7. Reply. — Petitioner may file a reply within ten (10) days from receipt of the answer.

SECTION 8. Extension of Time to Plead. — The time to plead may, upon, be extended by the Chairman for a

period not exceeding thirty (30) days.

Rule IX
Adjudication Process

SECTION 1. Study and Recommendation. — Every case cognizable by the Commission Proper, whether an appealed or original case, shall first be assigned to the appropriate offices in the Central Office for study and recommendation prior to formal deliberation by its members.

SECTION 2. Referral of Appealed Cases from Regional Offices. — Within five (5) days from receipt of the complete records of the case from the Regional Director concerned, the Commission Secretary shall refer the case to the Director of the appropriate office in the Central Office who shall submit within thirty (30) days from receipt thereof his evaluation and recommendation in the form of a memorandum to the Director of the Legal Office, copy of which shall be furnished the Commission Secretary.

The memorandum shall be clear and concise and shall include (a) the facts of the case; (b) the issues involved; (c) the applicable laws, rules and jurisprudence; and (d) the conclusion and recommendations thereon.

SECTION 3. Referral of Appealed Cases from Central Offices. — With respect to cases originating from the Central Office, the Commission Secretary shall, within five (5) days from receipt of the records of the case from the Central Office Director concerned, refer said records to the Director of the Legal Office for evaluation and recommendation.

SECTION 4. Referral of Original Cases Filed Directly with the Commission Proper. — Within five (5) days from completion of the records of the case, the Commission Secretary shall submit said record and the rollo to the Director of the appropriate office in the Central Office who shall, within thirty (30) days from receipt thereof, submit his evaluation and recommendation in the form of a draft decision to the Director of the Legal Office, copy of which shall be furnished the Commission Secretary.

SECTION 5. Action by the Director of the Legal Office. — After submission of the draft decision mentioned in the preceding sections, the Director of the Legal Office may adopt or modify the same. In any case, he shall submit his comments/action on the case to the Commission Proper, thru the Commission Secretary, within fifteen (15) days from receipt of the referral, except in cases of appeal from decisions of Central Office Directors, in which case he shall submit his own draft decision within a period of thirty (30) days.

SECTION 6. Oral Arguments. — Upon motion by a party, or motu propio, the Commission Proper may call for oral arguments of the parties before the Commission Proper en banc subject to such limitation of time and issues as the Commission may prescribe. In lieu of oral arguments, the parties may be allowed to submit their respective memoranda within ten (10) days from notice thereof.

SECTION 7. Period for Rendering Decision. — Any case brought to the Commission Proper shall be decided within sixty (60) days from the date it is submitted for decision or resolution, in accordance with Section 4, Rule III of this rules.

SECTION 8. Procedure in Making Decisions. — The conclusions of the Commission Proper in any case brought before it for decision shall be reached after formal deliberations by its members.

Any member may write a separate concurring or dissenting opinion which shall form part of the decision. Any member who took no part, or dissented, or abstained from a decision or resolution must state the reason therefor.

SECTION 9. Form of Decision. — Every adjudication on the merits of a case shall be in the form of a decision which shall state clearly and distinctly the facts and the law on which it is based.

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The copies of the agenda and excerpts of the minutes of the session of the Commission and the resolution or decision pertaining to a case shall be duly attested by the Commission Secretary and shall be attached to the rollo of the case.

SECTION 10. Seal of the Commission. — The seal of the Commission on Audit, which shall be in the custody of the Commission Secretary, shall be affixed to all decisions, orders, rulings or resolutions of the Commission as an indication of their official character.

SECTION 11. Number of Copies and Distribution of Decision. — Copies of the decision or resolution of the Commission shall be distributed as follows: (1) original copy to the permanent Book of Decisions which shall be maintained and kept by the Commission Secretary; (2) one copy to the rollo or folder containing the original copies of the pleadings and other papers which shall remain in the custody of the Commission Secretary unless elevated to the Supreme Court; (3) one copy each to the Auditor and Director concerned; (4) one copy to the Legal Office; (5) one copy to the Director who conducted a study of the case; (6) one copy to the Central Office Records Division; and (7) one copy to the parties or their counsel in the case.

SECTION 12. Finality of Decision or Resolutions. — A decision or resolution of the Commission upon any matter within its jurisdiction shall become final and executory after the lapse of thirty (30) days from notice of the decision or resolution, unless a motion for reconsideration is seasonably made or an appeal to the Supreme Court is filed.

SECTION 13. Motion for Reconsideration. — A motion for reconsideration may be filed on the grounds that the evidence is insufficient to justify the decision or resolution; or that the said decision, order or ruling is contrary to law. Only one (1) motion for reconsideration of a decision or resolution of the Commission shall be entertained.

SECTION 14. Form and Contents of the Motion for Reconsideration. — The motion shall be verified and shall point out specifically the findings or conclusions of the decision or resolution which are not supported by the evidence or which are contrary to law, making express reference to the testimonial or documentary evidence or the provisions of law alleged to be contrary to such finding or conclusions.

SECTION 15. Effect of Motion for Reconsideration and How It is Disposed Of. — A motion to reconsider a decision or resolution, complying with the immediately preceding section, suspends the running of the period to elevate the matter to the Supreme Court. Within two (2) days from its filing, the Commission Secretary shall refer the motion to the Director of the Legal Office for study and recommendation. The latter shall, within fifteen (15) days from receipt thereof, submit his comments and recommendation which shall be in the form of a draft decision for the consideration of the Commission Proper.

SECTION 16. Entry of Decision. — If no appeal is filed within the time provided in these rules, the decision of the Commission shall be entered by the Commission Secretary in the Docket which shall contain the dispositive part of the decision and shall be signed by the Secretary with a certificate that such decision has become final and executory. Such recording of the decision shall constitute the entry.

Rule X
Contempt

SECTION 1. Direct Contempt Punished Summarily. — A person guilty of misbehavior in the presence of or so near the Commission or any of its members as to obstruct or interrupt the proceedings before it or them, including disrespect toward the Commission or its members, offensive personalities toward others or refusal to be sworn or to answer as a witness, or to subscribe to an affidavit or deposition when lawfully required to do so, may be summarily adjudged in contempt by the Commission or any of its members and shall be punished in accordance

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with the penalties prescribed in the Rules of Court.

SECTION 2. Indirect Contempt. — After charged in writing has been filed with the Commission or its members, as the case may be, and an opportunity given to the respondent to be heard by himself or counsel, a person guilty of the following acts may be punished for contempt:

(a) Misbehavior of the responsible officer of the Commission in the performance of his official duties or in his official transactions;

(b) Disobedience of or resistance to a lawful writ, process, order, judgement or command of the Commission or any of its members;

(c) Any abuse of or any unlawful interference with the process or proceedings of the Commission or any of its members not constituting direct contempt under Section 1 of this rule;

(d) Any improper conduct tending, directly or indirectly, to impede, obstruct, or degrade the administration of justice by the Commission or any of its members;

(e) Failure to obey a subpoena duly served.

SECTION 3. Penalty for Indirect Contempt. — If adjudged guilty, the accused may be punished in accordance with the penalties prescribed in the Rules of Court.

Rule XI
Judicial Review

SECTION 1. Petition for Certiorari. — Any decision, order or resolution of the Commission may be brought to the Supreme Court on certiorari by the aggrieved party within thirty (30) days from receipt of a copy thereof in the manner provided by law, the Rules of Court and these Rules.

When the decision, order or resolution adversely affects the interest of any government agency, the appeal may be taken by the proper head of the agency.

Rule XII
Enforcement and Monitoring

SECTION 1. Execution of Decision. — Execution shall issue upon a decision that finally disposes of the case. Such execution shall issue as a matter of right upon the expiration of the period to appeal therefrom if no appeal has been fully perfected.

SECTION 2. Notification of Person(s) Liable. — The Auditor shall issue an order directing the person(s) liable to pay/refund the amount disallowed within five (5) days from the lapse of the period to appeal.

SECTION 3. Withholding of Money Due. — In case of failure of the person(s) liable to refund the amount disallowed/charged within the period specified in the preceding section, the Auditor shall issue the Auditor's Order directing the Cashier/Treasurer/Disbursing Officer to withhold the payment of any money due such person(s).

SECTION 4. Non-compliance with the Auditor's Order. — In case of failure by the Cashier/Treasurer/Disbursing Officer to comply with the Auditor's Order, the Auditor shall notify the agency head concerned of the non-compliance except where the agency head himself is one of the persons held liable for the disallowance. At the same time the Auditor shall report the matter to the COA Director concerned recommending any or all of the following actions:

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(a) Recommendation to the Commission Proper to cite defaulting party in contempt;

(b) Referral of the matter to the Solicitor General for the filing of appropriate civil suit;

(c) Referral to the Ombudsman for the filing of appropriate administrative or criminal action.

SECTION 5. Holding the Defaulting Party in Contempt. — The COA Director concerned shall forward the report to the Commission Proper thru the Legal Office, recommending that the defaulting party be held in contempt pursuant to Section 2, Rule X, of these Rules. The Legal Office shall study and evaluate the report and submit its recommendation to the Commission Proper within thirty (30) days from receipt thereof.

SECTION 6. Referral to the Solicitor General. — To enforce civil liability, the Auditor shall submit to the COA Chairman thru the Director concerned a report on disallowances and charges amounting to P 100,000.00 and above that have become final and executory, requesting that the matter be referred to the Office of the Solicitor General for appropriate action. The report shall be duly supported with certified copies of the subsidiary records, the CSB, and the payrolls/vouchers disallowed and collections charged, together with all necessary documents for the filing of the appropriate civil suit. The Director shall forward the report to the Chairman thru Legal Office. The Legal Office shall study and evaluate the report and submit its recommendations to the COA Chairman within thirty (30) days from receipt thereof.

SECTION 7. Referral to the Ombudsman. — The Auditor shall report to the Director concerned all instances of failure or refusal to comply with the decisions or orders of the Commission contemplated in the preceding sections. The COA Director shall see to it that the report is supported by the sworn statement of the Auditor concerned, identifying among others, the persons liable and describing the participation of each. He shall then refer the matter to the Office of the Ombudsman for the possible filing of appropriate administrative or criminal action.

SECTION 8. Effect of Non-compliance. — Any delay in complying or refusal to comply with the order or decision of the Commission shall constitute a ground for contempt, and/or administrative disciplinary action against the officer or employee concerned.

Rule XIII
Administrative Cases

SECTION 1. Applicability of Civil Service Law and Other Rules. — The procedures set forth in the pertinent provisions of the Civil Service Law, The Omnibus Rules Implementing Executive Order 292, and COA Memorandum No. 76-48, in administrative cases against officers and employees of the Commission, are hereby adopted and read into these rules.

SECTION 2. Re-Hearing. — In meritorious cases as may be determined by the Commission Proper, the Commission Proper may order a re-hearing of the administrative case.

SECTION 3. Proposed Decision. — Upon the termination of the formal investigation and the submission of the report of the hearing officer or in case of waiver of formal investigation by respondent, the Legal Office shall propose a decision for the decision for the consideration of the Commission Proper.

SECTION 4. Transmittal to the Commission Proper. — The Legal Office shall transmit to the Commission Proper through the Commission Secretary the proposed decision which shall contain the following particulars:

(a) Administrative case title and number;

(b) Respondent, designation and place of assignment;

(c) A brief statement of material facts;

(d) Findings and conclusions;

(e) Penalty imposed, if warranted.

SECTION 5. Review by the Chairman and Commissioners. — The Commission Secretary shall furnish the members of the Commission with a complete set of the record of the case, together with the proposed decision and the summary of the case, for review.

SECTION 6. Finalization of the Decision. — After the review of the case by the Chairman and the Commissioners, the Commission Secretary shall calendar the same as an item in the agenda of the next regular meeting of the Commission Proper.

SECTION 7. Recording and Release. — The Commission Secretary shall forward the decision to the Director, Legal Office, who shall cause the recording of the same in the Docket of Administrative Cases and thereafter send it to the Central Office Records Division which shall be responsible for its release and full dissemination to all concerned.

SECTION 8. Motion for Reconsideration. — The respondent may, within fifteen (15) days after receipt of the decision, file with the Commission Proper a motion for reconsideration thereof in accordance with the procedure set forth under Section 39, 40, 41 and 42 of COA Memorandum No. 76-48.

SECTION 9. Disposition of the Motion for Reconsideration. — The disposition of a motion for reconsideration shall be embodied in an appropriate resolution or issuance of the Commission Proper which shall form part of the records of the case. The procedure outlined for the disposition of administrative cases shall be observed.

SECTION 10. Appeal. — Appeals, where allowable, shall be made by the party adversely affected by the decision in accordance with the rules prescribed under existing Civil Service rules and regulations.

Rule XIV
Miscellaneous Provisions

SECTION 1. Supplementary Rules. — In the absence of any applicable provision in these rules, the pertinent provisions of the Rules of Court in the Philippines shall be applicable by analogy or in suppletory character and effect.

Any deviation from these rules which does not affect the substantive rights of the parties, shall not invalidate the action taken by the Commission.

SECTION 2. Seal. — All decisions of the Commission Proper shall bear the official seal of the Commission on Audit.

Rule XV
Repealing Clause and Effectivity

SECTION 1. Repealing Clause. — All resolutions, rules, regulations, circulars and memoranda of the Commission or parts thereof which are inconsistent with any provisions of these rules are hereby deemed repealed or modified accordingly.

SECTION 2. Separability Clause. — If any part of these rules is declared unconstitutional, the remaining part not affected thereby shall remain valid and effective.

SECTION 3. Effectivity. — These rules shall be published in a newspapers of general circulation and shall take

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effect thirty (30) days after completion of its publication.

SO ORDERED.

Adopted: 30 Jan. 1997

(SGD.) CELSO D. GAÑGAN
Chairman

(SGD.) ROGELIO B. ESPIRITU
Commissioner

(SGD.) SOFRONIO B. URSAL
Commissioner

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