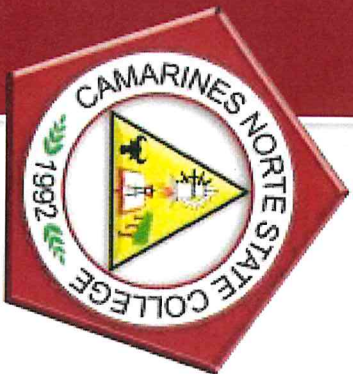


**AGENCY ACTION PLAN AND STATUS IMPLEMENTATION  
(AAPSI) CY 2022**



**AAPSI CY 2022**

**AGENCY ACTION PLAN AND  
STATUS IMPLEMENTATION (AAPSI)  
REPORT**

**AAPSI CY 2022**



Management System  
ISO 9001:2015  
www.tuv.com  
ID: 810633003



Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**  
F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte

**OFFICE OF THE PRESIDENT**

Mobile No: 09190042141/ president@cnscc.edu.ph

August 10, 2023

**JOEL S. ESTOLATAN**  
Regional Director  
Commission on Audit  
Rawis, Legazpi City

**THRU: ADENDA B. DEVORA**  
State Auditor IV/ Supervising Auditor  
Commission on Audit

**MARILYN A. DE GUZMAN**  
State Auditor III/ Audit Team Leader  
Commission on Audit

Sir:

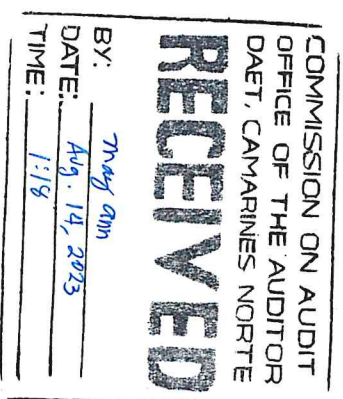
We respectfully submit the Agency Action Plan and Status Implementation (AAPSI) Report of our College regarding the audit observations and recommendations contained in the Annual Audit Report (AAR) for CY 2022.

We are also extending our appreciation for your continuous support as our partner agency in promoting good governance.

Thank you very much.

Very truly yours,

**DR. MARLO M. DE LA CRUZ, PECE**  
SUC President III





Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**  
 F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte

**INTERNAL CONTROL OFFICE**  
 crns:internalcontroloffice@gmail.com

**STATUS OF IMPLEMENTATION OF COA RECOMMENDATIONS  
 ANNUAL AUDIT REPORT (AAR) CY 2022**

COA Recommendations	Fully Implemented	Partially Implemented	Not Implemented	Ongoing	Total
<b>COUNT</b>					
CY 2022	40	28	0	0	68
Prior Years	18	33	4	0	55
Total	58	61	4	0	123
<b>PERCENTAGE</b>					
CY 2022	59%	41%	0	0	100%
Prior Years	33%	60%	7%	0	100%
Total	47%	50%	3%	0	100%

Note: Rate of implementation is based on data as of July 31, 2023.

Prepared by:

**IRINE E. ANDAYA**  
 Internal Control Officer



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108653506

**AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION**

Audit Observations and Recommendations  
For the Calendar Year 2022  
As of July 31, 2023

Ref.	Audit Observations	Recommendations	Agency Action Plan				*Status of Implementation	Reason for Partial Delay/Non-Implementation, If Applicable	Action Taken/Action to be Taken
			Action Plan	Person/Unit Responsible	Target date of Implementation				
					From	To			
<b>A. FINANCIAL AND COMPLIANCE AUDIT</b>									
AOM No. 23-019 (22) dated March 22, 2023	Unreconciled variance of ₱85,786,286.15 between the total acquisition cost of Property, Plant and Equipment (PPE) accounts in the amount of ₱1,017,586,155.12 as reported in the financial statements and the costs reported in the Report on the Physical Count of Property, Plant and Equipment (RPCPPE) aggregating ₱931,799,868.97 render the balances of both records, unreliable.	We reiterate our recommendation that Management take the following courses of action:  a. Firmly require and prioritize the reconciliation between the Accounting and Property Units records to ensure that all discrepancies are immediately investigated, cleared, and reconciled with the books of accounts. Henceforth, ensure periodic reconciliation of balances between PPELCs against its control accounts and PCs;  b. Require the Accounting Unit to review and update the PPELCs which shall be reconciled with the control accounts as reported in the FS, at all times; and  c. Derecognize the demolished buildings and coordinate with the	To resume the reconciliation of records between Accounting Office and SPMO several actions is being conducted; a. Turnover of tasks to existing employees; b. Hiring of replacements; c. Training of employees	Ma. Rossiel V. Rejoso/ Accountant III  Arsenio Gem A. Garcillanosa /Acting Supply Officer III	March 2023	Present	Partially Implemented	The reconciliation was interrupted because of various employee movements in SPMO and Accounting Office. As of this writing, the following movements took place:  a. Accountant I – promoted to another office  b. Accountant I – resigned  c. Accountant II – resigned  d. Accountant III – retired  e. Supply Officer II – retired  f. Supply Officer III - deceased	Accountant III position is already filled up.
					March 2023	Present	Partially Implemented		
					March 2023	Present	Partially Implemented		

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 8109653506



		concerned office for the determination of other demolished buildings still existing in the books, to correct the overstatement of PPE accounts.							
AOM No. 22-026 (21) 22-027 (21) 22-031 (21) 22-033 (21) dated August 2, 2022	The Petty Cash Fund (PCF) granted to various Accountable Officers (AOs) of the College exceeded the one-month requirement, contrary to Paragraph 4.3.1 of COA Circular No. 97-002 dated February 10, 1997, thus exposing the cash to possible loss, misuse and unnecessarily tying up the agency's fund/cash which could have been used for other purpose.	We recommend that the Management reduce the established PCF to an amount sufficient to cover the one-month requirement based on the historical data on the average monthly expenses charged thereto.	To comply with the guidelines regarding sufficient amount of PCF	Petty Cash Fund Custodian (PCFC)	August 2022	December 2022	Fully Implemented		Petty Cash Fund of Jocelyn Morada and Ariel Diaz were reduced already. Others are not PCFC anymore.  (Annex 23)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9109853506



<p>AOM No. 22-028 (21) 22-029 (21) 22-032 (21) 22-034 (21) 22-035 (21) 22-036 (21) 22-037 (21) dated August 2, 2022</p>	<p>Issuance of official receipts (ORs) for revenues/receipts directly credited/deposited to the College's bank account is contrary to Section 40, Chapter 5 of the Government Auditing Manual (GAM) for National Government Agencies (NGAs), Volume I, thus, proper accountability of the AO could not be readily and correctly established.</p>	<p>We recommend that the AO discontinue issuing ORs for revenues/receipts where no cash was actually received by her/him but instead were directly deposited/credited to the agency's bank account.</p>	<p>To discontinue the said practice</p>	<p>Collecting Officer</p>	<p>August 2022</p>	<p>August 2022</p>	<p>Fully Implemented</p>	<p>Auditor's Rejoinder:  In addition to the criteria cited in the AOM issued, Section 53, Chapter 6 of the GAM for NGAs, Volume I, also provides that "The Cash/Treasury Unit shall monitor the receipt of the validated LDDAP ADA from the MDS-GSB and the issue of Official Receipt (OR) or other acceptable evidence of receipt of payments by the creditors/payees" (underscoring ours).</p>	<p>The issuance of ORs for receipts directly deposited to agency's bank account was discontinued.</p>
---	--	---	---	---------------------------	--------------------	--------------------	--------------------------	--	---

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 0109063506

<p>AOM No. 22-032 (21) dated August 2, 2022</p>	<p>The AO was permitted to collect beyond the maximum cash accountability allowed under her fidelity bond coverage, contrary to pertinent provisions of COA Circular No. 97-002, thereby, exposing the government to risks of possible losses due to non-indemnification in cases of defalcation, shortages or unrelieved losses that might occur in the safekeeping of such fund.</p>	<p>We recommend that the Accountable Officer be cautious in observing his maximum cash accountability and promptly inform the Cashier/Accounting Department should his current balance exceed the allowable amount per approved bond. If necessary, cause the application of additional bond of the AO for the increase in accountability.</p>	<p>To increase the bond of the concerned AO</p>	<p>Cherryvelle I. Jardinero Alternate Collecting Officer</p>	<p>August 2022</p>	<p>December 2022</p>	<p>Fully Implemented</p>		<p>The bond of the concerned AO was increased already.  (Annex 13)</p>
<p>AOM No. 22-029 (21) dated August 2, 2022</p>	<p>AOs were allowed to continue to handle cash advances and discharge collection functions despite expiration of her fidelity bond, contrary to Treasury Circular No. 01-2019 dated April 25, 2019, thus, their accountabilities were no longer protected from potential loss thereby placing the College at disadvantage when loss of government funds may arise due to any unforeseen events.</p>	<p>We recommend that the Management as well as the AOs monitor the effectivity and expiration of their respective fidelity bond and see to it that renewal thereof be made before their expiration. Henceforth, no AO shall be allowed to perform their duties and responsibilities with expired fidelity bonds.</p>	<p>To strengthen the monitoring of efficiency &amp; expiration of fidelity bond</p>	<p>Maria Victoria R. Ingatan Collecting and Disbursing Officer- CANR</p>	<p>August 2022</p>	<p>September 2022</p>	<p>Fully Implemented</p>		<p>A personnel was assigned to monitor the validity of fidelity bond and to notify the AO a month before the expiration of the bond.  The bond of the concerned AO was renewed already.  The AO signifies her indulgence to the recommendation  (Annex 24)</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9109653506



<p>AOM No. 22-028 (21) dated August 2, 2022</p>	<p>Some ORs assigned for the collection of fees under one fund cluster were interchangeably issued for collection of other fund clusters, contrary to Section 73 of the Government Accounting and Auditing Manual (GAAM), Volume I and sound internal control, hence, posing risk of misuse of government collection.</p>	<p>We recommended and Management agreed to require its Cash Collecting Officer to issue official receipts in strict numerical sequence pursuant to Section 73 of GAAM, Volume I and be more cautious on the appropriate use of official receipt for a particular collection to avoid erroneous issuance thereof.</p>	<p>To require the concerned CCO to be cautious on the issuance of ORs</p>	<p>Amelita O. Angeles AO IV CDO (Retired from Service)  Amelia O. Elep Cashier III</p>	<p>August 2022</p>	<p>September 2022</p>	<p>Fully Implemented</p>		<p>The CCO signified her commitment to be cautious on the issuance of ORs.  (Annex 14)  (The concerned AO was retired on April 2023)</p>
<p>AOM No. 22-025 (21) 22-030 (21) dated August 2, 2022</p>	<p>Two AOs has not rendered report of accountability to COA before upon ceasing to act in their official capacity as PCFC of General Services Office and Office of the President contrary to the Revised Cash Examination Manual prescribed under COA Memorandum No, 2013-004 dated July 9, 2013 and Section 80 of Presidential Decree (P.D.) No. 1445, hindering the timely determination if funds in the hands of the AO are properly accounted for.</p>	<p>We recommended and Management agreed to ensure that before an AO is relieved from his/her functions or cease to act in his/her official capacity as such, due to circumstances enumerated in the Revised Cash Examination Manual, he/she must submit the necessary report of accountability and be subjected to a mandatory cash examination by COA.</p>	<p>To require all AO to submit accountability report prior to his/her relief from duty as PCFC</p>	<p>Petty Cash Fund Custodian (PCFC)</p>	<p>August 2022</p>	<p>September 2022</p>	<p>Fully Implemented</p>		<p>After receipt of AOM, one PCFC resigned and submitted an accountability report to COA.  Also, the accountability report is now part of the checklist for liquidation of PCF.  (Annex 15)</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653606



<p>AOM No. 22-030 (21) dated August 2, 2022</p>	<p>The purpose and nature of various disbursements charged to the PCF of the two Accountable Officers were unknown and not indicated in the Petty Cash Vouchers (PCVs), contrary to Section 89 of Presidential Decree (P.D.) No. 1445 and GAM for NGAs, Volume II, thus, the propriety of the transactions cannot be ascertained.</p>	<p>We recommend that the Management instruct all designated PCFCs to provide the purpose/nature of disbursements charged to government funds and ensure that necessary documents to support the validity and proper charging to the fund, are attached to the vouchers.</p>	<p>To orient the PCFC on proper documentation of PCF</p>	<p>Petty Cash Fund Custodian (PCFC)</p>	<p>August 2022</p>	<p>December 2022</p>	<p>Fully Implemented</p>		<p>On December 7, 2022, a meeting with PCFC was conducted by ICO to orient them about PCF management and reporting.  (Annex 11)</p>
<p>AOM No. 22-041 (21) dated October 3, 2022</p>	<p>The AO was granted cash advances beyond the maximum cash accountability allowed under her fidelity bond coverage, contrary to pertinent provisions of COA Circular No. 97-002, thereby, exposing the government to risks of possible losses due to non-indemnification in cases of defalcation, shortages or unrelieved losses that might occur in the safekeeping of such fund.</p>	<p>We recommend that the Accountable Officer:  1. Be cautious in observing her maximum cash accountability and promptly inform the Cashier/Accounting Department should her current balance exceeds the allowable amount per approved bond. If necessary, cause the application of additional bond of the AO for the increase in accountability; and  2. Coordinate with the BTr for the change of position/designation of the bond applied to cover the cash accountability as Collecting and Disbursing Officer.</p>	<p>To require the concerned AO to monitor her cash accountability.  To revise the details in the bond.</p>	<p>Petty Cash Fund Custodian (PCFC)</p>	<p>October 2022  October 2022</p>	<p>October 2022  October 2022</p>	<p>Fully Implemented  Fully Implemented</p>		<p>The AO signifies her indulgence to the recommendation.  (Annex 16)  The bond was corrected already  (Annex 16)</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 910863606

<p>AOM No. 22-040 (21) dated October 3, 2022</p>	<p>Proper numbering of the Report on Paid Petty Cash Vouchers (RPPCV) as prescribed in Appendix 49 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume II, was still not complied by the Accountable Officer (AO).</p>	<p>We reiterated our previous recommendation on the conformance by the AO with the specific guidelines provided in Appendix 49 of GAM for NGAs, Volume II particularly on the proper accomplishment of the RPPCV.</p>	<p>To inform the concerned PCFC on proper numbering of RPPCV</p>	<p>Petty Cash Fund Custodian (PCFC)</p>	<p>October 2022</p>	<p>December 2022</p>	<p>Fully Implemented</p>		<p>On December 7, 2022, a meeting with PCFC was conducted by ICO to orient them about PCF management and reporting.  (Annex 11)</p>
<p>AOM No. 23-013 (22) dated February 23, 2023</p>	<p>Prior and current year's reconciling items for Cash in Bank totaling ₱665,738.06 and ₱15,738.54, respectively, as of December 31, 2022, remained unadjusted, contrary to Section 6, Chapter 32 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I. Also, amounts reflected in the Notes to Financial Statements (FS) were inaccurate, thus, affecting the reliability and correctness of the balance of the Cash in Bank account.</p>	<p>We recommended that Management require the Accountant to comply with the following:</p> <ol style="list-style-type: none"> <li>Investigate and determine unknown reconciling items proper classification and correction of account;</li> <li>Inform the personnel in charge in the preparation of the SL and BRS of other campuses and departments to verify entries in the SL to ensure that the reflected balances equal the amount reported as Cash in Bank and are properly supported with JEV; and</li> <li>Ensure that adjustments to the account are properly supported with the necessary JEV and correcting/adjusting entries are made for reconciling items reflected in the BRS.</li> </ol>	<p>To reconcile the cash in bank balance in the book with bank statements, including bank statements, including providing proper treatment to reconciling items.  To reflect the reconciled balance of cash in bank account in the FS properly.</p>	<p>Ma. Rosiel V. Rejoso/ Accountant III</p>	<p>February 2022  February 2022  February 2022</p>	<p>Present  June 2023  Present</p>	<p>Partially Implemented  Fully Implemented  Partially Implemented</p>	<p>Some reconciling items are errors committed by the bank which are beyond our control though we are communicating with them already.  Some reconciling items related to state check is being given appropriate action.</p>	<p>Investigation of each reconciling item is ongoing.  (Annex 7)  This was discussed during the reorientation meeting with Bookkeepers on June 19, 2023  (Annex 27)  Investigation of each reconciling item is ongoing. JEV is being made per correction of reconciling items.  (Annex 7)</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



<p>AOM No. 23-017 (22) dated March 9, 2023</p>	<p>Abnormal balances in the Accounts Receivable (AR) amounting to ₱1,887,507.02, continued existence of dormant accounts and the discrepancy noted between the amount reflected in the Schedule of AR and FS render the accuracy and reliability thereof in the financial statement doubtful.</p>	<p>We reiterated our previous recommendation for Management to take the following course of action:</p> <p>a. Exert more efforts in the retrieval of necessary documents relative to the receivable accounts with negative balances and accordingly evaluate/assess those requiring immediate adjustments in the books;</p> <p>b. Secure the necessary documents, particularly the dormant accounts, by determining and validating the causes and conditions for non-settlement by debtors and expedite the submission of the request for the write-off of dormant receivable accounts and necessary supporting documents pursuant to COA Circular No. 2016-005; and</p> <p>c. Verify and reconcile accounting records to ensure the correct balances reported in the Statement of Financial Position.</p>	<p>To trace the root cause of abnormal balance in each AR account and to provide corresponding corrections.</p> <p>To initiate submission of request for write off to COA for dormant AR accounts.</p>	<p>Ma. Rossiel V. Rejoso/ Accountant III</p>	<p>March 2023</p> <p>March 2023</p> <p>March 2023</p>	<p>Present</p> <p>Present</p> <p>Present</p>	<p>Partially Implemented</p> <p>Partially Implemented</p> <p>Fully Implemented</p>		<p>Previously sent out of the first demand letters for long outstanding receivables. Currently preparing the second demand letters.</p> <p>Request to write off a dormant account of deceased student were submitted but was denied.</p> <p>The Accountant expressed her indulgence to this recommendation (Annex 32)</p>
<p>AOM No. 23-018 (22) Dated March 21, 2023</p>	<p>Receivables-Disallowances/Charges account cannot be relied upon due to abnormal balance amounting to ₱501.82 and discrepancy with</p>	<p>We recommended that Management direct the Acting Accountant to prepare and maintain SLs for each account and to trace in the accounting records the NDs debited to the Receivables-Disallowances/Charges</p>	<p>To prepare SL for each NDS.</p>	<p>Ma. Rossiel V. Rejoso/ Accountant III</p>	<p>March 2023</p>	<p>Present</p>	<p>Partially Implemented</p>		<p>Consolidation of NDs and corresponding refund was done. Posting the data to each ledger is ongoing.</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108653506

	the balance per audit totaling ₱92,454.85, for disallowances with corresponding Notices of Finality of Decision (NFD) issued, contrary to Section 22, Chapter V of the 2009 Rules and Regulations on the Settlement of Accounts (RRSA) prescribed under COA Circular No. 2009-006 dated September 15, 2009, thereby affecting the fair presentation thereof on the financial statement.	and make the necessary adjustments, if warranted, particularly on the abnormal balances and discrepancy noted. Likewise, ensure that all NDs that have become final and executory, on the basis of the NFDs received by Management, are accordingly recorded in the books of accounts.							
AOM No. 23-011 (22) dated February 15, 2023	Unreconciled variance amounting to ₱11,531,873.88 of Inventories with book value of ₱13,333,416.56, as against the balance reported in the Report on the Physical Count of Inventories (RPCI) totaling ₱1,801,542.68 cannot be verified and reconciled due to incomplete submission of the RPCIs, non-maintenance of complete and updated Stock	We reiterated our previous recommendations for the Management to: a. Require the Accountant and Property Officer to reconcile their respective Inventory balances and make necessary adjustments to reflect the correct value of the Inventory accounts in the Financial Statements; b. Require all Supply Officers to prepare and submit the RPCI for inventories under their custody and to follow the correct/proper classification of accounts	To resume the reconciliation of records between Accounting Office and SPMO several actions is being conducted; a. Turnover of tasks to existing employees; b. Hiring of replacements; c. Training of employees	Ma. Rossiel V. Rejoso/ Accountant III  Arsenio Gem A. Garcillanosa /Acting Supply Officer III	February 2023       February 2023	Present       Present	Partially Implemented       Partially Implemented	The reconciliation was interrupted because of various employee movements in SPMO and Accounting Office. As of this writing, the following movements took place: a. Accountant I – promoted to another office b. Accountant I – resigned	Accountant III position is already filled up.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



	Cards (SC) and unavailability of Supplies Ledger Card (SLC), thereby, rendering the balance thereof in the financial statements unreliable.	in the RPCI in accordance with the Revised Chart of Accounts; and  c. Maintain updated SLCs in the Accounting Office and Stock Cards in the Property and Supply Office for all inventory items to ascertain the accuracy of the reported balance of Inventories and undertake periodic reconciliation of Accounting and Supply Unit records.			February 2023	Present	Partially Implemented	c. Accountant II – resigned  d. Accountant III – retired  e. Supply Officer II – retired  f. Supply Officer III - deceased	
AOM No. 23-023 (22) dated April 5, 2023	Discrepancies in the reported balance of obligations recognized in the books as Accounts Payable with the reported obligations in the Aging of Unpaid Obligations (Financial Accountability Report (FAR) No. 3) and inconsistencies in the balances on reports submitted by the Accounting Office were not in accordance with the provisions of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, thereby affecting the accuracy and reliability of the account balance in	We recommended and Management agreed to instruct the Accounting Office:  a. Submit a copy of the supporting documents that were used as basis for the recorded Accounts Payable amounting to ₱10,809,815.37 and ₱7,181,382.16 listed under Not Yet Due and Demandable Obligations in the FAR, for verification on the correctness and accuracy of the account balance; and  b. Trace and reconcile documents to determine the inconsistencies of the balances in accounting records.	To reconcile the balances of AP and not yet done due and demandable accounts between Accounting Office and Budget Office.	Ma. Rossiel V. Rejoso/ Accountant III  Nida T. Pimentel/ Budget Officer III	April 2023  April 2023	Present  Present	Partially Implemented  Partially Implemented		FAR 3 for Regular Agency Fund, Internally Generated Fund, Business Related Fund and Trust Receipts are attached in this AAPSI.  These shows the details of AP and the Not yet Due and Demandable Accounts for CY 2022.  (Annex 48)  The newly hired Accountant III has initiated the analysis on the discrepancy of AP accounts.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 910863506



	the financial statement as of December 31, 2022 totaling P25,800,020.91.								
AOM No. 23-021 (22) dated March 30, 2023	The accuracy and reliability of the balances of the Due to National Government Agencies (NGAs) account totaling P60,334,326.49 cannot be readily ascertained due to inability to maintain separate subsidiary records for each account of Inter-Agency Transferred Funds and non-inclusion of the Line-Item Budget (LIB) of each project in the submitted Memorandum of Agreement (MOA), contrary to COA Circular No. 94-013 dated December 13, 1994.	We recommended that Management require the College Accountant to maintain separate subsidiary records for each account of Inter-Agency Transferred Funds and submit the LIB and other documents forming part of the MOA, of all funded projects to enable us to make a decision in audit.	To improve the accuracy & reliability of Financial Statements by updating the ledgers for Due to National Government Agencies (NGAs) for Inter-Agency Transferred Funds a.k.a Trust Receipts.	Ma. Rossiel V. Rejoso/ Accountant III	March 2023  March 2023	Present  March 2023	Partially Implemented  Fully Implemented		The updating of subsidiary ledgers for Inter-Agency Transferred Funds (Trust Receipts) is being done.  The LIB, MOA, NTP, and other documents were submitted as part of the comment/ response to the AOM.  (Annex 31)
AOM No. 23-015 (22) dated February 28, 2023	Other Payables account with GL Balance of P5,035,590.79 as of December 31, 2022 could not be relied upon due to the absence of necessary supporting documents and inclusion of	We recommended that Management require the Accountant to analyze, investigate and substantiate the validity and existence of the recorded transactions taken up under Other Payables account and make the necessary adjusting entries for the transactions erroneously recorded as such in order to reflect the correct	To improve accuracy & reliability of Financial Statement by analyzing the ledger of other Payables account and by updating the ledger.	Ma. Rossiel V. Rejoso/ Accountant III	February 2023	Present	Partially Implemented		The analysis and preparation of subsidiary ledgers for each other Payable line item is ongoing.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



	amounts not properly classified thereto, thereby affecting the accuracy of the recorded balance in the financial statement.	balances of the affected in the financial statements.							
AOM No. 23-022 (22) dated April 3, 2023	Inaccurate posting and/ or misclassification of various income accounts was not in conformity with COA Circular No. 2020-001 dated January 8, 2020 and Section 15, Chapter 2 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, thus, affecting the fair presentation thereof in the Financial Statements.	We recommended and Management agreed to instruct the Accounting Office to use the proper account codes/titles in recording income accounts in accordance with the Revised Chart of Accounts provided in COA Circular No. 2020-001. Likewise, ensure accurate posting of recorded transactions to avoid over and understatement of income accounts in the books of the College.	To improve the fair presentation of Financial Statement by using proper income account titles.	Ma. Rossiel V. Rejoso/ Accountant III	April 2023	Present	Fully Implemented		Upon receipt of the AOM, proper account titles are being used. Also, adjusting entries were made to correct the errors.
AOM No. 23-012 (22) dated February 21, 2023	Various expenses accounts totaling ₱56,715,360.45 as of December 31, 2022 cannot be relied upon due to deficiencies and inconsistencies in the recording of issuances of several inventory items, thereby affecting the fair	We recommended that the Management:  1. Instruct the Accounting Office to verify/check the issuances as per attached RSMI and RIS and ensure that issuances of inventories are properly/correctly recorded;	To resume the reconciliation of records between Accounting Office and SPMO several actions is being conducted; a. Turnover of tasks to existing employees; b. Hiring of replacements; c. Training of employees	Ma. Rossiel V. Rejoso/ Accountant III  Arsenio Gem A. Garcillanosa /Acting Supply Officer III	February 2023	Present	Fully Implemented	The reconciliation was interrupted because of various employee movements in SPMO and Accounting Office. As of this writing, the following movements took place:	RSMI & RIS are now required to be attached to DV for verification/ checking of Accounting Office.  (Annex 9)  The Accountant expressed her indulgence to the recommendation.  (Annex 33)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663506



	presentation thereof in the Financial Statements.	<p>2. Require the Accounting Office and Supply Office to reconcile their records to assure that unit cost of related expense/inventory accounts are accurate. Likewise, ensure that all forms and reports are properly and completely filled-out; and</p> <p>3. Require the Accounting Office and Supply Unit to make the necessary adjusting entries on the noted deficiencies.</p>			February 2023	Present	Partially Implemented	<p>a. Accountant I – promoted to another office</p> <p>b. Accountant I – resigned</p> <p>c. Accountant II – resigned</p> <p>d. Accountant III – retired</p> <p>e. Supply Officer II – retired</p> <p>f. Supply Officer III - deceased</p>	
AOM No. 22-042 (22) dated October 17, 2022	Procurement of diffusers amounting to ₱110,277.88 was considered unnecessary as expenditure as specified under the item 4.0 of COA Circular No. 2012-003 dated October 29, 2012, thus, resulted in wastage of government funds which could be utilized to support other vital programs/projects of the College.	We recommended that Management properly assess each procurement, programs or projects and prioritize which are essential to the operations of the College and strictly adhere with the provisions of COA Circular No. 2012-003 to avoid incurring unnecessary expenditures.	<p>To stop procurement for diffusers.</p> <p>To direct all heads of offices to properly assess each PPAs and procure only those that are essential to the mandate of the college.</p>	Maria Cristina C. Azuelo, PhD /VPAF/ BAC Chairman	October 2022	Present	Fully Implemented	<p>The procurement of diffusers was stopped already.</p> <p>The management issued AM No. 105, s. 2023 to direct the BAC to properly assess each PPAs and procure only those which are essential to the operation of the college.</p> <p>(Annex 4)</p> <p>The recommendation is being followed already the VPAF/ BAC Chairman provided an example of transaction which was considered unnecessary and was not processed</p> <p>(Annex 34)</p>	
AOM No. 22-044 (22) dated November 15, 2022	Lapses in the procurement, inspection and acceptance of goods were noted, contrary to	We recommended that Management take the following courses of action:	To improve the procurement inspection & acceptance of goods based on the provisions of RA 9184 and GAM for NGAs.	Rosalie A. Almadrones, PhD / Former BAC Chair	November 2022	June 2023	Fully Implemented	<p>The management issued AM No. 105 s.2023 to instruct the BAC members &amp; Secretariat to ensure that the specifications in the bidding documents reflect the</p>	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



<p>pertinent provisions of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 9184, Government Procurement Manual, Volume II and Chapter 8, Section 15 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, thus, compliance with the required specifications was not ensured and cast doubt on the propriety and regularity of the transactions.</p>	<p>a. During the procurement process, ensure that the specifications and other terms in the procurement/bidding documents reflect the necessary specifications required to meet the needs of the Procuring entity in clear and unambiguous terms;</p> <p>b. Ensure that supplies and goods indicated in the procurement documents are in conformity with the technical specifications requested by the end users considering the relevant characteristics, functionality and/or performance requirements. Any changes on the specifications or the capability of the supplier to deliver the goods must be conveyed to the end-users;</p> <p>c. Properly check the item description and corresponding unit costs as indicated in the PO/contract and discrepancies or uncertainties should be addressed prior to delivery of items; and</p> <p>d. The Inspection Committee and Supply Office to ensure that all delivered goods are strictly in accordance with the specifications indicated in the purchase order/contract. Items delivered not in conformance with the specifications should not be accepted.</p>	<p>Maria Cristina C. Azuelo, PhD /VPAF/ BAC Chairman</p> <p>Arsenio Gem A. Garcillanosa /Acting Supply Officer III</p>	November 2022	June 2023	Fully Implemented	<p>requirement of the end user clearly.</p> <p>(Annex 4)</p> <p>The BAC ensures that the specifics of the items are in conformity and reflective to the needs/ request of the end-user. Sample evaluation is attached.</p> <p>(Annex 35)</p>
			November 2022	June 2023	Fully Implemented	<p>The management issued AM No. 106 s. 2023 to instruct the Supply Officers and Inspection Committee to properly check the details of the procured items. Also, Inspection and Acceptance Report (IAR) is now part of the checklist of documentary requirements of DV for counter checking of delivered &amp; accepted items.</p> <p>(Annex 2)</p>
			November 2022	June 2023	Fully Implemented	<p>The management issued AM No. 106 s. 2023 to instruct the Supply Officers and Inspection Committee to properly check the details of the procured items. Also, Inspection and Acceptance Report (IAR) is now part of the checklist of documentary requirements of DV for counter checking of delivered &amp; accepted items.</p> <p>(Annex 2)</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

<p>AOM No. 23-001 (22) dated January 3, 2023</p>	<p>Some items were evidently purchased online by the supplier casting doubt on the proper conduct of post-qualification by the Bids and Awards Committee (BAC) and Technical Working Group (TWG) particularly in the determination of the availability of items offered and capability of suppliers in the fulfillment of their obligation, contrary to Section 34 of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (RA) No. 9184.</p>	<p>We recommended that the Management instruct the BAC members to properly assess the capability of each prospective bidder to ensure that they can comply with the terms of the contract agreement in adherence to the provision of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 9184</p>	<p>To improve the post-qualification procedure to properly assess the capability of the bidder prior to the award of the project.</p>	<p>Rosalie A. Almadrones, PhD / Former BAC Chair  Maria Cristina C. Azuelo, PhD /VPAF/ BAC Chairman</p>	<p>January 2023</p>	<p>June 2023</p>	<p>Fully Implemented</p>		<p>The Management issued AM No. 105 s.2023 to instruct the BAC Members and Secretariat to properly assess the Capability of the bidders based on provisions of RA 9184, prior to the award of the project.  (Annex 4)</p>
<p>AOM No. 23-002 (22) dated January 10, 2023</p>	<p>Inability of adhere to laws and regulations applicable to financial transactions pertaining to procurement impair the validity and propriety of transactions and achievement of governing principles of procurement.</p>	<p>We recommended that the Management instruct the BAC to:  a. Submit the lacking documents for the goods procured identified in Annex A to enable us to make a decision in audit; and  b. Strengthen post qualification procedures particularly in the verification of the validity and accuracy of information provided for each supporting documents consistent with the pertinent</p>	<p>To improve the compliance on procurement particularly on the completeness of documentary requirements to support the validity &amp; propriety of the transactions.</p>	<p>Rosalie A. Almadrones, PhD / Former BAC Chair  Maria Cristina C. Azuelo, PhD /VPAF/ BAC Chairman</p>	<p>January 2023</p>	<p>June 2023</p>	<p>Fully Implemented  Fully Implemented</p>		<p>The documents were submitted as part of the comment/ response to AOM.  An Employees were directed to provide complete set of documentary requirements for proper review/ validation of concerned process owners to substantiate the transactions.  (Annex 9)</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9109663506



		provisions of COA Circular No. 2012-001, R-IRR of RA 9184 and other related issuances pertaining to procurement.						
AOM No. 23-003 (22) dated January 12, 2023	Operational timelines for procurement activities were not strictly observed by BAC in the procurement of various goods with total Approved Budget for the Contract (ABC) of ₱5,259,972.00 as required in Annex "C" of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (RA) No. 9184, thus, Management's adherence to principles of transparency and competitiveness in its procurement was not ensured.	We recommended that Management take the following courses of action:  a. Require the BAC to strictly observe Annex "C" of R-IRR of R.A. No. 9184 to avoid possible future audit suspensions and disallowances; and  b. Submit valid justification on the BAC's inability to follow operational timelines.	To communicate to BAC to require them to observe the procurement timelines.	Rosalie A. Almadrones, PhD / Former BAC Chair  Maria Cristina C. Azuelo, PhD /VPAF/ BAC Chairman	January 2023	June 2023	Fully Implemented	The management issued AM No. 30 s.2023 to require the BAC to observe the timelines.
AOM No. 22-045 (22) dated November 15, 2022	Various deficiencies were noted during ocular inspection of two infrastructure projects namely: Construction of Alumni Building at	We recommended that Management:  a. Require the contractor to rectify the noted deficiencies of the project before effecting final payment; and	To improve the implementation and inspection of infrastructure projects.	Engr. Aser N. Dino / PPD Director	November 2022	June 2023	Fully Implemented	Communication letter were sent to the concerned contractor requiring them to rectify the noted deficiencies. The contractor made revisions already.  (Annex 17)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



	Abaño Campus and Improvement of Science Laboratory Building, Main Campus, thus, may cause further technical defects and discomfort to the users of said buildings.	b. Direct those concerned in the implementation of the projects to give emphasis on the quality of all on-going and upcoming projects so that comfort of the intended users can be provided.			November 2023	June 2023	Fully Implemented		AM No. 107 s.2023 was issued to direct the concerned personnel give emphasis on the quality of the projects.  (Annex 3)
AOM No. 23-004 (22) dated January 16, 2023	Delayed completion of various infrastructure projects caused by numerous suspension orders, time extensions and variation orders were indicative of the Management's inability in the proper conduct of detailed engineering during feasibility and preliminary engineering study, awarding of infrastructure projects to contractor with coinciding project duration, as well as proper monitoring and supervision of projects contrary to pertinent provisions of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (RA) No. 9184.	We recommended that Management to take the following courses of action:  a. Properly address issues such as securing of permits, titling of land and viability of the project sites during the feasibility or preliminary engineering study prior to project implementation. These problems should be disclosed during the planning stage and extensively discussed when deliberations for the project's implementation are conducted with management officials and implementing offices to avoid unnecessary delays in the implementation of the projects;  b. Ensure full coordination with other government agencies, among others including the community and private utilities, to achieve effective and more synchronized planning of programs and projects; and  c. Undertake strict and adequate supervision and monitoring of the work of the contractors in accordance with plans and schedules of implementation so that	To improve the planning and implementation of infrastructure project to meet the target time of completion.	Engr. Aser N. Dino / PPD Director	January 2023	Present	Partially Implemented	The nitty-gritty requirements and procedures in serving land titles and permits requires substantial time and budget.	Prior to the receipt of the AOM, the Management have appointed a focal person to address all the concerns regarding titling of land. Substantial improvements on the processing of the titles were made  (Annex 10)  Also, PPD assigned a personnel to address the issues on permits. Substantial efforts on securing of building permits were made.  (Annex 18)  Coordination with various agencies are being made. Attached are sample letters for your reference.  (Annex 19)  Site engineers were directed to make site inspection more often and to submit accomplishment reports
					January 2023	Present	Fully Implemented		
					June 2023	Present	Fully Implemented		

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108953506

		<p>appropriate actions are taken against defaulting contractors and corrective measures are implemented on time. Imposition of liquidated damages on completed projects with delay shall be made to defaulting contractors, if any.</p> <p>We likewise reiterate our previous recommendation that Management:</p> <p>a. Thoroughly review and evaluate the Program of Work to ensure that project designs and estimates are properly prepared and that all phases of the projects are covered to minimize variation orders and time extensions which are often results in the increase of project cost and delayed completion; and</p> <p>b. Remind the BAC and its TWG to practice caution in the examination of the contractor's manpower and equipment on all the projects to be awarded and not on individual project only, in case the contractor is the lowest bidder in several projects which have the same or coinciding period of implementation.</p>					<p>Fully Implemented</p>	<p>weekly to improve supervision &amp; monitoring.</p> <p>(Annex 41)</p> <p>In compliance with previous AOM, inspection at 95% accomplishment is being made to effect corrective measures on time, based on punchlist.</p> <p>(Annex 21)</p> <p>Also, liquidated damages is being imposed to delayed projects. Sample is provided for your reference.</p> <p>(Annex 20)</p> <p>The Engineer II is assigned to thoroughly review and evaluate the POW to ensure that designs &amp; estimates are properly and comprehensively prepared.</p> <p>The management reminded the BAC &amp; TWG to practice caution in conducting post qualification procedures.</p> <p>(Annex 3)</p>
AOM No. 23-005 (22) dated January 23, 2023	Contract time extensions were granted in the implementation of various infrastructure projects of the College despite the lapse of the 30 calendar days	<p>We recommend that Management take the following courses of action:</p> <p>a. Refrain from granting contract time extensions for requests or notices made beyond the 30-calendar day period; and</p>	To improve the compliance of infrastructure projects with R.A. 9184	Engr. Aser N. Dino / PPD Director	January 2023	Present	Fully Implemented	Granting of contract time extension beyond 30 calendar was stopped already.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



	<p>period of providing notice/request by the contractor, contrary to Section 11, Annex E of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 9184.</p>	<p>b. Strictly abide by the standards set forth in RA 9184 and its IRR particularly on the grant of variation order, suspension and contract time extensions, and ensuring proper evaluation of the condition to allow such requests.</p>			January 2023	Present	Fully Implemented		<p>Proper evaluation of requests for variation order, suspension, and time-extension is being done. Variation Order, Suspension Order, Time Extension, are now minimized.</p>
<p>AOM No. 23-008 (22) dated February 2, 2023</p>	<p>The propriety of the Contract of Lease entered into by the College with several concessionaries for its Income Generating Project (IGP) could not be ascertained due to the following:</p> <p>a. Copies of contracts involving lease of commercial spaces in the Entrance Pavilion were not submitted to the Technical Service Office (TSO) contrary to COA Circular No. 2019-005, thus, hindered the timely review of the reasonableness of the terms and rental rates of government properties leased to private entities/individuals.</p> <p>b. Discrepancies noted in the</p>	<p>We recommended that Management:</p> <p>1. Submit to the Audit Team, all perfected contracts of lease of commercial spaces for review by the COA TSO, STSS, as to the reasonableness of the terms and rental rates pursuant to COA Circular No. 2019-005 dated August 7, 2019; and</p> <p>2. Ensure that the terms and conditions on the Contracts of Lease be clearly defined pursuant to Section 2.2 of DPWH guidelines under COA Circular 88-28A to ensure fairness and equitability to both parties.</p>	<p>To provide the Auditors with the copy of upcoming lease contracts prospectively.</p>	<p>Maria Cristina C. Azuelo, PhD /VPAF</p>	February 2023	February 2023	Fully Implemented	<p>All perfected contracts were submitted as part of the comment/ response to the AOM.</p> <p>Review and revision of contract is on-going. Revised contract will be used with the next lessee OR on the renewal of existing lessee.</p>	
			<p>To review &amp; revise the contract for future lease agreements</p>	<p>Ronnie E. Asis, M.Econ/ Auxiliary Services &amp; IGP Director</p>	February 2023	Present	Partially Implemented		

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108653506

	Contracts of Lease contrary to DPWH guidelines as circularized under COA Circular No. 88-282A, thus, may impede fairness and equitability to both parties.								
AOM No. 23-010 (22) dated February 15, 2023	Penalties on late payments of monthly stall rentals in the CNSC Entrance Pavilion Commercial Space were not collected due to inability to compute penalties and bill the delinquent lessees, contrary to the penalty clause embodied in the contract of lease, thus, deprived the College of additional income that could have been use in furthering the operation of its Income Generating Projects.	We recommended that Management strictly impose penalties on overdue and delinquent rental payment by formality informing the lessees of the amounts of penalty and the accrued rentals through issuance of a notice requiring the default lessee(s) to settle the bill, otherwise, automatically deduct the unpaid amount from their security deposit pursuant to the terms of the Contract.	To impose the provisions of the contract of lease to all lessees of IGPs.	Maria Cristina C. Azuelo, PhD /VPAF  Ronnie E. Asis, M.Econ/ Auxiliary Services & IGP Director	February 2023	Present	Partially Implemented		Communications were made to the lessees regarding the overdue rental payments. Computation od penalties is on-going.  (Annex 37)
AOM No. 23-014 (22) dated February 27, 2023	Insurable College buildings and facilities in CY 2022 amounting to ₱215,984,976.07, were not insured with the Government Service Insurance System (GSIS), contrary to the pertinent provisions of Republic Act (R.A.) No. 656,	We recommended that Management require the following courses of action:  a. Direct the responsible person/s to conduct inventory of key and high-risk properties to be considered as insurable assets and prepare Property Inventory Report;	To insure all buildings and facilities of the College to GSIS	Arsenio Gem A. Garcillanosa /Acting Supply Officer III  Nida T. Pimentel/ Budget Officer III	February 2023	Present	Fully Implemented		PIF as of April 27, 2023 has been prepared.  (Annex 38)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 910863506

	thus, exposing the government assets to unnecessary risk of not being indemnified should any loss or damage occur due to fortuitous events.	<p>b. Submit the consolidated Property Inventory Form (PIF) to the Supervising Auditor/Audit Team Leader and the GIF, GSIS not later than April 30, of each year;</p> <p>c. Include in the agency annual budget the amount of premiums for the general insurance covering all insurable properties.</p>			February 2023	May 2023	Fully Implemented		The PIF was submitted to the Audit Team Leader, GSIS, Accountant & Budget Officer already.  (Annex 38)
					February 2023	Present	Fully Implemented		Additional Budget for insurance were requested as part of the Budget Proposal for CY 2024.  (Annex 39)
AOM No. 22-043 (21) dated November 14, 2022	The MOA for secondment as State Universities and Colleges (SUC) President was not submitted to the Civil Service Commission (CSC) within the period prescribed under Section 3 (b) of CSC Resolution No. 061165 dated July 5, 2006, thus, appointment cannot be made immediately effective and may expose the Management to a possible audit disallowance of atleast ₱576,040.75.	We recommended that Management strictly adhere to CSC policies, guidelines and standards on secondment of personnel. A refund by the concerned employee may be warranted for the amount so received for the period that the contract for secondment was not yet effective, hence, should have not been paid by the College.	To further study the secondment of the president.	Dr. Marlo M. De la Cruz, PECE / SUC President III	November 2022	November 2022	Fully Implemented		A valid justification was submitted as part of the comment thus, a refund is not necessary.  (Annex 43)
AOM No. 23-007 (22) dated January 27, 2023	The College was not able to tag its CY 2022 budget for climate change adaptation and mitigation to ensure appropriate prioritization and	We recommended that Management ensure the tagging of budgets for climate change adaptation and mitigation in accordance with the guidelines and procedures provided in DBM-CCC	To tag the budget related to climate change properly annually to ensure that PPAs related to climate change adaptation and mitigation will be properly funded.	Ronaldo P. Dando, EnP/ Climate Change Rep.  Nida T. Pimentel/	January 2023	April 2023	Fully Implemented		Tagging of budget for climate change was properly tagged and is part of the Budget Proposal for CY 2022  (Annex 42)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



	allocation of funds to support climate change-related programs and projects in the annual program of government as prescribed in the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 10121, General Provision of RA No. 11639 and Department of Budget and Management (DBM)-Climate Change Commission (CCC) Joint Memorandum Circular (JMC) No. 2015-01 dated March 24, 2015, thereby, mainstreaming climate change adaptation and mitigation strategies in its programs, activities and projects was not ensured.	JMC No. 2015-01 dated March 24, 2015 by incorporating risk reduction, climate change adaptation and where feasible, climate change mitigation in the implementation of its projects, programs and activities.		Budget Officer III					
AOM No. 23-006 (22) dated January 25, 2023	Prompt submission of paid Disbursement Vouchers (DVs) and its supporting documents was not complied by the Management as it has not been submitting the required reports on time despite	We reiterated that the Management  1. Require the Accounting Office concerned to prioritize submission of monthly report of transactions to the Audit Team within the deadline set to facilitate the immediate verification and review	To improve the submission of DVs to COA for post audit	Ma. Rossiel V. Rejoso/ Accountant III	January 2023	Present	Partially Implemented	Submission of DVs to COA was affected by numerous employee movement in Accounting Office.	DVs for CY 2022 and for 1 <sup>st</sup> quarter of 2023 were submitted to COA already.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663606



	previous audit observations which is not in accord with COA Circular No. 2009-006 dated September 15, 2009, thus, precluding the Audit Team from conducting timely verification of reports and post-audit of accounts to determine the validity and propriety of the disbursement transactions of the College.	of accounts and balances; and  2. Maximize work assignment among accounting personnel and/or assign additional staff, if the present workforce is not enough, so as to meet the deadlines on reports submission and prevent work overload.			January 2023	Present	Partially Implemented		New tasks distribution to Accounting Office staff and to Bookkeepers of delivery units were implemented and discussed to them.  (Annex 27)  Hiring of additional staff is limited to the provisions of NBC No. 589 dated May 25, 2022.
AOM No. 23-009 (22) dated February 9, 2023	The Biological Assets account totaling ₱902,630.00 at year-end was unreliable due to a.) non-submission of Request for Relief from Accountability for deceased animals, b.) non-recognition of the layering and free-range chickens received from the Department of Agriculture and c.) non-maintenance and non-submission of Biological Assets Property Card (BAPC), Quarterly Report of Biological Assets (QRBA) by the caretakers and subsidiary ledgers by the Accounting	We recommended that Management take the following courses of action:  1. Instruct the Accountable Officer to submit request for relief from accountability in case of death or loss of large cattle and other livestock together with available supporting documents, failure to comply with this requirement shall not relieved the said officer from liability thereof;  2. Provide the Accounting Office with the necessary documents for the recognition of the layering and free-range chickens received from DA, including the conditions or agreement for its proper recording, accountability and disposition; and	To improve the recording and reporting of Biological Assets in the books.	Maria Cristina C. Azuelo, PhD /VPAF  Ronnie E. Asis, M.Econ/ Auxiliary Services & IGP Director  Dr. Ricardo D. Diño/ Campus Director, CANR  Ma. Rossiel V. Rejoso/ Accountant III	February 2023    February 2023	Present    Present	Partially Implemented    Partially Implemented		Request for relief from accountability was submitted by CANR Director.          Invoice Receipt for Free-range chickens & MOA were forwarded to Accounting Office.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108663606

	Division, thus, affecting its fair presentation in the financial statements.	3. Require the Biological Asset's caretaker/in-charge and Accounting personnel in-charge to prepare and maintain the BAPCs and SLs, respectively, as required by existing regulations. Likewise, prepare and submit the QRCA to the Accounting Unit and Office of the Auditor.			February 2023	Present	Partially Implemented	Reports were not regularly submitted to Accounting Office due to various employee movements in CANR IGP & Bookkeeper.	Updating of Reports for CANR Biological Assets was initiated.
--	--	--	--	--	---------------	---------	-----------------------	---	---

**B. COMPLIANCE WITH GENDER AND DEVELOPMENT (GAD)**

AOM No. 23-016 (22) dated March 1, 2023	Management was not fully compliant with pertinent rules and regulations on Gender and Development defeating the purpose of planning and budgeting and the realization of the GAD objectives:  a. Comments and observations of the Philippine Commission on Women (PCW) on the College's submitted GAD Plan and Budget for CY 2022 were not effected, hence, was not properly endorsed by the said agency thereby compliance with the provisions of the Magna Carta for Women (MCW) and relevant guidelines on GAD Planning and	We recommended to Management the following courses of action:  1. Direct the GAD Officials and other personnel in charge to act accordingly on the PCW suggestions and comments and immediately resubmit the revised GPB for proper endorsement by the PCW; and  2. Instruct concerned offices for the proper maintenance and submission of necessary documents to facilitate generation of reports pertaining to GAD-related expenses and other GAD-related financial transactions in order to have a reliable and complete AR.	To improve the compliance to the guidelines related to GAD.	Dr. Delma Jean V. Abad/ CEID Director	March 2023	Present	Fully Implemented	The New GAD in-charge submitted the 2022 AR for pass review of CHED on November 11, 2022.  The 2023 Consolidated GAD Plan & Budget was forwarded by CHEDRO-V to PCW on March 13, 2023.  The PCW reviewed the GAD AR 2022 and sent comments for revision on May 16, 2023.  The PCW received the revised GAD AR 2022 on June 6, 2023 for second review pass/ approval.
					March 2023	Present	Fully Implemented	AM No. 52 s.2023 was issued instructing them to submit GAD related data to facilitate the completion of GAD AR.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108053500

	<p>Budgeting was not ensured.</p> <p>b. The Annual GAD Accomplishment Report (AR) for CY 2022 of the College shows total actual GAD expenditures in the amount of ₱10,644,430.02 equivalent to 37.86 percent only of the total GAD budget of ₱28,115,000.00, thus, GAD plans, activities and projects were fully realized, to the disadvantage of the intended recipients who could have benefited therefrom, contrary to the objectives as provided under Item 6.1 of PCW-NEDA-DBM JMC No. 2012-01.</p>								
<b>. REMITTANCE OF MANDATORY GSIS, PHILHEALTH AND PAG-IBIG CONTRIBUTIONS AND LOANS AMORTIZATIONS</b>									
<p>AOM No. 23-020 (22) dated March 24, 2023</p>	<p>Taxes withheld and other mandatory contributions to the BIR, GSIS, Pag-IBIG and PhilHealth were not remitted intact. Likewise, the balances of Due to BIR and Due to Pag-IBIG accounts reflected in the Financial Statements as of December 31, 2022 were unreliable due to erroneous</p>	<p>We reiterated our previous recommendations for Management to:</p> <p>a. Require the Accountant to conduct a detailed review on the transactions affecting the Inter-Agency Payables to ascertain the correctness of the balances;</p> <p>b. Trace the root causes of negative balances on Due to BIR account and</p>	<p>To withheld and remit properly all mandatory contributions to BIR, GSIS, Pag-ibig, &amp; Philhealth.</p>	<p>Ma. Rossiel V. Rejoso/ Accountant III</p>	<p>March 2023</p> <p>March 2023</p>	<p>Present</p> <p>Present</p>	<p>Partially Implemented</p> <p>Partially Implemented</p>		<p>Monthly reconciliation of premiums related to GSIS is being done.</p> <p>The newly hired Accountant III has initiated the analysis for the balance of Due to BIR Account.</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108053606

	inclusion/posting of transactions pertaining to other accounts, thereby affecting the fair presentation thereof in the Financial Statements.	immediately take appropriate actions or provide the corresponding journal entries for the corrections/adjustments; and  c. Ensure that SLs are maintained and updated for all accounts per fund and detailed are completely indicated.			February 2023	Present	Partially Implemented		Posting in SLs was interrupted due to various employee movements in Accounting Office.
--	--	--	--	--	---------------	---------	-----------------------	--	--

**STATUS OF IMPLEMENTATION OF PRIOR YEAR'S AUDIT RECOMMENDATIONS**

CY 2021 AAR Observation No. 1 Pages 30-37  and  CY 2020 AAR Observation No. 8 Pages 51-55	1. The correctness, completeness and existence of the reported Property, Plant and Equipment accounts totaling ₱924,495,331.18 (excluding Construction in Progress account) as of December 31, 2021, cannot be relied upon due to (a) inability to submit a complete Report on the Physical Count of Property, Plant and Equipment (RPCPPE); (b) deficiencies noted in the submitted year-end inventory report; (c) existence of unreconciled discrepancy of ₱16,959,790.17 between inventory report and PPE book balance; (d) inadequate	We recommend that Management:  1. Create an Inventory Committee that will conduct a complete annual physical count of PPE and prepare complete RPCPPE in accordance with Section 38, Chapter 10 of GAM for NGAs, Volume I;  2. Remind the Supply Officers and Accountant to properly accomplish the forms and observe the instructions indicated under Appendices 69, 70, 71 and 73 of GAM for NGAs, Volume II;  3. Remind the Supply and Property Officer to immediately prepare the PARs upon issuance of PPEs to end-users and attach a copy to the corresponding disbursement vouchers for payment;	To improve the recording and reporting of PPE.	Accounting Office			Fully Implemented (Based on AAR 2022)		
				Arsenio Gem A. Garcillanosa /Acting Supply Officer III	2020	June 2023	Fully Implemented (Based on AAR 2022)		PARs are being prepared upon issuance and a copy was attach to the DV. PAR is enforced by including it in the checklist of documentary requirements of DV.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108053606



<p>documents supporting legal ownership of land; and (e) inclusion in the inventory report of unserviceable properties, thereby, affecting the fair presentation of the asset accounts in the Financial Statements.</p> <p>a. The RPCPPEs of various PPE accounts under the Regular Agency Fund (RAF) and Business-Related Fund (BRF) as of December 31, 2021, were not submitted contrary to Section 38, Chapter 10 of the GAM for NGAs, Volume I.</p> <p>b. Deficiencies were noted in the preparation of PPE records and reports not in conformity with the applicable rules and regulations under the GAM.</p> <p>c. Unreconciled variance of ₱16,959,790.17 between inventory report and PPE book balance cast doubt on the correctness thereof in the financial statements.</p>								
---	--	--	--	--	--	--	--	--

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663506



	(GAAM), Volume I and sound internal control, hence, exposing risk of misuse of government collection.	collection to avoid erroneous issuance thereof.						
CY 2021 AAR Observation No. 4 Pages 41-43	4. Various expenses for meals, pantry supplies and accommodation were charged to the petty cash fund (PCF) contrary to Item 4.0 of COA Circular No. 2012-003 dated October 29, 2012 and pertinent provisions in the GAM for NGAs, Volume I, resulting in improper utilization of government funds.	6. We recommended that Management instruct the PCF Custodian to discontinue the practice of charging meals, snacks, groceries/pantry supplies and accommodation to the PCF for the performance of regular activities inherent in programs/projects essential to the operations of the Agency be given priority in order to avoid unnecessary expenditures as provided under the above-cited provisions of COA Circular No. 2012-003.		PCFC			Fully Implemented (Based on AAR 2022)	
CY 2021 AAR Observation No. 5 Pages 43-45	5. Deficiencies in handling Petty Cash Fund were noted contrary to the pertinent provisions of the GAM for NGAs, Volume I, thereby defeating the purpose for its establishment and may be open to plausible misuse or abuse of funds.	We recommended and Management agreed to take the following courses of action:  7. Strictly comply with Section 36 of the GAM for NGAs, Volume I and COA Circular No. 2012-001 on the submission of the required documents to support the liquidation of cash advances;  8. Discontinue the charging of expenditures that are not essential to operation to avoid		PCFC			Fully Implemented (Based on AAR 2022)  Fully Implemented (Based on AAR 2022)	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108963606



		unnecessary expenditures; and  9. Refrain from splitting transactions pursuant to Section 35 of the GAM for NGAs, Volume I.					Fully Implemented (Based on AAR 2022)		
CY 2021 AAR Observation No. 6 Pages 45-46	6. Petty Cash Fund was not replenished upon reaching 75% of disbursements, contrary to Paragraph 4.3.1 of COA Circular No. 97-002, thus, the petty cash fund at some point in time will not be available to pay for the petty operating expenses of the agency defeating the purpose for which the fund was established.	10. We recommended that Management require the PCFC to request replenishment of the PCF upon reaching 75 percent of disbursements or as the need arises by submitting a replenishment voucher together with the required supporting documents.		PCFC			Fully Implemented (Based on AAR 2022)		
CY 2021 AAR Observation No. 7 Pages 46-48	7. The Petty Cash Fund granted to the AOs of the College exceeded the one-month requirement, contrary to Paragraph 4.3.1 of COA Circular No. 97-002 dated February 10, 1997, thus, exposing the cash to possible loss, misuse and unnecessarily typing up the agency's fund/cash which could have been used for other purpose.	11. We recommend that Management reduce the PCF to an amount sufficient to cover the one-month requirement for the specific operation of the College based on the historical data on the average monthly expenses charged to the fund.		PCFC			Fully Implemented (Based on AAR 2022)		

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 910863606

<p>CY 2021 AAR Observation No. 8 Pages 48-50</p>	<p>8. Petty Cash Funds Records (PCFR) were not properly filled out in accordance with Appendix 50 of the GAM for NGAs, Volume II, hence, transactions cannot be properly verified in the related records and reports. Also, discrepancies in the records of the PCFC casted doubt on the actual amount of cash on hand defeating the purpose of providing immediate cash resource when the need arises.</p>	<p>12. We recommended and Management agreed to instruct the PCFC to properly filled out the PCFR per transaction as indicated in the PCV so as to reflect actual disbursements for easy verification in other records for the PCFC to reflect actual cash on hand in all her records and stop charging expenses that are not covered by the replenishment made so as not to compromise the operation of the IGP.</p>		<p>PCFC</p>			<p>Fully Implemented (Based on AAR 2022)</p>		
<p>CY 2021 AAR Observation No. 9 Pages 50-52</p>	<p>9. The accountable officer (AO) was granted cash advances beyond the maximum cash accountability allowed under fer fidelity bond coverage, contrary to pertinent provisions of COA Circular No. 97-002, thereby, exposing the government to risks of possible losses due to non-indemnification in cases of defalcation, shortages or unrelieved losses that might occur in</p>	<p>We recommended that Management strictly require the following:  13. For the Accountant to regularly check the updated copy of fidelity bond coverage of the AO before processing the request for cash advance and ensure that the amounts granted are within the maximum cash accountability of each AO. Otherwise, cause the application of additional bond of the AO for the increase in accountability; and  14. For the Accountable Officer to be cautious in observing his maximum</p>	<p>To monitor the validity and sufficiency of bond.</p>	<p>Cashier's Office  Accounting Office</p>	<p>2021</p>	<p>Present</p>	<p>Fully Implemented (Based on AAR 2022)  Fully Implemented</p>		<p>A personnel was assigned to monitor the fidelity bond. Also, the AO was reminded</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108653606

Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

	the safekeeping of such fund.	cash accountability and promptly inform the Cashier/Accounting Department should his current balance or cash advance granted exceeds the allowable amount per approved bond.							to observe her maximum accountability. Also, Accountant was instructed to check the sufficiency of the bond.
CY 2021 AAR Observation No. 11 Pages 55-61 and CY 2020 AAR Observation No. 7 Pages 48-51	10. The reliability, accuracy and existence of Inventory accounts with a total book value of ₱19,451,729.60 as of December 31, 2021 cannot be ascertained due to difference of ₱11,819,570.08 or 60.76 per cent of the total Inventories compared to the ₱7,632,159.52 balance per Report on the Physical Count of Inventories.	We recommended that Management:  15. Reconcile periodically and monitor the movement of the Inventory accounts using RSMI and RIS to ensure that the appropriate valuations are reflected in the financial reports;  16. Require the Supply Officers of all the campuses to submit the RIS for supplies and materials allegedly issued immediately to end-users;	To improve the recording and reporting of inventories.	Accounting Office  SPMO	2021	Present	Partially Implemented  Fully Implemented (Based on AAR 2022)		SPMO submits RSMI to Accounting Office monthly for reconciliation.
CY 2021 AAR Observation No. 12 Pages 61-65 and CY 2020 AAR Observation No. 10 Pages 59-63	11. Discrepancy of ₱787,323.52 between the balance of the Due to NGAs account and the confirmed reciprocal account balances from the Source Agencies was noted, thereby affecting the fair presentation of the affected account in the financial statements as of September 30, 2021.	We recommended that Management to require the accountant to:  17. Perform periodic reconciliation of the balances of the Due to NGAs account with the Source Agencies concerned and effect necessary adjustments, as appropriate; and  18. Strictly adhere with the prescribed accounting entries of recording transactions pertaining to the receipts, disbursements and	To reconcile the balances between source Agency and Implementing Agency (CNSC) in terms of Due to NGA Account.	Accounting Office	2020	Present	Partially Implemented  Fully Implemented (Based on AAR 2022)		Liquidation of funds from various source agencies is continuous. Currently, we are complying on the recommendations/ findings of source Agency Regarding our liquidations.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108693606

		liquidation of externally-funded projects, in conformity with those provided in Annex M of the Government Accounting Manual (GAM) for National Government Agencies, Volume I.						
CY 2021 AAR Observation No. 13 Pages 65-69	12. Several accounts of the College were not appropriately classified in the books of accounts, not in conformity with the Revised Chart of Accounts (Updated 2019) for National Government Agencies (NGAs) prescribed under COA Circular No. 2020-001 dated January 8, 2020, thus, affecting the fair presentation thereof in the Financial Statements.	19. We recommended that Management direct the Accountant to properly analyze, classify and record every transaction in the books in accordance with the Revised Chart of Accounts. Also, prepare the necessary adjusting/reclassification entries relative to the outstanding/unrecouped mobilization fee as follows:  Advances to Contractors – xxx Construction in Progress – Buildings and Other Structures - xxx		Accounting Office			Fully Implemented (Based on AAR 2022)	
CY 2021 AAR Observation No. 14 Pages 69-75	14. Poor Collection efficiency on loans and accounts receivables totaling ₱21,350,128.81 (excluding negative balances, unidentified/unsupported adjustments and errors) due to inadequate monitoring and lenient actions, contrary to Section 6.1 of COA Circular No. 2016-005, thus, depriving the	We reiterated our previous recommendations that the Management:  1. On Outstanding Accounts Receivable  20. Exert extra efforts in securing the necessary documents by determining and validating the existence of the causes and conditions for non-compliance of debtors and expedite the submission of the request for the write-off of dormant receivable	To continue the collection efforts to all Receivables Accounts.	SFAU  Accounting Office	2021	Present	Partially Implemented	Tracing of data and payees is on-going. Some request to write off a dormant account of deceased student were submitted but was denied.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015



www.tuv.com  
ID 910963506

Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

		<p>25. Require the Former IGP Director and concerned personnel who handled the cash from sales to present proof of actual disbursements using the unremitted collections for canteen operations. If no proof of use of collections presented, require the said AOs to remit immediately to the Cashier the unremitted collections amounting to ₱251,061.00; and</p> <p>26. Direct the Accounting Office that in the recording of all transactions ensure that figures reflected in the reports submitted to their office are duly supported and properly verified from the source documents to determine the accuracy and correctness of said report.</p>	To require the former IGP Director and concerned personnel to present proof of disbursement or remit the unremitted collections.				Partially Implemented		AM Memo No. 046 s.2023 was issued to require the Former IGP Director and to present proof of actual disbursements using the unremitted collections for canteen operations or to remit the unremitted collections.  (Annex 49)
CY 2021 AAR Observation No. 16 Pages 80-84	16. The correctness of leave credit records of each employee and the propriety of the monetized number of days as well as the accuracy and reliability of the affected accounts in the financial statements could not be ascertained due to the following: a. Non-adherence to regulations on	<p>We recommend that Management strictly adhere to Rule XVI of the Omnibus Rules Implementing Book V of EO 292 and CSC Resolution No. 000034 on the granting and approval of monetization of leave credits:</p> <p>27. For regular monetization, ensure that only who have accumulated 15 days of vacation leave credits shall be allowed to monetize a minimum of 10</p>		HRDO  Accounting Office			Fully Implemented (Based on AAR 2022)		

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID: 9109953504

	<p>Monetization of Leave Credits under Rule XVI of Omnibus Rules Implementing Book V of Executive Order No. 292 and Civil Service Commission (CSC) Resolution No. 000034 dated January 5, 2000.</p> <p>b. Monetization of leave credits was debited to Salaries and Wages account instead of Other Personnel benefits account, contrary to COA Circular No. 2020-001 dated January 8, 2020 resulting in the overstatement and understatement of both accounts, respectively, thus, affecting the fair presentation thereof in the Statement of Financial Performance.</p>	<p>days and at least 5 days is retained after monetization;</p> <p>28. Stop the practice of allocating deductions of the applied leave credits for monetization from the accumulated vacation leave credits and sick leave credits. In case the monetization falls under the special monetization vacation leave credits must be exhausted first before sick leave credits may be used.</p> <p>29. We recommend that the College Accountant use the proper account codes/ titles in recording the monetization of leave credits in accordance with the Revised Chart of Accounts (Updated 2019) for NGAs prescribed under COA Circular No. 2020-001.</p>					<p>Fully Implemented (Based on AAR 2022)</p>		
<p>CY 2021 AAR Observation No. 17 Pages 84-88</p>	<p>17. Liquidated damages due to late deliveries of various goods totaling ₱735,680.72 was not fully imposed to erring suppliers leaving an uncollected amount of ₱493,909.09, contrary to</p>	<p>We recommend that Management:</p> <p>30. Strictly enforce the remedies available including the termination of the contract, imposition of liquidated damages and forfeiture of the performance security when the Supplier fails to satisfactorily deliver any or</p>	<p>Properly impose liquidated damages to erring suppliers.</p>	<p>Accounting Office</p>	<p>2021</p>	<p>Present</p>	<p>Fully Implemented (Based on AAR 2022)</p>		

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663506



	Government Procurement Policy Board (GPPB) Resolution Nos. 07-2019 and 02-2020, thus, deprived the College of additional income that could be use in its operations.	<p>all of the goods within the period specified in the Contract;</p> <p>31. Stop the practice of imposing only the maximum deduction of 10 percent of the contract amount without considering the actual number of days delayed pursuant to the above cited regulation; and</p> <p>32. Demand payment from the concerned suppliers the amount of ₱493,909.09 pertaining to the uncollected amount of the liquidated damages for delayed deliveries of various of goods.</p>		Accounting Office			Fully Implemented <i>(Based on AAR 2022)</i>		
				Accounting Office			Partially Implemented		
CY 2021 AAR Observation No. 18 Pages 88-93	18. Management has been unsuccessful in the enforcement of refund for breach of contracts by those grantees who were not able to complete their scholarship, thus, recoupment of scholarship benefits, salaries, and allowances remain uncollected, inconsistent with CNSC Board Resolution No. 33 series of 2015 and Board Resolution No. 47 series of 2020.	<p>We recommended that the Management take the following courses of action:</p> <p>33. To cause the promulgation of a decision to be able to recoup the financial assistance, salaries, and allowances relative to the scholarship grants from those scholars with breach of contracts;</p> <p>34. That the Accounting Office, in coordination with the Scholarship Committee, come up with their computations of the violation and recognize the receivable in the books of the College; and</p>	To enforce the contract with faculty scholarship grantees	OVPAA  Accounting Office	2021	Present	Partially Implemented	Resignation of Accountant I who was assigned to the computation	16/17 scholars have submitted affidavit of undertaking  Hiring of Accountant is ongoing

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108963506



		35. Henceforth, immediately enforce collection from defaulting scholars.					Not Implemented	
CY 2021 AAR Observation No. 19 Pages 93-97	19. Representation and Transportation Allowance (RATA) totaling ₱35,000.00 paid to the former and current Deans of the College of Agriculture and Natural Resources (CANR) for the period September 23 to December 31, 2021 was excessive, contrary to Chapter 7 of the Manual of Position Classification and Compensation and COA Circular No. 2012-003 dated October 29, 2021.	36. We recommended that Management require the former and current Deans of the CANR to immediately refund the excess amount of RATA claimed amounting ₱26,309.52 and ₱8,690.48, respectively.	To require the former Dean to refund the excess RATA	CANR-Director Accounting Office	2021	Present	Partially Implemented	The Payment of the Former Dean of CANR, thru salary deduction is on-going.
CY 2021 AAR Observation No. 20 Pages 97-102	20. Incomplete supporting documents and deficiencies noted relative to the payment of Collective Negotiation Agreement (CNA) incentives for Calendar Year (CY) 2021 contrary to COA Circular No. 2012-001 dated June 14, 2021 and Department of Budget and Management (DBM) Budget Circular No. 2021-3 date November 17, 2021, thus, cast doubt on the	37. We recommended that Management provide valid justification and/or explanation particularly on the discrepancies noted in the actual charges to identified object of expenditures for the grant of C.N.A.  38. We likewise recommend submission of necessary documents as required under COA Circular No. 2012-001 and DBM BC 2021-3, to enable us to make a decision in audit.	To provide justification & documents related to CAN for CY 2021	Budget Office  Accounting Office	2021	January 2023	Fully Implemented   Fully Implemented (Based on AAR 2022)	First justification was part of comment. Which was submitted on March 25, 2022  (Annex 29)  Second justification was submitted on January 24, 2023, upon the request of the auditor during the Entrance Conference on December, 2022.  (Annex 30)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108063606

	validity and propriety of the transaction.							
CY 2021 AAR Observation No. 21 Pages 102-105	21. Unutilized balances from collections of liquidated damages and sale of bid documents were not recognized as income in the Regular Agency Fund (RAF) and not remitted to the Bureau of the Treasury (BTr), contrary to Section 65 (1) of Presidential Decree (P.D.) No. 1445, provisions of the 2016 Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 9184 and Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, thereby depriving the government of the use of funds for other programs and projects.	We recommended and Management agreed to:  39. Record the collection from liquidated damages as Miscellaneous Income in accordance with the GAM for NGAs, Volume I;  40. Record the collection from sale of bid documents and other related fees as well as the corresponding disbursements under Trust Liabilities account in the Trust Fund books;  41. Transfer the excess/unutilized balance amounting to ₱2,227,000.00 to the Regular Agency Fund which shall be recognized as Income of the College; and  42. Remit the excess amount of ₱2,274,401.99 to the Bureau of the Treasury to be accounted under the special account of the General Fund; and  43. Comply with the above-mentioned regulations on the appropriate recognition of receipts/proceeds from the sale of bid documents and the unutilized balance thereof in the books of the College and religiously deposit any		Accounting Office			Fully Implemented (Based on AAR 2022)	
							Fully Implemented (Based on AAR 2022)	
							Fully Implemented (Based on AAR 2022)	
							Fully Implemented (Based on AAR 2022)	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 910865306



		excess/unutilized amount to the BTr.								
CY 2021 AAR Observation No. 22 Pages 105- 110	22. Non-conformance with Section 88 of PD No. 1445 and pertinent provisions of the R-IRR of RA No. 9184 were noted relative to the infrastructure project: Completion of Supply Office with Stockroom and Garage, Phase 2 with a total contract amount of ₱19,956,500.48, as follows: a. There was evidence that advance payment was made on the final payment despite some portion of the project not yet satisfactorily completed in violation of Section 88 of PD No. 1445, hence, found to be irregular. b. The Agency did not impose liquidated damages despite evidence that there was delay in the implementation of the project contrary to Section 8.1 of Annex E of the R-IRR of RA No. 9184. c. The Agency released the	In view of the foregoing, we recommended to Management the following:  44. Stop the practice of making full payments to projects if they are not yet fully 100 percent completed to avoid the commission of advance payment for items not yet satisfactorily completed pursuant to Section 88 of PD No. 1445;  45. Initiate appropriate legal sanctions against the officials who certified that the projects were already completed even if they showed otherwise based on evidence herein presented;  46. Investigate on the issue as to delay in the implementation of the project and determine the unperformed work as of the target date of completion of the aforementioned projects and impose the appropriate liquidated damages; and  47. Strictly comply with the regulations on the release of retention money pursuant to Section 6.2 of Annex E of the R-IRR of RA No. 9184 to avoid the incurrence of the same deficiency in the future.	To improve the compliance with RA 9184 and other guidelines related to infrastructure projects.	Accounting Office  PPD	2021	Present	Fully Implemented (Based on AAR 2022)	Not Implemented	Not Implemented	Fully Implemented (Based on AAR 2022)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653606



		<p>taken against defaulting contractors and corrective measures are implemented on time;</p> <p>51. Stop the practice of issuing Certificate of Completion and Final Inspection Report on projects with noted deficiencies as reported in the punch list, which are not yet corrected/complied by the contractor; and</p> <p>52. Enforce the collection of liquidated damages for projects that are not yet satisfactorily completed within the approved contract time.</p>					<p>Fully Implemented (Based on AAR 2022)</p> <p>Fully Implemented (Based on AAR 2022)</p>	<p>Also, AM No. 107 s.2023 was issued to enforce the monitoring of projects.</p>
<p>CY 2021 AAR Observation No. 24 Pages 117- 124</p>	<p>24. Various lapses and non-conformance with pertinent provisions of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 1984 were not noted for the project Installation of Water System Facilities with Filtration and Construction of Comfort Room at CNSC Entienza Campus, casting doubt on the propriety of transaction and further deprived the end-users of the benefits that could</p>	<p>We recommended that Management take the following courses of action:</p> <p>53. Ensure that documents for the acknowledgement of turn-over and custody are properly accomplished;</p> <p>54. Submit the following supporting documents for the grant of time extensions for review and evaluation, such as;</p> <ol style="list-style-type: none"> <li>1. Copy of the approved time extension;</li> <li>2. Copy of the contractor's request for time extension;</li> <li>3. Copy of the Evaluation Report by the agency concerned establishing the need for time extension including the</li> </ol>		<p>PPD</p>			<p>Fully Implemented (Based on AAR 2022)</p> <p>Fully Implemented</p>	<p>The documents were already submitted to COA on July 16, 2021  (Annex 45)</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108053506

	<p>have been derived from the timely completion thereof.</p>	<p>computation showing in sufficient detail how the number of days of extension was determined;</p> <p>4. Certification or reports establishing the existence of the grounds for the contract time extension, as follows:</p> <p>a) PAGASA Report covering the area where the Project is located if extension requested is due to adverse weather conditions</p> <p>b) Provincial Commander's Report, if the extension requested is due to deteriorating/worsening peace and order situation</p> <p>c) Certification from DOLE, DTI, DILG and / or DND, among others, whichever is applicable, for the other grounds such as shortage of construction materials, general labor strike or similar activities that disrupted construction operations through no fault of the contractor; and</p> <p>5. Copy of approved original PERT/CPM Network Diagram reflecting the effect of the subject time extension on the original contract time and all previously issued Time extensions.</p> <p>55. Justification/comment on the inconsistency in the adjusted expiration of contract;</p>							
--	--	--	--	--	--	--	--	--	--

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663606



	<p>amounting to ₱12,862,455.53 which are not considered part of infrastructure projects, hence, should be deducted from the contract cost and produced separately as goods.</p> <p>b. Overhead, Contingencies and Miscellaneous (OCM) and Profit were added to the cost of some work items which should not be subjected to such mark-up per DPWH DO No. 197, thereby, increasing the estimated cost of the project.</p>	<p>which can be categorized as goods; and</p> <p>61. Provide valid justification for our review and evaluation on why the goods component of the project were considered as direct cost which were used and included in the computation of Profit, VAT, and OCM of the ABC and the additional cost due to OCM and profit mark-up for work items that should not be subjected thereto, in order to avoid suspension or disallowance in audit.</p>					<p>Fully Implemented (Based on AAR 2022)</p>	
<p>CY 2021 AAR Observation No. 26 Pages 130-137</p>	<p>26. Copies of Variation/Extra Work Order (EWO) and extension of contract time and their supporting documents for various infrastructure projects were not submitted to the Audit Team within five working days after its approval, not in conformity with provisions of COA Circular No. 2009-001 dated February 12, 2009, COA Circular No. 2012-001 dated June 14, 2012 and</p>	<p>We recommended that Management take the following courses of action:</p> <p>62. Strictly comply with the prompt submission of copies of variation/extra work orders and approved time extensions together with the necessary supporting documents enumerated in Annexes B and E of COA Circular No. 2009-001;</p> <p>63. Review and evaluate thoroughly the Program of Works (POW) to ensure that project designs and estimates are properly prepared and all phases of</p>	<p>To improve the compliance with RA 9184 and other guidelines related to infrastructure projects.</p>	<p>PPD</p>	<p>2021</p>	<p>Present</p>	<p>Fully Implemented (Based on AAR 2022)</p> <p>Fully Implemented</p>	<p>Review and evaluation of each component of (POW) are being done by Engineer II prior the approval of the POW, design &amp; estimates. Variation Order and Time Extensions are already minimized.</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 910865606



	Annex E of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 9184, thus, precluding the timely review and evaluation thereof.	the projects are covered to minimize variation orders and time extensions which often results in increased cost and delayed project completion; and  64. Submit the above-enumerated supporting documents to establish the validity and legality of disbursements.					Fully Implemented (Based on AAR 2022)	
CY 2021 AAR Observation No. 27 Pages 137-139	27. Retention money was not properly deducted from progress payments for infrastructure projects, contrary to Section 6.1, Annex E of the 2016 Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 9184, thereby exposing the College to risk of insufficiency of fund that will cover uncorrected discovered defects and third-party liabilities, if any.	We recommended and Management agreed to take the following courses of action:  65. Require the Accountant to deduct the appropriate amount of retention money from every progress payment up until 50 percent of the value of works, as determined by the procuring entity, are completed. The amount to be retained shall be based on the total amount due to the contractor prior to any deduction.  66. Allow the release of the retention money only upon request by the contractor for substitution of the retention money with irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand and provided the project is on schedule and satisfactorily undertaken, otherwise, retention money shall be due for		PPD  Accounting Office			Fully Implemented (Based on AAR 2022)	Fully Implemented (Based on AAR 2022)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663606



		release only upon final acceptance of the project.							
CY 2021 AAR Observation No. 28 Pages 140- 143	28. Warranty securities do not cover the required period specified under Section 62.2.3 of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act (R.A.) No. 9184, thus unnecessarily exposed the College to insufficient financial guarantee of the contractor's performance of its responsibilities for structural defects and failures which may arise after final acceptance of infrastructure projects.	67. We recommended that Management require the contractors to post warranty securities covering the required period and amount provided under Section 62.2.3.4 of the R-IRR of R.A. 9184 otherwise, structural defects and or failure within the warranty period not covered by the surety bond and not repaired by the contractor shall be borne by persons liable. We likewise recommend that to ensure contractor's compliance to the requirements of the law, require the concerned office to implement a sound and effective monitoring system to ensure that the procuring entity will be reimbursed of its expenses in restoration or reconstruction work in case of Structural Defects/Failure occurring during the applicable warranty period.		PPD				Fully Implemented (Based on AAR 2022)	
CY 2021 AAR Observation No. 29 Pages 143- 147	29. The results of operations of eight Income Generating Projects (IGP) of the College for CY 2021 were poor, incurring total net loss of ₱494,065.36 (excluding non-cash expenses), thus, the objective of income	We recommended that Management take the following courses of action:  68. Regularly monitor the performances of the different IGP Projects and determine the root cause of low performance and give solutions thereto;  69. Consciously plan and implement cost-saving	To improve the result of operations of IGPs.	Auxiliary & IGP Services	2021	Present		Fully Implemented (Based on AAR 2022)  Partially Implemented	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9109663506

	generation was not fully attained.	and efficiency-improving measures to improve projects performance;  70. Revisit the IGP Manual and consider the need for updating of policies and guidelines particularly on IGPs that are no longer profitable and viable with the current condition and production capability of the College.					Partially Implemented	Improvements on performance of some IGPs were noted.  Revised manual was already presented to the BOT.
CY 2021 AAR Observation No. 30 Pages 147-153	30. Deficiencies were noted relative to the grant of CY 2020 incentives to various personnel involved in the Income Generating Projects (IGPs) of the College totaling ₱480,273.92, contrary to the provisions of the Production and Business Development Center (PBDC) Manual of Operations, thus, cast doubt on the propriety and regularity of the transaction.	We recommended that Management:  71. Require the Accountant and other personnel concerned to properly establish the net income derived from each IGP ventures considering all expenses incurred for operations;  72. Establish the use of the 10 percent College share taking into consideration the purpose and objectives of the program;  73. Provide the criteria used by the management board in the determination of the amount received by each personnel; and  74. Submit the BOT approved budget for the Business-Related Fund of the College covering CYs 2020 and 2021.	To revise the guidelines of the rent incentives from IGPs.	Auxiliary & IGP Services  Accounting Office  Budget Office	2021	Present	Fully Implemented (Based on AAR 2022)  Partially Implemented  Partially Implemented	Revised manual was already presented to the BOT.  Revised manual was already presented to the BOT.  The IGP Director was directed to submit the Budget for 2020-2021.
CY 2021 AAR Observation	31. Management was not able to fully implement/adopt	75. We recommended that the Management give preferential attention on	To address the issues and concerns related to SuPMIS.	SPMO  MIS	2021	Present	Partially Implemented	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653506



Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

No. 31 Pages 153-155	the Supply and Property Management Information System (SuPMIS) in its property and inventory management, hence, the objective to improve the accuracy and efficiency of processes, reporting and control of supplies, properties and equipment was not attained.	addressing the issues and concerns of the users of the SuPMIS and conduct evaluation of the efficiency and effectiveness in its operation.						
CY 2021 AAR Observation No. 32 Pages 155-158	32. Management was not able to consistently notify the Auditor of the time and date of scheduled deliveries of procured items pursuant to Sections 6.06 of COA Circular No. 95-006 dated May 18, 1995, hindering the timely inspection by the Author and determination of its validity, completeness, existence and condition.	76. We recommended and Management agreed to notify the Auditor of the time and date of the scheduled deliveries of procured items, within 24 hours from such acceptance pursuant to COA Circular 95-006.		SPMO			Fully Implemented (Based on AAR 2022)	
CY 2021 AAR Observation No. 33 Pages 158-161	33. Disallowances remained unsettled notwithstanding the issuance of Notices of Finality of Decision (NFD) and COA Orders of	We recommended that Management take the following courses of action:  77. Strictly enforce the immediate settlement of	To enforce the settlement of the disallowed expenditures.	Cashier's Office  Accounting Office  OVPAF	2021	Present	Partially Implemented	The management enforced the settlement of the remaining balance of disallowance. It is being paid by responsible signatories/ thru salary deduction.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 0108663506

	<p>Execution (COE), contrary to the provisions of the 2009 Rules and Regulations on the Settlement of Accounts (RRSA), resulting in unsettled balance of ₱234,493.09 as of December 31, 2021.</p>	<p>the remaining disallowances totaling ₱234,493.09, that have already become final and executory pursuant to Sections 7.1.1 and 7.1.2 of the RRSA to avoid the imposition of sanctions provided by law;</p> <p>78. For those persons found liable but are no longer in the service, nor connected or transacting with the College, issue final demand letters to cause the collection or settlement of disallowances directly from them;</p> <p>79. Go after all persons determined to be solidarily liable under an ND accordance with Section 16.3 of COA Circular No. 2009-006; and</p> <p>80. Submit an updated report of refunds to disallowances to COA regularly, for reconciliation of records and issuance of Notice of Settlement or Suspensions/ Disallowances/ Charges (NSSDC).</p>					<p>Fully Implemented (Based on AAR 2022)</p> <p>Fully Implemented (Based on AAR 2022)</p> <p>Partially Implemented</p>	<p>The cashier continuously updates the COA every collection of the refund of the disallowed amount.</p>
<p>CY 2021 AAR Observation No. 34 Pages 161-164</p>	<p>34. Gender and Development (GAD) Plan and Budget was not endorsed and GAD Accomplishment Report not submitted for review by the Philippine</p>	<p>We recommended that Management:</p> <p>81. Comply with the prescribed guidelines and procedures for the preparation, development, submission, implementation, monitoring and evaluation, including accounting of results of</p>	<p>To improve the compliance to the guidelines related to GAD.</p>	<p>CEID</p>	<p>2021</p>	<p>Present</p>	<p>Partially Implemented</p>	<p>The management reconstitute and strengthen the GAD Focal Point System (GFPS).  (Annex 44)  Training on HGDG Test was conducted on May 29-30, 2023.</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108053506

	<p>Commission on Women (PCW) contrary to pertinent provisions of the PCW-National Economic and Development Authority (NEDA)-Department of Budget and Management (DBM) Joint Circular No. 2012-01, PCW Memorandum Circular Nos. 2020-05 and 2021-06, thus, compliance to PCW priority agendas and targets cannot be ensured and further hindered assessment of the actual GAD accomplishments.</p>	<p>agency annual GAD plans and budgets and GAD Accomplishment Reports as provided by PCW-NEDA-DBM;</p> <p>82. Ensure that the GPB is submitted to CHED Regional Office for review and properly endorsed by the PCW to guarantee that the projects, activities and programs (PAPs) to be undertaken are part of the GAD priority agenda of the government.</p> <p>83. Submit GAD AR to CHED for review and to PCW for assessment and reporting to Congress and Office of the President; and</p> <p>84. Set up sufficient GAD Database and/or disaggregated data that will facilitate identification of existing gender gaps and issues present in the College, thus, enable them to formulate GAD plans and programs that are relevant, necessary, and accordingly accomplish them.</p>					<p>Fully Implemented</p> <p>Fully Implemented (Based on AAR 2022)</p> <p>Partially Implemented</p>	<p>(Annex 25)</p> <p>Revised 2022 AR submitted in June 6, 2023.</p> <p>2023 GAD plan and Budget was submitted on March 13, 2023</p> <p>The 2023 consolidated GAD Plan &amp; Budget was submitted to CHEDRO-V on October 24, 2022.</p> <p>The 2023 consolidated GAD Plan &amp; Budget was forwarded by CHERO-V to PCW on March 13, 2023.</p> <p>Institutionalization of the use of HGDG Test was initiated.</p> <p>(Annex 26)</p> <p>Data gathering of PPAs related to GAD is on-going in compliance to AM No. 052 s.2023.</p>
<p>CY 2021 AAR Observation No. 35 Pages 165-168</p>	<p>35. Remittances of contribution/repayments to GSIS, Pag-IBIG and PhilHealth were not reconciled with the amounts withheld resulting in unremitted/unreconciled amounts of ₱1,309,510.14, ₱37,602.00 and ₱123,936.43, respectively.</p>	<p>We recommended that Management:</p> <p>85. Instruct the Accountant to prioritize the reconciliation of the agency's records with that of the GSIS, HDMF and PhilHealth to arrive at correct/reliable balances and effect the necessary adjustments in the books, if any;</p> <p>86. Remind the Budget Officer those remittances</p>		<p>Accounting Office</p> <p>Budget Office</p>			<p>Fully Implemented (Based on AAR 2022)</p> <p>Fully Implemented</p>	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663606



		<p>of the contributions to the GSIS, Pag-IBIG and PhilHealth shall take priority over and above the payment of any and all obligations, except salaries and wages of its employees; and</p> <p>87. Give the highest priority on the immediate remittance to the concerned agencies of the unremitted balances. Henceforth, ensure that future collections are remitted promptly and intact to avoid penalties that maybe imposed by the said agencies for late remittance.</p>	To withheld and remit properly to mandatory premiums.				(Based on AAR 2022)  Partially Implemented		Monthly reconciliation in GSIS account is on-going.
CY 2020 AAR Observation No.1 Pages 31-32	36. Petty Cash Fund (PCF) was not replenished upon reaching 75 per cent of disbursements and was closed at year end by submitting liquidation report.	88. We recommended that the PCFC request replenishment of the PCF upon reaching 75 per cent of disbursements by submitting a replenishment voucher together with the required supporting documents; and		All PCFC			Fully Implemented (Based on AAR 2022)		
CY 2020 AAR Observation No. 3 Pages 34-37	3. Non-compliance with the rules and regulations on cash advances resulted in control weakness over the granting, utilization and liquidation of cash advances.  a. Cash Advances granted to Accountable Officers of the College were being transferred to the	89. We recommended that Management require the SDOs to liquidate their cash advances as soon as the purpose for which it was granted has been served. Henceforth, strictly enforce the rules and regulations on the granting, utilization and liquidation of cash advances in accordance with COA Circular No. 97-002		All PCFC/ SDO  Accounting Office			Fully Implemented (Based on AAR 2022)		

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108653506

Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

	<p>utilized by another personnel</p> <p>b. Several SDOs were unable to maintain Cash Disbursement Record (CDR) to record the grants liquidation of Cash Advances.</p> <p>c. Cash advances were not liquidated within the prescribed period.</p>							
<p>CY 2020 AAR Observation No. 4 Pages 37-40</p>	<p>38. Inability to collect school fees from students amounting to ₱53.11 million deprived the College as of additional revenues and receivables outstanding or dormant for more than ten years in the amount of ₱2.22 million remained in the books.</p>	<p>90. We recommended that Management intensify collection efforts by periodically sending communications through collections/ demand letters, electronics mails, etc. to those with unsettled accounts in order not to deprive the College of much needed funds to support its operations. Further, review available documents relative to the dormant accounts, and in case it could no longer be collected, request from COA for an authority to write-off the accounts with complete supporting documents as required under COA Circular No. 2016-005.</p>	<p>To continue the collection efforts to collect the dormant receivables.</p>	<p>Accounting Office</p>	<p>2020</p>	<p>Present</p>	<p>Partially Implemented</p>	<p>Sending of demand letters is continues.</p>
<p>CY 2020 AAR Observation No. 5 Pages 40-42</p>	<p>40. The accuracy, reliability and validity of accounts receivable account for payment of tuition and other school fees could not be ascertained</p>	<p>We reiterated our previous recommendations for Management to take the following courses of action:</p> <p>91. Address issues and concerns on the lapses in</p>	<p>To address the issues and concerns related to SIAS.</p>	<p>Accounting Office  MIS</p>	<p>202</p>	<p>Present</p>	<p>Partially Implemented</p>	<p>Errors in the accounts of student in SIAS are being addressed by Accounting, Cashier and MIS.</p>

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed







Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663606



	<p>for obligations not yet due and demandable amounting to ₱101.74 million.</p> <p>b. Obligation to pay for completed project amounting to ₱1.36 million was not included in the Accounts Payable account balance.</p>	<p>GAM for NGAs in the recognition of accounts payable and COA Accounting Circular Letter No. 2007-002 on the preparation of the List of Not Yet Due and demandable Obligations and disclosure thereof in the Notes to Financial Statements.</p>						<p>The proper recognition of AP, per GAM of NGAs is now being observed.</p> <p>COA Accounting Circular letter No. 2007-002 is for Local Government Units (LGU). The said circular is not applicable for SUCs.</p> <p>(Annex 40)</p>
<p>CY 2020 AAR Observation No. 11 Pages 63-66</p>	<p>43. Inconsistencies in the quarterly balances reported in the Budget and Financial Accountability Reports (BFARs) as well as the recorded balances in the registries maintained by the Budget Office.</p>	<p>We recommended that Management require the Budget Officer and College Accountant to take the following courses of action:</p> <p>96. Regularly submit the required Budget and Financial Accountability Reports in accordance with the deadline set under COA-DBM Joint Circular No. 2019-1 dated January 1, 2019.</p>		Budget Office			<p>Fully Implemented (Based on AAR 2022)</p>	
<p>CY 2020 AAR Observation No. 12 Pages 66-68</p>	<p>44. The monthly take home pay of several employees of Camarines Norte State College was lower than required minimum amount of ₱5,000 caused by allowing payments of loan through salary deduction.</p>	<p>97. Require the Payroll-in-Charge to strictly observe the order of preference of deductions so that the minimum take home pay of employee is not affected.</p>		Accounting Office			<p>Fully Implemented (Based on AAR 2022)</p>	
<p>CY 2020 AAR Observation No. 15 Pages 72-74</p>	<p>48. The performance security posted by the contractors of various projects expired before the</p>	<p>We recommended that Management take the following courses of action:</p>		PPD			<p>Fully Implemented (Based on AAR 2022)</p>	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 910865506



	final acceptance thereof.	98. Require the concerned Contractors to renew/extend its performance bond and furnish the Auditor a copy thereof and;						
CY 2020 AAR Observation No. 16 Pages 74-76	49. Inconsistency of the duration for the project "Completion of Supply office with stock room and Garage (Phase 2) indicated in the Program of work (POW), Invitation to Bid (ITB) and Contract Agreement. Also, Disbursement Voucher for the final payment and other related documents remained unsubmitted.	99. We recommended that the Management instruct the BAC to ensure that all data relating to the procurement of infrastructure projects are thoroughly verified and crossed-check with other documents. Also, require the Accountant and other officials concerned to submit immediately the unsubmitted disbursement voucher and supporting documents to the Audit Team for post audit.	To strengthen monitoring and supervision of infra projects and to call the attention of contractors if there is observed deficiency of manpower & equipment in the project site.	BAC	2020	Present	Fully Implemented (Based on AAR 2022)	
CY 2020 AAR Observation No. 18 Pages 83-87	50. Several infrastructure projects with total contract cost of ₱103.73 million awarded to same contractor showed overlapping contract implementation.	We recommended that Management comply with the following:  100. Require contractors to augment their manpower and equipment to be utilized in the projects awarded to them which have the same or overlapping period implementation to expedite the completion thereof; and	To prevent the charging of prior years' expenses against the current appropriation by enforcing the on-time submission of DVs.	BAC Infra PPD	2020	Present	Partially Implemented	
CY 2020 AAR Observation No. 19 Pages 88-90	51. Prior years expenses totaling ₱5.18 million that were charged against the current	101. Direct the Budget Officer to enforce the compliance of the deadline of submission of valid claims by officials		Budget Office Accounting Office			Fully Implemented	The Management directed all employees, not just the budget office, to submit the vouchers within the

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108653606



	year's appropriation.	<p>and employees before year-end to ensure that transactions and events are obligated with in the period to which they relate/ incurred to avoid the improper use of the current year's appropriations for un-booked prior year's obligations pursuant to Section 119 of PD No. 1445;</p> <p>102. Direct the Accounting Office to comply with the accrual basis of accounting by ensuring that all the due and demandable obligations of the College, duly obliged during the year that they are incurred by the Budget Office, are accounted for as Accounts Payable in the books; and</p> <p>103. Ensure that transactions are properly supported with complete documentation before payment of claims to avoid suspension thereof in audit.</p>						<p>prescribed period to facilitate year-end closing of books.</p> <p>(Annex 5)</p> <p>The Management directed all employees, not just the accounting office, to submit the vouchers within the prescribed period to facilitate year-end closing of books.</p> <p>(Annex 5)</p> <p>The Management implemented a consolidated checklist to be used by all employees to ensure that all claims are properly supported with complete documents</p> <p>(Annex 9)</p>
CY 2019 AAR Observation No. 9 Pages 54-56	52. Cash Advances and Petty Cash Fund in the total amount of ₱0.84 million and ₱60,000, respectively, were granted to CNSC Personnel without official designation as Special Disbursing Officer and/ or Petty Cash Fund Custodian.	<p>We recommended that the Management comply with the following recommendations:</p> <p>104. Require all accountable officers to prepare, maintain and update daily their CDR and PCFR to ensure that all transaction are properly</p>		All PCFC Accounting Office			Fully Implemented (Based on AAR 2022)	

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015  
www.tuv.com  
ID 9108663606



Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

	Also, these personnel did not maintain Cash Disbursement Record (CDR) and/or Petty Cash Fund Record (PCFR) to record their cash advances and utilization	recorded and accounted for; and  105. Abide by the rules and regulations on the granting, utilization and liquidation of cash advances.					Fully Implemented (Based on AAR 2022)	
CY 2019 AAR Observation No. 11 Pages 60-62	53. The request for write-off of dormant Accounts Receivable amounting to ₱1.53 million which were non-moving for more than 11 years and where collectability could no longer be ascertained were not supported with complete supporting documents.	106. We recommended that Management strictly comply with the documentary requirements enumerated under item No. 8.3 of COA Circular No. 2016- 005 dated December 19, 2016 for the request for write-off of the dormant receivable accounts submitted to Commission on Audit.	To submit request write-off of dormant Accounts Receivables.	Accounting Office	2019	2023	Partially Implemented	Another request to write-off a dormant account of deceased students was submitted but was disapproved.
CY 2019 AAR Observation No. 17 Pages 77-85	54. Monetary PRAISE incentive totaling ₱3.83 million was grated to CNSC employees under the Program on Awards and Incentives for Service Excellence (PRAISE) not in accordance with the guidelines of the Civil Service Commission (CSC) Memorandum Circular (MC) No. 01. S. 2001	We recommended that Management comply with the following courses of action:  107. Considering that the monetary PRAISE incentive was not one of the exempted allowances under Section 12 of RA 6758 and not among the listed benefits and incentives under Joint Resolution No. 4 s. 2009, secure the requisite recommendation and approval from the DBM and the President, respectively; and	To escalate the appeal of the disallowance of PRAISE	Accounting Office  Employees Association	2019	Present	Not Implemented	The appeal for the disallowance for PRAISE was submitted to COA ROV, however it was denied.  The appeal was escalated to the Commission Proper.

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed





Management System  
ISO 9001:2015  
www.tuv.com  
ID 910865606



Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

	develop innovations in research and equitable access to education for its social responsiveness and will improve the availability of health care services in the Province of Camarines Norte.	Health Units physicians, and other healthcare providers through strong research and extension linkages needed for its clinical programs. In that way, it will facilitate the approval of the plan by the Board of Trustees.							1)The need to popularize CNSC course offerings, especially the satellite campuses to decongest the main campus 2) A list of students identified MAC priorities is provided in the report with BS Nursing at 10.7% and BS Medicine at 17.9, the two top preferred courses. If the feasibility conditions are achieved, it shall undergo the quality process of approval within the University of Camarines Norte in collaboration with concerned government agencies for the possibility of forging partnership agreement and for funding purposes.
CY 2016 AAR Observation No. 1 Pages 31-33	58. The CNSC was not able to immediately collect the receivables from the Income Generating Projects (IGPs) amounting to ₱6.28 million.	113. We recommend that management demand from active CNSC employees the immediate settlement of overdue accounts, otherwise, these shall be deducted from their salaries or any emoluments due them.	To continuously demand and collect from employees the overdue accounts in IGP.	Accounting Office  Auxiliary & IGP Services	2016	Present	Partially Implemented		Salary deduction of payment for overdue account is continuous for those employees still in service.
CY 2015 AAR Observation No. 4 Pages 32-33	59. The validity and propriety of land account amounting to ₱6,957,478 could not be fully ascertained due too inadequate records/documents supporting the College's legal ownership.	We recommended that:  114. Management to exert extra efforts to facilitate the acquisition of land title to document its ownership/safeguard the real properties of the college and in order to fully ascertain the validity of its recorded land account.	To exert effort to facilitate the acquisition of land titles.	PPD	2015	Present	Partially Implemented		The Management appointed a focal person to address all the concerns regarding titling of land. Substantial improvements on the processing of the titles were made.  (Annex 10)

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed



Management System  
ISO 9001:2015



www.tuv.com  
ID 9108653506

Republic of the Philippines  
**CAMARINES NORTE STATE COLLEGE**

F. Pimentel Avenue, Brgy. 2, Daet, Camarines Norte- 4600, Philippines

<p>CY 2011 AAR Observation No. 12 Pages 44-47</p>	<p>60. Despite an order of dismissal from the service effective July 18, 2011 and unliquidated cash advances of PhP 28,055, an accountable officer was still awarded with PRAISE, PEI, loyalty and others worth PhP 51,409 in violation of the very purpose and rationale of said grants.</p>	<p>115. Management to require the refund of the amount of PhP 51,409 and the settlement of the outstanding cash balances worth PhP 28,055 stated above or a total of PhP 79,464, otherwise hold all officials who approved transactions favoring the said Accountable Officer, jointly and severally liable therefor.</p>	<p>To exert efforts on the refund of the disallowed amount</p>	<p>Accounting Office</p>	<p>2011</p>	<p>Present</p>	<p>Partially Implemented</p>	<p>The concerned liable persons are not in service anymore.</p>	<p>The NFD No. 2022-311 dated November 16, 2022 was communicated to concerned liable persons.  (Annex 6)</p>
---	---	---	--	--------------------------	-------------	----------------	------------------------------	---	--

Agency Head:

  
**DR. MARLO M. DE LA CRUZ, PECE**  
*SUC President III*

\*Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially implemented, or (e) Delayed