



Republic of the Philippines
Department of Education
REGION XI
SCHOOLS DIVISION OF DAVAO DEL NORTE

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RECORDS SECTION
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Office of the Schools Division Superintendent

OFFICE MEMORANDUM
OSDS-2022-067

To: Bids and Awards Committee
Bids and Awards Committee Secretariat
Bids and Awards Committee Technical Working Group

Subject: **STRICT COMPLIANCE WITH COA CIRCULAR 2009-001**

Date: October 13, 2022

1. This is in reference to Audit Observation Memorandum No. 2022-021 from the Commission on Audit, the Division Bids and Awards Committee (BAC), its Secretariat and Technical Working Group shall strictly implement the requirements prescribed in the COA Circular No. 2009-001 dated February 12, 2009 specifically on the submission of approved contracts together with the supporting documents to the Office of the Auditor within five (5) days from the execution of the contract.
2. With this, the BAC shall strictly require the suppliers to submit or return the procurement-related documents to the BAC secretariat on or before the prescribed deadline in compliance with the mandates of the government procurement process.
3. All concerned are required to STRICTLY observe the health protocols as prescribed by the Inter-Agency Task Force (IATF) on COVID 19 during this pandemic. Further, all is also encouraged to continually support and recognize the value of equality and diversity of all personnel while complying with the directives set forth by this office.
4. Immediate dissemination and compliance of this memorandum are directed.

DEE D. SILVA, DPA, CESO V
Schools Division Superintendent

For the Schools Division Superintendent:

REBECCA C. SAGOT, CESO VI
Assistant Schools Division Superintendent

BAC/JAAC





Republic of the Philippines
Commission On Audit
Commonwealth Avenue , Quezon City, Philippines



No. : 2009-001
Date: February 12, 2009

CIRCULAR

T O : All Heads of Departments, Bureaus, Offices, Agencies and Instrumentalities of the National Government, Heads of Local Government Units, Managing Heads of Government-Owned and/or Controlled Corporations and their Subsidiaries, COA Assistant Commissioners, COA Directors, COA Auditors, Technical Audit Specialists, and All Others Concerned.

SUBJECT: **Restatement with amendment of COA Circular 87-278 and COA Memorandum 2005-027 re: submission of copy of government contracts, purchase orders and their supporting documents to the Commission on Audit**

1.0 RATIONALE

- 1.1 Under Commission on Audit Circular Nos. 76-34 and 87-278, the audited agencies are required to furnish the Auditor with a copy of perfected contracts and purchase orders within five (5) working days upon approval together with the supporting documents for review. To facilitate the review and evaluation process, particularly on the technical aspects, COA Memorandum No. 91-704 was issued and was later restated and updated by COA Memorandum No. 2005-027, defining the documentary and information requirements, and providing therein the checklists for all types of technical evaluation covered by the memorandum.
- 1.2 These issuances notwithstanding, it has been observed that management's submission of copies of perfected contracts and supporting documents within the prescribed period had not been complied with and is, at times, lacking in basic supporting documents. In view of these circumstances and the irregularities discovered in government contracts, it has become imperative to reiterate the submission of the requirements to implement a systematic and effective review process with a view of generating timely and relevant audit results.

2.0 COVERAGE

2.1 This circular shall cover all contracts, purchase orders and the like, entered into by any government agency irrespective of amount involved.

3.0 SUBMISSION AND REVIEW PROCESS

3.1 Contracts

3.1.1 Within five (5) working days from the execution of a contract by the government or any of its subdivisions, agencies or instrumentalities, including government-owned and controlled corporations and their subsidiaries, a copy of said contract and each of all the documents forming part thereof by reference or incorporation shall be furnished to the Auditor of the agency concerned. In case of agencies audited on an engagement basis, submission of a copy of the contract and its supporting documents shall be to the Auditor of the mother agency or parent company, as the case may be.

3.1.2. The copies of documents required to be submitted shall include but not limited to the following:

- a. Invitation to Apply for Eligibility and to Bid;
- b. Letter of Intent;
- c. Eligibility Documents and Eligibility Data Sheet;
- d. Eligibility Requirements;
- e. Results of Eligibility Check/Screening;
- f. Bidding Documents (Sec. 17.1, IRR-A, RA 9184);
- g. Minutes of Pre-bid Conference, if applicable;
- h. Agenda and/or Supplemental Bid Bulletins, if any;
- i. Bidders Technical and Financial Proposals;
- j. Minutes of Bid Opening;
- k. Abstract of Bids;
- l. Post Qualification Report of Technical Working Group;
- m. BAC Resolution declaring winning bidder;
- n. Notice of Post Qualification;
- o. BAC Resolution recommending approval;
- p. Notice of Award;
- q. Contract Agreement;
- r. Performance Security;
- s. Program of Work and Detailed Estimates;
- t. Certificate of Availability of Funds, Obligation Request;
- u. Notice to Proceed
- v. Such other documents peculiar to the contract and/or to the mode of procurement and considered necessary in the auditorial review and in the technical evaluation thereof.



3.1.3 For technical review purposes, submission of contracts and their supporting documents shall furthermore be guided by the specific documentary requirements outlined in the attached checklist marked as Annexes "A" to "T" of this circular.

3.1.4 The Auditor shall review the contract within a period ranging from five (5) to twenty (20) working days from receipt, depending on the complexity of the contract. The auditorial review shall consist in the evaluation of compliance with the requirements of applicable laws, rules and regulations, completeness of documentary requirements and an initial evaluation that the contractual covenants are not disadvantageous to the government. Without waiting for the lapse of the period herein established, the Auditor concerned shall call the immediate attention of management regarding defects and deficiencies noted in the contract and suggest such corrective measures as are appropriate and warranted. Where the defect or deficiency is not susceptible of rectification and renders the contract totally or partially void, the head of the agency shall be notified within twenty-four (24) hours from such determination indicating the reasons therein.

3.1.5 Within five (5) working days after the auditorial review, the Auditor shall forward the contract and its supporting documents for technical review to the Technical Audit Specialist (TAS) assigned in the auditing unit/cluster or to the Regional Technical Services Office (RTSO), as the case may be, accompanied by the relevant checklist of documentary requirements mentioned in item 3.1.3 hereof

3.1.6 The TAS shall complete the technical review thereof as follows:

<u>Contract Amount</u>	<u>Period</u>
P5 million and below	5 working days
Above P5 million up to P20 million	14 working days
Above P20 million	21 working days

3.1.7 The procedures and timelines herein outlined shall also apply to supplementary contracts, variation orders and the like.

3.2 Purchase Orders

3.2.1 A copy of any purchase order irrespective of amount, and each and every supporting document, shall, within five (5) working days from issuance thereof, be submitted to the Auditor concerned. Within the same period, the Auditor shall review and point out to management defects and/or deficiencies, if any, in the same manner provided in the second and third sentences of item 3.1.4 hereof



3.2.2 In case of doubt as to the reasonableness of the price of the items purchased, the Auditor shall conduct a canvass thereof making use of price references provided, among others, by legitimate suppliers, the Procurement Service, the Technical Services Office, other government agencies with similar procurement and those posted in the internet.

4.0 PENALTY CLAUSE

4.1 Any unjustified failure of the officials and employees concerned to comply with the requirements herein imposed shall be subject to the administrative disciplinary action provided in (a) Section 127 of Presidential Decree No. 1445; (b) Section 55, Title I-B, Book V of the Revised Administrative Code of 1987; and (c) Section 11 of Republic Act No. 6713.

4.2 Upon receipt of information or discovery by the auditor of such failure by management to comply with the required submission, an Audit Observation Memorandum shall be issued by him calling the attention of the latter, and requesting compliance, else the transactions covered by the unsubmitted documents be suspended in audit and the penalty prescribed by law under 4.1 be enforced.

5.0 REPEALING CLAUSE

All COA circulars and memoranda inconsistent herewith are hereby revoked, amended or modified accordingly.

6.0 EFFECTIVITY

This circular shall take effect 15 days after its publication in two (2) newspapers of general circulation in the Philippines.


JUANITO C. ESPINO JR.
Commissioner


REYNALDO A. VILLAR
Chairman