



Republic of the Philippines  
**Department of Environment and Natural Resources**  
Visayas Avenue, Diliman, 1106 Quezon City  
(632) 929-6626 to 29; 929-6252; 929-6633 to 35; 929-7041 to 43  
E-mail: web@denr.gov.ph; Website: www.denr.gov.ph

## MEMORANDUM

**FOR** : **REGIONAL EXECUTIVE DIRECTORS**  
*Regions 1, 7, 9, 11, 12 and 13*

**ATTENTION** : **REGIONAL INTERNAL AUDIT FOCAL PERSONS**

**FROM** : OIC Chief, Operations Audit Division

**SUBJECT** : **GENERAL AUDIT OF REGIONAL OFFICES –  
FINANCIAL MANAGEMENT SYSTEM**

**DATE** : 30 March 2022

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This refers to the audit engagement of the Operations Audit Division (OAD), Internal Audit Service (IAS) particularly the General Audit of Regional Offices - Financial Management System (GARO-FMS) per approved Audit Plan No. AP.CO-IAS-OAD.2022.001, signed by the Acting Secretary Jim O. Sampulna on 16 March 2022.

Please be informed that the OAD has initially conducted the above-mentioned audit in CY 2021 in Regions 3 and 6, and will be continued in CY 2022 through CY 2023 to cover all Regions. As determined in the Audit Plan, the Regions that will be targeted for this year are Regions 1, 7, 9, 11, 12 and 13.

The audit will look into the operational processes of the Regional and Field Offices vis-à-vis the significant audit findings of Commission on Audit (COA) per CY 2020 Consolidated Annual Audit Reports (CAARs), as well as the recurring findings from CYs 2016 – 2020. Further, the audit aims to intensify the accounting system in the Regional and Field Offices of the Department and will focus on three (3) audit areas as follows:

1. Recording in the Books of Accounts
  - a. Land Improvements (LI) - Reforestation Project
  - b. Construction-in-Progress (CIP) - LI
2. Collection of Income/Revenue (Foreshore)
3. Reconciliation of Records
  - a. Inventory
  - b. Disposal

In consonance with the functions of the Internal Audit Focal Persons (IAFPs) stated in the Special Order No. 2020-87, it is requested that the concerned IAFP of the said Regions assist the OAD in gathering the following documented information relevant to the audit:

1. Preparation of Documents to be used during the actual conduct of audit:
  - a. Foreshore Management Plan as of CY 2022
  - b. Report of Collection for Foreshore
  - c. Contracts of Foreshore
  - d. Monitoring Report on Foreshore
  - e. Appraisal/re-appraisal Report
  - f. Relevant Guidelines/Procedures on Foreshore
  - g. Copy of CIP-LI Ledger Cards per Contractor/per site, per equipment i.e. vehicles, infrastructure and PPE
  - h. Property Transfer Report
  - i. Property Acknowledgement Receipt
  - j. Certificate of Acceptance for Reforestation Projects
  - k. Project Management Team's Certification of 100% completion for Reforestation Projects
  
2. Preparation and Submission of Documents to be reviewed prior to the conduct of audit:
  - a. Inventory of Foreshore Areas with/without contracts
  - b. List of Delinquent Lessee
  - c. Account Control Cards Collection per Lessee
  - d. List of Ongoing Application with Status
  - e. Report on the Physical Count of Property, Plant and Equipment (RPCPPE) as of December 31, 2021 (electronic copy)
  - f. Report of Lost, Stolen or Destroyed Property (electronic copy)

*Note: Deadline of Submission*

*Regions 7 and 13 – April 12, 2022*

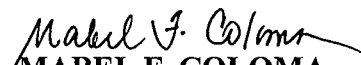
*Region 9 – end of April 2022*

*Regions 1, 11 and 12 – end of June 2022*

The electronic copies are being requested to be submitted to [ias\\_oad@denr.gov.ph](mailto:ias_oad@denr.gov.ph) to facilitate the initial review of documents. Further, this Office will issue an *Audit Notification Memorandum (ANM)* prior to the conduct of actual audit.

For further queries and clarifications, please contact Mss. Emmylou S. Puerta or Kamille Victoria H. Ordoveza at 09175004682 and 09167833907.

For your information and preferential action.

  
MABEL F. COLOMA  
