

**Administrative Order  
No. 15  
April 14, 1992**

**SUBJECT : Redefining The Functions Of The  
Management Division Under The Financial  
And Management Service**

Pursuant to Executive Order No. 292 (Administrative Code of 1987) and in consonance with the concept of fiscal responsibility residing in Management as embodied in the Government Auditing Code of the Philippines and in order to carry out its responsibility more efficiently, economically and effectively,, the functions and organization of the Management Division under the Financial and Management Service is redefined as follows:

**Sec. 1. - OBJECTIVES**

The division shall be guided by the following objectives that shall serve as the basis in the performance of its functions:

- 1.1 To ensure that all the resources of the agency are managed, expended or utilized in accordance with the law and appropriate regulations;
- 1.2 To safeguard resources against loss or wastage through efficient, economical and effective use;
- 1.3 To undertake a review of all existing internal control system/mechanisms with the purpose of improving/strengthening the same;
- 1.4 To ensure that all disbursements and other financial transactions at the Department Proper are thoroughly reviewed before they are finalized or approved; and
- 1.5 To study and recommend organizational changes to make it more responsive to the Department needs.

**Sec. 2. - ORGANIZATIONAL STRUCTURE AND FUNCTIONS**

To carry our the provisions of this Order, the organizational subdivisions of the Division and their functional responsibilities are as follows:

## **2.1 OFFICE OF THE CHIEF**

- 2.1.1 Plan the overall activities of the Division;**
- 2.1.2 Exercise supervision and control on the work involving financial audit and management analysis;**
- 2.1.3 In consultation with the concerned officials/units as may be needed, formulate guidelines and instructions pertaining to finance and management; and**
- 2.1.4 Perform such other functions as may be assigned by higher authority.**

## **2.2 FINANCIAL AUDIT GROUP**

- 2.2.1 Conduct pre-audit of all vouchers before claims are paid by the Cashier to:**

ensure that all required supporting documents are in order and attached to the vouchers;

- ensure that all claims are in accordance with existing accounting rules and regulations and internal policies;
- ascertain that the expenses incurred are not excessive, irregular and unnecessary; and
- determine whether purchases of supplies/materials, equipment and services are in accordance with pertinent accounting and auditing rules and regulations and internal policies.

All of the above tasks should be completed within two (2) hours from the receipt of the documents from the Accounting Division. Incomplete or defective vouchers/documents should be returned to Accounting Division.

Payment related to personal services and cash advance for the same purpose are not subject to pre-audit.

- 2.2.2 Conduct supplementary audit including cash count of cash advances to employees as may be directed;
- 2.2.3 Prepare periodic reports to management with the in view of improving fiscal operations and control;
- 2.2.4 Perform such other functions that may be assigned higher authority.

### 2.3 MANAGEMENT AUDIT AND ANALYSIS GROUP

- 2.3.1 Conduct inspection of all requests for:
  - repair of office equipment, vehicles, building and other government properties (before they are actually repaired);
  - finish jobs which are subject to pre-inspection; and
  - all deliveries of supplies/materials, spare parts and equipment acquired or purchased under any of the modes of acquisition.
- 2.3.2 Prepare Report of Inspection as a pre-requisite for payment claims;
- 2.3.3 Undertake a study and recommend organizational changes; and
- 2.3.4 Perform such other functions as may be assigned by higher authority

### 2.4 INTERNAL CONTROL EVALUATION GROUP

- 2.4.1 Undertake continuing review of internal control systems make them more relevant, useful, facilitative but protective government's interest.
- 2.4.2 Perform such other functions as may be assigned by higher authority.

## **Sec. 3 - STAFFING**

The Assistant Secretary for Management Services is hereby authorized to assign the necessary personnel to carry out the responsibilities as provided in this Order, and in accordance with Section 48 of the General Appropriations Act of 1992.

**Sec. 4 - OTHERS**

In some cases and in the exigency of the service, the Assistant Secretary for Management Services may waive internal pre-audit of vouchers provided that the same have been passed upon by the Chief Accountant.

**Sec. 5 - REPEALING CLAUSE**

All Department issuance inconsistent herewith are hereby repealed or modified accordingly.

**Sec. 6 - EFFECTIVITY**

This Order shall take effect immediately.

**VICTOR O. RAMOS**  
OIC, Secretary