



Republic of the Philippines

**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**

DILG-NAPOLCOM Center, EDSA corner Quezon Avenue, West Triangle, Quezon City

http://www.dilg.gov.ph

Memorandum Circular No. 2018-159

September 14, 2018



**IMPLEMENTATION OF THE 2017 ANTI-DRUG ABUSE COUNCIL (ADACs)  
PERFORMANCE AUDIT**

**1.0 Background/Prefatory Statement/Purpose**

Republic Act 9165, or the Comprehensive Dangerous Drugs Act of 2002, provides guidelines to safeguard the citizenry from the harmful effects of dangerous drugs and to defend the same against acts or omissions detrimental to their development and preservation, through the pursuit of an intensive and unrelenting campaign against the trafficking and use of dangerous drugs and other similar substances.

In support of the said law, and to accelerate the campaign against illegal drugs in the communities, the DILG has issued Memorandum Circular No. 98-227, as amended, providing for the creation of local Anti-Drug Abuse Councils, and a series of related policies reiterating such creation and stating their roles and responsibilities.

To ensure the continued performance of the ADACs in the fight against the drug menace, there is a need to conduct a Performance Audit.

**2.0 Scope/Coverage**

The policy shall cover:

- 81 Provincial ADACs, 145 City ADACs and 1489 Municipal ADACs which shall be subjected to the performance audit;
- All Regional and Sub-Regional DILG offices who are primarily involved in the implementation of the performance audit;
- ADAC PMO as the over-all lead in the implementation of the ADAC performance audit; and
- Other DILG Central Office Bureaus/Services/Offices which shall provide the necessary technical, administrative and/or logistical support.

**3.0 Policy Content and Guidelines**

**3.1 Audit Criteria**

For CY 2017, the following basic criteria will be measured:

1. Organized Local ADAC
  - a. Creation/Reorganization of ADAC
  - b. Composition of ADAC Members Pursuant to DILG MC 98-227 and 2012-94
2. Conduct of quarterly meetings
3. Allocation of Funds for the Implementation of Anti-Drug Activities as Indicated in the POPS Plan
4. Implementation of ADAC Plans and Programs
  - a. Actual utilization of budget vs. target
  - b. Actual physical accomplishment vs. target
  - c. Drug-cleared barangays within the Province/City/Municipality
  - d. Timeliness of Implementation
  - e. Establishment of Special Drug Education Center or its equivalent facility (for Provinces only)

5. Support to ADACs in component LGUs
  - a. Formulation of Community Support, Aftercare and Reintegration (CSAR) Plan (for Cities and Municipalities only)
  - b. Financial and/or Technical Support
6. Innovation

### 3.2 Audit Pre-requisites: Tools, Structures, Compositions and Mechanism

The following tools and structures shall be used and followed during the performance audit process:

3.2.1 Tools – only the prescribed forms shall be used in documenting the results and observation during the audit process.

- a. Document Checklist (DC 1 for the City/Municipality ADAC, DC 2 for the Provincial ADAC, and DC 3 for the HUC and ICC ADAC shall be used during the Phase 1 of the Audit.
- b. Data Capture and Validation Form (Form 1 for CADAC/MADAC, Form 2 for PADAC and Form 3 for HUC and ICC ADAC) shall also be used during Phase 1 of the Audit.
- c. Score Sheet (Form 4 for CADAC/MADAC, Form 5 for PADAC and Form 6 for HUC and ICC ADAC) shall be used to allocate points for each functionality indicator during Phase 2 or the Verification Phase.
- d. Consolidated Reporting Form (Form 7) shall also be used during Phase 2 or the Verification Phase.
- e. National Report Form (Form 8) shall be used during Phase 3, the final phase of the Audit.
- f. ADAC Performance Audit Manual to guide the audit teams shall be used during the whole duration of the performance audit. The said Manual will define each indicator in detail, to ensure proper filling-out of the Forms (DCVF, Score Sheet, CRF and NRF).
- g. The Audit Protocol shall be used to guide Audit Teams on the processes and timelines on the conduct.

### 3.2.2 Structures and Compositions

- a. ADAC Provincial Audit Teams (APT), to be organized and chaired by the DILG Provincial Office, composed of representatives from the:
  - a. Provincial Philippine National Police (PNP);
  - b. Provincial Department of the Interior and Local Government (DILG);
  - c. Provincial Philippine Drug Enforcement Agency (PDEA); and
  - d. Two (2) representatives from Civil Society Organizations.
- b. ADAC Regional Audit Teams (ART), to be organized and chaired by the DILG Regional Office, composed of representatives from the:
  - a. Regional Philippine Drug Enforcement Agency (PDEA);
  - b. Regional Philippine National Police (PNP);
  - c. Department of the Interior and Local Government Regional Office (DILG); and
  - d. Two (2) representatives from Civil Society Organizations.
- c. ADAC National Audit Team (NAT), to be organized by the ADAC PMO, and chaired by the SILG, composed of representatives from the National Government Agencies:
  - a. Philippine Drug Enforcement Agency (PDEA);
  - b. Dangerous Drugs Board (DDB);
  - c. Department of the Interior and Local Government (DILG);

- d. Philippine National Police (PNP); and
- e. One (1) representative from Civil Society Organizations.

3.2.3 Mechanism

- a. APT shall audit and verify data from all Municipal and Component City ADACs within their respective areas of jurisdiction;
- b. ART shall audit and verify data from all Provincial, Highly Urbanized City and Independent Component City ADACs within their respective areas of jurisdiction; and
- c. NAT shall conduct calibration and finalization of results.

3.3 Participation of and support to Partners. The ADAC performance audit is a collaborative effort with National Government Agencies (NGAs) and CSOs to ensure the integrity of the audit process and its results. Therefore, honorarium and travel expenses, whichever is appropriate, shall be provided subject to the availability of funds and the usual accounting and auditing rules and regulations.

3.4 Phases of Implementation and Responsibilities of the Different Stakeholders

3.4.1 Phase 1: Data Gathering Phase- the DILG City or Municipal Local Government Operations Officer, in the case of C/Ms, and the DILG Provincial Director, in the case of Provinces, shall gather all required means of verification (MOVs) as listed in the Performance Audit Manual, and fill out the DCVF. The DILG City Director, in the case of HUCs and ICCs, shall gather all required means of verification (MOVs) and fill out the DCVF.

3.4.1.1 In the case of Component Cities/Municipalities, copies of the means of verification attached to the filled out DCVF shall be submitted to the APT for verification.

3.4.1.2 In the case of Provinces, HUCs and ICCs, copies of the means of verification attached to the filled out DCF shall be submitted to the ART for verification.

3.4.2 Phase 2: Verification- Submitted DCFs and MOVs are to be reviewed by the concerned APT or ART.

3.4.2.1 In the case of Component Cities/Municipalities, the APT shall review and verify data in the DCVF (Form 1) based on the MOVs submitted.

3.4.2.2 In the case of Provinces, HUCs and ICCs, the ART shall review and verify data in the DCVF (Forms 2 and 3) based on the MOVs submitted.

3.4.2.3 Each indicator in the DCVF has a corresponding point for a total of 100 points. The APT and ART will use the Score Sheet (Forms 4, 5, and 6) to determine the score and the adjectival rating of the ADACs.

3.4.2.4 Adjectival Ratings of Functionality are as follows:

Adjectival Rating	Point Score
High Functionality	85-100
Moderate-High Functionality	71-84
Moderate-Low Functionality	51-70
Low Functionality	50 points and below

3.4.2.5 The APT will use the Consolidated Report Form (Form 7) to consolidate the scores and ratings of the CADACs and MADACs in their jurisdiction. Afterwards, they will send the Form 7, via

email, to the ART so that they can add the scores and ratings of the PADACs and HUC/ICC ADACs and submit it to the NAT through the email address: [adacpmo@gmail.com](mailto:adacpmo@gmail.com) for finalization and consolidation.

- 3.4.3 Phase 3: Finalization and Calibration- The NAT shall gather all CRFs from the ARTs and the NBOO. The NAT shall gather in a single venue for a maximum of two (2) weeks to finalize the results using the National Report Form (NCF). They will encode all of the score and adjectival ratings of all ADACs in the NRF.
- 3.4.4 Phase 4: Presentation of Results- Based on results validated by the NAT the list of 2018 High Functioning ADACs shall be presented
- 3.4.5 Phase 5: The approved list shall be officially published through the DILG website and/or print media. Likewise, the same shall be communicated to the DILG Regional Offices, for dissemination for LGU Certification of High Functioning ADACs.

### 3.5 Indicative Schedule

- 3.5.1 Phase 1- September to October 24, 2018
- 3.5.2 Phase 2- October 25 to November 28, 2018
- 3.5.3 Phase 3- November 29 to December 11, 2018
- 3.5.4 Phase 4- December 12, 2018
- 3.5.5 Phase 5- December 2018

## 4.0 Attachments

The following documents are herein attached for reference.

- 4.1. Annex A – ADAC Performance Audit Protocols
- 4.2. Annex B - ADAC Performance Audit Manual
- 4.3. Annex D – ADAC Performance Audit Forms

The digital copies of the above-listed documents are available at the following link <http://bit.do/ADACPerformanceAudit>

## 5.0 Effectivity

This Memorandum Circular shall take effect immediately.

## 6.0 Feedback

Inquiries or concerns concerning this MC should be directed or addressed to the Bureau of Local Government Supervision (BLGS), through any of the following: Telephone Nos. 876-3454 loc. 4210/4211, email at [adac.blgs@gmail.com](mailto:adac.blgs@gmail.com) or through mail at 25<sup>th</sup> Floor, DILG NAPOLCOM Center, EDSA cor Quezon Ave.

## 7.0 Approving Authority

  
USEC. NESTOR F. QUINSAY, JR.  
Officer-in-Charge

