



Republic of the Philippines
Department of Education
REGION VI – WESTERN VISAYAS
SCHOOLS DIVISION OF AKLAN

June 8, 2020

DIVISION MEMORANDUM

No. 135, s. 2020

DISSEMINATION OF AUDIT OBSERVATION MEMORANDUM No. 2020-09-101(19)

To: Public Schools District Supervisors
Heads of Public Elementary, Secondary and Integrated Schools
Accountants/Bookkeepers of Public Elementary, Secondary
And Integrated Schools

1. Please find the attached Audit Observation Memorandum (AOM) No. 2020-09-101 (19), dated May 5, 2020 regarding the Liquidation Reports of cash advances of School Heads for the school's Maintenance and Other Operating Expenses (MOOE) for the year 2019, which is self-explanatory.
2. The recommendations of the Commission on Audit (COA) auditors will be required to be implemented in the liquidation of 1st Release of MOOE for calendar year 2020.
3. For your information, guidance and compliance.


MIGUEL MAC D. APOSIN EdD, CESO V
Schools Division Superintendent 

Enclosures : As stated

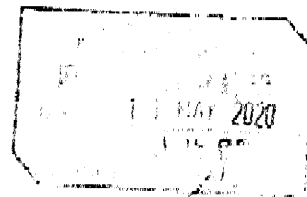
/MAJ



Poblacion, Numancia, Aklan
Tel/Fax No. (036) 265 3744 | (036) 265 3737 | (036) 265 3738 | (036) 265 3740 | (036) 265 3741
Website: <http://www.dcpedaklan.org>
Email Address: aklan.1958@deped.gov.ph



Republic of the Philippines
COMMISSION ON AUDIT
Audit Group NGS - 5 - A
OFFICE OF THE AUDITOR
Team R6-16
Department of Education, Division of Aklan
Numancia, Aklan



AUDIT OBSERVATION MEMORANDUM (AOM)

AOM No. 2020-09-101 (19)
May 5, 2020

Dr. Miguel Mac D. Aposin, CESO V
Schools Division Superintendent
Department of Education, Division of Aklan
Numancia, Aklan

Attention: **Ms. Marissa A. Itzundo, Accountant III**
All School Heads/Accountable Officers for School MOOE

We have audited sample Liquidation Reports of cash advances of School Heads for the school's Maintenance and Other Operating Expenses (MOOE) for the year 2019, and noted this deficiencies:

1. Job Order personnel usually hired on a monthly basis are paid with a monthly rate contrary to the provisions of Commission On Audit (COA) and Department of Budget and Management (DBM) Joint Circular No. 1, s. 2017 dated June 15, 2017.
2. Attached bills and official receipts printed on thermal papers are already faded, depriving the Auditors to confirm the correctness of the amount paid.
3. COA-DBM Joint Circular No. 1, s. 2017 dated June 15, 2017 provides for the Rules and Regulations Governing Contract of Service (COS) and Job Order (JO) Workers in the Government.
4. Pertinent provisions on Job Order is as follows:
5. *5.4 "Job Order" refers to piece of work (pakyaw) or intermittent or emergency jobs such as clearing of debris on the roads, canals, waterways, etc. after natural/man-made disasters occurrences and other manual trades and crafts services such as carpentry, plumbing, electrical and the like. These jobs are of short duration and for a specific piece of work.*

6. 6.3 Conditions for the hiring of Job Order:

The services of a Job Order worker is either *paid according to an agreed contract amount for the piece of work or on a daily wage basis.*

Contracting the services of job order workers shall be subject to pertinent budgeting, accounting and auditing rules and regulations. (italics supplied)


7. On the otherhand, PD 1445 known as the State Audit Code of the Philippines, Section 4, paragraph 6 thereof requires that claims against government funds shall be supported with complete documentation.
8. One of the expenses charged by the schools for their MOOE cash advance is for the payment of laborers-utility workers to perform daily maintenance and upkeep of the school's premises in which a Job Order Contract is issued good for one month. They are to be paid on a daily basis for P 250.00-P350.00/day depending on the availability of funds of the school.
9. Audit of sample Liquidation Reports, however disclosed that actual payments were made on a monthly basis at a fixed rate of P5,000.00 to P6,500.00, regardless of the actual number of days worked, thus causing over or under payments and which is contrary to the "No Work, No Pay" polley.
10. Further, attached bills and official receipts printed on thermal papers are already faded, e.g. AKELCO Electric bills and taxi metered receipts with no photocopy attached, depriving the Auditors to confirm the correctness of the amount.

Recommendations:

11. JO utility workers hired to work on a monthly basis, *not for a piece of work or pakyaw*, should be paid on a daily wage basis in accordance with the provisions of COA-DBM Joint Circular No. 1, s. 2017 dated June 15, 2017.
12. To monitor their actual attendance and to be paid with the correct amount due them, they must be required to record their attendance on a logbook/register or to register in the Biometrics System with the time entries reflected in a Daily Time Record (DTR), manual or system generated. This is in lieu of the Timebook and payroll prepared by the schools. In addition, other supporting documents like the Job Order Contract/Agreement and Accomplishment Report must be attached to the Liquidation Report.
13. All Administrative Assistants/Accountable Officers must be required to photocopy as soon as possible the bills/receipts printed in thermal papers.

May we have your comments on the foregoing audit observations within **fifteen (15)** days upon receipt hereof.


STEPHANIE F. STA. MARIA
State Auditor III
Audit Team Leader


JONI T. MEÑEZ
State Auditor IV
OIC-Regional Supervising Auditor

Proof of receipt of AOM:

By: _____

Date: _____