



Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City, Philippines



No.: 2009-020

Date: May 15, 2009

MEMORANDUM

FOR : All Assistant Commissioners, Cluster Directors/ Directors, Regional Directors, Supervising Auditors, Audit Team Leaders and All Others Concerned

SUBJECT : **Guidelines in the conduct of the audit of Gender and Development (GAD) Funds and Activities in Government Agencies**

I. RATIONALE

The Commission on Audit, in compliance with this Country's commitments to International Conventions and various laws, rules and regulations on gender and development (GAD), has been very active in pursuing GAD activities. In particular, Joint Circular No. 2004-1 dated April 5, 2004 of the Department of Budget and Management (DBM), National Economic and Development Authority (NEDA) and the National Commission on the Role of Filipino Women (NCRFW), requires the preparation by agencies of an Annual GAD Plan, which should include activities that are either client-focused or organization-focused. It was also noted that the General Appropriations Act (GAA) provides that the GAD Plan shall constitute at least five per cent (5%) of the agency's total budget appropriations. A survey conducted by the Subcommittee on Gender Audit of this Commission in the late 2004 shows that these expenditures are rarely audited.

Moreover, with the advent of policies on gender and development comes a kind of social audit termed as Gender Audit which is different from the traditional kind of financial and value-for-money audit conducted by this Commission. In view of international commitments of the Philippines and in conformity with the Philippine Plan for Gender Responsive Development, there is a need to integrate gender audit in the traditional audit being conducted by this Commission.

II. DEFINITION OF TERMS

1. **Gender** – refers to roles, attitudes and values assigned by culture and society to women and men. These roles, attitudes and values define the behaviors of women and men and the relationship between them. They are created and maintained by social institutions such as families, government, communities, schools, churches, and media. Because of gender, certain roles, traits and characteristics are assigned or ascribed distinctly and strictly to women or to men. (*Source: National Commission on the Role of Filipino Women*).
2. **Gender and Development** – is a development approach that seeks to equalize the status and condition of and relations between women and men by influencing the processes and outputs of policymaking, planning, budgeting, implementation, and monitoring and evaluation so that they would deliberately address the gender issues and concerns affecting the full development of women. (*Source: Joint Circular No. 2004-1 of the DBM, NEDA and NCRFW*)
3. **Gender Mainstreaming** – means raising people’s GAD awareness and building GAD-related capabilities; putting in place policies, structures, systems and mechanisms that would facilitate and institutionalize the pursuit of gender equality and women’s empowerment; applying GAD-related skills and tools to develop programs, activities and projects addressing gender issues; continuously implementing, monitoring, evaluating and enhancing the agency’s gender mainstreaming and women’s empowerment efforts; and incorporating GAD in all aspects of the agency’s operations. (*Source: Joint Circular No. 2004-1 of the DBM, NEDA and NCRFW*).
4. **Gender Audit (GA)** – is a comprehensive audit of a government agency’s policies, funds, programs, projects and activities focusing on the area of gender and development for the purpose of determining economy, efficiency and effectiveness of interventions in addressing gender issues and in contributing to the attainment of the objectives of this country’s commitments, plans and policies on GAD.
5. **GAD Focal Point** – is the group of people within the agency tasked to catalyze and facilitate the institutionalization of gender mainstreaming and women’s empowerment within the agency. It is the GAD focal point who advocates for, coordinates, guides and monitors the development and implementation of the agency’s GAD plan and GAD-related programs, activities and projects. (*Source: Joint Circular No. 2004-1 of the DBM, NEDA and NCRFW*).

6. **Gender Issues** – are problems and concerns that arise from the unequal status of women and men including the differential characteristics, roles and expectations attributed by society to women and men. These societal expectations and perceptions, which are reflected in and perpetrated by laws, policies, procedures, systems, programs, projects and activities of government, could impede women’s full development and their participation in and equal enjoyment of the fruits of development. (*Source: Joint Circular 2004-1 of the DBM, NEDA and NCRFW*)
7. **GAD Government–Wide and Sectoral Audits** – are approaches to value for money audit. **GAD government wide audit** is the simultaneous examination of programs, projects and activities pertaining to GAD in a number of government agencies with the end in view of assessing their efficiency and economy. On the other hand, **GAD sectoral audit** is the operations audit of a particular GAD program, project, and activity being implemented by various agencies of the government in pursuance of the Philippine Plan for Gender–Responsive Development, 1995-2025 with the end in view of determining the extent and efficiency of implementation of the Philippine Plan.

III. GENERAL GUIDELINES

1. The Supervising Auditor/Audit Team Leader shall encourage the audited agency to conduct gender mainstreaming or self assessment to be done by the GAD’s Focal Point or the Internal Control Unit particularly on the following areas, among others:
 - a. Determining agency’s compliance with existing laws and regulations on gender and development on the utilization of funds pertaining to at least five percent (5%) of their total appropriation intended for GAD;
 - b. Seeing to it that the agency’s plans, programs, projects and activities are aligned to the Philippine Plan for Gender–Responsive Development, 1995-2025;
 - c. Monitoring of the use of GAD funds for the purpose for which they have been appropriated; and
 - d. Determining whether gender issues are addressed by GAD interventions in the agency.

2. Gender Audit shall be conducted by this Commission and shall consist of:
 - a. Financial and compliance audit of funds pertaining to GAD; and
 - b. Value-for-Money (VFM) Audit of GAD activities which shall include the determination of the economy, efficiency and effectiveness of the agency's policies, programs and activities in addressing gender issues. It shall include an assessment of whether GAD activities are aligned and contributed to the full attainment of the objectives of GAD commitments, plans and policies like the Philippine Plan for Gender-Responsive Development, 1995-2025, among others.
3. Audit of funds pertaining to GAD shall be conducted in line with the regular financial and compliance audit of agencies.
4. Financial and compliance audit as well as VFM audit of GAD funds and activities shall be mandatory for the first two years of implementation of this Memorandum when mainstreaming of gender and development activities are in progress. Thereafter, the Supervising Auditor/Audit Team Leader shall determine the necessity of conducting a detailed audit of such funds and activities as in the following instances:
 - a. when required as part of the Commission's commitment to the nation's development plans and/or international conventions;
 - b. when there is a request for such audit from the public or other clients of this Commission;
 - c. when such audit is required by funding institutions as when funds are sourced from grants, donations or loans from international or local funding institutions;
 - d. when the funds earmarked for GAD is material;
 - e. when there is an indication of fraud in the use of said funds;
 - f. when unresolved gender issues patently exist;
 - g. when the need to ascertain the degree of accomplishments over the Philippine Plan for Gender-Responsive Development for 1995-2025 is essential; and
 - h. when in the judgment of the GAD focal point, there is a need to conduct one.

5. When any of the above instances is present, the Supervising Auditor/Audit Team Leader shall continue to conduct detailed audit of GAD funds and activities. The GAD Focal Point of this Commission may also recommend to the Chairman to extend the period within which gender audit shall be mandatory through the issuance of a memorandum.
6. Results of financial and compliance audit and VFM audit of GAD funds and activities shall be incorporated in the Annual Audit Reports (AARs) of agencies under the heading "Gender and Development". A separate report shall be prepared when required by this Commission and funding institutions like international organizations;

IV. SPECIFIC GUIDELINES

A. FINANCIAL AND COMPLIANCE AUDIT OF GAD FUNDS

1. Audit of GAD funds shall be made in connection and simultaneous with the audit of the agency's financial statements. The audit shall determine, among others, whether the amount equivalent to at least five percent (5%) of the total appropriations authorized for gender and development under existing laws and regulations were indeed appropriated and utilized for the purpose.
2. When the GAD program/project is to be implemented by the head office as well as district offices/units under its jurisdiction and funds thereof are distributed among the district offices/units, audit shall be performed by the respective Audit Team Leaders at the head office and at the district offices/units. Consolidation of the audit findings shall be made by the Supervising Auditor concerned;
3. Existing Philippine government auditing and accounting standards shall be applied;
4. In the initial implementation of this memorandum, emphasis shall be made on the agency's compliance with existing rules and regulations on gender and development. Likewise, data on the initial implementation of gender mainstreaming in the agency shall be secured and evaluated.

B. VALUE-FOR-MONEY (VFM) AUDIT

1. VFM audit of GAD activities shall be made in accordance with existing regulations of this Commission. Priority, however, shall be given to the audit of accomplishments/programs/projects as incorporated in the Philippine Plan for Gender-Responsive Development for 1995-2025. Such audit shall not be confined to the

verification of the status of accomplishment vis-à-vis the Philippine Plan but shall include a determination of how the agency's policies, programs, projects and procedures address gender issues. Such identification of gender issues shall be made in the survey phase of the audit. Gender issues identified in the Philippine Plan may initially be used. Further, an evaluation may be made of the economy, efficiency and effectiveness of an agency's gender mainstreaming activities.

2. In addition to existing laws, rules and regulations on gender development, the following standards may be used in the conduct of VFM audit:
 - a. the Philippine Plan for Gender-Responsive Development for 1995-2025;
 - b. Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)
 - c. Beijing Platform for Action (BPA)
 - d. Millennium Development Goals (MDGs)
 - e. Framework Plan for Women (FPW)
 - f. Recent statistics of the National Statistics Office (NSO), Department of Health (DOH), Department of Justice (DOJ), and other agencies that may be related to gender issues on labor, health, agrarian reform, criminal justice system, education and the like.
 - g. Action plans and accomplishment reports of agencies related to gender and development;
 - h. NCRFW-endorsed GAD plans of agencies; and
 - i. Reports/indicators prepared by agencies concerning gender issues like the Health Indicators, Reports on Manifestations of Gender Bias, and the like.
3. The GAD Focal Point of this Commission, in coordination with the Audit Sectors and Management Services, may recommend for approval of the Chairman, the conduct of VFM audit on a government-wide or sectoral basis. Funds for the conduct of said audit shall be incorporated in the COA-GAD budget. GAD government-wide and sectoral audit may also be conducted when required as part of our commitment to national and international conventions.

C. CONSOLIDATED REPORT ON THE RESULTS OF AUDIT

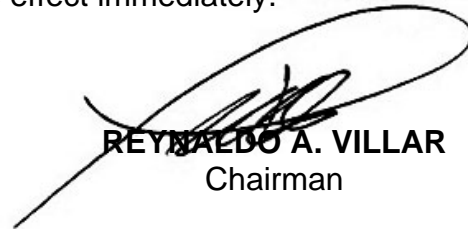
A consolidated report on the results of gender audit shall be submitted by each audit sector to the GAD Focal Point not later than June 30 of the following year.

V. AUDIT PROGRAMS

Sample audit programs for the conduct of financial and compliance audit and VFM audit of gender development funds and activities are hereto attached as Annexes 1 to 4.

VI. EFFECTIVITY

This Memorandum shall take effect immediately.



REYNALDO A. VILLAR
Chairman

ANNEX 1

SURVEY PROGRAM

**For the audit of GAD activities of the Department of Health
For the period _____**

Objective : To obtain information on the implementation of gender and development in the Department of Health

Activities	To be performed by	Man days	Remarks
1. Secure existing rules and regulations on gender and development and ascertain agency's compliance thereon			
2. From the Philippine Plan for Gender-Responsive Development for 1995-2025 (the Plan for brevity), identify the gender issues and corresponding gender programs and projects of the Department of Health to address them; (Example: Poor nutritional levels among women; poor functional health and literacy among women and men)			
3. Obtain information on the programs and projects re-gender and development currently being pursued by the Department. Prioritize the programs and projects in accordance with factors such as: a. that which have the greatest impact on gender issues identified in the Plan; b. the amount of funding; c. scope of implementation; d. identified clientele; and e. presence of risk.			

Activities	To be performed by	Man days	Remarks
<p>The information should include:</p> <ul style="list-style-type: none"> a. Objectives of the Program b. Funding c. Implementers of the program d. Target clientele of the program e. Planned activities to attain objectives f. Accomplishment vis-à-vis plans 			
<p>4. From the information obtained and based on the prioritization made, select the program/s which can be subjected to gender audit.</p>			
<p>5. Conduct interviews on the selected programs/projects prioritized and see if the gender issues identified in the Plan are subsisting thereat. Ask for information relative to problems encountered.</p>			
<p>6. Analyze the projects' accomplishments vis-à-vis the action plan of the agency. Verify any material variances in accomplishments vs. plans.</p>			
<p>7. Focus on the particular project which shows that gender issues identified in the Plan have not been addressed or that in which the impact of the audit will be material to the overall implementation of gender and development in the agency concerned.</p>			

ANNEX 1.A

AUDIT PROGRAM
For the audit of “Strengthening Maternal and Child Health Services Project” of the Department of Health
For the period _____

Audit Objective : To ascertain whether the gender issue of “Poor nutritional levels among women, pregnant and lactating women”, is being properly addressed by the abovementioned project of the DOH.

Activities	To be performed by	Man days	Remarks
1. Interview officials of the DOH on the subject project on the scope of its implementation, the various agencies within the DOH and outside of the DOH involve in its implementation as well as the strategies and activities being conducted.			
2. Obtain detailed information on the funding of the project, the sources of funding and how they are being distributed among the agencies involved.			
3. For purposes of establishing audit criteria, secure performance indicators being used by the agency showing improvement/deterioration in the nutritional levels of women. Secure also statistical data on nutritional level among women particularly pregnant and lactating women prevailing during the period of evaluation.			
4. Secure detailed information on the activities being implemented by DOH to address the gender issue identified.			

Activities	To be performed by	Man days	Remarks
<p>5. See if the programmed activities to address the gender issue have been accomplished. Verify from selected implementing agencies the extent of implementation of the project. Verification can be made of how programmed activities are being implemented in:</p> <ul style="list-style-type: none"> a. Integrated Provincial Hospitals b. District Hospitals c. Rural Health Centers of LGUs d. DOH Hospitals in Metro Manila 			
<p>6. Secure and analyze statistical data provided by implementing agencies showing improvement/deterioration in the nutritional levels of women, etc.</p>			
<p>7. Conduct interviews/ send questionnaires on the problems being met in the implementation of the project.</p>			
<p>8. From interviews and review of relevant documents identify the problems being met in the implementation of the project.</p>			
<p>9. Analyze whether the funds and activities being implemented are sufficient to address the gender issue identified. See if the funds for the project are being spent for what they are intended.</p>			
<p>10. Make conclusions and recommendations and prepare audit report.</p>			

ANNEX 2

SURVEY PROGRAM On Gender and Development Activities Pertaining to Women Migrant Workers For the Period _____

Objective : To secure information on the implementation of the Philippine Plan for 1995-2025 on women migrant workers.

Activities	To be performed by	Man days	Remarks
<p>1. From the Philippine Plan for Gender-Responsive Development for 1995-2025 (the Plan for brevity), identify the gender issues and concerns relative to migrant women workers. From the same Plan, identify the corresponding objectives and strategies to implement them. Find out the lead government agencies that will implement them.</p>			
<p>2. Obtain information on the programs and projects re- women migrant workers currently being pursued by the lead government agencies identified in the Plan. Prioritize the programs and projects in accordance with factors such as:</p> <ul style="list-style-type: none"> a. that which have the greatest impact on gender issues identified in the Plan; b. the amount of funding; c. scope of implementation; d. identified clientele; e. presence of risk <p>The information should include:</p> <ul style="list-style-type: none"> a. Objectives of the Program b. Funding c. Implementers of the program d. Target clientele of the program e. Planned activities to attain objectives 			

Activities	To be performed by	Man days	Remarks
f. Accomplishment vis-à-vis plans			
3. From the information obtained and based on the prioritization made, select the program/s which can be subjected to gender audit.			
4. Conduct interviews of officials of lead agencies on the selected programs/ projects prioritized and see if the gender issues identified in the Plan subsisting in their respective agencies including the problems being encountered.			
5. Analyze the programs/projects' accomplishments vis-à-vis the action plan of the lead agency concerned. Verify any material variances in accomplishments vs. plans.			
6. Focus on the particular project which shows that gender issues identified in the plan have not been addressed or that in which the impact of the audit will be material to the overall implementation of gender and development in the agencies concerned.			

ANNEX 3

AUDIT PROGRAM

For the audit of _____
 For the period _____

Audit Objective : To ascertain whether the gender issue of “curbing illegal recruitment and strengthening pre-employment/deployment, departure programs/services for prospective women migrants” is being properly addressed by the lead agencies concerned.

Activities	To be performed by	Man days	Remarks
1. Interview officials of the OWWA, POEA, DOLE, DFA and NCWRF on the subject issue and the programs/projects being implemented by the said agencies to address said issue.			
2. Secure detailed information on the funding of the projects, the sources of funding and how they are being distributed among the agencies involved.			
3. For purposes of establishing audit criteria, secure performance indicators being used by the concerned agencies showing illegal recruitment have been curbed and pre-employment services/ etc. has been strengthened. Secure also statistical data from other agencies like the NSO.			
4. Obtain detailed information on the activities being implemented by the said agencies to address the gender issue identified.			
5. See if the programmed activities to address the gender issue have been accomplished. Verify from			

Activities	To be performed by	Man days	Remarks
<p>selected implementing agencies the extent of implementation of the project. Verification can be made of how programmed activities are being implemented in:</p> <ul style="list-style-type: none"> a. POEA b. DOLE c. DFA d. NCRFW e. OWWA 			
<p>6. Secure and analyze statistical data provided by implementing agencies showing improvement/deterioration in recruitment and pre-employment/ deployment, departure programs/ services for prospective women migrants.</p>			
<p>7. Conduct interviews/ send questionnaires on the problems being met in the implementation of the project.</p>			
<p>8. From interviews and review of relevant documents identify the problems being met in the implementation of the project.</p>			
<p>9. Analyze whether the funds and activities being implemented are sufficient to address the gender issue identified. See if the funds for the project are being spent for what they are intended.</p>			
<p>10. Make conclusions and recommendations and prepare audit report.</p>			

ANNEX 4

AUDIT PROGRAM
Financial and Compliance Audit of
Gender and Development Funds/Activities
Municipality of _____
For the period _____

Audit Objective : To determine whether existing rules and regulations on gender and development are being complied with by the Municipality and whether funds are appropriated for the purpose and spent in accordance with accounting and auditing rules and regulations.

Activities	To be performed by	Man days	Remarks
1. Identify the Focal Point for GAD in the LGU and interview him/her relative to implementation of gender and development. Secure information whether funds are appropriated for gender and development.			
2. Obtain the GAD Plan from the Focal Point and determine whether it is approved and furnished the NCRFW, the DBM and other government agencies pursuant to existing rules and regulations.			
3. Obtain certification from the accountant for the total GAD expenditures during the period under review. Ascertain whether the funds are within the five (5) per cent of the total appropriation authorized for GAD.			
4. Secure the disbursement vouchers for GAD activities.			
5. Verify if expenditures are approved, supported by required documentation and paid to the rightful payee.			
6. Determine if such expenditures are in accordance with activities as planned.			

Activities	To be performed by	Man days	Remarks
7. See if an accomplishment report is made by the Focal Point to the regulating Office, the NCFRW.			
8. Issue AOM for findings noted in the review of documents/transactions.			