

ACTION PLAN MONITORING TOOL (APMT)

Sector: NGAS Cluster 5 - Education & Employment
 Group: Other SUCs
 Agency Audited: Philippine State College of Aeronautics
 Audit Period: CY 2023
 AAR Date: May 16, 2024

Prepared by :

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Date:

November 29, 2024

Reviewed by :

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November 29, 2024

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION (AAPSI)											Results of COA Validation				
Ref.	Audit Observations	Audit Recommendations	Action Plan	Person/Dept. Responsible	Target Implementation Date		Status of Implementation	Reason for Partial/ Delay/ Non-Implementation, if applicable	Action Taken/ To be Taken	Date of follow up	Status of Implementation	Actual Implementation Date		Remarks	
					From	To						From	To		
CURRENT YEAR															
FINANCIAL AUDIT - Various Accounting Deficiencies															
AAR 2023, pages 49-62	Cash and Cash Equivalents a) Unreconciled amounts between the balances per bank and per book P2,526,678.52;	Reconcile the net difference of P2,526,678.52 between the balances per book and per bank and submit the BRSs for LBP Account No. 3562-1003-25;		Accounting	2024	2025	Not Implemented	NA	The Accounting Unit will reconcile the noted difference per book and per bank and will submit the BRS for LBP Account No. 3562-1003-25 once the necessary supporting documents are completed.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
	b) Non-preparation and non-maintenance of separate SLs for the STF and Payroll fund accounts;	Maintain separate SLs for the STF and Payroll Fund accounts to keep track of the movement of the respective account balances, otherwise, cause the suspension of payment of salaries of the concerned personnel.		Accounting	2024	2025	Implemented	NA	The Accounting Unit will maintain separate SLs for the STF and payroll accounts as a requirement to the electronic government accounting system that was installed recently right after the conduct of the e-NGAS training by COA for Accounting and IT personnel.	November 2024	Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
	Inventories c) Improper recording of receipt, inspection, acceptance, and issuance of inventory items – P6,054,364.25;	a) Reconcile the noted difference amounting to P6,054,364.25; b) Properly prepare and maintain the RSMI by including all inventory accounts; and c) Henceforth, strictly comply with the procedures in the receipt, inspection, acceptance, and issuance of inventory items as prescribed in Section 15 of the GAM for NGAs;		Accounting and/or Supply Office	2024	2025	Implemented	NA	a) The Accounting Office will prepare the JEVs for the noted difference to recognize the receipt and issuance of inventories to be supported with documents. b) The Supply Office is still gathering all other inventory items for inclusion in the RSMI upon Validation. c) The Accounting and Supply Offices will strictly comply with the procedures. They will be guided and trained during the workshop on Property and Supply Management training to be conducted by a COA resource person within the year.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
	d) Non-submission of Report on Physical Count of Inventory (RPCI) and Report on Physical Count of Semi-expendable Properties (RPCSP);	Fast-track the preparation and submit the RPCI for 2023 and henceforth, prepare and submit the RPCI/RPCSP not later than July 31 and January 31 of each year.		Accounting and/or Supply Office	2024	2025	Implemented	NA	The Supply Office is expediting the RPCI and RPCSP and commits to submit to COA on or before August 14, 2024. The Inventory Team concluded their physical count on July 15, 2024.	November 2024	Implemented	2024	2025	Ongoing validation of the submitted documents.	
	e) Non-moving balances of Inventory accounts; and	Validate the existence and consequent issuances, if any of the inventories.		Accounting and/or Supply Office	2024	2025	Implemented	NA	The Supply Office is still in the process of validating data whether these non-moving inventory balances were already issued to end user units and or beyond its useful economic life, thus due for immediate dropping/adjustment by Accounting Unit in the books.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
	f) Non-maintenance of the forms, registries, and reports;	Prepare and maintain the required forms, reports, and registries in compliance with pertinent provisions of COA Circular No. 2022-004 dated May 31, 2022.		Accounting and/or Supply Office	2024	2025	Implemented	NA	The Supply office is in the process of reclassifying and transferring data to the corresponding forms, reports and registries after the conduct of Physical Count of Inventories and Semi-Expendable Properties done in all campuses from June 15 – July 15, 2024.	November 2024	Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	



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	Property, Plant and Equipment g) Discrepancies in the balances between the FS and the PPELC and between the FS and the RPCPPE amounting to P6,786,703.75 and P16,161,753.07, respectively;	Require the Accounting Department to reconcile the discrepancies noted between the PPE account balances per FS and PPELC. Further, we recommended and the Management agreed to require the Accounting Department and the Supply Office to reconcile the discrepancies noted between the PPE account balances per FS and RPCPPE.		Accounting and/or Supply Office	2024	2025	Implemented	NA	The Accounting Office will reconcile their records as to noted discrepancies between FS and PPELC. Both Accounting and Supply Offices will reconcile the discrepancies noted between the PPE account balances per FS and RPCPPE in coordination with the Inventory Team.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
	b) Non-maintenance of Property Cards (PC);	Require the Supply Office to prepare and maintain the PCs and submit copies of the same to this office; otherwise, suspend the payment of salaries of the personnel concerned until the latter has complied as provided in Section 122(2) of Presidential Decree No. 1445.		Supply Office	2024	2025	Implemented	NA	The Supply Office has already submitted the copies of PCs to the COA Audit Team last April 24, 2024.	November 2024	Implemented	2024	2025	Ongoing validation of the submitted documents.	
	i) Noncompliance with COA Circular No. 2020-006 dated January 31, 2020, on the one-time cleansing of PPE accounts.	Comply with the guidelines for the one-time cleansing of PPE account balances as provided under COA Circular No. 2020-006 dated January 31, 2020, to fully eliminate discrepancies between the accounting and property records.		Accounting, Supply Office and Inventory Committee	2024	2025	Implemented	NA	Ongoing reconciliation between Supply and Accounting Offices in coordination with the Physical Inventory Team considering the increase of capitalization threshold for PPE pursuant to COA Circular 2022-004 and other issuances related to request of relief from property accountability and write-off.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
	Inter-Agency Payables j) Unaccounted prior years' balances – P2,058,644.72	Analyze and reconcile the PY balances and effect the necessary adjustment and/or remittance whichever is appropriate; and prepare and maintain the SL to closely monitor and ensure that taxes and premiums withheld are fully remitted within the prescribed period pursuant to BIR, GSIS, Pag-IBIG and PhilHealth regulations.		Accounting and HRMSD	2024	2025	Implemented	NA	The Accounting Unit will analyze and reconcile the PY balances and effect the necessary adjustment or remittance whichever is appropriate; and will maintain SL for said accounts in close coordination with the HRM office.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
	OTHER AUDIT AREAS														
AAR 2023 pages 66-69	Underutilized Special Trust Fund (STF) a) Unutilized Personnel Service (PS) Budget P2,558,127.35; b) Unutilized MOOE Budget – P99,576,548.93; and c) Unutilized Capital Outlay (CO) Budget P33,800,814.12	a) Prepare a more realistic budget by considering the needs and capability of the PhilSCA to disburse the same; and b) Instruct the Budget Office to maintain a separate RBUD by MFO or PPAs for MOOE.		Budget Office	2024	2025	Not Implemented	NA	a) The Management, as a way forward, shall prepare a more realistic budget by considering once and for all its absorptive capacity and capability to disburse the same. b) The Budget Officer will be maintaining a separate RBUD by MFO or PPAs for MOOE for easy tracking of budget utilization and control.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
AAR 2023, pages 69-73	Compliance with Sections 37 and 38 of Republic Act (RA) No. 9184 and its Revised Implementing Rules and Regulations (RIRR) a) delay in the approval of the ten (10) contracts by the Head of the Procuring Entity (HoPE) ranging from 11 to 97 days; b) delay in the awarding of six (6) contracts ranging from 13 to 72 days; c) excess in the determination of the bid validity period of two (2) contracts ranging from 25 to 26 days; d) insufficient performance securities posted for two (2) contracts as to amount and validity period, two (2) contracts as to amount and three (3) contracts as to validity period; and e) delay of fifteen (15) days in the issuance of the Notice to Proceed (NIP) for one (1) contract.	Strictly comply with the procurement timelines prescribed in Sections 37 and 38 of RA No. 9184 and its RIRR. Further, we recommended and the Management agreed the Procuring Entity discuss the herein issues and concerns on the delay in the procurement process with the governing board and propose measures to expedite its action on the phases of procurement that need board approval.		College President / Board Secretary / BAC	2024	2025	Implemented	NA	The HOPE in coordination with the BAC, is already complying with the procurement timelines prescribed in Section 37 and 38 of RA9184 and its IRR. To resolve the matter, in one of the meetings by BAC with the College Board Secretary, there are two measures proposed to the governing board; and these are: 1) to increase the threshold and/or signing authority of the College President on the approval of contracts and related consequential actions; and 2) the approval on the award of contract beyond the threshold and other phases of procurement that needs board approval be done through Referendum Resolution subject to confirmation by the BOT in their next board meeting.	November 2024	Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	



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AAR 2023, pages 73-76	Compliance with COA-DBM Joint Circular No. 2, s.2020 a) COS workers performed functions that are part of the job description of the agency's existing regular employees; b) Paid wages to COS workers were not equivalent to the wage/salary of comparable positions in government;	Strictly adhere to Section 7.3 of COA-DBM Joint Circular No. 2, s. 2020 and ensure that no overlapping of functions exists between its regular employees and COS workers; Strictly adhere to Section 11.5 of the COA-DBM Joint Circular No. 2, s. 2020 and ensure that COS workers shall be paid wages equivalent to the daily wage/salary of comparable positions in government.		HRMSD / Management	2024	2025	Implemented	NA	The Management, thru the HRMO, reviewed the functions/duties of the COS personnel specifically that of COS nurses. Upon evaluation, the Management discontinued the services of one COS (VAB) nurse in order to comply with the audit observation. The Management, thru the HRMO, contemplates on preparing a proposal to increase the wages /salaries and premium payment of COS personnel so that they will be paid equivalent to the daily wage/salary of comparable positions in government in strict adherence to Sec. 11.5 of COA-DBM JC No. 1 series 2020 and as per audit recommendation.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.
AAR 2023, pages 76-79	Compliance with the Granting Utilization and Liquidation of Cash Advances a) Unliquidated CAs as at yearend – P1,284,575.00; b) Grant of additional CAs to AOs with existing unliquidated CAs – P10,287,215.84 c) Delay in the liquidation of CAs ranging from 1 to 258 days.	a) Require the immediate liquidation of the abovementioned CAs. b) Refrain from granting additional cash advances to the same AO unless the previous CA/s had been settled or proper accounting had been made thereof. c) Henceforth, strictly comply with the rules and regulations on the grant, utilization and liquidation of CAs.		Accounting	2024	2025	Implemented	NA	Outstanding C/As as at year end are all liquidated for as of to date. Management, thru the Accounting Office agreed to refrain from granting additional cash advances to the same AO unless the previous C/As had been settled or accounted for. The Management will comply with the rules and regulations on cash advances and will continue issuing demand letters to AOs.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.
AAR 2023 pages 79-82	Delay in the Submission of Financial and Budgetary Reports The PhilSCA incurred delayed ranging from 2 to 444 days in the submission of disbursement vouchers, financial and budgetary reports, including its supporting schedules and other required documentary contrary to pertinent provisions of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, which hindered the timely audit of the accounts, receipts and disbursements.	a) Require the officials concerned to immediately submit the bank reconciliation report of LBP Account No. 3562-1003-25 for the CY 2023; b) Implement Section 122 of PD No. 1445 on the withholding of salary of the officials and employees concerned, if warranted by the circumstances; and c) Henceforth, submit the required reports within the set deadlines.		Accounting/ Budget Office	2024	2025	Not Implemented	Filling-up of vacant positions under ROSS – still ongoing to complete the staffing structure. Lack of manpower and electronic systems.	The Accounting Unit will submit the BRS of LBP Account No. 3562-1003-25 for CY 2023 as this is one of their regular functions. If warranted by the circumstances and with careful evaluation, the Management may be going to implement Section 122 PD No. 1445 with due process. The Head of the Accounting Unit, on one hand is requesting additional manpower to replace those who resigned and filling up of vacant positions allocated to that office for even work distribution. Except for the BRS (LCCA Account),	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.
AAR 2023 pages 83-86	Compliance with the General Provisions of RA No. 11936 or the GAA for FY 2023 Relating to Transparency and Public Disclosure. a) Non-maintenance of Transparency Seal; b) Non-posting of information and reports on the PhilSCA website.	Update the information and post the missing requirements on the PhilSCA's official website.		Office of the President and MIS	2024	2025	Implemented	NA	The Management thru MIS will complete the posting of missing requirements and to update the information on the official website of PhilSCA.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.
AAR 2023 pages 87-88	Compliance with RA No. 3456, Administrative Order (AO) No. 278, s. 1992. AO No. 70, s. 2003 The PhilSCA currently does not have an Internal Audit Service (IAS) which could have assisted the Management to achieve an efficient and effective fiscal administration and performance of agency affairs and functions, contrary to RA No. 3456, AO No. 278, s. 1992, AO No. 70 s. 2003, and other related issuances.	Intensify the filling up of plantilla positions for Internal Auditors through the publication of the vacant positions.		HRMSD / Management	2024	2025	Implemented	NA	The Management thru the HRMO is still in the process of filling up vacant Plantilla positions for Internal Auditors to man the IAS.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.



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AAR 2023 pages 88-93	Gender and Development (GAD) a) Inability to secure a PCW-endorsed GPB; b) Non-submission of the pertinent documents accompanying the GAD AR; c) Non-implementation of the 7 out of 14 proposed GAD programs totaling P3,030,000.00; d) Non-utilization of GAD budget amounting to P23,990,098.44 or 56.35%	Require the GAD Focal Person to ensure strict compliance with the reporting guidelines as prescribed in PCW-NEDA-DBM JC No. 2012-01.		GAD Focal Person	2024	2025	Not Implemented	NA	The Gad Focal Person will strictly comply with the reporting guidelines as prescribed in PCW-NEDA-DBM JC No. 2012-01 as per her commitment given during the Exit Conference.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
AAR 2023 pages 93-94	Senior Citizen and Persons with Disability (PWDs) The PhilSCA Management failed to formulate plans, programs, and projects and integrate the same in their regular activities in addressing the concerns of the SC and PWD, contrary to Section 36 of the General Provisions of the GAA FY 2023.	Timely prepare and submit the plans, programs and projects, and the resulting accomplishment reports, relative to the concerns of the SC and PWD.		Committees on Senior Citizen and PWDs	2024	2025	Not Implemented	NA	The designated Committees will be going to submit approved plans, programs and projects, and resulting accomplishment reports relative to the concerns of the Senior Citizen (SC) and Persons with Disability (PWDs) for CY 2024.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
AAR 2023 pages 95-96	Remittances to the Bureau of Internal Revenue (BIR), Government Service Insurance System (GSIS), Pag-IBIG Fund and PhilHealth. The PhilSCA had substantially complied with the laws and regulations on the deduction of premium contributions from its personnel and remittance of the same, including the government share, to the BIR, GSIS, Pag-IBIG, and PhilHealth.	a) Facilitate the immediate reconciliation of prior and current years' transactions and effect the necessary adjustment or remittance, whichever is appropriate; and b) Remit immediately the premiums deducted from the PhilSCA personnel in the current year and provide the audit team the proof of remittance for validation purposes.		Accounting Office and HRMSD	2024	2025	Implemented	NA	Accounting and HRM Units will be going to reconcile their respective records of prior and current years' transactions and effect the necessary adjustment or remittance, whichever is appropriate. Once identified, the Accounting and HRM Offices will remit immediately the premiums and provide the proof of remittance to the Audit Team.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
AAR CY 2023 pages 96-100	Compliance with RA No. 656 of the Property Insurance Law a) Non-submission of PIF; b) Incorrect determination of the amounts of insurable assets; and c) Noninsurance of other insurable assets – P76,526,686.77.	Prepare the PIF, listing all of the PhilSCA's Insurable assets and showing its appraised valuations and other relevant information, as prescribed under COA Circular No. 2018-002 dated May 31, 2028.		Supply Office	2024	2025	Implemented	NA	Per interview with Supply Officer, the PIF was already submitted by their Office.	November 2024	Not Implemented	2024	2025	Validation of the submitted PIF revealed that it does not show the appraised values of the insurable assets.	
AAR 2023 page 100	Status of Settlement of Audit Suspensions, Disallowances and Charges Suspensions and disallowance totaling P5,067,410.70 and P30,200,531.26, respectively, remained unsettled as of December 31, 2023, contrary to COA Circular No. 2009-006 dated September 15, 2009, which prescribed the rules regulations in the settlement of accounts.	Require the responsible/liable persons to immediately settle the audit suspensions and disallowances in accordance with the revised RRSA.		Management	2024	2025	Not Implemented	NA	As of Quarter 1 of FY 2024, audit suspensions totaling P5,067,410.70 has been eliminated where P4,435,940.70 were already settled by persons responsible; while the substantial amount of audit disallowances on record is pending appeal in accordance with the revised RRSA of COA.	November 2024	Not Implemented	2024	2025	The Audit Team will continuously monitor the Management's compliance thereof.	
PRIOR YEARS															
FINANCIAL AUDIT - Various Accounting Deficiencies															
AAR 2022, Par.1.14-1.22, pages 55-55	Property, Plant and Equipment a.) Unrecorded cost of transferred/donated buildings - P11,274,115.98 b.) Non-derecognition of transferred PPEs to the PAF - P1,563,673.43 c.) Erroneous computation of depreciation - P1,115,329.13	Instruct the Accounting Unit to: a) coordinate with the Property Unit to provide the necessary documents and recognize in the books the cost of donated buildings and equipment; Derecognize the remaining properties located at the old site of FAB Campus in accordance with relevant documents such as Property Transfer Report (PTR); and Correct the computation of depreciation and effect the necessary adjustments on the affected accounts.		Accounting/ Property Unit	2023	2024	Implemented	-	Accounting Unit has constantly coordinating with Property Unit in the provision of necessary documents to recognize the cost of donated assets.		Implemented	2023	2024	Donated buildings and equipment already recorded in books	
				Accounting/ FAB Campus Dir. and Property Unit	2023	2024	Implemented	-	The Accountant has written the Campus Director for assistance regarding the matter on derecognition and PTR.		Implemented	2023	2024	Derecognition of remaining properties located at the old site of FAB Campus already recorded	
				Accounting	2023	2024	Implemented	-	Supporting documents need by accounting to support JEV		Implemented	2023	2024	The Accountant has corrected the computation of depreciation of PPEs	
AAR 2022, Par.1.23-1.26, pages 55-56	Liabilities a.) Erroneous recording of subsequent year remittance of taxes- P360,190.28	Instruct the Accounting Unit to reconcile the monthly Summary of Taxes Withheld (STW) prepared by the remitting personnel with amounts in the General Ledger (GL) of Due to BIR account prior to remittance to ensure accurate reporting and amount of remittances.		Accountant	2023	2024	Implemented	-	The Accountant before remittance is reconciling the Taxes Withheld (STW) with the General Ledger (GL) of Due to BIR Account.		Implemented	2023	2024	The Audit Team will continuously monitor the Management compliance/implementation thereof	



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	b.) Erroneous recording of payment of penalties due to late remittances of taxes - P281,434.53	Strictly enforce remittance of taxes withheld within the prescribed period as provided by the law; and		Accountant	2023	2024	Implemented	-	The Accountant strictly observe the prescribed period in the remittance of taxes withheld.		Implemented	2023	2024	Prescribed period of remittance is observed. The Audit Team will monitor the Management's compliance on subsequent tax remittances.
		Prepare the adjusting entries to revert the erroneous entries in the Due to BIR account.		Accountant	2023	2024	Implemented	-	The Accountant has adjusted the entries.		Implemented	2023	2024	The Audit Team will continuously monitor the Management compliance/implementation thereof
AAR 2022, Par.2.3-2.10, pages 58-59	Cash Unauthorized retention of Payroll Fund - P137,678.53	Determine the nature of the unknown deposits per bank under Payroll Fund and STF accounts and record in the books, if warranted by the circumstances; those allowed to be temporarily retained for specific purpose/activity should be closely monitored and any unutilized/unsupported balances should be deposited to the National Treasury;		Accountant	2023	2024	Implemented	-	Nature of unknown deposits were identified and those allowed to be retained temporarily are closely monitored.		Implemented	2023	2024	The Audit Team will continuously monitor the Management compliance/implementation thereof
AAR 2022, Par.2.11-2.21, pages 59-61	Inventory b. Prior year's undocumented adjustments - P622,371.99	Substantiate the recorded adjustments of inventory accounts and submit the report to the Office of the Auditor; otherwise, reverse the prior year's recorded adjustments;		Accounting Unit	2023	2024	Implemented	-	Accounting Unit to submit to the Office of the Auditor the required supporting documents within the year, otherwise, they will reverse the prior year's recorded adjustment without basis.		Implemented	2023	2024	The Accounting Unit have reverse the prior year's recorded adjustment without basis.
AAR 2022, Par.2.22-2.30, pages 61-64	Property, Plant and Equipment a. Misclassifications of accounts within the PPE accounts group - P309,210.58	Require the Accountant to make the necessary adjusting journal entries to reclassify the affected accounts within the PPE accounts;		Accounting Unit	2023	2024	Implemented	-	The Accountant has prepared the necessary adjusting journal entries		Implemented	2023	2024	The Accountant has prepared the necessary adjusting journal entries to correct the balance of affected accounts.
	c. Non-provision of depreciation on Office Equipment - P3,242,027.50	Instruct the Property Unit to determine the value and ownership of the donated three parcels of land and submit to the Accounting Unit pertinent supporting documents, such as the Deed of Donation for the three donated parcels of land for proper booking;		Property Unit	2023	2024	Implemented	-	The Property Unit in coordination with campus officials, has yet to submit to Accounting Unit the Deed of Donation for the donated parcels of land for proper booking.		Implemented	2023	2024	Donated parcel of land recorded in books
		Instruct the Accountant to recognize depreciation for items donated by Megaworld; and		Accounting Unit	2023	2024	Implemented	-	Accounting has recognized depreciation for items donated by Megaworld.		Implemented	2023	2024	The Accountant has prepared the necessary adjusting journal entries to correct the balance of affected accounts.
AAR 2022, Par.2.33-2.36, pages 64-65	Variance between the FS/TB/GL and Per Accounted JEVs recorded balances	Through the Accounting Unit, agreed to reconcile the account balances with noted discrepancies and prepare adjusting entries, as necessary.		Accounting Unit	2023	2024	Implemented	-	The Accounting Unit has prepared the necessary adjusting entries thru the JEV before effecting the same to the General Ledger (GL) and special journals.		Implemented	2023	2024	The Audit Team will continuously monitor the Management compliance/implementation thereof
OTHER AUDIT AREAS														
AAR 2022, Par.3, pages 65-69	Of the total allotments received in CY 2022 amounting to P322,275,161.41, the amount of P309,370,130.48 or 96 percent was obligated by PhilSCA, leaving an unobligated balance of P12,905,030.93, or equivalent to a marginal percentage of four percent as at year-end, which was largely attributed to unutilized allotments for Maintenance and Other Operating Expenses (MOOE) and Personnel Services (PS). While the absorptive capacity of the College for its Regular Agency Fund (RAF) is generally commendable, several operational lapses in its planning, utilization and monitoring were observed such as the absence of detailed Work and Financial Plan (WFP).	Intensify the filling up of unfilled plantilla positions for teaching and non-teaching personnel through publication of the vacant positions;		HRMPSB / FSB /HR	2023	2024	Implemented	-	Continous filling up of unfilled plantilla positions -ongoing. Publication of vacancies -done.		Implemented	2023	2024	The Audit Team will continuously monitor the Management compliance/implementation thereof
		Maximize the utilization of the allotments received within the period of its validity to ensure that the optimum results and benefits derived from the funds would be realized;		BAC / Procurement / Budget.	2023	2024	Implemented	-	Released allotments will be obligated once the contracts are finalized by the BAC and Procurement Office, and approved by the PhilSCA BOT for huge projects.		Implemented	2023	2024	The Audit team will monitor compliance thereof.
		Promptly coordinate with the concerned College project proponents /focal person about the submission of necessary reports and documentary requirements to the DBM, to ensure the effective and efficient utilization of funds intended for its planned PPAs; and		Budget Office	2023	2024	Implemented	-	The Budget Office has constant coordination with the concerned college project proponents about the submission of DBM requirements.		Implemented	2023	2024	Coordination with the concerned colleges is being done.
	Annual Procurement Plan (APP) and Procurement Monitoring Report (PMR), which limited the Audit Team in identifying the utilization for specific Projects/Programs/ Activities (PPAs); and significant amount of unreleased appropriations of P218,523,206.00 or 42.03 percent, thus, the foregone operational benefits to stakeholders.	Come up with a catch-up action plan including interventions on the programs with unutilized/underutilized allotments in FY 2022.		BAC / Budget	2023	2024	Implemented	-	The BAC has already prioritized the immediate procurement of budgeted items included in the unutilized allotments in FY 2022.		Implemented	2023	2024	The Audit Team will continuously monitor the Management's implementation thereof.
AAR 2022, Par.8, pages 81-84	Deficient controls in the management of fixed assets were observed at PhilSCA, which resulted in the failure of the College to timely reconcile the reported balance of PPE and exposed the properties and stakeholders to the risk of hazards and possible losses without early detection and	b) instruct the Accounting Unit to provide complete information of reported properties in the PPELC as required by GAM for NGAs Volumes I and II;		Accounting Unit	2023	2024	Implemented	-	The Accounting Unit has been directed to complete the details and needed information in the PPELC.		Implemented	2023	2024	No report submitted yet to validate compliance thereof.



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		c) direct the Accounting Unit to attach copies of original source document such as IARs and DRs in the journal entry vouchers submitted and as supporting document to the PPELC prepared by their Office;		Accounting Unit	2023	2024	Implemented	-	The Accounting Unit was advised to attach supporting documents as basis of JEVs.		Implemented	2023	2024	The Audit Team will continuously monitor the Management's compliance thereof.
		d) instruct the AOs to submit complete sets of documents required under COA Memorandum No. 92-751, dated February 24, 1992, and henceforth, immediately notify the COA Audit Team of any losses on the properties of the Colleges due to theft/robbery and submit relief of accountability; and		AOs	2023	2024	Implemented	-	The AOs will submit complete sets of documents and will notify the Audit Team and will also submit the necessary request for relief of accountability on a timely manner.		Implemented	2023	2024	The Audit Team will continuously monitor the Management's compliance thereof.
		e) fully account all the items for disposal and fast-track the process of appraisal and disposal of the unserviceable properties.		Disposal Committee	2023	2024	Implemented	-	The concerned committee has already disposed all the items due for disposal which were placed in the vacant fields in front of the Guestel.		Implemented	2023	2024	The Accountant has prepared the journal entries to record disposal of unserviceable properties
AAR 2022, Par.9, pages 84-86	The delay in the repairs of buildings and structures and the construction of the new building projects on the PhilSCA-MBEAB Campus resulted in further deteriorations, deprived its students, employees, and other stakeholders of convenient and safe facilities, posed possible risks of hazardous elements, and affected the adequate security of its assets, equipment, records, and documents.	a) evaluate the conduciveness, safety, and stability of the buildings and structures at PhilSCA-MBEAB Campus;		Management / BAC	2023	2024	Implemented	-	The Management is evaluating the conduciveness safety and stability of the buildings and structures at PhilSCA-MBEAB Campus following the recent trip of college officials last June 1, 2023. (ANNEX "C")		Implemented	2023	2024	PhilSCA Officials have conducted meeting and inspection with the PAF CESO and DPWH Representatives last June 01, 2023.
		b) promptly conduct the necessary substantial repairs and maintenance and fast-track the procurement process for the construction of a new building at the new site; and		Management / BAC	2023	2024	Implemented	-	A Memorandum of Agreement with DPWH VII was approved by the PhilSCA BOT to fast-track the procurement process for the construction of a new building at the new site with corresponding budget.		Implemented	2023	2024	PhilSCA Officials have conducted meeting and inspection with the PAF CESO and DPWH Representatives last June 01, 2023.
		c) henceforth, immediately notify the COA Audit Team of any damages and losses on the properties of the Colleges caused by fortuitous events such as typhoons and elements of time and submit a request for relief from accountability in accordance with Section 73 of PD No. 1445, COA Memorandum No. 92-751 dated February 24, 1992, and Section 41, Chapter 10, of the GAM for NGAs Volume I.		Management / AOs	2023	2024	Implemented	-	Management will immediately notify the COA Audit Team of any damages and losses of properties caused by fortuitous events.		Implemented	2023	2024	The Audit Team will continuously monitor the Management implementation thereof.
AAR 2022, Par.10, pages 86-88	Deficiencies and lapses in the IGP operations of the PhilSCA-MBEAB Campus were still observed, despite the audit team's prior year's audit observations and recommendations, resulting in poor program implementation and a lack of program reporting and control mechanisms and exposing the College to the risk of not being indemnified or compensated in case of loss through theft or misappropriation.	a) provide the designated IGP Head with training as to the proper Management of the inventory items, maintenance of summary reports for record keeping and accountability monitoring purposes, as well as to serve as an audit trail during cash examination;		HRMSD / IGP Head	2023	2024	Implemented	-	The IGP Heads were among those included and attended in the training conducted last January 2023 by no less than the COA Audit Team spearheaded by Supervising Auditor Cecilia E. Bernales and Audit Team Leader Juvy De Guzman.		Implemented	2023	2024	Training relative to proper management of inventory have been conducted by SA Bernales and ATL De Guzman.
		b) formulate comprehensive internal control policies and operating procedures that will govern the operational, accounting, reporting, and utilization guidelines to be followed by the personnel assigned to manage and operate the College's IGPs across all campuses; and		Management / Auxiliary Services	2023	2024	Implemented	-	See attached "Annex D" re draft of policy which was submitted to the College President last March 2023 for approval.	November 2024	Not Implemented	2023	2024	Approved internal control policy for College's IGP is yet to be submitted.
		c) ensure that the IGP Heads are properly bonded.		IGP Heads	2023	2024	Implemented	-	IGP Head are advised to submit and complete BTR's bonding requirements.		Implemented	2023	2024	The Audit team will continuously monitor the Management's implementation/ compliance thereof.
AAR 2022, Par.11, pages 88-91	The unreleased/delayed release of funds to student-grantees, absence of MOA with CHED Regional Offices (CHEDROs) and inadequate submission of supporting documents for the liquidation of funds were still observed in the implementation of the TDP, causing deferment of educational support benefits for the underprivileged student-grantees of PhilSCA, precluding the Audit Team from properly evaluating the compliance of the campuses with the project reporting and monitoring, and affecting the propriety and reliability of funds utilized, contrary to CHED-DBM issuances, and various laws, rules, and regulations.	a) expedite the release of the TDP grants totaling P580,987.50 to the grantees and furnish the Audit Team of the CHED-received liquidation reports;		TDP Coordinator / SDO	2023	2024	Implemented	-	Already released the TDP Funds to the grantees and submitted liquidation reports.		Implemented	2023	2024	The Audit team will continuously monitor the Management's implementation/ compliance thereof.
		b) make representation with CHED-UniFAST for any unreleased funds as of audit date and expedite the preparation of the billing statements and subsequent release of TDP grants, as necessary;		TDP Coordinator	2023	2024	Implemented	-	The CHED-UniFAST has released subsequent funds to PhilSCA for distribution to grantees		Implemented	2023	2024	The Audit team will continuously monitor the Management's implementation/ compliance thereof.
		c) submit the copies of MOA with CHEDROs NCR, IV-A, III and VI of FAB, BAB and MBEAB Campuses; and		TDP Coordinator	2023	2024	Implemented	-	The TDP Coordinator has already submitted the copies of MOA.		Implemented	2023	2024	Copies of MOA was submitted to the Office of the Auditor
		d) ensure the submission of required documents such as CHED-validated master lists, billing statements, general payrolls, and photocopies of Identification Cards in their prescribed forms, pursuant to Sections 5 and 6 of CHED-UniFAST MC No. 02, s. 2022 and other related laws, rules, and regulations.		TDP Coordinator	2023	2024	Implemented	-	The TDP Coordinator has submitted the required documents.		Implemented	2023	2024	The Audit team will continuously monitor the Management's implementation/ compliance thereof.



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AAR 2021, Par.1.c, pages 47-53	Misstatement on Property, Plant and Equipment - Unrecorded cost of completed building and gymnasium - P86,020,000.00; Non-derecognition of transferred PPEs to the PAF - P6,165,355.19; Unrecorded Impairment Loss on unserviceable properties - P1,273,648.94; c.4 Incomplete method of depreciation - P2,443,248.91; Erroneous adjustment of Other Land Improvements and depreciation amounting to P299,737.74 (net).	Record the impairment loss on unserviceable PPEs;		Accounting	2022	2023	Implemented	-	The Chief Accountant has already recorded the impairment loss for evaluation of the Audit Team		Implemented	2022	2023	Unserviceable properties at Fernando Air Base (FAB) Campus, Batangas have been decognized.
		Accomplish completely the IIRUP dated September 16, 2020 and submit supporting documents on the disposal of the unserviceable properties for reconciliation in the records of the Accounting.		Property / Supply Office	2022	2023	Implemented	-	The concerned Property/Supply office is still coordinating with college officials involved in the transfer to accomplish property and completely the required IIRUP and supporting documents.		Implemented	2022	2023	Properties below the P50,000.00 capitalization threshold were reclassified to Accumulated Surplus/ (Deficit) account
AAR 2021, Par.2.a, pages 55-58	Unreconciled balances in the FSs and source Journals totaling P89,846,827.82	Henceforth, conduct a careful and thorough review of the accounts before closing the books to ensure the completeness and accuracy of the balances of the accounts presented in the FSs.		Accounting	2022	2023	Implemented	-	The Management commented that thorough checking before preparation of Post-Closing TB shall be done at year-end by Accounting Unit. They are advised to consult with the Audit Team whenever needed.		Implemented	2022	2023	The Accounting Office submits pre-closing trial balances for both Fund Cluster.
AAR 2021, Par.6, pages 74-84	The PhilSCA did not adhere to some of the provisions of RA No. 9184 or the Government Procurement Reform Act and COA rules and regulations in the procurement of goods, services and infrastructure related projects as the following deficiencies were noted: a) lapses during the procurement activities; b) payment for progress and final billing were not supported with proper and complete documentation; c) disposal of properties was included as scope of work of the contract; d) discrepancy of 120 days in the target date of completion between the Contract and its Special Condition for Rehabilitation of Electrical Lines and Equipment; e) deficiencies in the request for extension of contract time; and f) delayed submission of perfected contracts and supporting documents. All these cast doubts on the propriety and regularity of the procurement processes, defeating the purpose of the law on transparency, competitiveness and accountability.	Require the assigned inspectors to always prepare and submit a punch list, detailing the remaining works, work deficiencies for necessary corrections, and the specific duration/time to fully complete the project as required under Annex E of the Revised IRR of RA No. 9184; and		IDPO /Accounting/ TWG /Opres	2022	2023	Implemented	-	The responsible inspectors follow the punch list as recommended by the Audit Team		Implemented	2022	2023	Payment of Progress/Final Billing now have punch list detailing the remaining works and their necessary information as required under Annex E of the revised IRR of RA 9184.
		Formulate guidelines on the disposal of the removed and/or replaced materials in accordance with NBC No. 425 or the Manual on Disposal of Government Property;		Management / Supply/ Property	2022	2023	Implemented	-	The Management furnished the COA Office approved policies on the disposal of materials for approval of the Board of Trustees (BOT).		Implemented	2022	2023	Approved policy on disposal of materials was released on October 11, 2022
AAR 2021, Par.14, pages 109-114	The College did not strictly adhere to the provisions of RA No. 10931 and its IRR and CHED-Unified Student Financial Assistance System for Tertiary Education (UniFAST)-DBM Joint Memorandum Circular (JMC) No. 04 S. 2020 as lapses in the implementation of TES program were observed such as: a) delayed issuance of ORs for every amount received from CHED Regional Office (CHEDRO); b) delayed release of funds, causing deferment of benefits to the student-grantees; c) inadequate submission of supporting documents for the liquidation of funds, affecting the timely evaluation of the propriety of fund utilization; d) non-utilization of the Administrative Support Cost (ASC), adding unnecessary expenses to the College; and e) non-maintenance of separate book for Trust Receipts.	Immediately distribute the unreleased TES funds of P41,200.00 to the qualified TES student-grantees;		TES Coordinator / Cashier / Accounting	2022	2023	Implemented	-	Immediate distribution has been done to the payees upon receipt of proper notice from CHED and LBP's bank certification of fund transfer		Implemented	2022	2023	Liquidated as of March 29, 2023
		Maintain a separate bank account with the LBP and a separate book of accounts to properly and timely manage the receipt and distribution of the TES financial assistance funds transferred by CHED.		Accounting / Management	2022	2023	Not Implemented	-	The Management is yet to open a separate bank account for TES funds subject to Board concurrence/approval.	November 2024	Not Implemented	2022	2023	The College still does not maintain separate bank account for the TES funds received from CHED, contrary to the IRR of RA 10931.
AAR 2019, Par.11	Expenses amounting to P71,739.00 incurred in the conduct of "Salamat- Mahuhay Program" were deemed unnecessary and irregular, as contemplated in COA Circular 2012-003 dated October 29, 2012, and was not in consonance with the Civil Service Commission (CSC) Memorandum Circular No. 7, series of 1998, which cast doubts on the propriety and validity of the said disbursements.	Hold the disbursing officer and the approving officials accountable for the unauthorized, irregular, and extravagant disbursements of government funds by having them and the payees refund the corresponding amounts paid and received, respectively.		HRMD and Management	2022	2023	Implemented	-	The Management commented that ever since, Dr. Boyles did not claim any salary or RATA differential during his entire designation as Vice-President for several years. Thus, saving PhilSCA a lot of funds. In return, the College gave him a proper reasonable tribute in his last day of service. He occupied an SG 14 plantilla item but he work as VP designate which is an SG 25 position.	November 2024	Not Implemented	2020	2021	The Audit Team followed up with the Management on their action taken to refund the expenses incurred in the "Salamat Mahuhay Program."



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AAR 2017, pages 53-58	Other Receivables amounting to P926,307.75 which remained dormant for more than nine to 17 years are of doubtful collectability and rendered the account balance unreliable, contrary to Philippine Public Sector Accounting Standards (PPSAS) No. 1 on the fair presentation of the FSs. Moreover, only a minimal amount of P4,000.00 out of P883,000.00 Loans Receivables-Others was collected and the remaining amount of P879,000.00 remained outstanding for more than nine years.	a. Exhaust all efforts to recover the cash shortage from former employee who incurred cash shortage;		College President	2022	2023	Implemented	-	The Management is still in the process of consulting the OSG for the appropriate action against the Cashier to recover the cash shortage she incurred.	November 2024	Not Implemented	2018	2019	No collection of cash shortage to date, The Management have sent demand letters and reached out with former employee through social media platforms.
AAR 2017, pages 53-58		b. Send final demand letters to settle Unliquidated cash advances made to concerned officials and submit a copy thereof to the Audit Team; and		Accounting Office and College President	2022	2023	Implemented	-	Copy of receipt of demand letters sent by Management has yet to be furnished to the Audit Team by Accounting Unit.		Implemented	2018	2019	Copy of receipt of demand letters sent by Management has yet to be furnished to the Audit Team despite follow-up.
AAR 2017, pages 53-58		c. Send demand letters to the last known address of the grantees of (SAFE-4-SR) to enforce collection thereof.	DBP	Accounting Office	2022	2023	Implemented	-	The Management thru the Accounting Office is still in the process of completing all the needed requirements.		Implemented	2018	2019	Submission of copies of demand letters and other actions taken by Management to settle the outstanding accounts was followed up by the Audit Team.
AAR 2012, Par. 24-31, pages 25-27 AAR 2011 AAR 2007	The accountabilities/cash shortages of the two former Cashiers of PhilSCA were not properly booked-up resulting in the overstatement of Cash-Collecting Officer account by P107,504.05, misstatement of Prior Year Adjustments Account by P51,477.27 and understatement of the Other Receivables Account by P158,981.32 which represents the total accountability and which has not yet been settled to date, thus may result in loss of government funds.	We recommended that management initiate immediately legal remedies to recover the funds from Ms. Palado and from the heirs of the late Ms. Daligdig to protect the interest of the government.		Accounting Office and College President	2022	2023	Implemented	-	The Management is still in the process of requesting the write-off for the relief of accountability of the late Ms. Daligdig from COA, and final demand letter had been sent to the last known address of Ms. Palado.	November 2024	Not Implemented	2013	2014	The husband of the late Ms. Evangeline Daligdig partially settled the amount of P28,780.79, leaving a balance of P34,261.77. The Audit Team requested supporting documents on the legal remedies/action taken by the Management to recover the cash shortages.

YEAR	No. of Recommendations			
	Fully Implemented	Not Implemented	Closed	Total
2023	5	17	-	22
Prior Years	37	5	-	42
Total	42	22	-	64
Percentage	66%	34%	-	100%

