

Philippine State College of Aeronautics
Agency Action Plan and Status of Implementation
Audit Observations and Recommendations
For PRIOR YEARS

AGENCY ACTION PLAN and STATUS of IMPLEMENTATION								
Ref.	Audit Observations	Audit Recommendations	Agency Action Plan			Status of Implementation	Reason for Partial/Delay/ Non-Implementation, if applicable	Action Taken/Action to be Taken
			Action Plan	Person/Dept. Responsible	Target Implementation Date From To			
AAR 2021 page 135 to 137	Unreliable balance of Accounts Receivable due to accumulation of dormant accounts and non-submission of the quarterly report on aging of dormant receivables	We recommend that Management to: a)Furnish the audit team with copies of the supporting documents/reports to validate the recorded transactions amounting to P10,097,843.56, otherwise adjust the recorded amount.		Accounting Office		Implemented		The Accounting Office already submitted summary of Accounts Receivable per campus.
		b)Ensure that the request for write-off is submitted with complete/sufficient documentation as prescribed under COA Circular No. 2016-005 dated December 19, 2016.		Accounting Office	2021 2022	In Progress		The COA Office returned the request for write-off of Accounts Receivable in the amount of P3,969,037.86 submitted by the College due to lacking and/or not complied documentation as required under COA Circular No. 2016-005 dated December 19, 2016. The Accounting Office is still in the process of completing the documentation in coordination with the Registrar's Office
		c)Submit the schedule/aging of all receivables with complete details on a quarterly basis together with the pertinent supporting documents as prescribed under COA Circular No. 2016-005 dated December 19, 2016.		Accounting Office		Implemented		The Accounting Office submits schedule/aging of all receivables based on the reports submitted by the accountable officers.
AAR 2021 page 141 to 143	Copies of Purchase Orders and their supporting documents on purchases of various supplies and equipment made by the College in CY 2019-2020 aggregating to P16,158,995.15 were not submitted to the Auditor within the prescribed period of 5 days from issuance thereof contrary to the provision of Sec. 3.2 of COA Circular No. 2009-001 dated February 12, 2009 and COA Circular No. 96-010 dated August 15, 1996 thus precluding timely and objective review and consummated transactions. Likewise, inspection of deliveries to determine completeness, nature and condition, cannot be done due to the failure of the agency to inform the Audit Team on the schedule of the deliveries	We recommended that Management: Thru the official responsible for accepting deliveries of procured items in Basa Air Base (BAB) Pampanga, prepare and accomplish Inspection and Acceptance Report (IAR) for every delivery to be accepted.		Inspection and Acceptance Committee of BAB Campus	2021 2022	Implemented		The Inspection and Acceptance Committee of BAB Campus already prepares and accomplishes IAR for every delivery accepted by them in the Campus.
AAR 2021 page 144 to 145	Excess balances on the proceeds from the sale of bid documents after the authorized payment of honoraria to Bids and Awards Committee (BAC) members at the end of the year in the amount of P395,633.35 were not deposited to the National Treasury, contrary to Budget Circular No. 2004-5A and RA 9184, thereby depriving the government of the use of funds for other programs and projects.	We recommended that Management: Remit to the National Treasury the excess of the proceeds from sale of bid documents and from other sources over the actual payments for honoraria and overtime of BAC and other personnel involved and the Agency's procurement activities at the end of the year, as enumerated under paragraph 6.1 of Budget Circular No. 2004-5A dated October 7, 2005.		Collecting Officer of VAB Campus/ BAC Sec	2021 2022	In Progress		The Management thru the Collecting Officer is still processing the remittance of the excess of the proceeds from the sale of bid documents to the National Treasury in the amount of P395,633.35.

AAR 2021 page 145 to 146	Duplicate copies of 53 issued ORs totaling P233,352.50 were missing and not attached in the Report of Collections and Deposits (RCD) which was submitted to the Audit Team after 72 days from due date, thus rendered doubtful the validity and accuracy of the reported collections and deposits in the RCD, contrary to Sec. 64 of PD 1445 and pertinent provisions of Revised Rules and Regulations on the Settlement of Accounts and GAM for NGAs.	We recommended that Management: Submit to the Audit Team the ORs to document the collections of P233,352.50 in the RCD within 10 days from receipt hereof to preclude the issuance of a Notice of Suspension/Notice of Charge	Collecting Officer of VAB Campus	2021	2022	Implemented	The Collecting Office has submitted to the Audit Team the Certificates of Payment and Official Receipts generated by the Electronic Enrollment System. (see Tab "A")
AAR 2021 page 147 to 148	The minimal utilization of the budget for research program, project, or activity (PPAs) of only P34,285.48 or less than 1% of the P5,063,027.91 allocated budget, defeated the goals and objectives of the College to establish research culture by promoting and enhancing research awareness among faculty members and students and to conduct relevant and high-impact research in the fields of aeronautical education.	We recommended that Management: Submit relevant supporting documents on the research related expenses amounting to P34,285.48 to preclude the issuance of NS/ND by COA.	Research Director (Engr. J. Vargas)	2021	2022	In Progress	The former Research Director has yet to submit the documentation for P18,720.00 research related expenses to COA.
AAR 2021 page 150	Erroneous recording of Advances to Officers and Employees/ Other Receivables - P75,000.00	We recommended that Management enforce settlement by duly sending demand letter to the separated employee with outstanding CA and furnish copy to the Audit Team.	Accounting Office	2021	2022	In Progress	The Accounting Office replied that the concerned employee can no longer be traced, and the demand letter cannot be delivered to him. However, screenshots of the conversation between him and a committee member are hereby attached under Tab "B"
AAR 2021 page 151 to 152	Dormant Accounts Receivable for the four Campuses of PhilSCA - for more than 10 to 20 years. (Unpaid tuition and other school fees from students of SY 2000-2010.) - P6,598,238.05; and Loans Receivables - Others - unpaid loans granted to the student-borrowers under the Student Assistance Fund for Education for a Strong Republic (SAFE- 4-SR) which remained outstanding for more than 10 years - P879,000.00.	We recommended that the Management submit, thru the Accounting Office the schedule, or the list of student-borrowers to support the claim on loan receivables account.	Accounting Office	2021	2022	In Progress	The Accounting Office will submit the schedule of student-borrowers to support the claim on loan receivables account to COA once finalized.
AAR 2021 page 152 to 153	Minimal collection of Other Receivables account with outstanding balance of P1,148,807.75 for more than 10 to 30 years; Outstanding balance of Operating Lease Receivables amounting to P198,844.00 aged more than one year. Non-preparation/ submission of quarterly reports of all Receivables	We recommended that Management: a) Submit, thru the Accounting Office, the schedule or the list of student-borrowers to support the claim on loan receivables account, and	Accounting Office	2021	2022	In Progress	The Accounting Office is still coordinating with the Admissions Office for the submission of supporting documents to COA to support the claim on loan receivables account.
		b) Prepare and submit the quarterly schedule of all receivables to the Audit Team, to preclude the withholding/suspension of salaries of the officials and employees concerned for the non-submission thereof, pursuant to Section 6.2 of COA Circular No. 2016-005 dated December 19, 2016 and Section 122 of PD 1445	Accounting Office			Implemented	The Accounting Office has submitted the quarterly schedule of receivables
AAR 2021 page 155 to 156	Deficiencies in the cash management and accountability during the conduct of cash examinations were noted such as: a) Cashbook/Cash Receipts Record (CRR) or its equivalent was not properly maintained by the Collecting Officer to monitor accountabilities; b) The Special Disbursing Officer (SDO) has expired bond; c) The Petty Cash Fund Custodians (PCFCs) and the SDOs have no functional/appropriate safe, vault, cash receptacles, or a secured cabinet for proper safekeeping of the cash and cash items; and d) Non-maintenance of Cash Disbursement Record (CDR) by the SDOs.	We recommended that Management: a) maintain a cashbook/CRR or its equivalent to record immediately and monitor all collections and deposits made; and	Collecting Office	2021	2022	Implemented	The Collecting Office already maintains a cashbook/CRR to record and monitor all collections and deposits made. (see Tab "C")
		b) Instruct the SDO to maintain a CDR to record and monitor all CAs received.	Disbursing Office			Implemented	The Disbursing Office already maintains a cashbook/CDR to record and monitor all cash advances received. (see Tab "D")

AAR 2021 page 156 to 157	Deficiencies in the managing the Petty Cash Fund (PCF) were noted such as: a) Replenishment of PCF takes more than 60 days to 171; b) The PCFC does not maintain the prescribed Report on Paid petty Cash Vouchers (RPPCV) and PCF Record (PCFR) to monitor, control and report transactions; and c) Petty Cash Vouchers (PCVs) were not duly signed and accomplished.	We recommended that Management: a) Abide by the rules and regulations in handling petty cash fund particularly on the use of PCFR, the required forms and records in the monitoring and control of the PCF.	Petty Cash Fund Custodians	2021	2022	Implemented	The Petty Cash Fund Custodians are already maintaining the use of PCFR in the monitoring and control of the PCF
		b) Ensure that supporting documents necessary or required in each transaction are duly signed and accomplished; and	Petty Cash Fund Custodians			Implemented	All supporting documents are completely signed and accomplished, which can be checked from claims of their PCF replenishments.
		c) Review the amount of PCF that should be sufficient for the recurring petty operations of the Campus for 1 month.	VPAF			Implemented	The Management has already approved the amount of PCF sufficient for the monthly operations of the Campus as per evaluation and recommendation made by the VPAF (see Tab "E")
AAR 2021 page 159 to 160	Deficient implementation of RA No. 10931 or the "Universal Access to Quality Tertiary Education Act of 2017" was noted, such as: a) Delay for a period of 3 to 6 months in the submission to CHED of billing of tuition and other school fees of actual qualified enrolled students for AY 2019-2022. b) No separate bank account maintained for funds received for Free Higher Education Program (FHE) totalling P428,133,099.00, which are deposited in STF bank account; and c) Improper recognition in the books of the funds received amounting to P99,366,381.00, contrary to CHED-UniFAST Memorandum Circular (MC) No. 2018-02 dated August 8, 2018, which provides for the Guidelines on FHE in SUCs and CHED-Recognized Local Universities and Colleges (LUCs).	We recommended that Management: a) Comply with the provision of CHED-UniFAST MC No. 2018-02 to open and maintain a separate bank account for the proper account management of the FHE, and transfer the corresponding funds deposited with PhilSCA's STF bank account; and	College President	2021	2022	Implemented	Opening a separate account for FHE at this time is no longer relevant since the FHE is already included as part of the GAA - regular budget of PhilSCA which is no longer treated as fund transfer from CHED UNIFAST
		b) Reconcile the funds received for the implementation of FHE with the disbursements made therefrom and deposit the remaining balance with a separate bank account for FHE.	Budget Officer and College Accountant			On Process	Reconciliation of the funds received and disbursed for the prior year's FHE program is still ongoing.
AAR 2021 page 160 to 162	Employees' loans from private institutions and premiums for health maintenance organization (HMO) aggregating P4,584,264.58 were deducted from the gross amount of salaries of PhilSCA officers and employees with the College undertaking/doin the collection function and loan monitoring activities of the private lending institution and HMO, resulting in a loss of government time and resources, which is contrary to Section 4(2) of PD 1445.	We recommended that Management: a) Attach Arrangement/Servicing agreement or MOA or accreditation between PhilSCA and Manila Teachers Savings and Loan Association Inc. and between PhilSCA and Value Care Health System Inc. and authority to bill/authority to deduct in the payroll, if any exists.	VPAF	2021	2022	Implemented	The VPAF has submitted documents attached in Tab "F".
		b) Stop immediately the practice of including the payments of loan amortizations and premium remittances to private lending institutions and HMOs as deductions from the payroll as well as performing the collection and monitoring activities of the private lending institutions and health maintenance organizations, if there is no agreement;	VPAF & HRMO			Implemented	The College continues to include these deductions from the payroll since there is an agreement.
		c) Request the staff involved to transact directly with the private institutions; and	HRMO			Implemented	There is no need to request the staff involved to transact directly with the private institutions since there is an agreement.
		d) Bill the lending institutions and HMOs to pay the cost of checks and other expenses paid relating to collections and remittance.	VPAF and Management			Implemented	The College already billed the lending institution and the HMO-Value Care (see Tab "G").
AAR 2021 page 162 to 163	Expenses amounting to P71,739.00 incurred in the conduct of "Salamat-Mabuhay Program" were deemed unnecessary and irregular, as contemplated in COA Circular No. 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.	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, respectfully.	HRMD and Management	2021	2022	Implemented	The HRMD Director has already submitted justification as to the propriety of the expenses for reiteration. (see Tab "H")

AAR 2021 page 163	Internal Audit Service (IAS) was neither established nor organized to implement and monitor a sound system of internal control to safeguard PhilSCA's resources against loss, misuse, waste, abuse, mismanagement, errors, irregularities, and fraud in disregard of the pertinent provisions of Administrative Order (AO) No. 278 s. 1992, AO No. 70, s. 2003, the Philippine Government Internal Audit Manual (PGIAM), and related issuances adopting the Internal Auditing Standards for the Philippine Public Sector (IASPPS) and Internal Control Standards for the Philippine Public Sector (ICSPPS) issued for all government agencies.	We recommended that Management establish an IAS in conformity with the abovementioned AOs, Standards and related pertinent rules and regulations.	Management and HRMPSS	2021	2022	In Progress	The appointed IAS Head shall assume the position immediately once the Accountant III is hired since he was temporarily designated to head the Accounting Unit. Evidence of hiring for the plantilla Accountant III position is ongoing. (See Tab "I")
AAR 2021 page 164 to 165	The continued delay and incomplete submission to the Audit Team of the required Agency Action Plan and Status of Implementation (AAPS) on the audit observations and recommendations contained in the CY 2018 Annual Audit Report (AAR) as well as prior years' AARs, despite repeated requests, hampered the timely validation and monitoring of compliance and precluded the urgent need of the public to keep abreast of what are being done to implement the audit recommendations contained therein, contrary to Section 93 of the GP of the GAA of FY 2018 and COA Memorandum 2014-002 dated March 18, 2014.	We recommended and Management agreed to: Create a committee who will be in charge to prepare and submit reply/replies on the Audit Team's audit observations and recommendations and will be responsible for the subsequent action plans and make updates on the status and target dates of implementations.	Committee on AOMs/ Management	2021	2022	Implemented	See documents submitted attached as Tab "J".
AAR 2021 page 166 to 167	Deficiencies were noted in the property accounts of PhilSCA-BAB Campus amounting to P16,455,112.09 as per BAB Campus Supply Office Report on the Physical Count of PPE (RPCPPE) due to: a) Erroneous classification to the Building account of properties amounting to P306,202.00 which is not in accordance with the RCA, Chapter 3, Volume III of the GAM for NGAs.	We recommended that the Management: a) Require the Accountant to properly reclassify properties to appropriate accounts such as Other Land improvements or other related account; and	Accounting Office			Implemented	The Accounting Office has already adjusted the account. See Tab "K".
	b) Constructed perimeter fence by the Department of Public Works and Highways (DPWH) thru a fund transfer not recognized in the books in the amount of P1,000,000.00; c) Unserviceable properties still carried in the books; and d) Donated motor vehicle not recognized in the books due to transfer of ownership but still not completed which is not in accordance with Chapter 10, Volume I of GAM for NGAs, which affected the fair presentation of the account.	b) Instruct the Property Unit to prepare Inventory and Inspection Report of Unserviceable Property (IIRUP) for idle, unserviceable and fully depreciated PPEs.	Property Unit of BAB Campus	2021	2022	Implemented	The Property Supply Officer already prepared the IIRUP as mentioned in his letter, attached as Tab "L"
AAR 2021 page 167 to 168	The designated Personnel-in-Charge of the Collecting Office does not maintain Cashbook/ CRR as required in Volume II of GAM for NGAs and was not able to produce/present the unused accountable forms (ORs) upon demand which is not in conformity with laws and rules provided in the Revised Cash Examination Manual.	We recommended that the Management require the Personnel-in-Charge, Collecting Office, AO to abide by the rules and regulations on the use of the prescribed records such as Cashbook/ CRR as required in maintaining the Fund	Collecting Officer	2021	2022	Implemented	See attached CRR submitted by the Collecting Officer. See Tab "M".
AAR 2021 page 168 to 169	Of the cash advance granted to the two SDOs totalling P133,400.00, P7,171.47 remained unliquidated per books as of December 31, 2018, even though the purpose has been served, which is not in conformity with COA Circular No. 2012-001 dated June 14, 2012 and resulted in the understatement of various expense accounts. Also, the SDO did not use Cash Disbursements Register (CDReg) as required in Volume II of GAM for NGAs and was not able to produce the cash advance balance of P7,171.47 upon demand which is not in conformity with laws and rules provided in the Revised Cash Examination Manual.	We recommended that the Management instruct the SDO/AO to abide by the rules and regulations on the use of the prescribed records such as CDReg	Disbursing Officer	2021	2022	Implemented	The Management has already instructed the SDOs through the issuance of their Designation Orders. The accountable Disbursing Officer maintained that she was already using a Cashbook which is the equivalent record for CDR

AAR 2021 page 169 to 171	Deficiencies were noted in the operation of the Income Generating Projects (IGP). A. PhilSCA-MBEAB Campus such as: a) Income/collection from sale of items were not remitted to the Collecting Office but instead retained in the hands of the IGP Coordinator, thus exposed funds to risk of loss or misuse; b) Reports on Summary of Income were not prepared; c) The IGP Coordinator was not bonded contrary to the provision of Treasury Circular No. 02-2009 dated August 6, 2009; d) Inventory of items were not recorded in the SC, contrary to Appendix 58, Volume II of GAM for NGAs; and e) No collections were reported from rental for the usage of spaces of three canteens. B. PhilSCA-BAB Campus such as: a) Rental fees charged to various lessees for the use of space had no standard rate or charges were not uniform resulting in lesser income to the College from favored lessees; and b) Revenue from rental of IGP were not properly monitored, thus the absence of updated contracts with lessees and income earned from rentals were not promptly collected.	We recommended that the Management: a) Furnish the COA a copy of the standard policies on: Revenue generation involving the operation of Auxiliary services, land utilization and other physical assets of the Campuses, and operation and management of all income generating structures, facilities and equipment such as grounds, gym/covered court, building, cafeteria, Guestel, stall/concessionaires, water, electricity, vehicles and other related structures, facilities and equipment, applicable for all Campuses. b) Establish standard guidelines on rental of space and facilities to serve as basis for preparation of contracts and to avoid doubts of questionable negotiations or arrangements with lessees. c) For PhilSCA BAB Campus: Submit copies of contracts of the two lessees and collect unpaid rent and electricity and water bills	Management and Director of Auxiliary Services	2021	2022	Implemented	The updated guidelines on IGP was already included in the Quality Procedures Manual of the College. Excerpts of which are shown under Tab "N".
			Management and Director of Auxiliary Services			Implemented	See attached documents for other latest IGP Policy Guidelines under Tab "Q".
			IGP Coordinator/ Campus Director of BAB Campus			Implemented	See attached supporting documents and/or reference of the ORs issued by the Collecting Office for the payment of due bills with income reports from PhilSCA-VAB Campus. See attached Tab "P".
AAR 2021 page 172 to 173	Payments of Honoraria to the OIC, Director of Legal and Legislative Services of the CHED, as Chair of Technical Working Group (TWG)/ Resource Speaker for meetings of TWG held at CHED Office totalling P12,500.00 in CY 2017 is of doubtful validity due to grant of monthly Honoraria for the period after six months from the time the TWG formally convened, contrary to the BOT Referendum No. 02, series of 2012 dated October 8, 2012 which states that payment of Honoraria is allowed only for a period of six months from the time the aforementioned TWG formally convened, and payment of Honoraria not supported by an Office Order as required under COA Circular No. 2012-001	Submit copies of contracts of the two lessees; and Collect unpaid rent and electricity and water bills	College President/Board Secretary	2021	2022	Implemented	The Management has submitted a copy of the Board Resolution which served as the authority to collect Honorarium with attached letter request from the former College President. See attached Tab "Q".
			Management			Implemented	Since the payee was granted authority to collect Honorarium, there is no need for her to refund the Honorarium she received.
AAR 2021 page 173 to 174	Other Receivables amounting to P926,307.75 which remained dormant for more than 9 to 17 years are of doubtful collectability and rendered 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 the P883,000.00 Loans Receivables-Others was collected and the remaining amount of P879,000.00 remained outstanding for more than 9 years.	We recommended that the Management: a) Exhaust all efforts to recover the cash shortage from former employee who incurred cash shortage. b) Send final demand letters to settle Unliquidated cash advances made to concerned officials and submit a copy thereof to the Audit Team, and c) Send demand letters to the last known address of the grantees of (SAFE-4-SR) to enforce collection thereof.	College President	2021	2022	On Process	The Management is still in the process of consulting the OSG for the appropriate legal action against her to recover the cash shortage she incurred.
			Accounting Office and College President			On Process	Copy of receipt of demand letters sent by the Management has yet to be furnished to the Audit Team.
			Accounting Office			On Process	The Management, thru the Accounting Office, is still in the process of completing all the needed requirements.
AAR 2021 page 175 to 176	The accuracy and completeness of the account PPE amounting to P326,182,133.22 as of December 31, 2017 are doubtful due to: a) Unrecorded 3 parcels of land acquired through donation in CYs 2013, 2014, and 2016, contrary to Sections 5 and 13, Chapter 10 on PPE of the GAM for NGAs, Volume 1. c) The recorded property in VAB Campus amounting to P255,000,000.00, subject of swap arrangement with the Bases Conversion Development	We recommended that the Management: a) Comply with Sections 5 and 13, Chapter 10 on PPE, Volume 1 of the GAM for NGAs on recognition in the books of the fair market value of property acquired through donation and a liability account recognized for the PPE acquired with conditions or restrictions until these have been fulfilled, and	College President/ Accounting Officer and Campus Directors	2021	2022	On Process	The documents on appraisal of land is yet to be obtained from concerned authorities.

	<p>Authority (BCDA), is still not covered by Transfer Certificate of Title in the name of PhilSCA, and:</p> <p>c) Non-reconciliation and non-maintenance of required PC and PPELC under Section 42, Chapter 10 of the same Manual.</p>	b) Exhaust all efforts to have the properties titled in the name of PhilSCA.	College President/ Accounting Officer/ and Campus Directors			On Process		The Management is still in the process of having the land titled to the College.
AAR 2021 page 176 to 177	<p>The College overshot its approved budget for extension services of P400,000.00 by 108%, or P433,299.18 due to:</p> <p>a) Unreasonable number of at least 15 personnel per training activity resulting in travel expenses of P347,311.00;</p> <p>b) Approving reimbursement of expenses as a common practice totalling P272,960.26, and</p> <p>c) Incurrence of unnecessary expenses of P48,800.00 for snacks and meals, thus resulting in uneconomical spending of government resources.</p>	We recommended that Management submit the BOT post approval for the incurrence of expenditures beyond the budget as well as the accomplishment reports of those who have travelled.	Budget Officer/College President	2021	2022	Implemented		Aforementioned copies of accomplishment reports were not attached as supporting documents to the DV since these were bulky and bounded manuals. Hence, these reports were submitted separately. The required BOT approval has already been submitted to the former COA Audit Team.
AAR 2021 page 177 to 178	<p>PhilSCA has not yet addressed the recurring deficiencies in the property management as proven by the:</p> <p>a) Continued inadequacy of records in the Accounting and Property Sections, both of which did not maintain the required PPELC and the PCs;</p> <p>b) Incomplete conduct of physical inventory - taking wherein the latest is for CY 2013; and</p> <p>c) Unreliable inventory report showing an unreconciled difference of P36,056,560.72 as against the book balance of even date, thereby, resulting in the high risk of loss of depreciable assets without detection and rendering their doubtful existence and validity of the book balance totalling P150,914,771.54 as December 31, 2014.</p>	We recommended and Management agreed to require the Property Officer to renew the ARE every 3 years or every time there is a change in accountability.	Property Supply Officer	2021	2022	In Progress		The Property Supply Office is still in the process of adjusting their records before the renewal of PARs since the COA increased the capitalization threshold amount of PPEs from P15,000.00 to P50,000.00 and above per COA Circular No. 2022-004 dated May 31, 2022.
AAR 2021 page 178 to 179	<p>Due to the absence of development and building/structure plans, detailed construction cost per building/structure and other pertinent documents from the MEGAWORLD, the agency has not yet issued the Certificate of Acceptance as basis to book up the assets in the books of accounts resulting in unreliable balance of the Office Buildings and School Building accounts, both with zero balance as of December 31, 2013. Moreover, the absence of the Certificate of Acceptance has delayed the process for the transfer of title of the Campus site in the name of PhilSCA pursuant to the land swapping arrangement among PhilSCA, BCDA, and MEGAWORLD covered by MOA dated June 10, 2010 which may affect their legal right to ownership.</p>	We recommended and the Management agreed to closely coordinate with the BCDA to obtain the development and building/structure plans, detailed construction cost per building/structure and other pertinent documents from the MEGAWORLD, and ascertain the structural soundness of the buildings and structures and identify defects, if any, for MEGAWORLD to rectify to fast-track the issuance of Certificate of Acceptance by the Management.	VPAR/College President	2021	2022	On Process		The management, thru the College President sent follow-up letter on June 6, 2022 to BCDA President and CEO before the appointment of former DND Secretary Delfin Lorenzana. However, no response from his office yet until now. See Tab "R" for the copy of the letter.
AAR 2021 page 179 to 180	<p>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 P159,981.32 which represents the total accountability and which has not yet been settled to date, thus may result in loss of government funds.</p>	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.	College President/ Accounting Office	2021	2022	On Process		The Management is still in the process of requesting the write-off for the relief of accountability of the late Ms. Daligdig and preparation of final demand letter or appropriate legal action against Ms. Palado.

Prepared by the AOM Committee

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