

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY
 REGIONAL OFFICE 10
 Cagayan de Oro City, Misamis Oriental

AGENCY ACTION PLAN and
 STATUS of IMPLEMENTATION
 Audit Observations and Recommendations
 For the Calendar Year 2022
 As of April 30, 2023

COA - TESDA 10
RECORDED
 MAY 31 2023
 TIME: 4:50 pm BY: 3

Ref	Audit Observation	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-implementation, if applicable	Action Taken / Action to be Taken
			Action Plan	Person/Dept. Responsible	Target Implementation Date				
					From	To			
2022									
Financial Audit									
AOM No. 2023-005 (2022) dated March 9, 2023	1. Funds transferred to Ozamiz City Technical and Vocational School (OCTAVS) amounting to P6,264,000.94 remained outstanding for over 3 years contrary to Items A & G of Section 63, Chapter 6 of the GAM, and the Memorandum of Agreement between TESDA Regional Office No. 10 & OCTAVS, thus exposed the funds to possible loss and misuse.	a) Issue a demand letter to the administration of Ozamiz City Technical and Vocational School to expedite the liquidation of the said funds and furnish a copy of the said demand the Resident Auditors of: LGU Ozamiz City, TESDA Provincial Office of Misamis Occidental and TESDA Regional Office.					Fully Implemented (Based on Audit Recommendation)	For issuance of Auditor's Report: through Demand letter was issued to OCTAVS. No action taken by the latter to expedite liquidation of the outstanding balance of the fund through.	A demand letter was emailed to the City Mayor of Ozamiz City, copy furnished the COA Regional Supervising Auditor, COA X team, COA Misamis Occidental Team and COA LGU Ozamiz City Team, on March 27, 2023



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		b) instruct the Accountant to make the necessary adjusting entries to correct the recording of the funds transferred and furnish the Auditor a copy of the JEVs made.					Fully Implemented	JEV No. 07-2023-03-007 dated March 31, 2023 was issued to adjust the entries used	
2022-005 dated December 13, 2022	2. The ownership and existence of School Buildings amounting to P19,762,029.71 could not be properly established in the absence of complete documentation relative thereto and the failure of management to conduct an ocular inspection of the said properties, contrary to Section 3, Chapter 10 of the GAM for NGAs and generally accepted accounting principles, rendering the School Buildings account doubtful and unreliable	<p>a) Submit the following documents pertaining to the school buildings to the audit team:</p> <p>i. Memorandum of Agreement relative to the construction and transfer of the school buildings to LGUs; and</p> <p>ii. Certificate of Completion and other documents submitted by DPWH</p>					Fully Implemented	<p>For issuance of Auditor's Rejoinder: Evaluation documents submitted in satisfaction to A.I & A.II results to:</p> <p>1. Lack of MOA by & between TESDA & HEU in transfer of school buildings; 2. Certificate of Acceptance from DPWH to TESDA</p> <p>Copies of the Memoranda of Agreement (MOA) for the three (3) districts were submitted and received by COA on January 24, 2023. Other supporting documents were also submitted to COA on the following dates:</p> <p>January 24, 2023 March 2, 2023 March 27, 2023</p>	

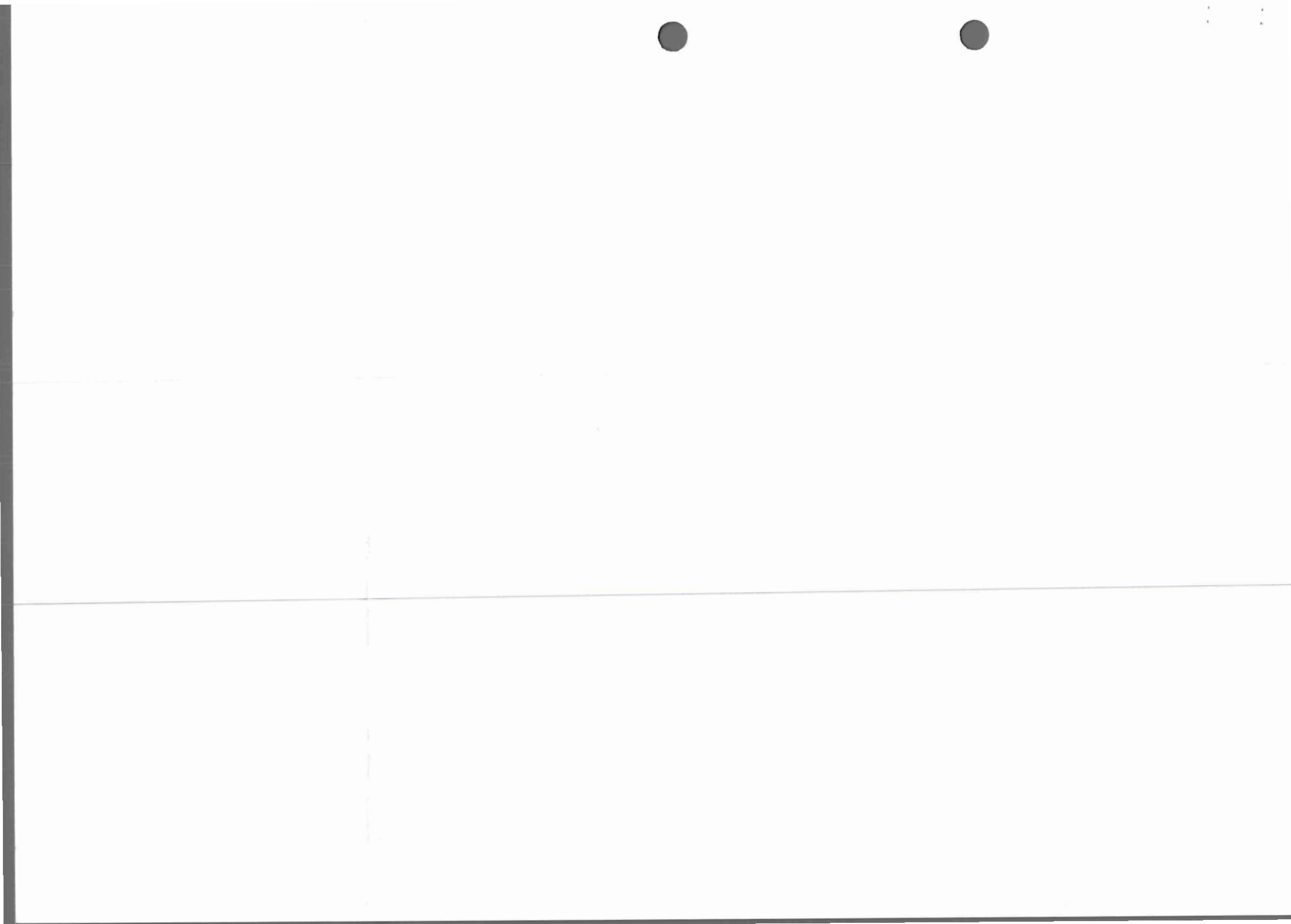


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		<p>b) instruct the Inspectorate Committee to conduct an ocular inspection of the buildings and inform the Audit Team of the schedule of inspection; and</p> <p>c) Instruct the accountant to:</p> <p>i. compute and record the appropriate depreciation expense and</p>					<p>Fully Implemented</p> <p><i>Building Inspection Report or Results of Inspection of the building</i></p>	<p>Office Order No. 084 series of 2023 was issued instructing the Inspectorate Committee to conduct inspection of the seven (7) training centers of Bukidnon.</p> <p>Actual conduct of inspection was conducted on March 16-17, 2023 and a report on the inspection conducted was submitted to COA on March 27, 2023</p>	
							<p>✓ Fully Implemented</p>		

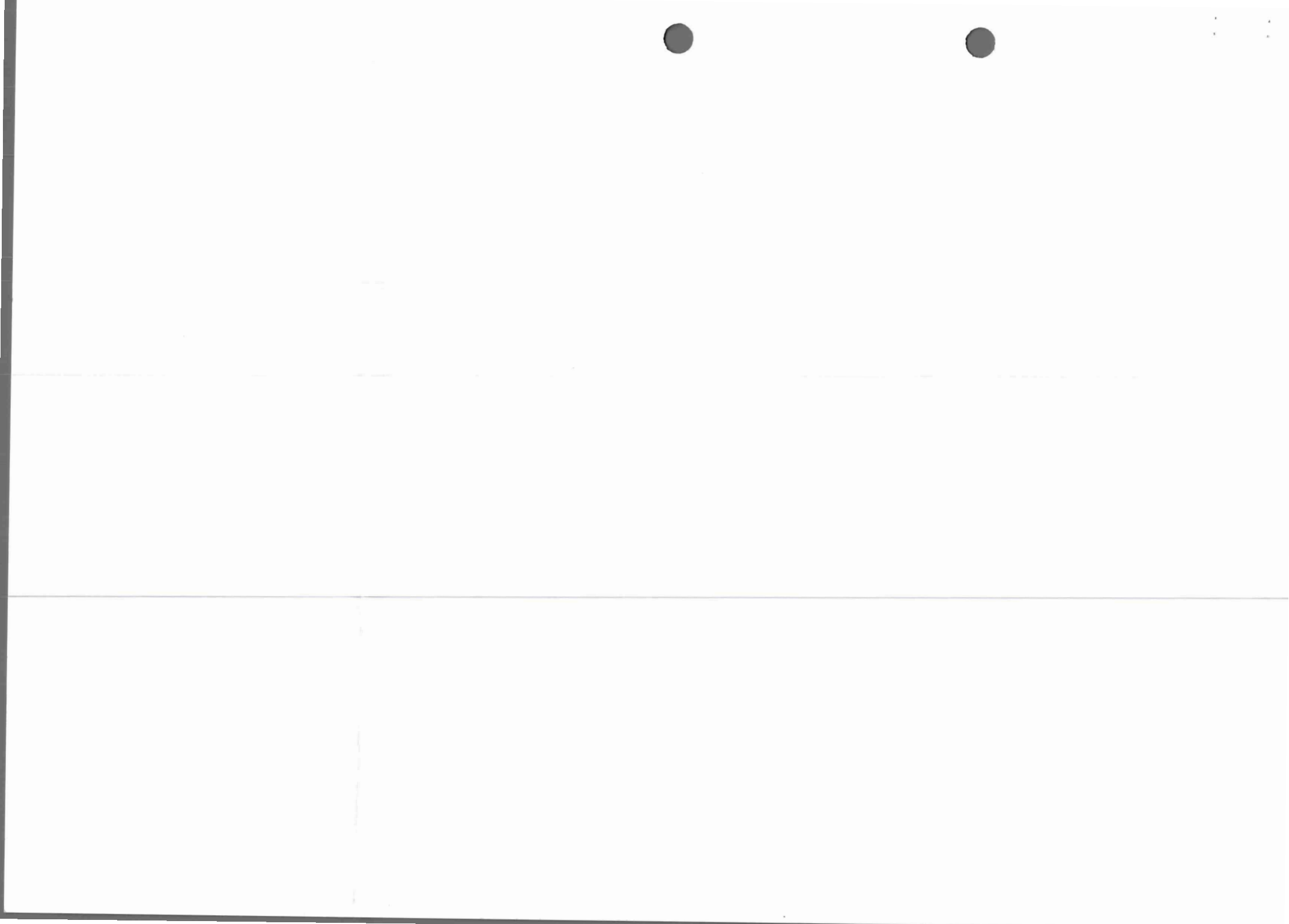


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		<p>accumulated depreciation for the School Buildings;</p> <p>ii. record the transfer of the buildings to the respective LGUs; and</p> <p>iii. submit the Journal Entry Vouchers (JEVs) of the adjustments made.</p>	<p>Schedule visit to the Municipal Mayors for the acceptance of the buildings and signature on the PTR</p> <p>Prepare JEV once all PTRs have been accepted and signed</p>	<p>RFASD</p> <p>Accountant</p>	<p>April 2023</p> <p>May 2023</p>	<p>June 2023</p> <p>June 2023</p>	<p>Not Implemented</p> <p>Not Implemented</p>	<p>The Property Transfer Reports (PTR) are still for signature and acceptance of the seven (7) Municipal Mayors of Bukidnon</p>	<p>The following JEV Nos were prepared to record the amount of depreciation expense and accumulated depreciation:</p> <p>JEV No. 01-2023-02-008 dated February 28, 2023</p> <p>JEV No. 01-2023-03-010 dated March 20, 2023</p>



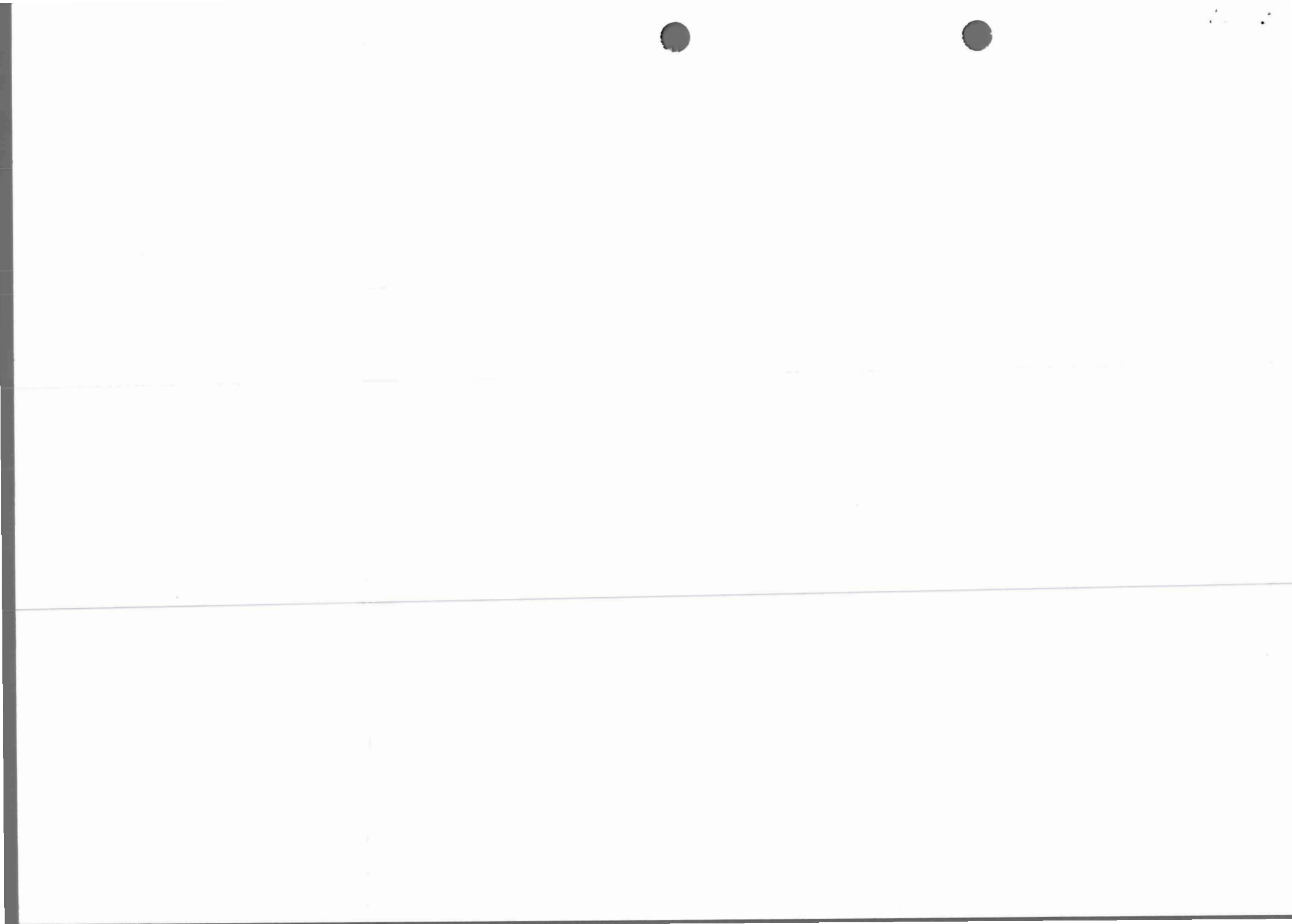
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2023-003 (2022) dated February 7, 2023	3. The existence of undocumented and long outstanding payables aged more than two years amounting to P297,925.94 contrary to COA-DBM Joint Circular No. 1, s. 2021 and Section 37, Chapter 2 of the GAM rendered the validity and reliability of the liability accounts doubtful and unreliable.	<p>a) Require the accountant to exhaust all means to locate the supporting documents of the accounts payable which is outstanding for more than 2 years and to review the validity thereof, if found to have no valid claim against the agency, cause the reversion of the same to the Accumulated Surplus and adhere to the guidelines set forth in COA-DBM Joint Circular No. 1, s. 2021; and</p> <p>b) ensure that outgoing officers and employees conduct proper turnover of records, reports and pending works.</p>					Fully Implemented	<p>JEV No. 06-2023-03-007 dated March 31, 2023 was prepared to record the adjustments on the Other Payables account of the Sariling Sikap Program (SSP) Fund</p> <p>Clearance of Outgoing employees are not signed without proper turnover</p>	
							Fully Implemented		
Compliance Audit									
AOM No. 2023-001	4. The accountable form custodian did not	a) Maintain a register/logbook to					Fully Implemented		Logbook for all types of



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(2022) dated January 31, 2023	maintain a register of accountable forms (AF) to record/document the dates of receipt and issuance of the AFs, including the quantity, serial numbers and initials of the person responsible, contrary to Section 95 of GAAM, Vol 1, and which resulted to unrecorded/unreported 400 pcs of LBP checks.	<p>record (a) all types of AFs on hand as of count, (b) all receipts and issuances, together with the following information for each type of accountable form: date of receipt, date of issuance, quantity, serial numbers, signature of custodian in order to properly monitor the movement and status of AFs in their possession; and</p> <p>b) ensure that entries in the register/s are updated and inventory balances concur with the report of accountable forms submitted monthly.</p>					Fully Implemented	<p>Accountable Forms was prepared, maintained and submitted copy to COA through Letter dated February 17, 2023.</p> <p>Updated monthly report for accountable forms submitted to COA through Letter dated February 17, 2023.</p>	
AOM No. 2023-002 (2022) dated February 1, 2022	5. The agency failed to submit complete documentary requirements for purchases of equipment through competitive bidding amounting to	a) Require the immediate submission of the signed Property Transfer Report for the tools and equipment received by the					Fully Implemented	<p>For issuance of Auditor's Requirement:</p> <p>1. Property No.</p> <p>2. SN of Property</p> <p>3. No. of units ✓</p> <p>Copy of Property Transfer Report (PTR) was submitted and received by</p>	



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	P4,302,300.00 in violation of COA Circular No. 2012-001, which precluded the Auditor in the evaluation and verification of the transactions, hence casting doubt to the propriety and legality of the procurements made.	<p>property custodian of PTC-Bukidnon;</p> <p>b) direct the Bids and Awards Committee (BAC) and Technical Working Group (TWG) to submit the procurement documents as enumerated in Section 9.1 of COA Circular No. 2012-001;</p> <p>c) request from the supplier of Lot 2 a status report on the delivery of the items and inform them on the liquidated damages that they have incurred as a result of their delay; and</p>					<p>Fully Implemented</p> <p><i>Notice to Proceed - no date</i> <i>MOA - no date</i> <i>Delivery Receipts - no date; not detailed.</i></p>	<p>COA on March 2, 2023</p> <p>Procurement Documents as enumerated in Section 9.1 of COA Circular No. 2012-001 was submitted to COA per transmittal letter dated February 21, 2023 and was received on March 2, 2023</p> <p>Request for Extension by DML's Trading which included the status of delivery, valid reason for delay and actual date of proposed new delivery schedule was submitted and received by COA on March 2, 2023</p>	
							<p>Fully Implemented</p>		




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		d) submit an approval of the Head of the Procuring Entity on the Letter of Extension requested by the supplier of Lot 2.					Fully Implemented	For issuance of Auditor's Report/Order.	Approval of the Head of the Procuring Entity of the extension requested by the supplier of Lot 2 is attached herewith.

Agency sign-off:


DAN M. NAVARRO
 Regional Director

5/25/2023
 Date

Verified by:


MA. ASSUMPTA S. RAMOS
 Audit Team Leader 6/6/2023

Note: Status of implementation may either be: (a) Fully implemented or (b) Not Implemented.

