

Philippine State College of Aeronautics
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION (AAPSI)
AUDIT OBSERVATIONS AND RECOMMENDATIONS
FY 2024 and Prior Years

Reference	Audit Observations	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/N on-Implementa tion, if applicable	Action Taken/Action to be Taken
			Action Plan	Person / Dept Responsible	Target Implementation				
					From	To			
AAR 2024 pages 47-55	A. Financial Audit								
	<p>1. Accounting Errors and Omissions</p> <p>Accounting Deficiencies</p> <p>2. Various accounting deficiencies, such as unreconciled and unaccounted balances resulting from the absence or inadequacy of records / schedules / documents, affected the reliability of the balances of several accounts as at December 31, 2024.</p> <p>CASH AND CASH EQUIVALENTS</p> <p>a. Unreconciled year-end balance per bank and per books of the Cash in Bank -Local Currency Current Account (CiB – LCCA) of P3,372,884.68</p>	<p>We recommended and Management agreed to reconcile the noted discrepancy between the adjusted balance of the CiB – LCCA per BRS and the GL balance, and prepare the necessary adjusting entries</p>		Accounting Unit	2025	2026	Fully Implemented		The Accounting Unit has reconciled the discrepancy between the Cash in Bank – Local Currency Current Account (CiB–LCCA) balance per BRS and GL balance and the accuracy of the year-end balance.

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		to ensure the correctness of the reported year-end balance, if any.							Certification from the Accountant III is hereby attached as Annex “A”
	b. Unreconciled Balances of General Ledger (GL) and its related Subsidiary Ledgers (SL) totaling P154,686.90;	We recommended and Management agreed to reconcile the balances of the GL and its related SLs and make the necessary corrections in the records.		Accounting Unit	2025	2026	Fully Implemented		The Accounting Unit submitted the corrected copies of General Ledger and Subsidiary Ledgers for the Cash–Collecting Officer Account and the Petty Cash Account to the COA Audit Team on March 21, 2025 together with copies of Logbook entries. See Annex “B”
	c. Non-preparation and non-maintenance of separate SLs for the STF and Payroll fund accounts.	We reiterated our prior year’s recommendation with modifications, and Management agreed to prepare and regularly update the separate SLs for the STF and Payroll Fund accounts.		Accounting Unit	2025	2026	Partially Implemented		The Accounting Unit will maintain separate Subsidiary Ledgers (SLs) for the STF and Payroll Fund Accounts, in compliance with the recommendation. To facilitate their compliance, the Accounting Personnel are currently encoding accounting data to familiarize themselves in using the electronic government accounting system with the help of the training video materials provided to them during the workshop seminar conducted by COA ASDOSO - as their second request for re-training was denied due to tight schedule of ASDOSO. Copy of the letter from

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	<p><i>INVENTORIES</i></p> <p><i>a. Unreconciled balances of Report on Supplies and Materials Issued (RSMI) and General Ledger balances totaling P948,120.70;</i></p> <p><i>b. Undocumented adjustments - P6,867,214.16;</i></p> <p><i>c. Noncompliance with the use of Perpetual Inventory Method.</i></p>	<p>We recommended and Management agreed to require the Accountant and the Supply Officer to reconcile and update their records to reflect the correct year-end balances in the books</p> <p>We recommended and Management agreed to require the Accountant and the Supply Officer to submit the RSMI and RSPI, together with the RIS and ICS, to substantiate the adjustments made.</p> <p>We reiterated our prior year’s recommendation that the Management require the Accounting Unit to record the purchases and issuances of</p>		Accounting and Supply Unit	2025	2026	Partially Implemented		<p>the head of the Accounting Unit is attached as Annex C”.</p> <p>The Accounting Unit has reconciled 2 out of 3 accounts (Office Supplies Inventory Account; and Fuel, Oil, and Lubricants Inventory Account). It has an ongoing reconciliation for the Accountable Forms, Plates, and Stickers Inventory Account. The corrected General Ledger for the reconciled Accounts has been submitted to the COA Audit Team. See Annex “D”</p> <p>The Accounting Unit submitted the RSMI and RSPI, together with the RIS and ICS, to the COA Audit Team on January 10 and 11, 2025. See Annex “E”</p> <p>The Accounting Unit will implement the Perpetual Inventory Method in recording purchases and issuances of inventories. It will coordinate with the Supply Office to ensure the</p>

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		inventories using the Perpetual Inventory Method.							proper and accurate recording of all inventory transactions.
AAR 2024 pages 55-64	<p>B. OTHER AUDIT AREAS</p> <p><i>Utilization of Special Trust Fund</i></p> <p>4. Of the total approved budget for Special Trust Fund amounting to P462,234,940.40, the amount of P277,303,443.27 or 60 percent thereof was utilized by PhilSCA, leaving an unutilized budget of P184,931,497.13 or 40 percent which is largely attributed to unimplemented programs and projects, thereby, depriving the optimum benefits that could have been realized through the allotted budget.</p> <p><i>a.)Unutilized Budget for PS -P2,237,235.55;</i></p>	<p>We recommended and the Management agreed to align the use of the unutilized budget for PS with both of the PhilSCA's organizational goals and employees' needs by getting feedback from its personnel where the greatest impact can be made.</p>		Budget Unit	2025	2026	Fully Implemented		The Budget Office considered the audit recommendation in developing a more practical and responsive budget for FY 2025. For Personnel Services (PS), only line items with clear and approved guidelines for utilization and disbursement were included in the approved

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AAR 2024 pages 65-66	b.) Unutilized Budget for MOOE - P172,810,574.04;	We recommended and the Management agreed to allocate the funds on the current needs of the PhilSCA and any ongoing challenges that it may be facing.		Budget Unit	2025	2026	Fully Implemented		Program of Receipts and Expenditures (PRE). For Maintenance and Other Operating Expenses (MOOE), the unprogrammed and unutilized funds from FY 2024 were allocated to programs, activities, and projects (PAPs) addressing the College’s current needs and challenges. These PAPs include salary increases for Contract of Service (COS) personnel (administrative and faculty), rehabilitation of the main electrical lines of the FAB Campus main building, and the supply, delivery, and installation of solar panels and a fire detection and alarm system, among others. A copy of the 2025 PRE is hereby attached as Annex “F” for reference.
	Compliance with Pertinent Provisions of RA No. 9184 and its RIRR and Other Issuances on Government Procurement 6. The PhilSCA incurred delays in the issuance of the Notices of Award (NOA) ranging from 10 to 91 calendar days; and Notices	We recommended and the Management agreed to, henceforth, strictly comply with the prescribed rules and regulations in the notice and		Bids and Awards Committee / Management	2025	2026	Fully Implemented		The BAC Office provided explanations in its letter dated June 5, 2025, subject: <i>Comments on AOM 2025-15-2024 dated May 22,</i>

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AAR 2024 pages 67-68	to Proceed (NtP) ranging from 3 to 9 calendar days, contrary to Section 37 of Republic Act (RA) No. 9184 and its Implementing Rules and Regulations (IRR).	execution of award, which includes adhering to the deadlines set on the issuance of the NoA and the NtP.							2025, with the corresponding Notices to Proceed (NtPs) attached. (Annex “G”)
	<i>Delay in the Submission of Contracts and Purchase Orders</i> 7. Non-submission of 17 POs and delayed submission of 11 contracts and 34 POs, with delays ranging from 2 to 23 days, and 1 to 67 days, respectively prevented the implementation of a systematic and effective review and evaluation process, thereby, hindering the generation of timely and relevant audit results that would aid Management in decision making.	We recommended and the Management agreed to strictly comply with the deadline set for the submission of contracts and POs.		Procurement Unit / Bids and Awards Committee / Management	2025	2026	Fully Implemented		Moving forward, the BAC will strictly comply with the rules and regulations on the issuance and execution of awards, particularly the prescribed deadlines for the Notices of Award (NoA) and Notices to Proceed (NtP), pursuant to Section 37 of RA 9184 and its IRR. The Procurement Unit submitted the 17 Purchase Orders, 11 contracts, and 34 Purchase Orders, together with the RIS and ICS, to the COA Audit Team on March 26, 2025. (Annex “H”)

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AAR 2024 pages 68-70	Transparency in Government Operations (Transparency Seal) 8. The PhilSCA's Transparency Seal lacks postings and updates of the information as required under Section 103 of the GAA, FY 2024, thereby depriving the people of the right to information on matters of public concern.	We recommended and the Management agreed to post and update the information as required under Section 103 of the General Provisions of the GAA, FY 2024 on the PhilSCA's Transparency Seal.		Office of the President and MIS	2025	2026	Fully Implemented		The Transparency Seal has been updated and made complete as of August 2025, in compliance with Section 103 of the General Provisions of the GAA, FY 2024. (Annex “I”)
AAR 2024 pages 70-73	Delay in the Submission of Financial and Budgetary Reports 9. The agency incurred delays ranging from two to 292 days in the submission of financial and budgetary reports, including supporting schedules and other required documents, contrary to pertinent provisions of the GAM for NGAs, Volume I and Section 122 of PD No. 1445, which hindered the timely audit of the accounts, receipts, disbursements, and consequently, the prompt corrections of deficiencies, if any.	We recommended and the Management agreed to, henceforth, submit the reports within the set deadlines to facilitate the audit of financial transactions.		Accounting and Budget Unit	2025	2026	Fully Implemented		The Accounting and Budget Units will henceforth submit the required financial and budgetary reports, together with the necessary supporting documents, within the prescribed deadlines to facilitate timely audit of financial transactions. To show compliance for CY 2025 attached herewith is the certification that BFARs were submitted within the set deadlines under Annex “J” .

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AAR 2024 pages 73-75	<i>Non-compliance with the Use and Maintenance of the Prescribed Forms under GAM for NGAS, Volume I and COA Circular No. 2022-004 dated May 31, 2022</i> 10.The use and maintenance of the forms, registry, and reports prescribed under the pertinent provisions of GAM for NGAS, Volume I, and Section 4.7 of COA Circular No. 2022-004 dated May 31, 2022 were not complied with, thus, had compromised the effectiveness of internal controls over inventories and PPE, potentially leading to lapses in accountability, tracking, and asset management.	We reiterated our prior year's audit recommendation and Management agreed to require the Accounting Unit and the Supply Unit to prepare and maintain the required forms, reports and registries as prescribed in the GAM for NGAs, Volume I, and the COA Circular No. 2022-004 dated May 31, 2022.		Accounting and Supply Unit	2025	2026	Fully Implemented		The Accounting and Supply Units will prepare and maintain the required forms, reports, and registries as prescribed in the GAM for NGAs, Volume I, and COA Circular No. 2022-004 dated May 31, 2022. Actual reports of RSMI and RSPI submitted to the Audit Team are hereby attached as Annex “K” as proof of compliance in the use of prescribed forms and reports..
AAR 2024 pages 75-76	<i>Granting of Additional Cash Advances (CA) Despite Non-liquidation of Prior CAs Given and Delay in the Liquidation of CAs Ranging from 12 to 273 Days</i> 11. Additional cash advances (CAs) were granted to three (33) Accountable Officers (AO) despite non-liquidation of the prior cash advances. Furthermore, delays in the	We reiterated our prior year's audit recommendations and Management agreed to:							

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AAR 2024 pages 77-80	liquidation of CAs, ranging from 15 to 287 days, as of year-end were noted, contrary to Section 89 of Presidential Decree (PD) No. 1445 and COA Circular No. 97-002. <i>Gender and Development (GAD)</i> Out of the P444,266,000.00 total appropriations of the PhilSCA, the total amount of P46,457,500.00 or 10.45 percent was allocated for GAD-related programs and activities. However, the PhilSCA has not utilized the amount of P38,941,235.34 or 83.82 percent of its P46,457,500.00 GAD Agency Approved Budget, due to the non-	a. refrain from granting additional cash advance to the same AO unless the previous CA/s had been settled or proper accounting had been made thereof;		Accounting Unit	2025	2026	Fully Implemented		The Head of the Accounting Unit committed to refrain from granting additional cash advances to the same Accountable Officer (AO) unless the previous CAs have been settled and properly accounted for.
		b. require the AOs to liquidate their CAs within the required period; and		Accounting Unit	2025	2026	Fully Implemented		The Accounting Unit will continue issuing demand letters to AOs with outstanding balances. Copies of demand letters sent to AOs are hereby attached as Annex “L”
		c. henceforth, strictly comply with the rules and regulations on the grant, utilization and liquidation of CAs.		Accounting Unit	2025	2026	Fully Implemented		The Accounting Unit will henceforth strictly comply with the rules and regulations on the granting, utilization, and liquidation of cash advances.

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	<p>implementation of seven proposed GAD activities, as well as incomplete budget utilization for four proposed GAD activities, thus, not fully addressing the identified gender issues.</p> <p><i>a.) Non-implementation of 7 out of 10 proposed GAD client-focused and organizational-focused activities totaling P3,400,000.00</i></p> <p><i>b.) Failure to completely utilize its GAD Agency Approved Budget by P38,941,235.34;</i></p> <p><i>c.) Failure to submit the pertinent documents accompanying the GAD AR to the PCW</i></p>	<p>We recommended and the Management agreed to develop a comprehensive contingency and risk mitigation plans to ensure the uninterrupted implementation of GAD activities.</p> <p>We recommended and the Management agreed to establish a quarterly monitoring system to track GAD fund utilization, identify bottlenecks early, and implement corrective measures in a timely manner.</p> <p>We recommended and the Management agreed to assign a designated GAD Documentation Officer which shall be responsible for ensuring the completeness and timely submission of all required supporting</p>		<p>GAD Focal Person</p> <p>GAD Focal Person</p> <p>GAD Focal Person</p>	<p>2025</p> <p>2025</p> <p>2025</p>	<p>2026</p> <p>2026</p> <p>2026</p>	<p>Fully Implemented</p> <p>Fully Implemented</p> <p>Fully Implemented</p>		<p>The GAD Focal Person submitted a comprehensive mitigation plan for Unimplemented GAD Activities to ensure the uninterrupted implementation of GAD activities. See Annex “M”.</p> <p>The GAD Unit will establish a quarterly monitoring system to track GAD fund utilization, identify bottlenecks early, and implement corrective measures in a timely manner.</p> <p>The GAD Focal Person has designated the chairperson of the GAD Secretariat to be the Documentation Officer who will be responsible for ensuring the completeness and timely submission of all required supporting documents accompanying the GAD AR to</p>

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AAR 2024 pages 80-81	<i>Senior Citizens (SCs) and Persons with Disabilities (PWDs)</i> 12. The Agency Action Plan as well as the Agency Implementation Report for CY 2024 for senior citizens (SC) and persons with disability (PWD) were not prepared contrary to Section 36 of the GP of RA No. 11975 and Department of Budget and Management (DBM) - Department of Social Welfare and Development (DSWD) -National Commission on Senior Citizens (NCSC) National Council on Disability Affairs (NCDA) Joint Memorandum Circular (JMC) No. 1, series of 2023.	documents accompanying the GAD AR to the PCW. We recommended and the Management agreed to, henceforth, strictly comply with the abovementioned regulations the preparation and submission of the Agency Plan of Action as well as the Agency Implementation Report to the agencies concerned.		Committees on Senior Citizens and PWDs / HRMSD	2025	2026	Partially Implemented	On-going review of policy for PWDs from OSG	the PCW. Copy of PhilSCA Memorandum Circular is hereby attached as Annex “N” for the composition of the GAD Focal Point System. The Management has issued the Agency Action Plan and Policy for Senior Citizens (SCs). See Annex “O” for the Action Plan and Policy for Senior Citizens. Meanwhile, the policy for Persons with Disabilities (PWDs) is still under review by the Office of the Solicitor General (OSG). Copy of the draft policy guidelines for PWDs is hereby attached as Annex “P” The Agency Implementation Report will be completed within 2025, following the conduct of the required activities.
AAR 2024 pages 82-83	<i>Remittances to Bureau of Internal Revenue (BIR), Government Service Insurance System (GSIS), PhilHealth and Pag-1BIG Funds</i>								

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	13. The agency has substantially complied with the required withholding and remittance of dues/contributions to BIR, GSIS, PhilHealth, and Pag-IBIG in accordance with EO No. 651, and RA Nos. 8291, 7875, and 9679 respectively.	<p>We commended the Management's continued compliance with the requirements of the law by consistently withholding and remitting the amounts due to BIR, the GSIS, the PhilHealth and the Pag-IBIG.</p> <p>However, the year-end balances of the Due to BIR, Due to GSIS, Due to Pag IBIG, and Due to PhilHealth accounts are unreliable due to unaccounted amounts in prior years amounting to P1,345,521.36, P570,010.88, P728,395.67 and P15,512.36. respectively.</p> <p>We reiterated our prior years' audit recommendation and the Management agreed, to require the Accountant to reconcile the prior year's balances and effect necessary refund / remittances to ensure the reliability of the year-end balance of the Due to GSIS, Due to Pag-IBIG, and Due to PhilHealth accounts.</p>		Accounting Unit / HRMSD	2025	2026	Partially Implemented	On-going identification of prior years' discrepancies by the Accounting Unit	<p>The Accounting Unit will coordinate with the HRMSD to reconcile the discrepancies and effect the necessary adjustments or remittances, as appropriate.</p> <p>The HRMSD secured clearances from PhilHealth and the Pag-IBIG Fund. The results of these clearances were coordinated with the Accounting Unit for proper recording and reconciliation. See Annex “Q” for the copies of clearances.</p> <p>Any identified prior years' discrepancies in the year-end balance of the Due to BIR account will be subject to appropriate corrective action and adjustment by the Accounting Unit. Likewise, any unremitted GSIS dues/contributions will be reconciled and corrected accordingly by the Accounting Unit.</p>

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AAR 2024 pages 83-84	<i>Compliance with RA No. 656 – Property Insurance Law</i> The PhilSCA has complied with the Property insurance Law by insuring against any insurable risk its properties, assets, and interests amounting to P707,002,316.16 with the General Insurance Fund, and payment of premiums amounting to P4,239,685.23. However, the PhilSCA has failed to appraise its insurable assets, thus, exposing itself to the risk of incorrectly valuating its properties, contrary to COA Circular 2018-002 dated May 31, 2018.	We commended the PhilSCA for complying with the Property Insurance Law by insuring against any insurable risk their properties, assets, and interests with the General Insurance Fund. However, we recommended and Management agreed to cause the appraisal of the insurable properties and other assets of the respective campuses as provided under COA Circular No. 2018-002.		Supply Unit / IDPO	2025	2026	Fully Implemented		The proposal to hire a third-party appraiser will be included in the Project Procurement Management Plan (PPMP) for consideration in the FY 2026 Budget under Special Trust Fund.
AAR 2024 pages 84-85	<i>Status of Audit Suspensions, Disallowances, and Charges</i> Audit disallowances totaling P30,832,001.26 remained unsettled as of December 31, 2024, contrary to pertinent provisions of the 2009 Rules and Regulations on the Settlement of Accounts (RRSA) as prescribed by COA Circular No, 2009006 dated September 15, 2009.	We recommended and Management agreed to immediately cause the settlement of the noted disallowances with issued NFDs pursuant to the 2009 Rules and Regulations on the Settlement of Accounts of COA.		Accounting Unit / Management	2025	2026	Partially Implemented	Audit disallowance pertaining to personnel benefits is still under appeal.	As of the 2nd Quarter of FY 2025, a total of ₱185,142.84 has been settled by the persons liable, with reference to CRJ JEV No. 25-05-021, CRJ JEV No. 25-07-031, OR No. 0805121, OR No. 0805122, and OR No. 0810188. Copy of the information letter sent to COA is hereby attached as Annex “R” .

PRIOR YEARS

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AAR CY 2023									
AAR Par Nos. 2.4 to 2.10 Pages 51 to 52	Lapses in cash management resulting in unreconciled amounts between the balances per bank and per book amounting to P2,526,678.52; and	We recommended and the Management agreed to reconcile the net difference of P2,526,678.52 between the balances per book and per bank and submit the BRSs for the LBP Account No. 3562-1003-25.		Accounting Unit	2025	2026	Fully Implemented		The Accounting Unit has submitted the Bank Reconciliation Statement (BRS) as per certification made by the Chief Accountant. See Annex “S”
AAR Par. Nos. 2.34 to 2.49 Pages 58 to 62	Lapses in PPE Management resulting in: Noncompliance with COA Circular No. 2020-006 dated 31, 2020, on the one-time cleansing of PPE accounts.	We recommended and the Management agreed to: c) 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 / Inventory and Disposal Committees	2025	2026	Fully Implemented		A Physical Inventory Plan (PIP) will be prepared, outlining the activities for the one-time cleansing of PPE account balances. The plan will involve the Accounting, Inventory, Supply, and Disposal Committees in compliance with COA Circular No. 2020-006 dated January 31, 2020.

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AAR CY 2022									
AAR Par. No. 10 Pages 86 to 88	Deficiencies and lapses in the IGP operations of the PhilSCA-MBEAB Campus were still observed, despite the 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.	We recommended and Management agreed to 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		Management / Auxiliary Services Unit	2025	2026	Fully Implemented		The Auxiliary Services Unit has initiated the formulation of comprehensive internal control policies and operating procedures to manage and operate the College's IGPs across all campuses. Copies of said BOT-approved IGP policies are hereby attached as Annex “T” .
AAR CY 2021									
AAR Par. No. 14 Pages 109 to 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 Tertiary Education Subsidy (TES) program were observed such as: 1) delayed issuance of Ors for every amount received from CHED Regional Office	We recommended and the Management agreed to maintain a separate bank account with the Land Bank of the Philippines (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 / Admission / Cashier	2025	2026	Fully Implemented		The BOT, in its 40th Special Meeting on August 20, 2025 has approved the Accounting Unit’s request for the opening of a separate Land Bank account dedicated solely to the receipt and disbursement of TES fund transfers from CHED, in compliance with audit recommendations and the requirements of the AAR CY 2021.

	(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.								A separate book of accounts will likewise be maintained to ensure the proper monitoring, reporting, and liquidation of TES-related transactions. Copy of request letter and the approval of the BOT for the opening of the bank account is hereby attached as Annex "U" .
AAR CY 2019									
AAR Par. No.11	Expenses amounting to P71,739.00 incurred in the conduct of "salamat – Mabuhay 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 cash doubts on the propriety and validity of the said disbursements.	We recommended that Management 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.		HRMSD / Management	2025	2026	Fully Implemented		The Committee has initiated coordination with the retiree for the refund of the amount equivalent to the token he received during his retirement under the "Salamat-Mabuhay Program."

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AAR CY 2017									
AAR Pages 53 to 58	Other Receivables amounting to P926,307.75 which remained dormant for more than nine to 17 years are of the account balance unreliable, contrary to International Public Sector Accounting Standards (IPSAS) 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.	We recommended and the management agreed to exhaust all efforts to recover the cash shortage from former employees who incurred cash shortage.		Accounting Unit	2025	2026	Partially Implemented		<p>Demand letters were sent regularly to the surviving spouse of the former deceased employee, for the settlement of the outstanding receivable.</p> <p>Meanwhile, the other cashier made her last payment in January 2025. She is being continuously reminded through her relative employed in PhilSCA to settle the remaining balance. Reference of payment made last January 2, 2025 and copy of official receipts are hereby attached as Annex “V”.</p> <p>The Accounting and Legal Units will continue to exhaust all legal and administrative remedies to facilitate recovery of the long-outstanding receivables in accordance with applicable rules.</p>

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					From	To			
AAR CY 2011 and 2007									
AAR CY 2011 AAR CY 2007	The accountabilities/ cash shortages of the two former Cashiers of PhilSCA were not properly booked up resulting in the overstatement of Cash – Collection Officer account by P107,504.05, misstatement of Prior Year Adjustments Account by P15,477.27 and understatement of the other Receivables Account by P51,981.32 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 the two former Cashiers and/or from their heirs to protect the interest of the government.		Accounting Unit	2025	2026	Partially Implemented		Demand letters were sent regularly to the surviving spouse of the former deceased employee, for the settlement of the outstanding receivable. Meanwhile, the other cashier made her last payment in January 2025. She is being continuously reminded through her relative employed in PhilSCA to settle the remaining balance. Reference of payment made last January 2, 2025 and copy of official receipts are hereby attached as Annex “V” . The Accounting and Legal Units will continue to exhaust all legal and administrative remedies to facilitate recovery of the long-outstanding receivables in accordance with applicable rules.

Philippine State College of Aeronautics
AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION (AAPSI)
AUDIT OBSERVATIONS AND RECOMMENDATIONS
FY 2024 and Prior Years

Prepared by:

Audit Compliance Committee


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Reviewed by:


DR. MARIA SISA T. DELA CRUZ 27 Aug 2025
OIC - Vice President for Administration and Finance

Submitted by:


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College President