

**AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION**  
**Audit Observations and Recommendations**  
**For the Calendar Year 2022 and Prior Periods**  
**As of August 31, 2024**

Agency: **Commission on Higher Education, Regional Office No. XIII, Butuan City**

Reference	Audit Observations and Recommendations	Agency Action Plan				Reason for Delay/ Non-Implementation, if applicable	Action Taken/ Action to be taken	
		Action Plan	Person/ Dept. Responsible	Target Implementation Date				Status of Implementation
				From	To			
<b>CY 2023</b>								
CHED 2023 ML Pages 6-10	<p><i>Unreliable balance of receivable accounts - ₱631,223,916.47</i></p> <p>Reported balance of Receivable accounts totaling ₱631,223,916.47 as of December 31, 2023, was unreliable due to (a) the existence of long-outstanding or past due accounts of ₱167,678,787.96 or 27% of the total amount; (b) non-reconciliation and non-maintenance of Accounting and Scholarship Units records to substantiate the unliquidated balances; (c) overstatement of ₱51,900.00; (d) erroneous entry of accounts aggregating ₱2,505,243.26, and (e) non-provision of allowance for impairment, thus accuracy, validity and existence of the accounts cannot be ascertained.</p> <p><i>Recommendations:</i></p> <p><i>Scholarship Unit reconstruct immediately the Monitoring Report of the grants and utilization of scholarship programs of CHED granted to HEIs/SUCs/LUCs and prepare database/monitoring for the Study Now Pay Later Program (SNPLP) and</i></p>	Develop an automated tracking system for the SNPLP and SAFE Loan Programs that enhances monitoring efficiency,	<ul style="list-style-type: none"> <li>NR Mani</li> <li>EJ Rabadan</li> </ul>	March	December	<b>Fully Implemented</b>	The in-house CSP programmer has successfully developed an automated tracking system for the Study Now Pay Later Program (SNPLP). This innovative system	

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	<p><i>Student Assistance Fund for Education for Loan (SAFE for Loan) to have regular reconciliation of records with the Accounting Unit.</i></p> <p><i>The Accounting Unit prepares the necessary journal entries to recognize payment of loans, correction of entry and impairment loss. Also, conduct a thorough assessment of the status of all student borrowers and HEIs/SUCs and determine the collectability of those delinquent accounts at the end of each reporting period to provide allowance for impairment.</i></p>	<p>simplifies tracking, and facilitates quick retrieval of information.</p> <p>The Accounting unit shall prepare the necessary journal entries to recognize payment of loans, correction of entry and impairment loss.</p>				<p><b>Ongoing</b></p> <p><b>Fully Implemented</b></p>	<p>will streamline and enhance the efficiency of monitoring student loans and repayments, ensuring a more effective management process for both the accounting section and scholarship unit.</p> <p>The Office is currently developing a separate automated system for Student Assistance Fund for Education for Loan (SAFE for Loan).</p> <p>JEV was prepared to recognize loan payments, impairment loss, and correction of entry.</p>	
<p>CHED 2023 ML Pages 10-13</p>	<p><i>Unreliable reported balance of Inventory accounts - ₱407,189.12</i></p> <p><b>Reported balance of Inventory accounts totaling ₱407,189.12 as of December 31, 2023, was unreliable due to (a) non-reconciliation of Accounting and Supply Office records; (b) non-submission of Report of Semi-expendable Property Issued by the Supply Officer to the Accounting Unit; (c) the presence of subsidiary ledgers with balances despite having</b></p>	<p>The Accounting unit shall prepare the necessary adjusting entries to rectify reports for submission to COA.</p>	<ul style="list-style-type: none"> <li>• H. Palima</li> <li>• G. Francisco</li> </ul>	<p>March</p>	<p>December</p>	<p><b>Fully Implemented</b></p>	<p>Revised reports were immediately submitted to the Office of the COA Auditor and JEV was prepared to adjust the unreconciled amount.</p>	

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	<p>zero quantities, thus cast doubts on the accuracy and existence of the accounts.</p> <p><i>Recommendations:</i></p> <p>Supply officer submit the ICS to the accounting unit and consequently, the agency accountant prepares the necessary adjusting journal entries to recognize the expense on the issued semi-expendable and correct those SLs with remaining balances despite having zero quantities.</p> <p>The Accountant and the Supply Officer constantly coordinate and reconcile their respective inventory records to ensure proper accounting of inventories.</p>							
CHED 2023 ML Pages 13-15	<p>Expenses charged to ASC under the TES not expended accordingly</p> <p><b>Expenses charged to Administrative Support Cost (ASC) under the Tertiary Education Subsidy (TES) with an aggregate amount of ₱571,540.08 as of December 31, 2023, were not expended according to purpose, due to the disregard of Higher Education Institutions (HEIs) on the guidelines for the proper utilization of ASC, thus casted doubts on the validity and regularity of the disbursements.</b></p> <p><i>Recommendation:</i></p> <p>UniFAST Regional coordinator to strictly enforce the existing rules and regulations on the proper</p>	<p>The RCs to remind the HEIs focal persons to strictly adhere to the guidelines on the proper utilization of ASC.</p>	<ul style="list-style-type: none"> <li>All RCs</li> <li>EJ Rabadan</li> </ul>	March	December	<b>Fully Implemented</b>	<p>The Regional Coordinators reminded the HEIs focal persons regarding the MC No. 03 series of 2023, on the allowed and not allowed expenditures in the utilization of ASC under TES</p>	

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	<i>utilization of ASC in order to ensure validity and regularity of the disbursements undertaken.</i>							
AOM NO. 2024-01-(2023)	<p><i>Payment of services of the 23 Contract Service personnel</i></p> <p><b>Payment of services rendered for the 23 Contract of Service (COS) personnel for the period January 1-31, 2023 exceeded by ₱34,146.01 from the amount allowed, due to the erroneous computation thereof, thus resulting in the excessive expenditures and loss of government funds.</b></p> <p><i>Recommendation:</i></p> <p><i>Management compels the concerned COS personnel to retribute the amount of the overpayment and ensure the accuracy in the computation of personnel payroll in order to avert the incurrance of excessive expenditures and loss of government funds.</i></p>	<p>Deduct the variances in on the payment of services to the 23 COS personnel.</p> <p>Thoroughly review the Contract of Services and DTRs to ensure that the actual reporting to work is used as basis in computing the compensation taking into consideration the effectivity stated in the contract</p>	<ul style="list-style-type: none"> <li>G. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	All the concerned COS personnel have fully settled their corresponding overpaid amount.	
CHED ML 2023 Pages 15-17	<p><i>Non-submission of distribution list for advocacy materials</i></p> <p><b>Due to the non-submission by the Agency Accountant of the duly signed distribution list and other equivalent documents, the distribution of advocacy materials and goods aggregating ₱497,920.00 as of December 31, 2023, was not appropriately substantiated, thus casted doubt whether the intended recipients actually received and availed of the benefits that can be derived therefrom.</b></p>	Reconstruct and submit the needed documents to substantiate delivery and receipt by the intended recipients.	<ul style="list-style-type: none"> <li>H. Palima</li> <li>All Activity Focal Person</li> </ul>	March	December	<b>Fully Implemented</b>	The office submitted on February 27, 2024 the lacking documents of the distribution list and other documents for the distribution of advocacy materials.	

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	<p><i>Recommendation:</i></p> <p><i>The Agency Accountant to instantly reconstruct and submit the needed documents to substantiate delivery and receipt by the intended recipient by the advocacy materials and goods intended for them in order to regularize the foregoing audit observation.</i></p>							
<p>CHED ML 2023 Pages 24-27</p>	<p><i>Delayed non-submission of the Disbursement Vouchers (DVs)</i></p> <p><b>Due to the delayed/non-submission of the Disbursement Vouchers (DV) with complete supporting documents by the officials performing accounting and/or bookkeeping functions for the current and prior years aggregating ₱255,763,382.23, post-audit of the transactions cannot be timely undertaken by the Auditor so that any deficiency that can be noted therefrom cannot be communicated to Management for appropriate action. Moreover, delays in the submission of trial balances and financial reports constitute a valid ground for the automatic suspension of salaries of the person/s responsible.</b></p> <p><i>Recommendation:</i></p> <p><i>The Accountant and Designated Cashier instantly submit for post-audit the Disbursement Vouchers (DVs) referred to above, together with their</i></p>	<p>Submit the lacking Disbursement Vouchers for post-audit.</p>	<ul style="list-style-type: none"> <li>• G. Francisco</li> <li>• F. Ilagan</li> </ul>	<p>March</p>	<p>December</p>	<p><b>Fully Implemented</b></p>	<p>All DVs were already submitted.</p>	

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	<i>supporting documents; strictly comply with the existing policy on the submission of financial reports in order to avert the automatic suspension of the salaries of the persons responsible.</i>							
CHED ML 2023 Pages 17-19	<p><i>Inspection and acceptance of deliveries of catering services and other services/goods</i></p> <p><b>Inspection and acceptance of deliveries of catering services and other services/goods amounting to ₱2.001 million were made after 1 to 21 days from the date of the activity due to unsound practices in inventory and supply management, thus, casted doubts as to the propriety, regularity and validity of the transactions undertaken.</b></p> <p><i>Recommendation:</i></p> <p><i>Stop the practice of the post facto preparation of the IAR in order not to cast doubt on the validity, regularity, and propriety of the transactions undertaken; strict adherence to the prescribed inventory and supply management system is enjoined in order to avert the same occurrence from happening in the future.</i></p>	Issue Office Policy on the deliveries, inspection and acceptance, requisition and issuance of goods and services	<ul style="list-style-type: none"> <li>• H. Palima</li> <li>• All Inspectors</li> </ul>	March	December	<b>Fully Implemented</b>	The Office issued memo no.24, series of 2024 re: Office policy on the deliveries, inspection and acceptance, requisition and issuance of goods and services to stop the practice of post-facto preparation of IAR.	
CHED ML 2023 Pages 22-24	<p><i>Delayed submission of Purchase Orders (POs)</i></p> <p><b>Auditorial review of Purchase Orders aggregating ₱1,253,422.16 issued as of December 31, 2023, for the procurement of goods and services cannot be undertaken timely, due to the delayed submission by the Procurement Officer Designate of the aforementioned contracts, thus</b></p>	To continuously monitor the timely submission of Purchase Orders to the Office of the Commission on Audit.	<ul style="list-style-type: none"> <li>• A. Asis</li> </ul>	March	December	<b>Fully Implemented</b>	The Office Implemented a tracking mechanism to ensure the timely submission of Purchase Orders.	

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	<p>deficiencies and errors, if any noted in audit cannot be promptly communicated to Management for appropriate action.</p> <p><i>Recommendation:</i></p> <p><i>Procurement Officer Designate submit the Purchase Orders within the prescribed period and ensure complete information is provided in the POs so that deficiencies and errors, if any, can be promptly communicated to Management for appropriate action.</i></p>							
<p>CHED ML 2023 Pages 19-21</p>	<p><i>Contracts with suppliers not PhilGEPS registered</i></p> <p><b>Due to the non-implementation of pertinent rules and regulations in the procurement of goods and services through the alternative method, contracts for CY 2023 with the aggregate amount of ₱2,263,967.00 were entered into with suppliers which were not registered with PhilGEPS, thus undermined the doctrine of transparency and public monitoring in the procurement process that deprived the general public of vital information to ensure that contracts are awarded strictly in accordance to the statutory provisions of the Revised Procurement Reform Act RA 9184.</b></p> <p><i>Recommendation:</i></p> <p><i>Stop the practice of contracting with suppliers which are not PhilGEPS registered in order not to deprive the general public of vital information to ensure that contracts are awarded strictly in</i></p>	<p>Prepares a letter to the supplier, requesting them to submit pertinent documents such as PhilGEPS Registration, BIT/Tax Registration and Business/Mayor's Permit.</p>	<ul style="list-style-type: none"> <li>• Asis</li> <li>• BAC</li> </ul>	<p>March</p>	<p>December</p>	<p><b>Fully implemented</b></p>	<p>Only suppliers with PhilGEPS Registration are served with a Purchase Order, and their documents are filed and kept.</p>	

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	<i>accordance with the statutory provisions of the Revised Procurement Reform Act RA 9184, thus promoting transparency in the procurement process.</i>							
<b>CY 2022</b>								
CHED 2022 ML Pages 12-19	<p><b>Of the 187 scholars under the Scholarships for Graduate Studies-Local (SGSL) of the K to 12 Transition Program, only 72, or 39% have completed the academic requirements of the program, due to the willful non-compliance by the scholars of the needed course requirements, thus undermining the program's objective to upgrade the qualification and competence of Higher Education Institutions (HEIs) Faculty.</b></p> <p><b>M</b></p> <p><i>We recommended that Management:</i></p> <p><i>a. For scholars who have already completed their study but were still not able to completely render return service, coordinate with the SHEI to compel the scholars to abide by their return service obligations;</i></p> <p><i>b. Immediately comply with documents required and actions to be taken for scholars no longer pursuing to complete, withdrawn scholarship, and on hold so that Notices of Obligations will be sent to the grantees demanding the repayment of financial privileges received; and</i></p>	<p>The focal person shall remind the scholars who have already completed their study to strictly abide by their return service obligations</p> <p>To continuously issue Notice to Explain (NTE) and follow up the submission of SHEI Monitoring Reports to the scholars who are no longer pursuing completion and who have withdrawn from the</p>	<ul style="list-style-type: none"> <li>• Julia Felisa C. Matinez</li> <li>• LGSO/SGSL</li> <li>• K12 Coordinator</li> </ul>			<p><b>Fully implemented</b></p> <p><b>Partially Implemented</b></p>	<p>The Focal Persons reminded the scholars who have already completed their study to strictly abide by their return service obligations</p> <p>Ongoing issuance of Notice to Explain (NTE) to the scholars who have not yet submitted their SHEI Monitoring Report and preparation of needed documents for the termination of their scholarship and repayment of financial privileges.</p>	



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	<p><i>c. Ensure strict compliance with the guidelines or required actions to be taken by CHEDRO in relation to the closure of the Scholarships for Graduate Studies-Local (SGS-L) under the K to 12 Transition Program, as prescribed by Memorandum from the Office of the Executive Director No. 119 series of 2022 dated January 28, 2022, and other mentioned regulations.</i></p>	<p>scholarship and prepare the needed documents for the termination of their scholarship and repayment of financial privileges.</p> <p>Remind the focal person to strictly comply with the guidelines or required actions to be taken by CHEDRO</p>				Fully implemented	The Focal Persons strictly adhered to the guidelines.	
CHED ML 2022 Pages 19-22	<p><b>Subsequent Fund Releases for TES grants were made to private HEIs, SUCs, and CHED-Recognized LUCs in the amount of P509,479,350.00 as of December 31, 2022, albeit the non-liquidation of previous fund transfers due to the failure of Management to strictly enforce the timely liquidation thereof, thus resulted to the accumulation of unliquidated fund transfers depriving the government of proper accounting thereof.</b></p> <p><i>We recommended Management strictly enforce the rules and regulations governing the non-submission of Liquidation Reports by the Implementing Agencies, in order to avert the</i></p>	<p>Issue a memo to HEIs regarding the submission of complete liquidation reports for TES and TDP-TES was sent.</p>	<ul style="list-style-type: none"> <li>• Julia Felisa C. Martinez/U AQTE</li> <li>• Geselle M. Francisco/A ccounting</li> <li>• All UniFAST Regional Coordinator</li> </ul>	March	December	Fully Implemented	<p>Memo to HEIs regarding the submission of complete liquidation reports for TES and TDP-TES was sent.</p> <p>No further payments were made to HEIs until liquidation reports have been submitted to the Regional Office.</p>	

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	<i>accumulation of unliquidated balances and to promote the timely and proper accounting thereof.</i>							
CHED ML 2022 Pages 22-24	<p><b>Payment of travel expenses included claims that were not eligible amounting to P63,507.49 as of November 30, 2022, due to the failure of CHED Management to faithfully adhere to the rules and regulations pertaining to travel claims, thus indicating imprudence use of funds which resulted to loss or wastage of government resources.</b></p> <p><i>We recommend that strictly adhere to the rules and regulations pertaining to travel claims in order not to incur wastage of government funds.</i></p>	To send a memo outlining the office's travel policy to all personnel.	<ul style="list-style-type: none"> <li>Julia Felisa C. Martinez/Technical Division</li> <li>Alma S. Patron/Administrative Division</li> </ul>	March	December	<b>Fully Implemented</b>	The Office issued Memorandum No. 56, series of 2023, re: Office Policy on the Travelling expenses of CHEDRO Personnel.	
CHED ML 2022 Pages 24-26	<p><b>Due to the lack of available date/information needed in the computation for honoraria granted to lecturers/resource persons who are not government employees aggregating P109,666.67 as of December 31, 2022, the reasonableness of the amount granted cannot be readily ascertained, thus cast doubt in the propriety and validity thereof.</b></p> <p><i>We recommended that Management adhere to existing DBM guidelines in the gross of Honorarium to lecturers and resource persons and provide supporting documents to validate the propriety and validity of the amount granted.</i></p>	Strictly adhere to the existing DBM guidelines in the grant of honorarium to lecturers/resource persons who are not government employees	<ul style="list-style-type: none"> <li>Julia Felisa Martinez / Technical Division</li> <li>Geselle M. Francisco/Accounting</li> </ul>	March	December	<b>Fully Implemented</b>	The management strictly adhered to the existing DBM guidelines in the grant of honorarium to lecturers/resource persons who are not government employees.	

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CHED ML 2022 Pages 24-26	<p><b>Due to the delayed/non-submission of the Disbursement Vouchers (DV) with complete supporting documents by the officials performing accounting and/or bookkeeping functions for the current and prior years aggregating P2,027,417.60 as of December 31, 2022, post audit of the transactions cannot be undertaken by the Auditor. Moreover, the non-submission of complete documentary evidence to substantiate the claim of prior year's disbursements for various expenses aggregating P1,553,336.24 resulted in the difficulty in determining the regularity, propriety and validity of the transactions undertaken.</b></p> <p><i>We recommended and Management agreed to direct the agency Accountant to instantly submit the needed documents to substantiate the validity of claims against government funds in order to ensure that the transactions undertaken is regular, appropriate and valid; ensure timely submission of DVs together with its complete documentation to COA in order to facilitate A complete review and analysis thereof.</i></p>	Submit the lacking Disbursement Vouchers (DV) with complete supporting documents	<ul style="list-style-type: none"> <li>Geselle M. Francisco/A ccounting</li> </ul>	March	December	<b>Fully Implemented</b>	The lacking Disbursement Vouchers (DV) with complete supporting documents were submitted.	
<b>CY 2021</b>								
CHED ML 2021 Pages 9-12	<p><b>1. Unrecorded collections accumulated to ₱2,980,316.00 from August 2020 to May 2021 due to non-recognition of cash in the books of accounts pertaining to collections received through online banking or direct deposit, the mode of payment for the CHED-Caraga's newly</b></p>	To secure CHED Central Office approval in the implementation of Landbank e-payment facility (Landbank Link.biz portal).	<ul style="list-style-type: none"> <li>Geselle M. Francisco</li> <li>Alma Sy-Patron</li> </ul>	March	December	<b>Fully Implemented</b>	Letters were already sent to the Bureau of the Treasury on July 29, 2020 and November 11, 2021 (see attached). However, no reply has been received. Also, Request of Authority from CHEDCO for RD	

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	<p><b>adopted online facility “Online Certification, Authentication, and Verification (CAV) Application”. The Agency utilized the Land Bank Current Account as depository account for online/direct payments which was not authorized since the said account should have been closed pursuant to Item II.1.2.1.d of the Treasury Circular No. 01-2013 dated January 23, 2013 and Item 5.7 of the Permanent Committee Joint Circular No. 4-2012 dated September 11, 2012.</b></p> <p><i>We recommend that the Agency seek the approval from the CHED-Central Office on the new implemented system, particularly on the mode of payment, which is online banking/deposit; and likewise, inquire from the Office of the Bureau of the Treasury on the legitimacy of utilizing the LBP Bank current account for collections due to the National Treasury. Likewise, pending authority from the CHED-Central Office and comments from the Bureau of the Treasury ensure that the monthly collections are duly recorded in the books of the Agency.</i></p>	<p>Will process MOA with Landbank for the e-payment facility to be used by CHED XIII clients in paying for the services after securing CHED-CO approval. With this facility, collections will be remitted directly to the Bureau of the Treasury.</p>					<p>Colorado to enter into a MOA with LBP on the operationalization of Link.BizPortal for this Office to shift from Self-Collect and Credit (SSC) to Collect-Aggregate-Remit (CAR) was sent on April 28, 2022 and another request on May 23, 2022. The CAR scheme will settle the issue of unrecorded cash deposited.</p> <p>Pending reply and shift from SSC to CAR as of April 28, 2022; 1:00 P.M. total unrecorded cash (No. O.R. yet) amounted to Php522,986.37.</p> <p>A Memorandum of Agreement and Non-Disclosure Agreement were signed between the CHED-Caraga and the LBP on August 11, 2022.</p> <p>Credentials were given on November 9, 2022, and Merchant Code was issued on November 18, 2022, during which time this Office also conducted the Dry Run.</p> <p>A letter was submitted to the LBP requesting for an update,</p>	

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							particularly, on the specific amounts/rates that need to be followed and locked or be the default amount for every service applied to conform with CHED Administrative Order No. 4 series of 2014 entitled "Revised Rates for Fees, Charges and Assessments".	
CHED ML 2021 Pages 70-72	<p><b>2. The regularity, completeness, and accuracy of the recorded 1,127 financial transactions amounting to Php 929,223,232.73 for the CY 2021 could not be timely ascertained/assessed due to delayed/non-submission of disbursement vouchers and supporting documents to the Office of the Auditor, thus, contrary to Section 122 Presidential Decree (PD) No. 1445 and Section 7.2 (a) of COA Circular No. 2009-006 dated September 15, 2009.</b></p> <p><i>We reiterate our recommendations that Management direct the Accounting Section to ensure that all transactions should be supported with complete supporting documents before processing of DVs, and instruct the Cash Unit to monitor the receipt of ORs and other acceptable evidence of receipt of payment in compliance with the provisions of PD 1445 and COA Circular No. 2009-006, to avoid delayed/non-submission of DVs and supporting documents. Also, Management requires the Accounting Section in coordination with the Cash Section to immediately submit the RCI and RADAI together with its corresponding DVs</i></p>	<p>Issue a memo to the Accountant instructing to only process DVs that are accompanied by complete supporting documentation.</p> <p>Instruct the Cashier to monitor the receipt of official receipts and other acceptable evidence of receipt of payments.</p> <p>The Accountant in coordination with the Cashier, were instructed to immediately submit the RCI and RADAI together with its DVs and supporting documents for CY 2021 and submit the same documents within</p>	<ul style="list-style-type: none"> <li>● Geselle M. Francisco</li> <li>● Angel A. Asis</li> </ul>	March	December	<b>Fully Implemented</b>	<p>A memorandum was issued to the Accountant directing the said officer to process DVs only with complete supporting documents.</p> <p>The Cashier was instructed to monitor the receipt of official receipts and other acceptable evidence of receipt of payments to avoid delayed/non-submission of DVs and supporting documents.</p> <p>The Accountant and Cashier were instructed to immediately submit the Report of Checks Issued (RCI) and Report of Advice to Debit Account Issued (RADAI) for CY 2021 and submit within the prescribed deadline the same documents for the succeeding</p>	

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	<i>and supporting documents to the Office of the Auditor to facilitate complete review and analysis thereof.</i>	the prescribed deadline for the succeeding transactions.					transactions. The RCI and RADAI for CY 2021 were submitted.	
CHED ML 2021 Pages 39-40	<p><b>3. Purchase Orders (POs) issued totaling Php599,829.67 were not submitted to the Office of the Auditor within five (5) days after conformity by the supplier, which is non-compliant with COA Circular No. 2009-001 dated February 12, 2009, thus timely auditorial review cannot be conducted and deficiencies noted, if any, could not be immediately communicated to the management for appropriate action.</b></p> <p><i>We recommend that Management require the concerned personnel to furnish the Auditor copies of the purchase orders within five (5) days from issuance thereof in compliance with COA Circular No. 2009-001. Also, ensure that all POs are completely accomplished and captured in the e-NGAS as supporting documents of recorded transactions.</i></p>	<p>Instruct the BAC Secretariat to provide the Auditor with copies of POs for the CY 2021, and to do the same for subsequent transactions within the prescribed deadline.</p> <p>Instruct the Accountant to include the POs as supporting documents in the e-NGAS for succeeding transactions.</p>	<ul style="list-style-type: none"> <li>● Geselle M. Francisco</li> <li>● Angel A. Asis</li> <li>● Haemacel Palima</li> <li>● Julia Felisa C. Martinez</li> </ul>	March	December	<b>Fully Implemented</b>	<p>The BAC Secretariat was instructed to furnish the Auditor with copies of POs for CY 2021 and to provide copies of POs within the prescribed deadline for the succeeding transactions. The POs for CY 2021 were submitted.</p> <p>The Accountant was instructed to capture the POs as supporting documents of recorded transactions in the e-NGAS.</p>	
CHED ML 2021 Pages 40-42	<p><b>4. Procurement payments through cash on delivery' (COD) basis amounting to Php 269,835.90 were not in consonance with Section 88 of Presidential Decree 1445 and Section 4, Annex D of the 2016 Implementing Rules and Regulations (IRR) of RA 9184.</b></p> <p><i>We recommend that Management require the BAC to engage only with suppliers who willingly agree with the payment arrangement for government transactions to ensure compliance with the</i></p>	Issue a memo to BAC to engage only with suppliers who willingly agree with the payment arrangement of government transactions.	<ul style="list-style-type: none"> <li>● Geselle M. Francisco</li> <li>● Angel A. Asis</li> <li>● Haemacel Palima</li> <li>● Julia Felisa C. Martinez</li> </ul>	March	December	<b>Fully Implemented</b>	A memo was issued to BAC instructing them to only engage only with suppliers who willingly agree to the payment arrangement for government transactions.	

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	<i>relevant laws, rules and regulations, otherwise, succeeding transactions will be disallowed in audit.</i>							
CHED ML 2021 Pages 42-44	<p><b>5. Non-posting of Request for Quotations (RFQs) on the PhilGEPS website, agency's websites, if any, and at any conspicuous place of procurement of goods with ABCs above Php50,000.00 under Small Value Procurement, is contrary to the 2016 Revised IRR of RA 9184, which prevented transparency, competitiveness, and economy in the procurement process.</b></p> <p><i>We recommend that Management ensure adherence to provisions of RIRR of RA 9184 and direct the BAC/BAC Secretariat to follow the procedures under Small Value Procurement by posting on the prescribed websites and submission of required supporting documents from suppliers.</i></p>	Issue a memo to BAC Chairperson and BAC Secretariat to follow the procedures under Small Value Procurement.	<ul style="list-style-type: none"> <li>● Geselle M. Francisco</li> <li>● Angel A. Asis</li> <li>● Haemacel Palima</li> <li>● Julia Felisa C. Martinez</li> </ul>	March	December	<b>Fully Implemented</b>	A memo was issued to BAC Chairperson and BAC Secretariat directing them to follow the procedures under Small Value Procurement concerning posting on the prescribed websites and submission of required supporting documents from suppliers for the succeeding transactions.	
CHED ML 2021 Pages 44-45	<p><b>6. The non-notification of deliveries and non-submission of copies of the duly filled-out Inspection and Acceptance Report (IAR) and delivery receipt to the Office of the Auditor is not in compliance with Item 6.06 of COA Circular No. 95-006, thus precluded the Auditor to conduct the verification of the delivered items on a timely basis.</b></p> <p><i>We recommend that Management direct the Supply Officer to notify the Audit Team of the deliveries and furnish copies of IAR and delivery receipt within twenty-four (24) hours after acceptance of delivered goods.</i></p>	Issue a memo to the Supply Officer concerning the need to notify the Audit Team of the deliveries and provide copies of IAR and delivery receipt within twenty-four (24) hours after acceptance of delivered goods.	<ul style="list-style-type: none"> <li>● Haemacel Palima</li> </ul>	March	December	<b>Fully Implemented</b>	A memo was issued directing the Supply Officer to notify the Audit Team of the deliveries and furnish copies of IAR and delivery receipt within twenty-four (24) hours after acceptance of delivered goods for the subsequent transactions. The copies of IARs and delivery receipts for CY 2021 were provided to the Audit Team.	

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CHED ML 2021 Pages 31-32	<p><b>7. Payment for services rendered by the 24 Contract of Service (COS) personnel with an aggregate amount of ₱316,316.01 exceeded by ₱32,220.00 due to the erroneous computation of payroll as it included the days before contract effectivity, thus, an indication of laxity of controls and considered “excessive” expenditures as defined under COA Circular 2012-003.</b></p> <p><i>We recommend that Management ensure that the payment of services provided by the COS/JO is reconciled with the effectivity period in the contracts and to the actual services rendered to avoid excessive payments in the future.</i></p>	<p>Deduct the variances in 2021 from the 2022 Payroll of those personnel concerned.</p> <p>Thoroughly review the Contract of Services and DTRs to ensure that the actual reporting to work is used as basis in computing the compensation taking into consideration the effectivity stated in the contract</p>	<ul style="list-style-type: none"> <li>Alma Sy-Patron</li> <li>Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	<p>A total of Php 29,097.12 and Php 2,382.60 had been deducted from the payroll of COS for the payroll periods March 16-31, 2022, and April 1-15, 2022, respectively, and had been remitted to Bureau of the Treasury (BTr) on May 4, 2022.</p> <p>A demand letter was sent to Mr. Cris Jay P. Angulo on May 25, 2022. On June 1, 2022, a total of Php 740.29 was received from Mr. Cris Jay P. Angulo, followed by the issuance of an Official Receipt upon validation of the proof of payment, and remittance of the said payment to BTr was on June 2, 2022.</p> <p>Ensure that the DTRs are reconciled with the Contract of Services in order to prevent future overpayments.</p>	
CHED ML 2021 Pages 33-35	<p><b>8. Honoraria payments to Resource Speakers (RPs) totaling Php222,500.00 were determined only based on the approved Activity Design/Certification, inconsistent with the computation/formula provided in the DBM Budget Circular No. 2007-001 dated April 23, 2007; and supporting documents for the computation of honoraria were not submitted,</b></p>	<p>Submit lacking supporting documents of the honoraria payments for CY 2021 and ensure the completeness of supporting documents for the succeeding payments of honoraria.</p>	<ul style="list-style-type: none"> <li>Alma Sy-Patron</li> <li>Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	<p>Lacking documents were submitted. The office ensures that the succeeding payments of honoraria have complete supporting documents.</p>	



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	<p><b>thus, the reasonableness, validity, and regularity of payment could not be fully established.</b></p> <p><i>We recommend that Management ensure the completeness of the required supporting documents in payment of honoraria to the resource persons/lecturers and submit the lacking documents of the above-mentioned disbursement vouchers to establish the reasonableness of the honoraria payment. Further, for future payments of honoraria, establish a standardized rate of honoraria for RPs/lecturers from the private sector consistent with DBM Budget Circular No. 2007-001 dated April 23, 2007, and ensure strict adherence thereto.</i></p>	Craft an office policy on the standard rate of honoraria for resource persons from the private sector.					The Regional Director, George M. Colorado, approved the office guideline on the rate of honoraria for RPs/lecturers from the private sector on May 31, 2022 for implementation.	
CHED ML 2021 Pages 20-23	<p><b>9. The accuracy and existence of Inventory accounts totaling Php745,663.12 are unreliable due to: (a) non-conduct of physical count of inventories to substantiate the reported balances; (b) absence of Report of Supplies and Materials Issued (RSMI)/ Inventory Custodian Slip (ICS) to support the recorded expenses of Php 351,508.34; (c) non-maintenance of complete Stock Card (SC) by the Supply Unit; and (d) non-reconciliation of Subsidiary Ledger Cards (SLC) with SC, thus contrary to the provisions of the Government Accounting Manual (GAM), Volume I.</b></p> <p><i>We recommended Management to:</i></p> <p><i>(a.) Instruct the Supply Officer to maintain complete and updated stock cards making sure</i></p>	Issue a memo instructing the Supply Officer-	<ul style="list-style-type: none"> <li>● Geselle M. Francisco</li> <li>● Haemacel I. Palima</li> </ul>	March	December	<b>Fully Implemented</b>	A memo was issued instructing the Supply Officer-designate to	

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	<p><i>that all issuances for the month will be reported thru prompt preparation and submission of RSMI/ ICS/ PTR to the Accounting Office;</i></p> <p><i>(b.) Direct the Accountant to observe the Perpetual Inventory Method by recording all purchases of supplies to the appropriate inventory accounts and recognize expenses upon issuance thereof to end-users;</i></p> <p><i>(c.) Require the Accounting and Supply Offices to reconcile balances of the supply ledger cards and the stock cards, take note of any discrepancies and effect the adjusting entries to correct the reported balances; and</i></p> <p><i>(d.) Necessitate the Inventory Committee to regularly conduct the physical count inventory, has this been part of prior years' audit recommendation.</i></p>	<p>designate to maintain complete and updated stock cards.</p> <p>Issue a memo directing the Accountant to observe Perpetual Inventory Method.</p> <p>The Accounting and Supply Offices were required to reconcile the balances of supply ledger cards and stock cards.</p> <p>Issue a memo to the Inventory Committee to regularly conduct physical inventory.</p>					<p>maintain complete and updated stock cards. The aforementioned documents were maintained and updated. The RSMI, and ICS were submitted to the Accounting Office.</p> <p>A memo was also issued directing the Accountant to observe Perpetual Inventory Method. Regular purchases were coursed through the appropriate inventory account and recorded the issuances to end-users based on the RSMI for succeeding transactions.</p> <p>Accounting, in collaboration with the Supply Office, reconciled SLC and SC balances and prepared the necessary adjusting entries for the discrepancies.</p> <p>A memo was issued to the Inventory Committee to regularly conduct physical count inventory.</p>	
CHED ML 2021 Pages 23-26	<b>10. The accuracy, validity, and existence of Property, Plant and Equipment (PPE) with the net value of Php8,315,883.73 as of year-end cannot be fully ascertained due to the following deficiencies:</b>		<ul style="list-style-type: none"> <li>● Geselle M. Francisco</li> <li>● Haemacel I. Palima</li> </ul>	March	December	<b>Fully Implemented</b>		

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	<p>(a) absence of Report of Physical Count of PPE (RPCPPE) to validate the existence of PPE;</p> <p>(b) non-maintenance of updated Property Cards (PC);</p> <p>(c) non-reconciliation between Property and Accounting Records; and</p> <p>(d) non-renewal of Property Acknowledgement Receipt (PAR), thus contrary to the Government Accounting Manual (GAM) and non-compliant to COA Circular No. 2020-006 dated January 31, 2020.</p> <p><i>We recommended Management to:</i></p> <p><i>(a.) Require the Accounting and Property/Supply Offices to adhere strictly to the provisions outlined in Chapter 10, GAM Volume 1, particularly the maintenance of PPELC and PC, periodic reconciliation of Accounting and Property records, renewal/updating of PAR to establish the accuracy and existence of reported PPE accounts.</i></p> <p><i>(b.) Require the Supply Officer to prepare the necessary Inventory and Inspection Report for Unserviceable Property (IIRUP) Form as prescribed in Appendix 74, Volume II of the GAM, for proper</i></p>	<p>Issue a memo requiring the Accounting and Supply Office to maintain and monitor the PPELC and PC, conduct periodic reconciliation of Accounting and Property records, and renewal/updating of PAR.</p> <p>Issue a memo requiring the Supply Officer-designate to prepare the</p>				<p>A memo was issued directing the Accounting and Supply Office to maintain and monitor the PPELC and PC, conduct periodic reconciliation of Accounting and Property records, and renewal/updating of PAR. Both offices started to reconcile the said documents.</p> <p>A memo was issued directing the designated Supply Officer-designate to prepare the IIRUP</p>		

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	<p><i>disposal and basis to derecognize from the books the unserviceable PPEs; and</i></p> <p><i>(c.) Ensure compliance with the COA Circular No. 2020-006 dated January 31, 2020, on the prescribed guidelines and procedures on inventory-taking, recognition of those found at the station, and disposition for non-existing/missing PPE items for the one-time cleansing of PPE accounts to establish PPE balances that are verifiable as to the existence, condition, and accountability.</i></p>	<p>IIRUP Form for unserviceable PPEs.</p> <p>Follow the prescribed guidelines particularly, COA Circular No. 2020-006 to establish PPE balances.</p>					<p>Form. The report was prepared by the aforementioned officer. On February 28, 2022, a request to witness the inspection and disposal was made. A response dated April 20, 2022 was received, requesting that this office provide the complete IIRUP indicating the disposal procedure used, along with appropriate supporting documents and current pictures of unserviceable properties, to which this office submitted.</p> <p>This office is in the process of complying with the COA Circular No. 2020-006 to establish the accuracy of the PPE balances.</p>	
CHED ML 2021 Pages 47-52	<p><b>11. Liquidation for the B2 HELP grants of the 19 Higher Education Institutions (HEIs) with an aggregate amount of ₱4,780,000.00 were not supported with complete documents, as required under Presidential Decree No. 1445 and specified under CHED Memorandum Order (CMO) No. 10, series of 2020 due to lack of proper review of the</b></p>		<ul style="list-style-type: none"> <li>Noeme Rose D. Mani, CPA</li> <li>Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>		

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	<p><b>submitted documents and inconsistencies in the submitted liquidation documents of the five (5) HEIs, thus, eligibility of the student-grantee, regularity, and validity of the transactions could not be established</b></p> <p><i>I. Instruct all personnel in charge of the B2 HELP Program to submit immediately the lacking necessary documents and proof of accuracy on the inconsistencies noted pursuant to CMO No. 10, series of 2020 to establish the eligibility of the student-grantee, regularity, and validity of the transactions;</i></p> <p><i>II. Require the B2HELP/Scholarship Coordinator to coordinate with the partner institution, SDSSU-Tagbina, on the return of the unreleased grant and the Cashier to immediately remit it to the BTr;</i></p> <p><i>III. Direct the Accountant to strictly adhere to Section 4.6 of PD No. 1445 on the processing of claims against government funds, otherwise, the Accountant shall also be held liable for all disbursements certified but lacked supporting documents; and</i></p> <p><i>IV. Ensure adherence to the guidelines on grants and liquidations of grant/financial assistance by providing written instructions of</i></p>	<p>Send individual letters to the participating HEIs requiring them to submit the lacking supporting documents.</p> <p>Contact SDSSU-Tagbina and instruct them to return the unreleased grant amounting to 5,000.00 for remittance to the Bureau of the Treasury.</p> <p>Issue a memo to the Accountant instructing to only process DVs that are accompanied by complete supporting documentation.</p> <p>Issue a Regional Memorandum reminding the participating HEIs of</p>				<p>The participating HEIs were sent individual letters requiring them to submit the lacking supporting documents in order to establish the eligibility of the student-grantees, regularity and validity of the transactions.</p> <p>SDSSU-Tagbina was contacted and instructed to return the unreleased grant amounting to 5,000.00 for remittance to the Bureau of the Treasury. Deposit slip of said transaction is submitted as proof.</p> <p>A memorandum was issued to the Accountant directing the said officer to process DVs only with complete supporting documents.</p> <p>A Regional Memorandum was issued and sent to the participating HEIs reminding</p>		

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	<i>payment/liquidation to the Partner Institutions to strengthen the agency's internal control system.</i>	the guidelines on grants and liquidations					them of the guidelines on grants and liquidations to ensure adherence with the CMO.	
CHED ML 2021 Page 67-68	<p><b>12. Non-cash transactions recorded in the books of accounts for the Calendar Year 2021 such as correction of errors, recognition of depreciation expenses, reclassification of accounts, and recording of accounts payables were not supported with approved Journal Entry Vouchers and supporting documents, and were not submitted to COA, as prescribed in the Government Accounting Manual, thus, the accuracy in the recording of transactions cannot be ascertained.</b></p> <p><i>We recommend that Management require the Accounting Unit to ensure that all entries in the books of accounts are supported with approved JEV and supporting documents and provide copies to the Auditor concerned in compliance with the prescribed provisions in GAM.</i></p>	Issue a memo directing the Accounting Section to submit CY 2021 Journal Entry Vouchers and supporting documents for all Non-Cash Transactions and to do the same for the succeeding transactions within the prescribed deadline.	<ul style="list-style-type: none"> <li>• Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	A memo was issued directing the Accounting Section to submit the Journal Entry Vouchers and its supporting documents for all Non-Cash Transactions of CY 2021. The said documents were submitted.	
CHED ML 2021 Page 26-28	<p><b>13. Payment for Insurance premiums of service vehicles and buildings totaling Php56,498.09 were booked-up as outright expenses contrary to the provisions of the Government Accounting Manual (GAM), thus overstating expense accounts and understating asset accounts at year-end.</b></p> <p><i>We recommend that Management direct the Accountant to comply with the accounting policy and to implement an accrual basis of accounting in the recording of transactions, as required in GAM. Also, to prepare the proposed adjusting journal</i></p>	Issue a memo directing the Accountant to comply with the accounting policy and implement an accrual basis of accounting in the recording of transactions and to prepare an adjusting journal entries to adjust the overstatement of expense and understatement of asset accounts.	<ul style="list-style-type: none"> <li>• Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	A memo was issued directing the Accountant to follow the accounting policy and record transactions on an accrual basis, as well as to prepare adjusting journal entries to correct the overstatement of expense and understatement of asset accounts. To arrive at the correct balances of asset and expense accounts, the necessary adjusting journal entries were prepared	

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	<i>entries to adjust the overstatement of expense and understatement of asset accounts.</i>	The Management will reflect the recommended adjustment in the 2021 Restated FS.					and submitted to accurately reflect the balances.  Restated first-quarter financial statements with the recommended adjustments were submitted.	
CHED ML 2021 Pages 45-46	<p><b>14. Payment of various expenses totaling Php482,091.24 was not supported with complete documentary requirements, contrary to the provisions of COA Circular No. 2012-001 and Section 4 (6) of PD 1445, thus the validity and propriety of the transactions cannot be ascertained.</b></p> <p><i>We recommend that Management ensure compliance with COA Circular No. 2012-001 and Section 4(6) of PD 1445 which requires that the claims against government funds should be supported with complete documentation to ascertain the validity and propriety of the claims.</i></p>	Retrieve the lacking supporting documents	<ul style="list-style-type: none"> <li>• Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	Submitted the lacking documents to COA.	
CHED ML 2021 Page 28-31	<p><b>15. Various expenses totaling Php111,204.64 were erroneously classified in the books of accounts due to: (a) expenses for the prior year amounting to Php 68,209.64 that were paid in the CY 2021 were classified as current year's expenses instead of debiting the Accumulated Surplus/(Deficit) account which resulted to the overstatement of current year's expenses and Accumulated Surplus/(Deficit) account by the</b></p>	<p>Issue a memo directing the Accounting Unit to record appropriately the transactions in the book of accounts.</p> <p>To prepare a restated financial statement reflecting the proper</p>	<ul style="list-style-type: none"> <li>• Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	<p>A memo was issued directing the Accounting Unit to thoroughly review the accounts used to avoid erroneous classification of various expenses in the book of accounts.</p> <p>Prepared and submitted a restated financial statement for the first quarter of CY 2022 to</p>	

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	<p>same amount; and (b) several expenses were booked up using inappropriate expense accounts, in disregard of COA Circular No. 2013-002 dated January 30, 2013, and Government Accounting Manual (GAM), thus affects the fair presentation of the accounts in the financial statements.</p> <p><i>We recommend that Management direct the Accounting Unit that all expenses must be recorded in the books of accounts in the year they are incurred and ensure to use of appropriate accounts in recording financial transactions under the provisions of COA Circular No. 2013-002 and GAM to strengthen the agency's internal control and to have a fair presentation of accounts in the financial statements.</i></p>	balances of expense and accumulated surplus accounts for Calendar Year 2021.					reflect the correct balances of various expense accounts.	
CHED ML 2021 Pages 59-60	<p><b>16. CHED Scholarship Program (CSPs) payment through Higher Education Institutions (HEIs) of financial assistance/scholarship grant with an aggregate amount of ₱40,183,000.00 were not covered by a Memorandum of Agreement between the participating HEIs with 10 or more grantees and CHED, as required under CHED Memorandum Order (CMO) NO. 08, series of 2019, thus, increases the risks that the control mechanisms provided in the said memorandum will not be complied with by the participating HEIs, and responsibility and accountability of the funds transferred cannot be ensured.</b></p>	Require participating HEIs to submit the Memorandum of Agreement	<ul style="list-style-type: none"> <li>Noeme Rose D. Mani, CPA</li> <li>Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	MOAs with HEIs have already been submitted.	



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	<i>We recommend that Management require all personnel in charge in the implementation of CSP the preparation of approved MOA between the participating HEIs and CHED in accordance with the program policies/guidelines before the transfer of CSP grants to the participating HEIs to ensure responsibility and accountability of the funds transferred.</i>							
CHED ML 2021 Pages 61-64	<p><b>17. Liquidation of the CSPs payments through HEIs with an aggregate amount of ₱21,451,500.00 were not covered by a liquidation report and not supported with complete documents, as required under Presidential Decree (PD) No. 1445 and specified under CMO No. 08, series of 2019 due to lack of proper review of the submitted documents. Likewise, Direct Payment of financial assistance to 13 CSP Scholars with an aggregate amount of ₱184,500.00 was not supported with the necessary documentation, thus, eligibility of the scholars and the validity of the transactions could not be established.</b></p> <p><i>B. We recommend that Management:</i></p> <p><i>(a.) Include in the MOA between CHED and the participating HEIs a clear enumeration of the documents required for liquidation of the scholarship grants in accordance with the program guidelines, and if warranted, attach the liquidation report form for uniformity;</i></p>	<p>A Regional Memorandum will be issued reiterating the documents required for liquidation of the scholarship grants in accordance with the program guidelines.</p>	<ul style="list-style-type: none"> <li>● Noeme Rose D. Mani, CPA</li> <li>● Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	<p>A Regional Memorandum was issued reiterating the documents required for liquidation of the scholarship grants in accordance with the program guidelines.</p>	

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	<p><i>(b.) Instruct the JEV Preparer of HEI Liquidations/ personnel-in charge in the monitoring of liquidations that complete supporting documents are attached to the liquidation reports, and ensure also to identify in which grants/financial assistance those liquidations pertain to, for effective monitoring of the status of grants and liquidations;</i></p> <p><i>(c.) Instruct all personnel in-charge/Project Technical Staffs of CSPs to submit immediately the lacking necessary documents pursuant to Page 6 of 8 CMO No. 08, series of 2019 to establish the eligibility of the student- grantee and validity of the transactions;</i></p> <p><i>(d.) Direct the Accountant to strictly adhere to Section 4.6 of PD No. 1445 on the processing of claims against government funds, otherwise, the Accountant shall also be held liable for all disbursements certified but lacked supporting documents; and</i></p> <p><i>(e.) Ensure adherence to the guidelines on the liquidations of CSP financial assistance/scholarship grants to strengthen the agency's internal control system.</i></p>	<p>Instruct the JEV preparer to ensure that liquidation documents are complete before preparing JEV and include in the details in JEV information to which grant / release the liquidation is applicable.</p> <p>Require the 13 CSP Scholars to submit the lacking necessary documentation.</p> <p>Issue a memo to the Accountant instructing to only process DVs that are accompanied by complete supporting documentation.</p> <p>A Regional Memorandum will be issued reiterating the documents required for liquidation of the scholarship grants in accordance with the program guidelines.</p>				<p>The JEV preparer was instructed to ensure that liquidation documents are complete before preparing JEV and include in the details in JEV information to which grant / release the liquidation is applicable.</p> <p>The lacking necessary documentation of 13 CSP Scholars were submitted.</p> <p>A memorandum was issued to the Accountant directing the said officer to process DVs only with complete supporting documents.</p> <p>A Regional Memorandum was issued reiterating the documents required for liquidation of the scholarship grants in accordance with the program guidelines.</p>		

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CHED ML 2021 Pages 65-67	<p><b>18. Information contained in the CHED RO XIII Masterlist/database of scholars for the 690 CSP Scholars was inconsistent with the payroll for payment of financial benefits, thus rendering the reliability of the database of scholars required under Section 17.3 of CMO No. 08, series of 2019 doubtful. Further, there was one Scholar who has a duplicate name in the database under a different scholarship for the 2nd semester of AY 2020-2021, which resulted in double payment, casting doubts on the regularity, reliability, and validity of the transactions.</b></p> <p><i>We recommend that Management:</i></p> <p><i>(a.) Instruct the CSP Scholarship Coordinator to carefully review the information contained in both the master list database and payroll to ensure accuracy and avoid inconsistencies in both documents/records; and conduct double-checking for possible duplicate names in the database to ensure the regularity, reliability, and validity of the transactions; and</i></p>	<p>Remind the CSP Scholarship Coordinator to conduct careful scrutiny of the information contained in both the Masterlist and payroll to ensure accuracy and avoid the same inconsistencies in the future.</p> <p>The CSP database administrator is instructed to review the data inconsistencies of the 690 CSP grantees.</p>	<ul style="list-style-type: none"> <li>• Noeme Rose D. Mani, CPA</li> <li>• Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	<p>The CSP Scholarship Coordinator was already reminded to conduct careful scrutiny of the information contained in both the masterlist and payroll.</p> <p>The CSP database administrator already rectified the data inconsistencies of the 690 CSP grantees.</p>	

Reference	Audit Observations and Recommendations	Agency Action Plan				Reason for Delay/ Non-Implementation, if applicable	Action Taken/ Action to be taken	
		Action Plan	Person/ Dept. Responsible	Target Implementation Date				Status of Implementation
				From	To			
	<i>(b.) Direct the Project Technical Staff to inform the HEI of the double payments made, require the return of the fund, and submit to the Auditor proof of action by Management and HEI.</i>	Inform the HEI of the double payment made, require to return the erroneous payment and submit the official receipt as proof.					Erroneous payment to Mr. Val Caesar Milana amounting to 30,000 was returned. Official Receipt was issued and submitted as proof.	
CHED ML 2021 Pages 52-58	<p><b>19. Liquidations of Administration Support Cost (ASC) amounting to ₱12,762,450.00 in the implementation of TES Program by the partner Higher Education Institutions (HEIs) were not supported with complete documentary requirements, as required under Presidential Decree (PD) No. 1445; and inclusion of expenses not specified under the Joint Memorandum Circular No. 04s 2020 by the DBM and CHED-UNIFAST, thus cast doubt as to the regularity and validity of the transactions.</b></p> <p><i>We recommend that Management:</i></p> <p><i>(a.) Require the UniFAST Regional Coordinators to provide timely reminders to the HEIs in the TES program implementation rules and regulations particularly on the proper liquidations of TES funds to ensure compliance.</i></p> <p><i>(b.) Instruct all personnel in charge in the monitoring of liquidations of TES funds that complete supporting documents are attached to the liquidation reports and ensure compliance to the allowed Administrative Staff Cost mentioned in the Joint Memorandum Circular No. 04 s. 2020.</i></p>	<p>To coordinate with HEI TES Focal on the submission of the necessary supporting documents from concerned HEIs.</p> <p>To conduct technical assistance to HEIs on the proper liquidation of Administrative Support Cost (ASC).</p>	<ul style="list-style-type: none"> <li>● UniFAST Regional Coordinator</li> <li>● Julia Felisa Martinez</li> <li>● Geselle M. Francisco</li> </ul>	March	December	<b>Fully Implemented</b>	<p>Constant coordination to HEIs TES Focal/liquidation incharge relative to the submission of lacking supporting documents.</p> <p>Conducted onsite visit to HEIs with low liquidation rate to monitor, assist and ensure the compliance and complete supporting documents in the liquidation and submitted the</p>	


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	<i>(c.) Direct the Accountant to strictly adhere to Section 4.6 of PD No. 1445 on the processing of claims against government funds, otherwise, the Accountant shall also be held liable for all disbursements certified but lacking supporting documents.</i>	Issue a memo to the Accountant instructing to only process DVs that are accompanied by complete supporting documentation.					lacking supporting documents dated June 27, 2022.  A memorandum was issued to the Accountant directing the said officer to process DVs only with complete supporting documents.	
CHED ML 2021 Pages 68-70	<p><b>21. Delayed submission of trial balances, financial statements, and supporting schedules precluded the prompt audit of accounts and early detection of any possible errors/deficiencies in contrary to Section 122 of Presidential Decree No. 1445, Government Accounting Manual, and other existing regulations.</b></p> <p><i>We recommend that Management:</i></p> <p><i>a. Direct the Finance Unit to submit the succeeding financial reports and records within the prescribed deadlines in accordance with the rules and regulations on the submission of reports; and</i></p> <p><i>b. Implement additional measures that will enable the office to meet such deadlines.</i></p>	<p>Issue a memo directing the Finance Unit to submit the succeeding required financial reports and records within the prescribed deadlines.</p> <p>To review the process flows and implement additional mechanisms in order to meet prescribed deadlines.</p>	<ul style="list-style-type: none"> <li>Finance Unit</li> </ul>	March	December	<b>Fully Implemented</b>	<p>A memo was issued directing the Finance Unit to submit the subsequent required financial reports and records within the prescribed deadlines.</p> <p>Reviewed the process flows and implemented additional mechanisms in order to meet prescribed deadlines.</p>	

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CHED ML 2021 Page 35-39	<p><b>22. Grant and liquidation of cash advances for CY 2021 with an aggregate amount of Php 1,439,996.15 were not compliant with the provisions of COA Circular No. 97-002 and other existing rules and regulations, thereby undermining the controls that make cash advances a facilitative tool in the operations of the Agency.</b></p> <p><i>We recommend that Management direct the Accountant to:</i></p> <p><i>a. Conduct an effective review of transactions to ensure completeness of the required documentary requirements and strict adherence with the above-mentioned provisions in the grant and liquidation of cash advances.</i></p> <p><i>b. Exercise the use of appropriate account title in recording the grant and liquidation of advances based on the purpose or nature of the cash advance and ensure accuracy in the maintenance of the SLs;</i></p>	<p>Issue a memo directing the Accountant to conduct an effective review of transactions to ensure completeness of the required documentary requirements in drawing cash advances and liquidation of the same.</p> <p>Thoroughly review the use of appropriate account titles in order to ensure the accuracy of SLs and not misled the users of financial statements.</p> <p>Prepare adjusting entry to correct the balance of</p>	<ul style="list-style-type: none"> <li>Geselle M. Francisco</li> </ul>	March	December	Fully Implemented	<p>A memo was issued directing the Accountant to conduct an effective review of transactions to ensure completeness of the required documentary requirements in drawing cash advances and liquidation of the same.</p> <p>The use of appropriate account titles in accordance with the purpose or nature of the cash advance in the subsequent transactions was thoroughly reviewed.</p> <p>Adjusting entry was prepared and submitted to correct the balances</p>	


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	<p>c. Cease the practice of granting cash advances for payment of services not yet rendered by the COS personnel, instead the grant is based on the actual services rendered, equal to the net amount of the approved payroll for a pay period in compliance with COA Circular No. 97-002.</p>	<p>subsidiary ledger balances of SDOs.  Grant only cash advances based on the actual services rendered by the COS, equal to the net amount of the approved payroll for a pay period in compliance with COA Circular No. 97-002.</p>					<p>of subsidiary ledger balances of SDOs.  Ensure that drawing of cash advances during quarterly reversion of funds and at the end of the year must be based on the actual services rendered by the COS and are equal to the net amount of the approved payroll for a pay period in compliance with COA Circular No. 97-002.</p>	

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

Prepared by:

  
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 Date: October 11, 2024

Approved by:

  
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 Date: October 11, 2024