

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION

Audit Observations and Recommendations

For the Calendar Year 2023

As at December 31, 2024

The report shows that 45 out of 65 recommendations were Fully Implemented to date.

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan			Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken	
				Action Plan	Person/ Dept. Responsible	Target Implementation				
						From				To
CAAR 2023 Par-1 P61	Accounting Error and Omissions 1) there are no material misstatements in the financial statements of the PNU System as of December 31, 2023. Accounting errors and improper accounting treatment of transactions found in audit that are considered departures from the International Public Sector Accounting standards (IPSAS) totaling P32,526,845.40, as summarized in Annex A, have been adjusted in the books of accounts of the PNU.						Fully Implemented			
CAAR 2023 Par-2 pp 61-74	Accounting Deficiencies 2) Various accounting deficiencies, such as unreconciled and unsubstantiated balances resulting from the absence or inadequacy of records/schedules/documents, affected the reliability of the balances of several accounts.	CASH: We reiterated our recommendations and <u>PNU Manila</u> agreed to: a) provide policy/program for the implementation and utilization of the SASDF;					Not Implemented	The Management Informed that the Office of the Vice President for Student Success and Stakeholder Success has already drafted a comprehensive policy on the matter which is scheduled to be presented to the BOR for approval in the first quarter of CY 2024.		
		b) ensure that donations from PNU Alumni are supported with copies of MOA clearly specifying the purpose and intention of the funds;;					Not Implemented			
		c) utilize the remaining balances of the DBP RISE account to fund the needs of other qualified scholars to servedd the purpose of the project; and					Not Implemented	The Student Affairs and Services Office, through the Institutional Student Program and Services Unit, already created a PNU Scholarship Committee to address this concern. The PNU Scholarship Committee will convene to look into how the remaining balance of the DBM can be utilized to fund the needs of qualified	Updates will be submitted once finalized	
		d) evaluate the necessity of maintaining the foreign currency bank accounts and require the accountant to prepare the appropriate JEVs to record the revision of the balances to the Bureau of the Treasury, if warranted.					Not Implemented	The management had previously committed that these accounts would be included in the proposal for utilization in order to implement additional programs and projects for the university. As at reporting date, the proposal/policy is yet to be presented to the BOR for approval in the first quarter of 2024.	Updates will be submitted once finalized	

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan			Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken	
				Action Plan	Person/ Dept. Responsible	Target Implementation				
						From				To
		<p><b>RECEIVABLES:</b> We recommended and <b>PNU Mindanao</b> agreed to require the Accountant to conduct a thorough review and evaluation of the accounts and, if all possible measures have been exhausted but collection is deemed futile, requesting the write-off of accounts that are non-moving for 10 years in accordance with COA Circular No.2023.-008.</p>						Not Implemented	The Head of the Finance Management Unit explained that the collectability of the accounts cannot be ascertained due to a lack of documents to validate the propriety of the recorded balances which have been inactive for more than seven (7) years. Moreover, there were no SLs for some accounts due to a lack of personnel in the accounting unit to trace the accounts from the previous e-NGAs records.	Updates will be submitted once finalized
		<p><b>INVENTORIES:</b> a) require the SPU and the Accounting Unit of <b>PNU South Luzon</b> to reconcile the reported balances of Inventory accounts in the books and in the RCVPI and adjust any discrepancies to establish the correct balances reported in the FS;</p>						Fully Implemented		
		<p>b) ensure full compliance of <b>PNU Manila</b> with the provisions in COA Circular No.2022-004 including the maintenance of proper forms, and reports; and</p>						Fully Implemented (PNU MANILA)		
		<p>c) immediately issue the corresponding ICS or PAR to the recipients of all properties owned by <b>PNU North Luzon</b> to ensure accountability and judicious use thereof. Prospectively, properties/semi-expendable properties should not be released to the end users without properly accomplishing first the ICS or PAR.</p>						Fully Implemented		
		<p><b>PPE:</b> We recommended and the <b>PNU Manila, PNU South Luzon and PNU Visayas</b> agreed to:</p> <p>a) require the SPU to complete the conduct of the physical count of PPE, and reconcile the reported balances of PPE accounts in the books and in the RC PPE; and</p>						PNUSL - Fully Implemented PNUVisayas- Partially Implemented PNU-Manila - Partially Implemented	PNU Manila already reconciled PPE accounts with the Accounting Unit but for continuation of the conduct of physical count of PPE. PNU Visayas- New SPMO Officer already done partial count of PPE, but still finalizing summary for reconciliation.	
		<p>b) Comply with the one-time cleansing of PPE account balances provided for under COA Circular No.2020-0063.</p>						PNU-ML PNU Visayas-Not Implemented	Waiting for final reconciliation	
		<p><b>LIABILITIES:</b> <b>PNU South Luzon</b> agreed to direct the personnel of AU to exert utmost effort for the immediate analysis of the abnormal/negative balances and effect the necessary adjustments to reflect correct balances of the affected accountings</p>						Fully Implemented		
CAAR 2023 Par-2 pp 74-78	<p><b>OTHER AUDIT AREAS:</b></p> <p>3) <b>Budget Utilization - Of the total allotments received in CY 2023 amounting to P881,565,140.73, the amount of P863,912,915.966 or 98 percent thereof was obligated by PNU, leaving an unobligated balance</b></p>	<p>We recommended and the Management agreed to:</p> <p>a) expedite the submission of requirements to the DBM-PS for the release of funds related to the locally funded projects; and</p>						Fully Implemented		

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan				Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken
				Action Plan	Person/ Dept. Responsible	Target Implementation				
						From	To			
	of P17,652,224.77 of which P12,843,182.29 was reverted to the unappropriated surplus of the General Fund. The unobligated amount is largely attributed to unimplemented locally funded projects in view of the later request and release of funds from the Department of Budget and Management (DBM).	b) evaluate and address the issues/concerns that had caused the delays in the procurement process to ensure timeliness in project implementation in ensuing years.						Fully Implemented		
	3.b) Unutilized/Reverted Cash Allocation---- The PNU Manila utilized P833,855,309.89 or 98.49 percent of the total cash allocation received while P12,810,310.00 or 1.51 percent was reverted to the unappropriated surplus of the General Fund	We commended the PNU for maximizing the utilization of its NCAs and recommended that it continue with the efficient use of scarce government resources						Fully Implemented		
CAAR 2023 Par-4 pp 78-80	Utilization of Special Trust Fund 4) Of the total approved budget for Special Trust Fund (STF) in CY 2023 amounting to P248,640,316.52, the amount of P138,946,779.66 or 55.88 percent thereof was utilized by PNU Manila, leaving an unutilized budget of P109,693,536.86 or 44.12 percent which is largely attributed to unused allocation for procurement of various equipment, lower costs incurred for various activities and unimplemented projects/activities.	We recommended and the Management agreed to: a) formulate a more realistic budget that will address the needs of the university through judicious planning and programming, constant monitoring and assessment of ongoing projects with the proper procurement process and timeliness; and  b) maximize the utilization of the STF and Fiduciary Fees to ensure accomplishment of the university's trifocal functions of instructions, research, and extension services.						Fully Implemented		
								Not Implemented	The Management explained that the funds for CO under the fiduciary Fund are not fully utilized because the procurement of various equipment for student's use did not materialize during the year. Additionally, unutilized budgets under other Fiduciary Funds which are mostly MOOE funds are either due to lower costs incurred for various activities or unimplemented activities/projects during the year. These undisbursed funds will be used for other priority activities for the benefit of the students in the ensuing years.	Updates will be submitted once finalized
CAAR 2023 Par-3 pp 80-83	Income Generating Projects (IGPs) 5) There were deficiencies and non-compliance with relevant laws, rules, and regulations in the operations of IGPs managed by the Auxiliary Services of PNU Manila, such as: (a) lack of Manual of Operations and Financial Reports on IGPs; (b) lack of legal basis on the use of a 150 square meter lot and the	We reiterated our recommendations and PNU Manila agreed to: a) expedite the preparation of the Manual of Operations for all IGPs under Auxiliary Services;  b) prepare Financial Reports for each business segments to monitor the profitability of each unit and explore the possibility of utilizing the e-NGAS for efficient report preparations; and						Not Implemented	The development of manuals and standards is still in process.	The Director for ASBDO commented that the Manual and Standards will be submitted before the end of 2025
								Not Implemented	The feasibility of using e-NGAS for efficient report production will be evaluated.	<a href="#">for preparation of Financial Report but the set up of responsibility center for each segment of the Auxiliary Services to monitor income and expenses is already utilized .</a>

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan				Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken
				Action Plan	Person/ Dept. Responsible	Target Implementation				
						From	To			
	construction of building thereon by the PNU Alumni Association; and (c) non-allocation of common expenses among business segments	c) develop a scheme that can reasonably allocate the common expenses among IGPs for purposes of determining the profitability of each business segments.						Not Implemented	The newly appointed lawyer will conduct a thorough review of the agreement between PNU Manila and the PNU Alumni Association in light with the audit findings.	Updates will be submitted once finalized
CAAR 2023 Par-5 pp 83-84	<i>Tertiary Education Subsidy (TES)</i> 6) The distribution of Tertiary Education Subsidy (TES) to student-grantees under the Universal Access to Quality Tertiary Education Act (UAQTEA) of PNU Visayas was delayed for up to 6315 days, thereby depriving them the maximum benefit which can be derived had the subsidy was released on time	We recommended and <b>PNU Visayas</b> agreed to: a) coordinate closely and constantly follow-up with CHED to ensure immediate receipt of Masterlist and corresponding immediate release of subsidy to student grantees; and b) maintain a separate bank account for proper account management for TES.						Fully Implemented		
CAAR 2023 Par-4 pp 84-86	<i>LiSQuP</i> 7) The payment of honorarium for the Linking Standards and Quality Practice (LiSQuP) program was not fully in accordance with DBM Circular No.2007-020 dated October 1, 2007. Moreover, payments of honoraria to employees for special projects exceeded 25 percent of their annual basic salaries, amounting to P8,283,322.46.	We recommended and the Management agreed to: a) consider evaluating the University's compliance with DBM Circular No.2007-02 dated October 1, 2007 particularly on the payments of honoraria related to special projects; and b) consider submitting to the DBM a request for exemption from the 25 percent threshold, otherwise, the payments made may be disallowed in audit for being irregular and excessive.						Fully Implemented	The Management appeals for more lenient treatment of programs like LiSQuP. If treated as a special project, then PNU's role as NCTE and as advisor named in RA No.11713 includes the functions of NEAP. PNU has to be able to work with its mandate as a service provider of academic programs.	UPDATED: In 2024, the LiSQuP Team, in coordination with the Finance Team, adhered to the recommendation of the Internal Audit Office on the payments of honoraria related to special projects. All payments have been accounted for under the 25% of the annual salaries of all engaged personnel in the project.
								Not Implemented	The Management sought support from DBM on this matter and is currently preparing the documents on the exemption of the project on thresholds for submission.	UPDATED: The LiSQuP's Project Management Team shall further discuss the project's exemption on thresholds for the previous academic terms. Updates and decisions on these matters shall be reported once finalized.
CAAR 2023 Par-3 pp 86-88	<i>Payment of CNA Incentive of PNU Mindanao - P1,404,166.66</i> 8) Collective Negotiations Agreement (CNA) Incentive aggregating P1,404,166.66 as of December 31, 2023 was granted to faculty and staff of PNU Mindanao, despite the non-submission of the accreditation of the sole and exclusive negotiating agent and the CNA Certificate of Registration from the Civil Service Commission (CSC), as indispensable condition precedent in the grant of CNA Incentive.	We recommended and PNU Mindanao agreed to submit the accreditation of the sole and exclusive negotiating agent and the Certificate of Registration of CNA from the CSC to substantiate the validity of CNA and avert the incurrance of irregular disbursement of government funds.						Not Implemented	Remained unsubmitted to date.	

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan				Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken		
				Action Plan	Person/ Dept. Responsible	Target Implementation						
						From	To					
CAAR 2023 Par-2 pp 88-90	Overpayment of salary and extra pay differential and Yearend Bonus - P362,519.76 <b>9) PNU - North Luzon paid salary and extra pay differential and Yearend Bonuses to newly promoted teaching personnel due to reclassification affecting their new salary rate prior to the effectivity and signing of their appointment order resulting in an overpayment of salaries and benefits amounting to P362,519.76 which is not in accord with CSC Resolution No. 1800692 dated July 3, 2018 and Budget Circular No. 2016-4 dated April 28, 2016.</b>	We recommend that PNU North Luzon: a) require the concerned newly promoted teaching personnel to refund the salary and extra pay differential and Year-End Bonuses received amounting to P362,519.75; and						<b>Not Implemented</b>	The Audit Team reiterated and emphasized that the guidelines are clear and unambiguous and they provide that the appointment orders are effective only upon the date of signing and not upon the approval of the NOSCA. The Audit Team maintains its position that payment of salary and extra pay differential and adjusted Year-End Bonus amounting to P362,519.76 to PNU NL officials prior to the effectivity of their appointment is <b>improper</b> .			
		b) ensure that personnel shall only be required to assume duties and responsibilities of the position after receipt of their appointment signed by the appointing authority which is the reckoning period of their salary differential in compliance with CSC Resolution No. 1800692 dated July 3, 2018.							<b>Not Implemented</b>			
CAAR 2023 Par-4 pp 90-93	Faculty Scholarship Grant <b>10) Out of the 157 faculty scholars of the PNU Manila from CYs 2011 to 2022, a total of 76 grantees or 48 percent thereof with allowances inclusive of tuition fees and other benefits totaling P74,879,431.39, were not able to finish their academic programs within the period stipulated in the Scholarship Program Contract due to medical issues and concerns and various personal challenges, thereby defeating the purpose of the grants and which may result in wastage of public funds.</b>	We recommended and the Management agreed to: a) issue the demand letters to faculty members who failed to complete their scholarship programs requiring them to pay the total amount of benefits provided to them.							<b>Fully Implemented</b>	<a href="https://drive.google.com/drive/folders/1ZDu6aFFib9uz6ZnzZUntXSbG032BQVze">https://drive.google.com/drive/folders/1ZDu6aFFib9uz6ZnzZUntXSbG032BQVze</a>		
		b) evaluate meticulously the applications and qualifications /medical status of each faculty member before granting scholarship/study leave with pay to minimize termination/non-compliance with contract								<b>Fully Implemented</b>		
		c) enforce strictly the penalties under the contract to ensure prudent use of government funds								<b>Not Implemented</b>	The recommendation of the management regarding implementation of the penalties has been forwarded for the approval of the Board of Regents (BOR).  Updates and decision will be submitted once finalized	
CAAR 2023 Par-4 pp 93-95	Deficiencies in the granting and liquidation of cash advances <b>11) Deficiencies in the granting and liquidation of cash advances in PNU South Luzon and PNU South Luzon</b> were noted such as: a) non-submission of liquidation reports; b) unliquidated cash advances; c) unsupported cash advances; and d) un authorized granting of such advances to officers and employees who are not designated as Disbursing Officer, contrary to Section 89 of PD No. 1445 and COA Circular No. 97-002, thereby casting doubts on legality and propriety of the transactions.	We recommended and the Management agreed to: <b>PNU North Luzon</b> a) required the concerned officials and employees with outstanding unliquidated cash advances to immediately submit the Liquidation Reports together with the supporting documents to the Accountant who will submit the same to the Office of the Auditor, or for the Accountant to issue demand letter, if warranted by circumstances;								<b>Fully Implemented</b>		
		b) stop the practice of recording cash advances as direct charges to expense accounts instead record the grant of cash advances as Advances to Officers or Employees or other appropriate accounts									<b>Fully Implemented</b>	
		c) revert the entry of the recorded liquidations without Liquidation Reports and supporting documents in the amount of P472,687.36 to reflect the correct balance of the Advances to Officers and Employees account;										<b>Fully Implemented</b>
		<b>PNU South Luzon</b> d) require the Accountable Officers to immediately liquidate their cash advances;										<b>Fully Implemented</b>
		e) refrain from granting additional cash advances to officers/employees if the previous ones are not still not liquidated in the books of accounts; and										<b>Fully Implemented</b>

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan			Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken
				Action Plan	Person/ Dept. Responsible	Target Implementation			
						From			
		f) ensure that the cash advances are granted only to officers and employees who are duly appointed or designated to act as disbursing officers					Fully Implemented		
CAAR 2023 Par-1 pp 96-97	<p><i>Deficiencies in the monetization of leave/service credits</i></p> <p><b>12) The payment of monetization of leave credits to officers and employees of PNU - North Luzon</b> totaling P2,543,507.91 was made even with the following deficiencies: a) monetization of sick leave credits without exhausting first the vacation leave credits and b) monetized leave credit were not deducted from the leave cards contrary to the intended purposes of the Civil Service Omnibus Rules of Leave, Book V of EO and CSC Resolution No. 00-0034 dated January 5, 2000.</p>	We recommended and the <b>PNU North Luzon</b> agreed to:					Fully Implemented		
		a) implement the CST Resolution in exhausting first the balance of Vacation Leave credits before Sick Leave credits;						Fully Implemented	
		b) reflect in the leave cards the monetization of leave credits of four (4) employees that are not deducted from their leave balances; and						Fully Implemented	
		c) adjust and update the leave balances to arrive at the correct balances thereof and to submit copy of the adjusted leave record cards to the Office of the Auditor for validation.					Fully Implemented		
CAAR 2023 Par-6 pp 97-101	<p><i>Internal control weaknesses and lapses in attendance monitoring</i></p> <p><b>13) Internal control weaknesses and lapses in attendance monitoring of various officials and employees of PNU-North Luzon</b> were noted such as: a) tardiness and undertime were not reflected in their DTR and were not deducted from their earned leave/service credits, b) various employees did not register their attendance in the Biometric Finger Scanner Machine and attendance log-book and c) discrepancies between the DTR and Report on Loads (ROL) on overload teaching in terms of times and course contrary to Rule XVII, Omnibus Rules Implementing Book V of Executive Order No. 292 and the University Faculty Manual, hence affecting validity and propriety of the payment of salary and other benefits.</p>	We recommended and the Management agreed that:					Fully Implemented		
		a) the HRMO update and reconcile the individual personnel Leave Credits and deduct from the leave/service credit balances the corresponding tardiness and undertime incurred. Further, monitor the tardiness and undertime of the e, employees and consider the provisions of CSC MC No. 16, s. 2010 to protect the interest of the government;						Fully Implemented	
		b) the Management require all faculty and staff of PNU North Luzon to always register their attendance in the biometric finger scanner provided in the office ad in the attendance log-book to record manually their attendance for control purposes; and						Fully Implemented	
		c) the HRMO provide explanation and justification on the discrepancies noted in the time and course name indicated in the approved ROL as against the submitted DTRs, otherwise other audit action is warranted.					Fully Implemented		
CAAR 2023 Par-4 pp 101-104	<p><i>Delayed and unsubmitted disbursement voucher and its supporting documentation</i></p> <p><b>14) Disbursement Voucher and supporting documents for claims totaling P1,416,000.42 of PNU South Luzon and P7,485,669.99 of PNU Visayas</b> were delayed and unsubmitted to the Audit Team, contrary to Section 100 of Presidential Decree No. 1445 and COA Circular No. 2008-006. thus, the validity, propriety, and legality of the disbursements could not be</p>	We recommended and <b>PNU South Luzon and PNU Visayas</b> agreed to:					Fully Implemented	PNU Visayas- New Accountant and Senior Bookkeeper Started only last April,2024 with no EnGas entries since January 2024 backlogs, submitted up to month of June 2024 DVs	
		a) submit DVs and its supporting documents to the Audit Team immediately;						PNU Visayas- Fully Implemented	
		b) refrain from processing the DV's if not supported with complete documentation;						Not Implemented	PNU Visayas-Partial Implemented
		c) ensure that paid vouchers as reflected in the RCI and RADAI, and the corresponding supporting documents are submitted completely and regularly, within 10 days after the end of each month; and							

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan				Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken
				Action Plan	Person/ Dept. Responsible	Target Implementation				
						From	To			
	ascertained. Moreover, the submitted paid Disbursement Vouchers and its supporting documents of PNU South Luzon were not stamped "PAID", contrary to Item 2.Q of COA Circular No. 92-389 dated November 3, 1992.	d) instruct the <u>Cashier of PNU South Luzon</u> to strictly comply with the requirements stated under COA Circular No. 92-389 to prevent the possible re-use of these documents for other claims of the same nature as part of a sound internal control system in the disbursement of funds.						Fully Implemented		
CAAR 2023 Par-1 pp 104-107	<p><i>Compliance with pertinent provisions of Section 37, 38 and 54.2 of RA No. 9184 and its RIRR</i></p> <p>15) Various deficiencies were noted in the review of contracts such as:  a) delays in the approval of BAC Resolution and issuance of Notice of Award ranging from 2 to 37 days;  b) delays in entering into the contract by the parties ranging from 1 to 25 days; c) the procurement from the opening of the bids up to the award of contract exceeded three (3) months by 5 to 18 days; and d) failure to post the invitation or request for submission for price quotations/proposals, a notice of award, and contract/purchase order on the PhilGEPS website and the agency website for various procurements.</p>	<p>We recommend and the Management agreed to:</p> <p><b>PNU Manila</b></p> <p>a) strictly comply with the procurement timeless prescribed in Sections 37.1.2, 37.2.1, and 38.1 of the RIRR of RA No. 9184;</p> <p>b) consider discussing the herein issues and concerns on delays in the procurement process with the governing board and propose measures to expedite action on phases of procurement that need board approval.</p> <p><b>PNU North Luzon</b></p> <p>c) Strictly observe in its procurements the posting of the invitation or request for submission for price quotations/proposals, notice of award, and the contract/purchase order on the PhilGEPS website and in the website of the entity, pursuant to the provisions of the Revised IRR of R.A. No. 9184</p>						Fully Implemented		
								Fully Implemented	The PNU management has already elevated the concern to the BOR. A BOR Resolution No. U-3736 s. 2024 with a Title: "Approving the Increase in PNU President's Threshold for Procurement Contracts to Ten Million Pesos" was issued on April 18, 2024 thru a Secretary Certificate.	
CAAR 2023 Par-1 pp 108-109	<p><i>Liquidated damages due to late deliveries of various goods amounting to P61,002.51 and P68,823.25 of PNU North Luzon and PNU Visayas</i></p> <p>16) Liquidated damages due to late deliveries of various goods on <u>PNU North Luzon and PNU Visayas</u> amounting to P61,002.51 and P 68,823.25, respectively, were not fully imposed to erring suppliers which is contrary to Section 3, Annex D of the 2016 Revised IRR of R.A. No. 9184.</p>	<p>We recommended and the <u>PNU North Luzon and PNU Visayas</u> agreed to take appropriate action to collect the liquidated damages amounting to P61,002.51 and P68,823.25, respectively, from the suppliers who incurred delays in deliveries.</p> <p>Furthermore, we recommended and <u>PNU Visayas</u> agreed that:</p> <p>a) the Technical Inspection and Acceptance Committee or its equivalent to require from all the suppliers a Delivery Receipt for all the items delivered at a specified date even when said delivery is only partial; ensure that the IAR are completely filled out, dated and invariably bear all the required information, and;</p>						<p><b>PNU NL- Not Implemented</b></p> <p><b>PNU Visayas- Not implemented</b></p>	<p>PNU North Luzon-The Management was able to collect the liquidated damages of one of the suppliers.</p> <p>PNU Visayas- The management has not been able to communicate with the supplier yet.</p>	
								Fully Implemented		

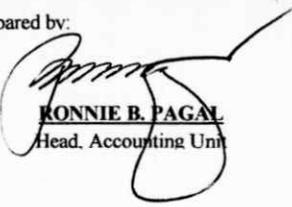
Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan				Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken
				Action Plan	Person/ Dept. Responsible	Target Implementation				
						From	To			
		b) the Procurement Officer to see to it that the Supplier indicates the date of the receipt of the POs on the space provided therein and ensure as well that the POs are completely filled out and invariably bear all the required information.						Fully Implemented		
CAAR 2023 Par-14 pp 109-113	<p><i>Hiring of Individual Contract of Service 17) The PNU Manila and PNU South Luzon did not fully comply with the updated rules and regulations governing Contract of Service (COS) and Job Order (JO) workers in the government, such as: a) payment of wages are higher/lower than the daily wage/salary of comparable positions in government; and b) positions titles in the contract which are not comparable against the occupation titles in the Revised Organization and Staffing Standards (ROSS) and Index of Occupational Services (IOS), Occupational Groups, Classes of Salary Grades, contrary to Section 11.5 of COA-DBM Joint Circular No. 2, s. 2020. Moreover, other deficiencies were also noted in the engagement of the service of COS workers such as: (a) payment of salary to COS personnel on regular and special holidays; (b) reported Accomplishments of two COS personnel were exactly replicated from their agreed functions/duties in the contracts; and (c) Daily Time Record (DTR) of one COS personnel has manual entries.</i></p>	We recommended and the Management agreed to strictly adhere to Sections 11.5 of COA-DBM Joint Circular No. 2, s. 2020						Fully Implemented		
		We recommended and <u>PNU Manila and PNU South Luzon</u> Management agreed to cease from the current practice of compensating COS personnel on regular and special holidays unless the COS personnel voluntarily opted to render services on those days as property authorized by the appropriate official/immediate supervisor.							Fully Implemented	<a href="https://drive.google.com/drive/folders/1ZRlaqJRhAwG3nqcxNVXShr_vGtdy0wp?usp=drive_link">https://drive.google.com/drive/folders/1ZRlaqJRhAwG3nqcxNVXShr_vGtdy0wp?usp=drive_link</a>
		We recommended and PNU Manila agreed to require the concerned COS personnel to: a) refrain from replicating function. Duties indicated in the contracts and to report their actual accomplishments with sufficient details; and							Fully Implemented	
		b) refrain from reporting daily time in and out in the DTR manually.							Fully Implemented	
CAAR 2023 Par-3 pp 113-114	<p><i>Institutional Contract of Service 18) Payments totaling P7,779,850.54 were made by PNU Manila to 4V Investigations and Security Agency for the services rendered covering January to July CY 2023 despite failure of the said contractor to remit monthly contributions to the SSS, Philhealth, and Pag-IBIG, contrary to Section 6.1.4 of COA-DBM Joint Circular No. 2, s. 2020 and Section 9.1.3.2 of COA Circular NO. 2012-001, as amended by COA Circular No. 2023-004</i></p>	We recommended and the Management agreed to: a) require the contractor to submit proof of remittances of monthly contributions to SSS, Philhealth, and Pag-IBIG; and	yes	will continuously follow up with the agency their compliance	ASMO-Dir. Malitao	2nd quarter	4th quarter	Not Implemented	The OVPFA, through the Administrative Services Management Office (ASMO) forwarded a letter to 4VISA on February 28, 2024, reiterating their pledge commitment to pay the remittance of the security guards. The letter was duly acknowledged by the contractor on the same date. Coordination and constant communication with 4VISA will be intensified until the agency complies with the mandatory benefit requirement.	Communicated thru email and phone messages the follow up with 4V Security Agency. Only 1 remittance was submitted by 4V Agency (Month of February 2023). Additionally, they paid for the Pag-ibig remittance for the month of January - April 2023. The ASMO made several phone calls on July 2024 but no replies. Emails were sent on May, June and July. A follow up email was sent to 4V Security Agency on August 30, 2024, and on September 5, 2024, ASMO sent via LBC another follow up letter. Due to failure of the Agency to fulfill its contract obligation, its performance rating was affected to the extent that it can no longer participate in any of the bid projects of the PNU.
		b) henceforth, strictly adhere to Section 6.1.4 of COA-DBM Joint Circular No. 2, s. 2020.							Fully Implemented	

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan			Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken
				Action Plan	Person/ Dept. Responsible	Target Implementation			
						From	To		
CAAR 2023 Par-5 pp 114-119	<p><i>Gender and Development (GAD)</i></p> <p><b>19) The PNU had allocated P55,641,581.79 or 7.56 percent of its budget for the implementation of GAD-related programs and activities pursuant to Section 35 of the General Provisions of the GAA FY 2023. Of this amount, only P1,920,889.55 or 3.45 percent was utilized. Furthermore, the University did not submit the supporting documents and proof of submission for review of AR to the Commission on Higher Education (CHED) and Philippine Commission of Women (PCW) pursuant to Department of Budget and Management (DBM) - National Economic and Development Authority (NEDA)- PCW Joint Circular No.2012-001 and PCW Memorandum Circular (MC) No.2023-05 dated December 19, 2023</b></p>	<p>We recommended and the management agreed to:</p> <p>a) set an attainable level of GPB and ensure that the GPBs are fully implemented within the timeline to achieve the objectives and/or mainstreaming of the GAD funds; and</p> <p>b) henceforth, submit to the Office of the Auditor the proof of submission for review of AR to the CHED and PCW and a copy of the final GAD AR with PCW's remarks and observations.</p>	YES	GEDIO will involve all offices and units in the GPB planning to ensure that every office will be allocated with budget relating to gender and development. This will take place during the GFPS assembly.	Prof. Iona Ofelia Zanonía / GEDIO	1st quarter	2nd quarter	Fully Implemented	<p>Accomplishment Report for 2023 submitted</p> <p>GAD Accomplishment Report 2023 GPB 2024 submitted</p> <p><a href="https://drive.google.com/drive/folders/1WV4DvgAGaxvmiCslqubRU2ay1VWRDA">https://drive.google.com/drive/folders/1WV4DvgAGaxvmiCslqubRU2ay1VWRDA</a></p>
			YES	GEDIO will submit to Internal Audit Office the proof of submission of GPB and AR at the end of the year.	Prof. Iona Ofelia Zanonía / GEDIO	4th quarter	4th quarter		
CAAR 2023 Par-3 p 119	<p><i>Senior Citizens (SCs) and Differently-abled Persons (DAPs)</i></p> <p><b>20) The PNU has complied with Section 36, General Provisions of RA No. 11936, otherwise known as the FY 2023 in the implementation of programs, projects and plans related to SCs and DAPs.</b></p>	We commended the Management's continued efforts to adhere to the requirements of the law by consistently implementing programs and projects that address the concerns of SCs and DAPs.						Fully Implemented	
CAAR 2023 Par-4 pp 119-120	<p><i>Remittances to Bureau of Internal Revenue (BIR), Government Service Insurance System (GSIS), Philhealth and Pag-IBIG Funds</i></p> <p><b>21) The PNU has substantially complied with the required withholding and remittance of dues/contributions to the BIR, GSIS, Philhealth, and Pag-IBIG in accordance with Executive Order No. 651, and RA Nos. 8291, 9679, and 7875.</b></p>	We commended the Management's continued compliance with the requirements of the law by consistently withholding and remitting the amounts due to the BIR, the GSIS, the PhilHealth and the Pag-IBIG.						Fully Implemented	
CAAR 2023 Par-2 pp 120-124	<p><i>Compliance with RA No. 656 - Property Insurance Law</i></p> <p><b>22) The PNU Supply and Property Unit (SPU) did not fully comply with the relevant provisions of RA NO. 656 and COA Circular No. 2018-002 which resulted in the lack of insurance coverage for insurable assets amounting to</b></p>	<p>We recommended that the Management direct the SPU to:</p> <p>a) prepare and submit the consolidated PIF in accordance with the pertinent provisions of COA Circular 2018-002, and Annex A thereof, to this Office and the GIF, not later than April 30 of each year; and</p>						Fully Implemented	<p>The PNU Supply and Property Unit (SPU) fully complied with the submission of consolidated PIF to the GSIS and COA on April 30, 2024.</p>

Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan				Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken
				Action Plan	Person/ Dept. Responsible	Target Implementation				
						From	To			
	P419,414,106.54, thereby denying the government adequate and reliable protection against any damage to or loss of its properties or assets and interests due to fire, earthquake, storm or other fortuitous events/casualty.	b) ensure centralized payment of insurance premium of all assets/property						Fully Implemented	The PNU Supply and Property Unit (SPU) fully complied with the centralized payment of insurance premium of all assets/property to the GSIS. The proof of payment was already submitted to the COA office.	

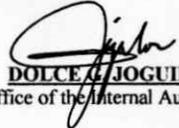
Ref.	Audit Observations	Audit Recommendations	Agree with recommendations? (YES/NO)	Agency Action Plan			Status of Implementation	Reasons for Partial/Delay/Non-implementation, if applicable	Action Taken/Action to be taken	
				Action Plan	Person/Dept. Responsibl	Target				
						From				To
CAAR 2023 Part 3 pp 124-125	Status of Audit Suspensions, Disallowances, and Charges <b>23) The status of Audit Suspensions, Disallowances and Charges for CY 2023.</b>	We recommended that the Management immediately cause the settlement of the disallowances and charges pursuant to the 2009 Rules and Regulations on the Settlement of Accounts of COA.					Not Implemented	Updates will be reported once finalized		

Prepared by:



**RONNIE B. PAGAL**  
Head, Accounting Unit

Reviewed by:



**DOLCE C. JOGUILON**  
Head, Office of the Internal Audit Unit

Approved by:



**BERT JAZMIN TUGA, Ph.D.**  
President



**PHILIPPINE NORMAL UNIVERSITY**  
**Taft Avenue, Manila**

**STATUS of IMPLEMENTATION**  
**of PRIOR YEARS' AUDIT RECOMMENDATIONS**  
**As at December 31, 2024**

The report shows that 33 out of 59 recommendations were Fully Implemented to date.

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
<b>CY 2022</b>			
Lack of Stock Certificate We recommended that Management of :	CAAR CY2022, Par. No. 2.4		
<b>PNU Manila</b> 1) provide the Certified True Copies of Stock Certificates and/or documents evidencing ownership, authenticity, nature of the investments, and other relevant data to support the investments recorded in its books for further evaluation and audit actions	2.10	The SPU found the MERALCO Stocks Certificates in their files	<b>Fully Implemented</b> Validated the submitted copy of the Meralco Stock Certificate and found in order.
<i>Unreconciled balances of Due from NGAs account per confirmation</i> We recommended that Management of:	Par. No. 2.14-2.18	Out of the total unreconciled balances of P22,745,969.21 the Accounting office submitted a response to AOM #2023-18(2022) with the total reconciled accounts of P13,799,266,196. As to the remaining accounts, the PNU Management will communicate with the identified agencies for the reconciliation of balances.	<b>Not Implemented</b>
<b>PNU Manila</b> 2) Direct the AU to examine the details of the unreconciled under the Due from NGAs account and prepare the necessary adjusting journal entries.			A total of P8,946,703.01 is still subject for reconciliation
<i>Dormant Receivables</i> We recommended that the Management of:	Par. No. 2.19-2.26	Residential/Company addresses of the debtors will be requested from the concerned offices for the preparation and distribution of demand letters. Moreover, authority to write-off the dormant accounts will be prioritized in order to cleanse the books of accounts of the University	<b>Fully Implemented</b>
<b>PNU Manila</b> 3) Make a detailed assessment of the possible collectability/settlement of the receivable accounts, intensify efforts to locate and communicate with the debtors and take appropriate action/s to collect all receivables that are due for collection; and			Actions were taken to locate debtors for the collection of the receivables

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
4) Establish the non-collectability of accounts under Accounts Receivables, Loans Receivables-Other Receivables, and request for authority to writeoff dormant accounts from COA.			<b>Not Implemented</b> No request for write-off has been submitted as at December 31, 2023
<i>Reporting difference between the financial records and the Reports on Physical Count of Inventory (RCPI)</i>	Par. No. 2.30-2.32		
<b>We recommended that Management of:</b>		The inventory records as of December 31, 2022 between the Accounting Unit (AU) and Supply and Property Unit (SPU), are already reconciled. As to inventory amounts, the AU and SPU are using different costing methods for inventories.	<b>Fully Implemented</b>
<b>PNU Manila</b> 5) <b>Reconcile and make necessary adjustments in their respective records to ensure reliability of the affected accounts.</b>			Records were already reconciled and adjusted.
<i>Non-maintenance of prescribed forms, registry and reports in accordance with COA Circular No. 2022-004</i>			
<b>We recommended that Management of:</b>			
<b>PNU Manila</b>			
6) Ensure full compliance with the provisions in COA Circular No. 2022-004 including the maintenance of proper forms, registry, and reports.		SPU is committed to ensuring compliance with the rules and regulations on Property Management outlined in the GAM for NGAs. There is an ongoing hiring of additional plantilla positions/personnel for SPU. Once the hiring process is done, they can focus on the compliance and maintenance of the required reports and records.	<b>Fully Implemented</b> The required reports and records were already maintained and found in order.
<i>Reporting Difference between the Books and the Report on Physical Count of PPE (RPCPPE)</i>	Par. No. 2.41-2.51		
<b>We recommended that management of:</b>			
<b>PNU Manila/ PNU North Luzon/ PNU Mindanao</b>			
7) Comply with COA Circular No. 2022-004 regarding the reclassification of PPE below			<b>Fully Implemented</b>

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
P50,000.00 to semi-expendable property; and		<p>PNU Manila - SPU is currently on the reclassification of PPE below P50,000.00 to semi-expendable property. Once completed, SPU will submit a Report of Semi-Expendable Property Issued (RSPI) compliant with the provisions of COA Circular No. 2022-004.</p> <p>PNU- North Luzon - The Management agreed to the recommendations and will prepare the necessary adjusting entries to correct the PPE accounts. Also, Reconciliation of the RPCPPE, and PPE per accounting records will be done accordingly.</p>	PPE below P50,000.00 were reclassified to semi-expendable property.
8) Exert efforts in reconciling the balances of PPE accounts per books and per Property records.		<p><b>PNU Manila</b> - The Accounting Unit (AU) and Supply and Property Unit (SPU), are in the process of reconciling the PPOE accounts. Several PPE accounts have been reconciled and as to the remaining PPE accounts, the discrepancies have been already identified.</p>	<b>Not Implemented</b>
		<p><b>PNU Mindanao</b> - The Supply Officer and the Accountant will work together in the cleansing of the PPE accounts.</p>	A meeting had been conducted with the concerned offices and laid down the procedures to be undertaken for the reconciliation of the books of accounts
Other deficiencies in Property Management	Par. No. 2.52-2.55	PNU Manila is committed to ensuring compliance with the rules and regulations on Property Management outlined	<b>Fully Implemented</b>
<b>We recommended that Management of: PNU Manila</b>		to the CAMS-NCA	On-going compliance with the aforementioned rules and regulations has been verified.

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
<p>9) Comply with the rules, regulations and guidelines on property management as outlined in the GAM for NGAs - Volumes I and II.</p>		<p>In the GAM for NGAs. Considering the lack of manpower, however, such compliance becomes a challenge. Once the Revised Organization and Staffing Standards for SUCs – Phase I goes into full implementation, the SPU will have additional plantilla positions/personnel who can focus on the compliance and maintenance of the required reports and records.</p>	
<p><i>Doubtful liabilities that remained outstanding for more than two years</i></p> <p><b>We recommended that Management of: PNU Manila/ PNU North Luzon/ PNU Mindanao</b></p>	<p>Par. No. 2.56-2.58</p>		
<p>10) Verify the records and revert to Accumulated Surplus the payables which remained outstanding for two years or more: and</p>		<p>The PNU North Luzon- The accountant already made action as evidenced by various adjusting entries supported by working paper this year. The Accounting Office will revert the remaining balance of Other Payables with recommended adjusting entry. PNU Mindanao- The OIC Accountant verified and reconcile the accounts to correct the balance in the books.</p>	<p><b>Not Implemented</b> Account were not reconciled and adjusted as year-end in PNU Mindanao while PNU Manila reiterated the observation</p>
<p><i>Existence of negative balance</i></p> <p><b>We recommended that Management of: PNU Mindanao</b></p> <p>11) Facilitate the immediate reconciliation of prior years' transactions and those with existing negative balances and effect the necessary adjustment in the books</p>	<p>Par. No. 2.59-2.60</p>	<p>The OIC -Account verified and reconciled the accounts to correct the balances in the books.</p>	<p><b>Not Implemented</b> Abnormal or Negative balances still existed, on-going reconciliation.</p>

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
<p><i>Delay in the implementation of the SMART Campus Project funded by the Commission on Higher Education (CHED) in CY 2021</i></p> <p>We recommend that Management of:</p> <p>PNU Manila</p> <p><b>12) Expedite the activities to be undertaken related to the SMART Campus Program funded under GAA FY 2022 to ensure the implementation of the program without further delays.</b></p>	Par. No. 6-6.5	The certificates of Completion in June 2022 for Lot 1 and Lot 2 were submitted	<b>Fully Implemented</b> Submitted certificate of completion has been verified and found in order
<p><i>Non-adherence to the rules and regulations related to the TES of the CHED</i></p> <p>We recommend that Management of:</p> <p>PNU Mindanao</p> <p><b>13) Ensure immediate release of TES funds to student-grantees;</b></p>	Par. No. 7-7.5	Monitor receipt of TES funds for immediate disbursement to recipients. Also coordinated with CHEDRO	<b>Fully Implemented</b>
<b>14) Submit the required supporting documents in the liquidation of TES funds such as the funds utilization reports, clear photocopies of school identification card of student-grantees with specimen signature duly certified, and certificate of registration, duly verified by the Accountant/responsible officials, and instruct the OIC-Accountant to ensure the supporting documents; and</b>			<b>Fully Implemented</b>
<b>15) Maintain separate bank account with the LBP and recorded trust Receipts Deposited with AGDB under Fund Clusted 07 properly manage the receipt and the distribution of the TES financial assistance transferred by CHED</b>		Trust receipts were separated from IGI fund as of year-end.	<b>Fully Implemented</b>
<p><i>Deficiencies in Cash Balances</i></p> <p>We recommend that Management of:</p> <p>PNU Manila/Manila/PNU South Luzon</p>		PNU Manila-On March 7, 2023, the Human Resource Management and Development Services (HRMDS) sent the	<b>Fully Implemented</b> Unutilized and idle funds reverted to the National Treasury upon verification of proof of reversion

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
<p><b>16) Return the unutilized and the funds to the National Treasury</b></p>		<p>Services (HRMIS) sent the second email reminder to the concerned faculty members regarding their submission of pertinent documents (Report on Loads, Daily Time Records, or Proportional Vacation Pay Clearance) for the processing of their unpaid salaries. If they still fail to submit the said documents, the balance of the payroll fund account, exclusive of the initial deposit, will be reverted to the National Treasury on or before April 15, 2023.</p> <p><b>PNU South Luzon-</b>The Unutilized Cash Balances amounting to ₱8,415,774.47 were returned to the Bureau of the Treasury (BTr) on March 6, 2024</p> <p><b>PNU North Luzon-</b> The Management instructed the Accountant to prepared a check amounting to ₱2,231,663.96 to be remitted to the BTr.</p>	<p>or proof of reversion.</p>
<p><i>Granting of additional cash advance despite non-liquidation of the previously granted advances</i></p>	<p>Par. No. 9.1-9.6</p>		
<p>We recommended that Management of:</p> <p>PNU North Luzon</p>			
<p><b>17) Stop the practice of granting additional cash advance unless the previous cash advance has been liquidated:</b></p> <p><b>18) Required the Accountable Officer (AO) to immediately submit the reports of the cash advance granted in CY 2022 that remained unliquidated as of year-end: and</b></p>		<p>The Management committed to stop the practice of granting additional cash advance unless the previous cash advance has been liquidated. The Management will likewise implemented stricter mechanism regarding timely submission of Liquidation Reports Moreover, the Management has ongoing designation of additional Special Disbursing Officer to act an accountable officer for specific</p>	<p><b>Fully Implemented</b></p> <p>Management refrained from granting additional cash advance if previous cash advance was unliquidated.</p> <p><b>Fully Implemented</b></p> <p>Liquidation reports on cash advances granted in CY 2022 were submitted to the Audit Team.</p>

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
19) Designated additional Special Disbursing Officer to act as an accountable officer for specific programs or projects.		accountable officer for specific programs or projects and application of their respective bonds to the BTr.	Fully Implemented
<i>Accumulated of Unliquidated Cash Advance transfer of accountability of an AO to another;</i>	Par. No. 9.1-9.10		
PNU North Luzon			Fully Implemented
20) Stop the practice of transferring the accountability of an AO to another.		Management will stop the practice of granting cash advances to the Disbursing Officer which are intended to be transferred to other officials and employees of PNU-NL.	Refrained from transferring the cash advances of the Officer to other officer to other officials and employees of PNU-NL.
<i>Compliance with R.A. No. 9184 and its Revised Implementing Rules and Regulations (RIRR)</i>	Par. No. 10-9.10		Fully Implemented
We recommended that Management of:			
PNU Manila			
21) Comply with the timelines and periods of action prescribe under R.A. 9184 and its RIRR and COA Circular No. 2009-001.		The Management was able to provide justification t COA as a response to AOM #2023-17 (2022)	Non-compliance was justified by the Management.
PNU North Luzon			Fully Implemented
22) Stop the practice of paying through reimbursements and strictly adhere to the mode of procurement as required under RA No. 8184 and its RIBB		The Management will stop the practice of paying thru reimbursements and instead payment be made directly to suppliers to ensure that the corresponding taxes be withheld. The management will likewise strictly adhere to the mode of procurement as required under RA no. 9184 to ensure that the most advantageous price be obtained for the benefits of the agency.	Payments were already made directly to suppliers.
<i>Transparency Seal</i>			Fully Implemented
We recommended that Management of:			

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
PNU Manila			
<b>23) Post and update the information required under the Transparency Seal.</b>		The Office of the Vice President for Finance and Administration (OVPFA) issued a Memorandum to the concerned offices regarding the submission of the remaining data/reports to the Management Information Systems (MIS) for immediate posting on the PNU Website	Required information under the transparency seal has been updated and posted in the PNU Website.
<b>CY 2021</b>			
<i>Non-maintenance of Subsidiary Ledgers (SLs) and other reports</i>	Par. Nos. 2.8 to 2.15		<b>Fully Implemented</b>
We recommended that Management of:			
PNU South Luzon			
<b>24) Through the AU, regular maintain Supply Ledger Cards (SLCs) to strengthen controls whether supplies procured by the University are being properly accounted for and to ensure check and balance with the recorded amount in SPU at any given time.</b>		The Management instructed the Accountant to maintain regularly the SLC of inventory accounts.	SLCs were maintained and found in order.
<i>Deficiencies in Trust Liabilities</i>	Par. Nos. 9 to 9.14		<b>Fully Implemented</b>
We recommended that Management of:			
PNU Manila			
<b>25) Revert to the BTr the unutilized funds from the sale of bid documents from the projects sourced from the General Appropriations Act (GAA);</b>		The amount will be reverted to BTr once the bid documents has been classified properly as to funding source.	Unutilized Funds were reverted to BTr.
<b>26) Submit contracts, financial reports, and current status of the 20 special projects with an aggregated balance of ₱7,205,187.52;</b>			<b>Not Implemented</b> Contracts, Financial Reports and Status of the 20 special projects were not yet submitted.
<b>27) Provide information on the nature of the four internal programs of the University of ₱307,337.66;</b>			<b>Not Implemented</b> Information as to nature of the four internal programs were not yet provided
<b>28) Issue Officer Order and instruct the</b>			<b>Not Implemented</b>

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
OSASS to provide the AT with the contracts/MOA/MOU of the 295 providers/benefactors of Scholarship amounting ₱13,614,454.97			Contracts/MOA/MOU of the 295 providers/benefactors of the scholarship program was not yet provided.
<i>Termination of Teacher Education Heritage Campus Laboratories project amounting to ₱159,088,423.10 and delayed implementation of PNU Convention and Training (PNUCTC) project ₱226,102,786.72</i>		PNU received the pertinent documents requested from DPWH and was forwarded to the Commission on Audit	<b>Fully Implemented</b> Validated the submitted documents and found in order.
29) Thru the DPWH, impose necessary and appropriate sanction on the contractor for the delays, if warranted			
<i>Lapses in the submission of contracts and supporting documents</i>	Par. Nos. 12 to 12.14	The BAC Secretariat was required to comply with the timely submission of perfected contracts.	<b>Fully Implemented</b>  CY 2023 contracts were submitted from 6 to 91 days after NTP receipt.
30) Required the BAC and its Secretariat of PNU Mindanao to strictly comply with the submission of copies of perfected contracts and the corresponding supporting documents to the Office of the Auditors within five working days after execution, in compliance with COA Circular No. 2009-001.			
<i>Lacking supporting documents on various transactions ₱4,877,549.24</i>	Par. Nos. 14 to 14.28	The Management agree to comply with the recommendation.	<b>Not Implemented</b>  The certification as to sole negotiating agent for CNA was not submitted.
<b>PNU Mindanao</b>			
31) PNU Mindanao ensure that disbursement voucher (DV's) are supported with the required documents before payment is made and to promptly submit the DV's pursuant to Section 4 (6) and 4 (7) respectively, both of PD No. 1445 and its related issuances; and			
32) Explain why the E-PRAISE Incentives was partly sourced from Personnel Services (PS).		The Management explained that it was based on the sub-Allotment Release Order (ARO) from PNU Manila	<b>Fully Implemented</b> Justification was provided by the Management
<i>Function of the Internal Audit Unit (IAU)</i>			
33) We recommend that PNU Manila revisit ,		There are three approved (3) additional plantilla item for IAU in	<b>Fully implemented</b> Functions and responsibilities of

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
re-align and re-define the functions and responsibilities of the IAU, in conformity with Philippine Government Internal Audit Manual (PGIAM) and other pertinent rules and regulations;		the ROSS. The selection is ongoing	IAU were aligned and redefined.
34) Upon establishment of functions and responsibilities of the IAU, assign sufficient number of personnel therein with relative skills and experience to ensure the Agency's compliance with related laws and policies, the proper monitoring of internal controls well as the conduct of continual management improvement; and			<b>Fully Implemented</b> Additional plantilla has been provided in the approved ROSS.
35) Amend the organizational structure of the PNU wherein the IAU is under the direct supervision of the Governing Board or AuditCom, in compliance with the Revised PGIAM.			<b>Fully Implemented</b> Organizational structure has been amended.
<b>CY 2020</b>			
<i>Unreconciled and unsettled balance of Receivables</i>	Par. Nos. 2.25 to 2.40	AU is currently reviewing and analyzing the account.	<b>Not Implemented</b>
36) We recommended recommended for the PNU Manila to look for the details of the unreconciled balances ₱6,795,204.71 and prepare the necessary adjustment.			Recording were not yet reconciled and adjusted.
37) Take actions to settle the ₱1,027,893.02 collectible from active PNU employees.		The Management will comply to the recommendation.	<b>Not Implemented</b> Receivables from employees were not yet collected.
Due to NGAs- Funds from inactive research projects were not remitted to the BTr and unreconciled balance. 38) We recommended for PNU Manila to revert to the National Treasury (NT) the	Par. Nos. 2.81 to 2.92	Management adheres to the recommendation.	<b>Not Implemented</b>

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
unrefunded, dormant, and unnecessary trust fund of P16,417,578.42 and provide Official Receipts (ORs) of the reversion and JEV to the identified Source Agencies for information and appropriate action, copy furnished the AT; and			Unrefunded, dormant and unnecessary balances of TF has not been reverted yet, as accounts are still undergoing reconciliation.
39) Reconcile the balances of all accounts under Due to NGAs giving priority to those with negative balances.		Analysis and reconciliation of accounts is ongoing.	<p style="text-align: center;"><b>Not Implemented</b></p> No refund has been made as of year end
<i>Deficiencies in the payment of CNA and Honoraria</i>  <b>PNU-Visayas:</b> 40) We recommended that PNU Visayas Management strictly adhere to Section 7.13.1 of Chapter 7 of the Manual on Position Classification and Compensation of DBM in the computation of honoraria for teaching overload paid to faculty members of the University. Further, payments in excess of the allowable rate will be disallowed in audit.	Par. Nos. 10 to 10.63	Management adheres to the recommendation.	<p style="text-align: center;"><b>Not Implemented</b></p> No refund has been made as at year end.
<i>Procedural lapses and lacking documents in procurement of goods and infrastructure projects.</i>  We recommended that Management of: PNU Manila: 41) Submit justification on the non-release of deposits to the suppliers/ contractors despite the completion of deliveries of goods and infrastructure projects with issued Certificate of Acceptance/ Completion and the lapse of the warranty period;	Par. Nos. 13 to 13.4	Guaranty security deposits shall be released to the suppliers.	<p style="text-align: center;"><b>Not Implemented</b></p> Justification was not yet submitted.
42) Coordinate with the concerned contractors for the release of retention money;!		Coordination with contractors shall be made by Management to facilitate the release of retention monies.	<p style="text-align: center;"><b>Not Implemented</b></p> Release of retention money has not yet been made.
PNU Visayas		Documents were already	<b>Fully Implemented</b>

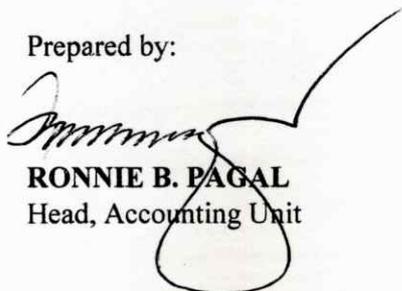
Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
43) Submit the lacking documents and in proper order;		submitted.	Lacking documents were submitted.
44) Submit the aforementioned lacking documents, completely and in proper order, otherwise, the payment will be suspended in audit;		Documents were already submitted.	<b>Fully Implemented</b> Lacking documents were submitted.
45) and			
46) See to it that the pictures for future infrastructure projects capture the works made "before, during and after construction of items of works" especially the embedded items.		The Management complied with the recommendation.	<b>Fully Implemented</b> Verified and found in order.
<b>CY 2019</b>			
<i>Land- Absence of Title and non-recording of donated and exchanged lots.</i> 47) We recommended that the Director of PNU Visayas make urgent representation with the City of Cadiz to pursue the titling of the donated and exchanged lots in the name of the University to avert any legal controversy in the future on the latter's right over the property, and secure data to establish the value of the donated/ exchanged properties.	Par. Nos. 6.23 to 6.31	For TB Area Lots, Deed of Donation and Deed of Exchange between PNU and LGU Cadiz are now in PNU Manila for final comments. For CTL compound lots, a direct communication to VIZCAYA management was made. Conditions stipulated by VIZCAYA Management for possible donation are communicated to PNU Manila for action.	<b>Not Implemented</b> Titling of the Land was not yet made.
48) Create an appraisal committee for the valuation of the 2,992 sq.m. lots with titles in the name of PNU; and		The Management has created appraisal committee for the valuation of the lots	<b>Fully Implemented</b> Appraisal Committee has been created
49) Book up, thru the Accountant, the 2,992 sq.m. lots and the donations based on the appraisal Report, Deeds of Donations/ Exchange, and other relevant data from the donor.		For the AB lots, the Accountant was unable to book-up the lots since the appraisal report and Deeds of Donation are currently on process.	<b>Not Implemented</b> Lots were not yet booked up in the records.
<i>Lacking supporting details/ information of Revenue account.</i> 50) We recommended that the PNU Manila Management submit the breakdown/ details	Par. Nos. 96 to 96.14		<b>Not Implemented</b>

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
<p>Management submit the breakdown/ details of the reported income by fund/cluster (Fund 101, fund 184 and Fund 164) and the actual sources of reported donations and grants (in cash/kind) identifies of the donors (name, address, etc.), dates of receipt and other information on the recorded revenues.</p>			<p>Details of the reported income was not yet submitted</p>
<p><i>Non-observance of fiscal guidelines and reportorial requirement of Cash in Bank - Local Currency; Current Account</i></p> <p>We recommended that Management of: PNU Manila:</p> <p><b>51) close the unauthorized and dormant current accounts and cause the immediate remittance to the NT of the remaining balances of the bank accounts;</b></p>		<p>Management commented that they adhered to the recommendation.</p>	<p style="text-align: center;"><b>Not Implemented</b></p> <p>Unauthorized and dormant accounts were not yet closed and the balances were not yet remitted</p>
<p><b>52) adhere to the GAA provisions by depositing with the NT the receipts from cash donations/ grants to be recorded as a Special Account in the GF and the TRs;</b></p>		<p>Management commented that they adhered to the recommendation.</p>	<p style="text-align: center;"><b>Not Implemented</b></p> <p>Cash donations/grants were not yet deposited to the National Treasury.</p>
<p><b>53) comply with the reporting requirements provided under Section 5 of the GAA for 2019, on the submission of quarterly reports of all donations received, whether in cash or in kind, and expenditures and disbursements thereon, within 30 days after the end of every quarter, through the Unified Reporting System (URS) or any other electronic means for reports not covered by the URS and ii) agency's website.</b></p>		<p>Management commented that they adhered to the recommendation.</p>	<p style="text-align: center;"><b>Not Implemented</b></p> <p>Submission of required quarterly reports were not submitted.</p>
<p><b>54) Send written notice when said reports</b></p>		<p>Management commented that</p>	<p style="text-align: center;"><b>Not Implemented</b></p>

Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
<p>have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, Commission on Audit (COA), and other offices where the submission of reports is required under existing laws, rules and regulations, the date of notice to said agencies shall be considered the date of compliance with the requirement.</p>		<p>they adhered to the recommendation.</p>	<p>Written Notice was not provided by the Management.</p>
<p><i>Unliquidated CAs- P5,759,333.18</i></p> <p>55) We recommended for PNU Visayas to submit immediately the lacking documents of the responsible person to avoid suspension in audit.</p>		<p>The lacking documents of the responsible person are not yet to be submitted</p>	<p><b>Not Implemented</b></p> <p>Only one liquidation report amounting to P73,028.50 was submitted. Remaining amount will be subject to suspension</p>
<p><i>Biometric and daily time Records (DTR) were not accomplished by Faculty Members of PNU Manila.</i></p> <p>56) We recommended for PNU Manila to adhere to the provisions under CSC MC No. 19 in the monitoring of absences, attendance and undertime of PNU Teaching and Non-Teaching Staff; and</p>		<p>Consultation with the stakeholders was conducted</p>	<p><b>Fully Implemented</b></p> <p>The Management has provided justification for its non-adherence.</p>
<p>57) Use the biometric scanner in monitoring the required eight working hours a day for five working days a week or a total of forty (40) a week under the direct supervision of the immediate Supervisor/Dean's Office instead of relying on the Security Officers records.</p>		<p>Consultation with the stakeholders was conducted</p>	<p><b>Fully Implemented</b></p> <p>The Management has provided justification for not using the biometric scanner to record attendance.</p>
<p><b>CY 2018</b></p>			
<p><i>Land - Transfer Certificate of Title (TCT) and lacking documentary evidence of ownership.</i></p>	<p>Par. Nos. 9 to 9.7</p>		<p><b>Not Implemented</b></p>

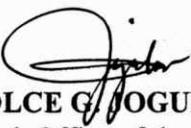
Observations and Recommendations	Reference	Management's Actions	Status of Implementation and Auditor's Result of Validation
58) We recommended for PNU Manila to secure ownership of the property by obtaining the CT that is registered in the name of the PNU.		The Management created a Committee to secure the required TCT.	Securing the TCT is still in process.
<i>Non-adherence to the prescribed rates for the payment of Honoraria - Overload Teaching</i>			
59) We recommended that PNU Visayas strictly adhere to Section 7.13.1 of chapter 7 of the Manual on Position Classification and Compensation of the DBM in the computation of honoraria for teaching overload paid to faculty members of the University.	Par. Nos. 12 to 12.10	Inquiry from PNU Manila shall be made to verify the basis of the Agency y's computation of honoraria for teaching overload of faculty members.	<p style="text-align: center;"><b>Not Implemented</b></p> <p>For Issuance of ND by the Audit Team of PNU Visayas</p>
<i>Non-adherence to proper procurement procedures.</i>	Par. 16 to 16.9		
60) We recommended that PNU Visayas Management strictly adhere to the provisions of RA No. 9184, in the purchase of goods and to stop the practice of incurring expenses on reimbursement basis and through CAs except those expressly allowed by law. Otherwise, corresponding liquidation of CAs or reimbursement of expenses without adhering to the procurement law will be suspended or disallowed in audit, if warranted.		Management committed to strictly adhere to the provisions of RA No. 9184.	<p style="text-align: center;"><b>Fully Implemented</b></p> <p>Management adhered to the provisions of RA No. 9184.</p>

Prepared by:



**RONNIE B. PAGAL**  
Head, Accounting Unit

Reviewed by:



**DOLCE G. JOGUILON**  
Head, Office of the Internal Audit Unit

Approved by:



**BERT J. TUGA, Ph.D.**  
President