



Republic of the Philippines
Department of Education
REGION VII - CENTRAL VISAYAS
Schools Division of Bohol

**Office of the Schools
Division Superintendent**

July 18, 2024

OFFICE MEMORANDUM

OSDS / CID / SGOD - 2024 - 19

To: Dr. Faye Luarez – Asst. Schools Division Superintendent / BAC Chairman
Fermin M. Albutra – Administrative Officer V
Gabina F. Ladaran – Division Accountant
Lilian M. Baloria – Property and Supply Officer
Engr. Domingo J. Lamoste Jr. – Division Physical Facilities Unit Head
Rhea C. Arao-arao – Budget Officer
Victoriano C. Cimeni – Cashier
Felipe B. Plantino Jr. – DPSU Head

**ENTRANCE CONFERENCE WITH MANAGEMENT FOR THE AUDIT OF CALENDAR
YEAR (CY) 2024**

1. Please be informed of the COA Audit Entrance Conference for CY 2024 Audit, on July 26, 2024, Friday from 9am – 10am at the SDO Office – DepEd-Division of Bohol.
2. Attendance of all concerned is expected.

CASIANA P. CABERTE Ph.D., CESO VI
Assistant Schools Division Superintendent
Officer-in-Charge
Office of the Schools Division Superintendent

EML/ASDS/OFFICE/INITIALS OF THE HEAD/initials of the encoder



Deped Tayo Bohol Division

Address: 0050 Lino Chatto Barangay Cogon,
Tagbilaran City, Bohol
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REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT

REGIONAL OFFICE NO. VII
National Government Sector -
Audit Group NGAS – 5, Education and Employment
Office of the Auditor – Audit Team No. 16
COA Bohol Provincial Satellite Auditing Office, Tagbilaran City, Bohol

July 15, 2024

DR. CASIANA P. CABERTE, CESO VI
Assistant Schools Division Superintendent
Officer-in-Charge
Office of the Schools Division Superintendent
Department of Education
Division of Bohol
Tagbilaran City, Bohol



Dear Dr. Caberte:

In connection with the financial audit of the Department of Education (DepEd) – Division of Bohol for CY 2024, we humbly request an entrance conference with Management. The holding of such entrance conference will be in compliance with the International Standards of Supreme Audit Institutions (ISSAIs), one of which is communicating to Management the terms of the audit engagement.


We request to hold such conference on July 26, 2024 (Friday) at 9:00 – 10:00 AM at the Division Office.

Further, we request your attendance and of the following personnel as well as other officers whose attendance you may deem necessary.

Name	Office
1. Gabina F. Ladaran ✓	Accounting Unit
2. Rhea C. Arao-arao ✓	Budget Unit
3. Victoriano C. Cimeni ✓	Cashiering Unit
4. Lilian M. Baloria ✓	Property and Supply Unit
5. Domingo J. Lamoste, Jr. ✓	Physical Facilities Unit
6. Fermin M. Albutra ✓	Administrative Unit
7. Felipe B. Platino, Jr. ✓	Payroll Services Unit
8. Dr. Fay C. Luarez ✓	Bids and Awards Committee Chairperson/ Chairman of TWG, Division Gender and Development (GAD) Focal Point System (GFPS)

Thank you and have a good day.

Truly yours.


MONENA ACAR-CIÑO
State Auditor III
OIC-Audit Team Leader

COA Signed
2024-07-15
10:11:10





REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
REGIONAL OFFICE NO. VII

National Government Sector
Cluster 5 - Education and Employment
Office of the Supervising Auditor
Department of Education, Regional Office No. VII
Sudlon, Lahug, Cebu City

July 15, 2024

DR. CASIANA P. CABERTE, CESO VI
Assistant Schools Division Superintendent
Officer-in-Charge
Office of the Schools Division Superintendent
Department of Education
Division of Bohol
Tagbilaran City, Bohol

Attention: Ms. Gabina F. Ladaran, CPA
Division Accountant

Dear **Dr. Caberte**:

Pursuant to the Philippine Constitution of 1987, Article IX-D, Section 2, the Commission on Audit (COA) shall examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to, the Government, or any of its subdivisions, agencies, or instrumentalities. In this connection, the COA Audit Team will audit your Agency's financial reports and financial reporting processes for the year ended December 31, 2024.

A. Audit objectives

1. The objectives of this audit are as follows:
 - 1.1 Communicate whether the internal control, particularly those affecting accounting and financial reporting systems, are operating effectively to provide reasonable assurance that misstatements, losses, or non-compliance would be reported in a timely basis.
 - 1.2 Communicate the results of tests of compliance with selected provisions of laws and regulations, including budgets and accountability issues, and details of audit suspensions, charges and disallowances identified during the audit.

B. Auditor's responsibilities



2. We will conduct our audits in accordance with International Standards of Supreme Audit Institutions (ISSAIs) issued by the International Organization of Supreme Audit Institutions (INTOSAI) to which the Commission is a member. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and comply with applicable laws and regulations.
3. We will perform procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we will limit internal control testing to those controls over financial reporting and compliance issues which we consider critical based on our experienced professional judgment. However, we will not test compliance with all laws and regulations applicable to the Agency. We caution that non-compliance may occur and not be detected by these tests and that such testing may not be sufficient for other purposes.
4. Our procedures will include internal control review; examination of documents/records/reports; analysis, confirmation and inspection of selected accounts, transactions, and projects, as necessary.
5. We will communicate in writing any significant deficiencies and material weaknesses that come to our attention as a result of the audit. In addition, we will communicate suggestions to improve agency operations and address control deficiencies identified during our audit.

C. Agency Financial Management Performance

6. As part of the audit, we will assess agency financial management performance.

D. Audit Limitations

7. Although the audit is designed to provide reasonable assurance of detecting errors and irregularities that are material to the financial statements, it is not designed and cannot be relied upon to disclose all fraud, defalcations, or other irregularities. However, we will inform you of any material errors, and all irregularities or illegal acts, unless they are clearly inconsequential, that come to our attention.

E. Agency's responsibilities

8. Management is responsible for:

8.1 The preparation and fair presentation of the following financial statements in accordance with IPSAS and submission of the same on deadlines set by the Commission on Audit:

- Statement of Financial Position
- Statement of Financial Performance
- Statement of Cash Flows
- Statement of Changes in Net Assets/Equity



- Statement of Comparison of Budgets and Actual Amounts
- Notes to Financial Statements

8.2 Making all financial records and reports, and related information available to us and for adjusting the financial statements to correct material misstatements, and other information as required under ISSAI 1720.

8.3 Issuing the Management Representation Letter (MRL) as near as practicable to, but not after, the date of the auditor's report on the financial statements as there are events occurring up to the date of the auditor's report that may require adjustment to or disclosure in the financial statements. The MRL should be signed by the Chief Accountant/Head of Finance Group and the Head of the Agency. *(Format attached for your reference)*

8.4 Submitting status of any pending claims and litigation involving the Agency, breakdown of related party transactions and subsequent events which have to be adjusted and/or disclosed in the Notes to Financial Statements.

9. Management is encouraged to confer with the Auditor as to the required formats of the financial statements to facilitate compliance with the presentation requirements of the IPSAS.

F. Assistance from Management

10. We will request assistance for the following, among others:

- 10.1 Assignment of focal person/s to facilitate meetings and requests relative to the audit
- 10.2 Preparing schedules or analyses and providing needed documents
- 10.3 Conferring with your officials and staff to facilitate understanding of the agency operation
- 10.4 Access to the work of internal auditors to facilitate review of internal control and risk assessment related to audit of financial information
- 10.5 Workspace for the duration of the audit as required
- 10.6 Facilitating requirements of the audit team/s assigned to conduct field inspections and observations.

G. Use and reproduction of COA audit reports

11. The working papers for this engagement are the property of the Commission on Audit and constitute confidential information. However, certain documents may be made available upon request subject to pertinent COA issuances. The Management Letter (ML) as our final audit report will be transmitted to your Office. A copy of the ML will be submitted to the COA audit team assigned at Department of Education, Office of the Secretary that will prepare the Annual Audit Report (AAR). The AAR, once, released, will be published in the COA website, for information of the public.

H. Audit Timelines

12. Subject to availability of requirements contained in this Letter, we expect to complete



our audit and transmit the required audited financial statements and report to management on or before June 30, 2025.

I. Auditee's Feedback on Audit Team's Performance

13. After completion of the audit, the COA Regional Office will send a Feedback Sheet to assess the team's performance as a way of improving the quality of our audits and our service to our audit clients. Please send the filled in sheet duly signed by your Designated Official to the Office of the Regional Director, Commission on Audit Regional Office No. VII, M.J. Cuenco Avenue, Cebu City.

We look forward to your full cooperation during the audit.

Sincerely,



COA Signed
2024-07-15
10:25:59

RUBY LEE C. BELANDRES

State Auditor V
Supervising Auditor

Date Received by the Agency : _____
By (Name and Signature) : _____
Stamp date and signed received : _____



(LETTERHEAD OF THE AGENCY)

Date *(near but never after the date of the Auditor's Report)*

Management Representation Letter

DIRECTOR VISITACION Q. MENDOZA

Officer-In-Charge
Commission on Audit
Regional Office No. VII
Cebu City

Subject: Name of Agency Being Audited

This representation letter is provided in connection with your audit of the financial statements of the Department of Education – Division of Bohol for the year ended December 31, 2024 for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with International Public Sector Accounting Standards (IPSAS) and as to other terms required, if any.

Statement of Management's Responsibility for the Financial Statements

We affirm that the financial statements for the Department of Education – Division of Bohol are management's responsibility; that these were prepared in accordance with the IPSAS, that all relevant information was provided the Commission on Audit Team, that access to relevant information and records were made available and that all transactions were recorded and reflected in the financial statements; and that all instances of non-compliance of which we are aware of are disclosed to the COA audit team.

Specific Affirmations pertaining to the Financial Statements Provided to the Commission on Audit

We affirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated July 15, 2024, for the preparation of the financial statements in accordance with the IPSAS:

1. In particular, the financial statements are free from material misstatements including omissions and errors and are fairly presented.
2. Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

3. Related party relationships and transactions, if any, have been appropriately accounted for and disclosed in accordance with the requirements of the IPSAS.
4. All events subsequent to the date of the financial statements and for which IPSAS require adjustment or disclosure have been adjusted or disclosed.
5. All matters related to claims, litigations, assessments and dispute have been disclosed to COA by our Legal Office and external legal counsel.
6. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
7. The selection and application of accounting policies are appropriate.
8. The following have been recognized, measured, presented or disclosed in accordance with the PPSAS:
 - a. Plans or intentions that may affect the carrying value or classification of assets and liabilities;
 - b. Liabilities, both actual and contingent;
 - c. Title to, or control over, assets, the liens or encumbrances on assets, and assets pledged as collateral; and
 - d. Aspects of laws, regulations and contractual agreements that may affect the financial statements, including non-compliance.

In preparing the financial statements, management is also responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or has no realistic alternative but to do so.

B. Internal Control

1. We have assessed the effectiveness of the Department of Education – Division of Bohol internal control in achieving the following objectives:
 - a. Reliability of financial reporting;
 - b. Compliance with applicable laws and regulations;
 - c. Safeguarding of assets; and
 - d. Achievement of agency objectives.
2. We have disclosed to you all significant deficiencies in the design or operation of internal control that could adversely affect the entity's ability to meet the internal control objectives and identified those we believe to be material weaknesses.
3. There have been no changes to internal control subsequent to **(date of latest audited financial statements)**, or other factors that might significantly affect it. *(If there were changes, describe them, including any corrective*

actions taken with regard to any significant deficiencies or material weaknesses.]

C. Compliance

1. The activities and financial transactions are in compliance with the relevant government rules and regulations.
2. We have provided you with interpretation of compliance requirements that may have varying interpretations.
3. All contracts, agreements and other correspondence have been made available.
4. We have disclosed all contracts and agreements with service organizations, including any communications with those organizations related to instances of non-compliance.
5. The Agency has been operated effectively, throughout the period covered by the audit.

D. Information Required

1. We have provided you with:
 - a. Access to all information deemed relevant to the preparation of the financial statements such as records, documentation and other matters;
 - b. Additional information requested for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity determined necessary to obtain audit evidence.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the specific results of our assessment of the risk indicating that the financial statements may be materially misstated as a result of fraud.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves: management; employees who have significant roles in internal control; or others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all known instances of non-compliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

6. We have disclosed to you the identity of related parties and all the related party relationships and transactions of which we are aware.

Signed:

GABINA F. LADARAN, CPA

Chief Accountant/Head of Finance
Group

DR. CASIANA P. CABERTE

Head of Agency/Authorized
Representative

Date:

Date: