Republic of the Philippines
Department of Education
DIGOS CITY DIVISION
Office of the Schools Division Superintendent

DIVISION MEMORANDUM No. 049, s. 2023 March 20, 2023

EXIT CONFERENCE FOR CY 2022 AUDIT PERIOD

TO: ASSISTANT SCHOOLS DIVISION SUPERINTENDENT
CID AND SGOD DIVISION CHIEFS
ACCOUNTANT III
ADMINISTRATIVE OFFICER V – ADMIN
ADMINISTRATIVE OFFICER V – BUDGET
ADMINISTRATIVE OFFICER IV – HR
ADMINISTRATIVE OFFICER IV – SUPPLY
ADMINISTRATIVE OFFICER IV – CASH
INFORMATION TECHNOLOGY OFFICER I
HAZEL L. ESCABILLAS – FOCAL PERSON, SBFP
HEIDI B. ESCALONA – ADMINISTRATIVE OFFICER II

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1. Pursuant to the enclosed letter of Helena L. Valdez, State Auditor V, Regional Supervising Auditor, you are hereby ordered to attend the Exit Conference on March 23, 2023 at 1:30 PM at the Audio-Visual Room of Digos City National High School.

2. The COA Audit Team will discuss the financial and compliance audits for CY 2022 and solicit comments on the audit observations and recommendations.

3. For immediate dissemination.

CRISTY C. EPE
Schools Division Superintendent

DepEd Schools Division of Digos City
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DATE: 21 MAR 2023 TIME: 10:39 am
BY:

Address: Roxas cor. Lopez Jaena Street, Zone II, Digos City (8002)
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REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
REGIONAL OFFICE NO. XI
NATIONAL GOVERNMENT AUDIT SECTOR
Cluster 5-Education and Employment
C.P. Garcia National Highway, Davao City

DepEd Schools Division of Di...
RECORDS SECTION
99144
DATE: 3/14/ 2023 TIME 10:11
BY:

Office of the Regional Supervising Auditor

March 13, 2023

Ms. CRISTY C. EPE, CESE
Schools Division Superintendent
DepEd-Digos City Division

Dear Madam:

In compliance with COA Memorandum No. 2014-011 dated October 21, 2014, this Office respectfully invites you to an exit conference on **March 23, 2023** at **1:30 PM** at the Audio-Visual Room of **Digos City National High School**, to discuss the results of the Financial and Compliance Audits for CY 2022, and solicit your comments to the audit observations and recommendations earlier communicated through the issuance of Audit Observation Memorandum (AOMs).

You may also invite some officials/employees who had direct and active participation in the processing of financial transactions or implementation of projects, programs and activities covered by the AOMs.

Attached is the Summary of Audit Observations and Recommendations (SAOR) for the audit of CY 2022 for your ready reference.

Thank you.

Very truly yours,

HELENA L. VALDEZ
State Auditor V
Regional Supervising Auditor

DEPED-DIGOS CITY DIVISION
ROXAS ST. CORNER LOPEZ JAENA ST., DIGOS CITY

SUMMARY OF AUDIT OBSERVATIONS AND RECOMMENDATIONS (SAOR)
For the Calendar Year Ended December 31, 2022

Reference	Audit Observation	Recommendation	Management Comment	Auditor's Rejoinder
AOM No. 2023- 001 January 12, 2023	Agency Action Plan and Status of Implementation (AAPSI) with reference to the Audit Observations and Recommendations for the Calendar Year 2021 including those of the prior years' were not submitted by Management contrary to Section 91, General Provisions of RA 11518 or the General Appropriations Act of 2021, thus precluding the Auditor from conducting his validation.	1. Direct the focal person who was instructed by the SDS to collate and coordinate with the different units of the Division Office, to immediately submit to the audit team the duly accomplished AAPSI for validation; and 2. Identify the source of delay in accomplishing the AAPSI so that appropriate procedures are implemented to avoid delay in the submission of the said report in the future.		
AOM No. 2023-002 January 19, 2023	The Agency did not fully comply with the provisions on Transparency Seal pursuant to Section 102 of the General Provisions of the Government Appropriations Act of 2022 or Republic Act (RA) No. 11639 particularly on the posting and updating of the information of	1. Be proactive in the Government's mandate in regulatory improvements for the benefit of the citizens; 2. Update the Agency's information on the minimum requirement of Transparency Seal to		

Reference	Audit Observation	Recommendation	Management Comment	Auditor's Rejoinder
	government transactions thereby depriving the public of pertinent information necessary to enforce accountability among its officials.	make certain that the required pieces of fiscal and operational information are disclosed on its official website on a regular basis for the public to access the key information; and 3. Instruct the ICT Unit to regularly update and monitor the information/data posted in its official website.		
AOM No. 2023- 003 February 13, 2023	The agency did not observe the proper documentation and control over the use of government vehicles contrary to COA Circular No. 77-61 dated September 26, 1977, thus the validity and reasonableness of Fuel, Oil and Lubricants Expenses amounting to P 108, 501.14 cannot be ascertained.	1. Adhere to the rules on the submission of Monthly Report of Official Travel and Monthly Report of Fuel Consumption to the office of the Auditor; 2. Reassess their review process prior to granting fuel requests, taking into consideration the actual tank capacity of each vehicle. Management may consider attaching the recent trip ticket to determine the existing fuel in tank prior to request for refueling; 3. Stop the practice of granting		

Reference	Audit Observation	Recommendation	Management Comment	Auditor's Rejoinder
		of fuel more than the maximum fuel tank capacity; 4. Require detailed drivers to accomplish the trip tickets properly and completely, indicating all of the required information; and 5. Revisit their operational controls in fuel consumption and strengthen their review process of documents supporting requests for fuel withdrawal.		
AOM No. 2023-004 February 21, 2023	Fifty-one (51) Buildings amounting to ₱275,746,452.52 were not insured with the General Insurance Fund (GIF), therefore exposing the Agency to unnecessary losses due to non-indemnification in the event of damaged caused by calamities such as earthquake, storm, flood, theft and other causes beyond the insurance limits, as required under R.A. No. 656.	1. Make representation to DEPED Central Office thru the Regional Director of DepEd XI to allocate funds for GSIS Insurance in their next budget proposal; 2. In the meantime, secure from the GSIS the insurance coverage of selected properties that will be insured in 2023 using available resources of the agency; and		

Reference	Audit Observation	Recommendation	Management Comment	Auditor's Rejoinder
		3. Prepare the PIF by listing all the Agency's insurable properties and other information, showing therein the latest appraised values/valuation, appraisal date, location and other information; and submit the consolidated PIF to the Office of the Audit Team Leader not later than April 30 of each year.		
AOM No. 2023- 005 February 23, 2023	The existence, completeness, valuation and accuracy of the PPE account with a reported balance of P465,315,508.75 is doubtful due to absence of periodic reconciliation between the property and the accounting records that resulted in a total variance of P 57,509,486.93.	1. Direct the Property and Supply Officer and the Accountant to reconcile their respective records and submit the result of reconciliation to the Audit Team on or before April 30, 2023; and 2. Require the Accountant and the Property and Supply Officer to update their Property Ledger Cards (PLCs) and Property Cards (PCs), and to ensure that discrepancies are immediately investigated and cleared to come-up with a reconciled balance.		

Reference	Audit Observation	Recommendation	Management Comment	Auditor's Rejoinder
AOM No. 2023-006 March 1, 2023	Collections amounting P 33,222.31 were not deposited within the prescribed period, contrary to section 21 of the Manual on the New Government Accounting System, (Vol. 1,) exposing government fund to possible loss and or misuse.	1. Instruct the Cashier to deposit intact all his collections with AGDB daily or not later than the next banking day; and 2. Assign personnel who can focus the cashiering functions to avoid recurrence of similar deficiency.		