

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

**AGENCY ACTION PLAN and  
STATUS of IMPLEMENTATION**  
**Management Letter for 2020 and Prior Years - Manila**

Audit Observations and Recommendations

As of December 15, 2021

Out of one hundred ninety-nine (199) audit recommendations, one hundred twenty-three (123) were fully implemented and seventy-six (76) were not implemented. Details are as follows:

Audit Recommendations and Recommendations	REF	Management Action	Status of Implementation	Reasons for Non-implementation
1. <i>The account Cash-Collecting Officers with a yearend balance of ₱298,849.14 pertains to the accountability of a former collecting officer which account has remained unsettled since CY 2011 despite being transferred / reassigned in another division of the University, which showed Management's lack of adherence to the provisions of Presidential Decree No. 1445 and the Revised Cash Examination Manual. The non-reconciliation of the outstanding balance of the Cash-Collecting Officers account for nine (9) years raised doubts on the reliability, accuracy, and fair presentation of the Financial Statements as of December 31, 2020.</i>	ML 2020	The Accounting Unit (AU) is currently culling the necessary documents and has started analysing the account. Adjustment will be immediately implemented prepared after determining the error in the books of accounts	Not Implemented	The cash book was submitted to the Office of the Vice President for Finance and Administration in 2011 and forwarded the same to the Legal Office as narrated by the VPFA Secretary. Attached are the communication forwarded by the Accounting Unit on this matter
We recommended that PNU-Manila to:  a. reconcile the accountability of Ms. Cristina P. Balili, the former Cash-Collecting Officer with the Accounting Office' records and report to the Audit Team the reconciled balances within one month from receipt hereof, to preclude the suspension of salary pursuant to Section 122 of PD No. 1445;		The PNU management informed the concerned personnel to contact the Accounting Unit to immediately reconcile the account	Not Implemented	Pending on the reconciliation to be made, this will be addressed as a domino effect on the above action
b. immediately deposit/remit the ₱298,849.14, or the undeposited collection as reconciled, if any to the PNU Cashier/National Treasury to preclude the issuance by the COA Audit Team of a Notice of Suspension/Charge; and		Mapping of staff was implemented in the past and an attempt to reconcile the said account was made, by the cash registry was not readily available. After exhausting all efforts, the cash registry was no longer located. Accounting Unit will contact the concerned personnel as to the possibility of locating the said report	Fully Implemented	
c. provide written justification for the non-remittance/non-reconciliation of collections that resulted in a nine-year long outstanding accountability of Ms. Balili in the books of this University.				

<p>2. Investments totalling ₱1,137,360.00 booked under the Financial Assets Designated at Fair Value Through Surplus or Deficit and Other Investments accounts amounting to ₱920,010.00 and ₱217,350.00, respectively, were not properly supported/documentated, thus Management's assertions of existence, rights &amp; ownership, valuation, accuracy and fair presentation of the Financial Statements (FSs) as of December 31, 2020, in accordance with Government Accounting Manual (GAM) for National Government Agencies (NGAS), Volume I, could not be ascertained.</p>	ML 2020	<p>Management has already received the reply from MERALCO regarding the investment of preferred stocks but it needs clarification because one of the investments is no longer existing. A letter was also forwarded to Meralco for the clarification on the deposits.</p>	Fully Implemented	
<p>We recommended that Management provide this Office with the Certified True Copies of 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.</p>				
<p>3. The receivable accounts of the University totalling ₱458,131,806.27 disclosed the following deficiencies: a) probability of collecting the Accounts Receivable balances of ₱4,429,553.26 is remote since these accounts have been outstanding for more than two (2) years and above; Loans Receivable – Others; Due from NGAs and Other Receivable accounts totalling ₱452,927,124.74 include: b) outstanding receivables aged one (1) to less than 10 years in the total amount of ₱437,083,728.51 of which claims amounting to ₱1,045,301.26 are without supporting documents; c) dormant account balances of ₱9,048,191.52 which remained inactive or non-moving in the books of accounts for ten (10) years or more; d) unreconciled balances of ₱6,795,204.71 due to the migration of accounts to the new eNGAS. Also noted are the overdue unpaid claims from officers and employees in the total amount of ₱4,421,250.01, of which ₱1,027,893.02 are receivables from active employees of PNU-Manila Campus that should have been classified under the Due from Officers and Employees account. All these resulted in the substantial unliquidated amount of ₱450,065,113.58 due to lack of monitoring and enforcement of collection/liquidation contrary to certain provisions of Chapters 5, 6 and 10 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, COA Circular No. 2016-005 dated December 15, 2005 and COA Circular No. 2020-001 dated January 8, 2020.</p>	ML 2020			
<p>We recommended that Management:</p> <p>a. formulate/establish guidelines in the provision of allowance for doubtful accounts that are based on factors such as aging of accounts and collectability pursuant to Section 10, Chapter 7 of the GAM for NGAs, Volume I;</p>		<p>The guidelines for the allowance for doubtful account was presented to the Administrative Council on June 20, 2021 and it will be presented to the Board of Regents on June 30, 2021 for approval.</p>	Fully Implemented	
<p>b. enforce collections of those amounts especially those duly supported with valid documents;</p>		<p>Notices have been sent to the concerned employee informing that their outstanding account will be deducted to their salary.</p>	Fully Implemented	
<p>c. monitor the utilization and liquidation of fund transfers and compliance by the concerned NGAs with the reporting requirements and send demand letters to defaulting recipients requiring the immediate settlement of all unliquidated fund transfers;</p>		<p>The Accounting Unit adheres to the recommendation of the Commission on Audit</p>	Not Implemented	<p>The Accounting unit is culling the the reports forwarded to the Commision on Audit</p>

d. demand settlement of overdue accounts and after exhausting all means, request an authority for write-off of the dormant accounts from COA following the guidelines prescribed under COA Circular No. 2016-005 dated December 19, 2016 in order to clear the books of long outstanding inactive balances within one month from receipt hereof;		This matter will be addressed by the Accounting Unit after the analysis /review of the account.	Fully Implemented	
e. look for the details of the unreconciled balances of ₱6,795,204.71 and prepare the necessary adjustment within one month from receipt hereof;		A review is already underway to address the requirements of COA.	Not Implemented	
f. intensify efforts to locate and communicate with the former personnel with outstanding balances and take appropriate action(s) to collect the said receivables;		The Accounting Unit will review and take the necessary actions regarding this matter.	Not Implemented	
g. reclassify from Accounts Receivable and Other Receivable accounts with balances of ₱11,520.00 and ₱1,016,373.02, respectively, to Due from Officers and Employees account to properly record the claims from active employees within one month from receipt hereof;		Adjusted under JEV 2021-006-000998, JEV 2021-006-001016, JEV 2021-006-001019.	Fully Implemented	
h. take action to settle the ₱1,027,893.02 collectible from active PNU employees;		An email was forwarded to the concerned employees on June 10, 2021 informing them of the said receivable that needs to be settled.	Fully Implemented	
i. require officials and employees to secure clearance from money and property accountability from heads of concerned Offices before resignation/separation or retirement to ensure that all outstanding cash advances are settled. Moreover, hold liable all signatories of said clearance in the event accountable officials/employees are allowed to resign or retire without settling their dues and unliquidated cash advances; and		Accounting Unit will adhere to the recommendation of COA.	Fully Implemented	
j. impose sanctions on concerned officials and employees for non-compliance with the recommendations prescribed in previously issued AOM No. 2020-009 (19) dated July 27, 2020 as warranted in Section 7.1.2 of COA Circular 2009-006 dated September 15, 2009.		This matter will be addressed based on the email forwarded to the concerned employees that such balances will be deducted on their salary in case they will not settle the account.	Not Implemented	
4. The total cash advances of ₱1,795,270.47 recorded under Advances for Payroll (AFP), Advances to Special Disbursing Officer (ASDO), and Advances to Officers and Employees (AOE) accounts, was understated by ₱200,000.00 due to an erroneous credit entry made in the ASDO account intended to close the petty cash fund. Also, the Advances accounts balance was of doubtful validity since ₱1,641,112.22 of the amount was already overdue for liquidation as specified in COA Circular No. 97-002 dated February 10, 1997, COA Circular No. 2012-001 dated June 14, 2012, thus affecting the accuracy and fair presentation of the FSs as of December 31, 2020, and the Management's commitment in faithful safeguarding of government assets.	ML 2020			
We recommended that PNU-Manila:		Adjusted under JEV 2021-02-000128	Fully Implemented	
a. provide a signed Journal Entry Voucher (JEV) adjusting the ₱200,000.00 return of cash to close the Petty Cash Fund of Ms. Jenny C. Malitao which was erroneously credited to the Advances to Special Disbursing account;				

b. present to the Audit Team the Management's action(s) or the sanction/penalty to be imposed on those Accountable Officers who did not liquidate and provide valid justification for the delay in liquidation despite formal demand letter from the Audit Team Leader of COA in view of the MC No. 23, 2019; and		3rd Notice was forwarded to concerned employee and forwarded the same to management to guide the Accounting Unit on the necessary actions to be made	Fully Implemented	
c. refrain from the granting of multiple cash advance to a single Accountable Officer even with previous unliquidated CAs to faithfully take care of the government funds and safeguard government property from wastage as provided by Section 2 of PD No. 1445.		Accounting unit adheres to the recommendation of COA	Fully Implemented	
5. <i>The validity and accuracy of the account Advances to Contractors with yearend balance of ₱951,994.19 was doubtful due to the outstanding balances of ₱557,350.66 which remained unreconciled due to: (1) incomplete data of the projects for which the advances are granted; and the (2) migration of accounts in view of the University's adoption and implementation of the Electric New Government Accounting System (eNGAs). Meanwhile, the non-recoupment of said outstanding Advances to Contractors balances contradicted certain provisions in Annex E of the 2016 Revised Implementing Rules and Regulations for Republic Act No. 9184.</i>	ML 2020	The balance amounting to Five Hundred Fifty-Seven Thousand Three Hundred Fifty Pesos and 66/100 (₱557,350.66) is reconciling item since 2005. This was forwarded to the eNGAS during the migration of data from manual system. Efforts had been made to reconcile the account but in vain because the necessity to go back for the transactions in the 80s and 70s.	Not Implemented	Accounting Unit will wait on the decision of COA as to the derecognition of the account
We recommended that PNU-Manila to:				
a. review and analyze the Advances to Contractors account's outstanding balances to determine its validity and propriety and to reflect in the books the correct and accurate balance as at year-end;		The feasibility to reconcile the said account is futile as the records for the stated decades are no longer available.	Not Implemented	This matter will be addressed after the above action
b. reconcile and submit details relative to the outstanding unrecovered advances, reflecting the: nature of the project, contractor, date of payment of the 15 percent mobilization fee and the check number covering the related payments, among others;		The liable personnel for those decades are now retired and hopefully still alive as of this date.	Not Implemented	This matter will be addressed after the above action
c. determine and hold liable the officers/employees responsible for non-recoupment; and		This is treated prospectively and would like to request on the possibility of writing off the said reconciling item.	Not Implemented	This matter will be addressed after the above action
d. for confirmed unrecouped Advances to Contractors, initiate its immediate refund or deduct the unrecouped amount for any claims due to the contractors.				
6. <i>The Property, Plant and Equipment (PPE) account stated by the Accounting Unit at ₱494,066,539.33 as of year-end cannot be ascertained due to ₱10,928,124.99 difference from the Report on the Physical Count of Property, Plant, and Equipment (RPCPPE) submitted by the Property Unit which is stated at ₱504,994,664.32 contrary to Section 38, Chapter 10 of the GAM for NGAs, Volume I, and COA Circular No. 80-124 dated January 18, 1980, thus affecting the accuracy of the reported FSs for</i>	ML 2020			
We recommended that PNU-Manila to :		Management adheres to the recommendation	Not Implemented	Analysis has been made and 4 out of 7 is underway for reconciliation
a. conduct analysis of PPE Accounts to identify, investigate and clear the reconciling items;				
b. prepare the necessary journal entries to adjust the duly investigated reconciling items in order to reflect the correct account balances; and		Management adheres to the recommendation	Not Implemented	Review is on going and adjustments will follow after the review.

c. perform periodic reconciliation of property cards to ensure that all discrepancies are immediately investigated, cleared and reconciled with the books of accounts.		Management adheres to the recommendation	Fully Implemented	
7. The Accounts Payable account balance of the PNU amounting to ₱5,799,293.10 as of December 31, 2020, revealed that 35.45 percent or ₱2,055,945.87 thereof comprised long outstanding payables aged two (2) years and above which was not reverted to the Accumulated Surplus/(Deficit) account, consequently overstating the liability account contrary to Presidential Decree No. 1445 and Executive Order No. 87. Moreover, there were other deficiencies related to inappropriate use of the AP account, thus the accuracy, valuation, rights and obligations, and fair presentation of the financial statements cannot be relied upon.	ML 2020			
We recommended that Management, thru the Accountant:		Management adheres to the recommendation	Fully Implemented	
a. revert the long outstanding payables of ₱2,055,561.48 to the Accumulated Surplus/(Deficit) account to reflect the correct balance of the Accounts Payable (AP) in the PNU's Financial Statements as of December 31, 2020;		Management adheres to the recommendation	Fully Implemented	
b. reconcile and close the three (3) Subsidiary Ledgers maintained for AP account pertaining to Land Bank of the Philippines (LBP);		Management adheres to the recommendation	Fully Implemented	
c. refrain from using the AP account for remittances/payment of taxes and observe the use of appropriate accounts as prescribed in the Revised Chart of Accounts of the GAM for NGAs, Volume III; and		Management adheres to the recommendation	Fully Implemented	
d. provide the Audit Team (AT) with the signed Journal Entry Vouchers (JEVs) and supporting documents to support the reversion and reconciliation/closure of SLs.		Management adheres to the recommendation	Fully Implemented	
8. The Due to GSIS, Due to Pag-IBIG and Due to PhilHealth accounts totalling ₱3,095,566.34 included unremitted amount of ₱2,616,344.54 of which ₱2,516,748.62 pertained to prior years' transactions contrary to Republic Act No. 8291 (GSIS Law), Republic Act No. 10606 (National Health Insurance Law), and Republic Act 9679 (HDMF Law). Moreover, the reported yearend balances of the aforementioned accounts were unreliable, due to: (a) abnormal/negative balances amounting to ₱452,889.15 contrary to COA Circular No. 2020-001 dated January 8, 2020; and (b) reconciling balances of ₱932,110.95, thus affected the Management's assertions of reliability, accuracy and fair presentation of the Inter-agency Payable accounts in its Financial Statements as of December 31, 2020.	ML 2020			
We recommended that PNU-Manila:		Management adheres to the recommendation	Not Implemented	A committee is created to review the enormous subsidiary ledgers and remittance will be made after the verification of the account
a. remit immediately the CY 2020 unremitted balances of ₱99,595.92 in consonance with the requirements of Republic Act (RA) No. 8291 on the Proper Deductions and Remittances of GSIS Premiums, RA No. 9679 An Act Further Strengthening the Home Development Mutual Fund, and RA No. 10606 or the National Health Insurance Act;				

b. verify and analyze the prior years' unremitted balances of ₱2,516,748.62 and effect adjustments, if necessary, otherwise remit the balance immediately to avoid penalty and surcharges and impose sanctions on employees responsible for non-remittance thereof; and		Management adheres to the recommendation	Not Implemented	The recommendation still to be followed by the accounting unit. For verification of prior year's unremitted balances.
c. analyze the negative balance of ₱452,889.15 and the Reconciling Items of ₱932,110.95 to determine the errors and discrepancy for appropriate adjustment.		Management adheres to the recommendation	Not Implemented	The Accounting Unit will observe the recommendation of the Commission on Audit. Analysis of negative balances and reconciling items still ongoing
9. <i>The Inter-agency transferred funds/Due to National Government Agencies (NGAs) account or funds received by the University from various National Government Agencies (NGAs) with yearend balance of ₱58,730,022.48 included non-moving dormant accounts for Programs/Projects/Activities (PPAs) amounting to ₱16,417,578.42 that were not returned to the Source Agencies/grantors contrary to COA Circular No. 94-013 dated December 13, 1994, Section 10 of the General Provisions for the General Appropriations Act of Fiscal Year 2020 and DOF-DBM-COA Joint Circular No. 4-2012 dated September 11, 2012, depriving the National Government Agencies of funds that could have been used for other beneficial undertaking. Moreover, the balance of said account includes ₱2,371,277.31 which could not be properly identified if sourced from NGAs or from private individuals, thereby making the correctness of the balance thereof doubtful. Further, the presence of ₱1,138,249.24 abnormal/negative balances due to the non-reconciliation of the account is contrary to Section 111 of PD No. 1445, thus rendered the reliability and accuracy of the balance of the Due to NGAs account as presented in the financial statements doubtful.</i>	ML 2020			
We recommended that PNU-Manila to:		Management adheres to the recommendation	Not Implemented	This matter will be reported to management for the approval on the recommendation of the Commission on Audit
a. revert to the National Treasury the unrefunded, dormant, and unnecessary trust fund of ₱16,417,578.42 and provide to the Audit Team Official Receipt(s) of the reversion;		Management adheres to the recommendation	Not Implemented	Summary of the the said Due to NGAs was forwarded to the management on possible treatment of the reported Due to NGAs
b. furnish the Audit Team with the Memorandum of Agreement (MOA) undertaken by the University with Teresita Aquino Oreta amounting to ₱2,450,474.44 for further review; and		Management adheres to the recommendation	Fully Implemented	Analysis of the account is underway and adjustment will follow immediately
c. reconcile the balances of all Due to National Government Agencies (NGAs) giving priority to those with negative balances.		Management adheres to the recommendation		
10. <i>The validity and accuracy of the yearend balance of Guaranty/Security Deposits Payable account totalling ₱11,434,105.77 is doubtful due to the outstanding payable amounting to ₱6,380,422.12 which was not released to the suppliers/contractors despite the final acceptance of work and the lapse of warranty period, contrary to the provisions stated in Section 62.1 of the Revised Implementing Rules and Regulations of Republic Act No. 9184 as amended by Government Procurement Policy Board Resolution No. 30-2017.</i>	ML 2020	Management adheres to the recommendation	Not Implemented	Supplier eventually forgot their collectibles and failed to request for the refund of the guarantee deposits. The request for refund is the trigger of the Accounting Unit

We recommended that PNU-Manila to:				to process the refund. This will serve as the attachment of the transaction to substantiate the claim.
a. submit justification to the Audit Team 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; and				
b. coordinate with the concerned contractors for the release of retention money in consonance with Section 62.1 of the Revised Implementing Rules and Regulations of Republic Act No. 9184.		Management adheres to the recommendation	Fully Implemented	
<i>11. The PNU-Main/Manila Campus' Personal Economic Relief Allowance (PERA) account amounting to ₱8,768,395.65 is overstated by ₱15,780.42 due to the overpayment of its 193 employees which was contrary to Joint Resolution No. 4 of the Fourteenth Congress dated June 17, 2009 and Budget Circular No. 2009-003 dated August 18, 2009 rendering the payment excessive as defined by COA Circular No. 2012-003 dated October 29, 2012.</i>	ML 2020			
We recommended that Management:		Management adheres to the recommendation	Fully Implemented	
a. instruct the concerned employees to refund the excess payment received from their Personal Economic Relief Allowance (PERA) in the aggregate amount of ₱15,780.42 to warrant the non-issuance of a Notice of Disallowance for paying beyond what is prescribed by Joint Resolution No. 4 of the Fourteenth Congress dated June 17, 2009 and Budget Circular No. 2009-003 dated August 18, 2009; and				
b. provide this Office with a certified copy of the Official Receipt to serve as a proof in the deposit of the excess payment of ₱15,780.42 to the National Treasury.		Management adheres to the recommendation	Fully Implemented	
<i>12. The Mid-year Bonus amounting to ₱16,209,342.00 was recorded under the Other Bonuses and Allowances account instead of the appropriate Mid-Year Bonus-Civilian account; also, the Universal Account Code Structure (UACS) Object Code used was not in consonance with COA Circular 2020-001, thus affected the classification, accuracy, and fair presentation of the financial statements as of December 31, 2020.</i>	ML 2020			
b. revise the Financial Accountability Report (FAR) No. 1-A or the Summary of Appropriations, Allotments, Obligations, Disbursements and Balances by Object of Expenditure for the Quarter Ending December 31, 2020, to conform to the revised Universal Account Code Structure (UACS) Object Code for the Mid-year Bonus account; and		Management adheres to the recommendation	Fully Implemented	
c. henceforth comply with the proper use of accounts in conformance to COA Circular 2020-001 dated January 8, 2020 which prescribes Volume III – Revised Chart of Accounts (Updated 2019).		Management adheres to the recommendation	Fully Implemented	

<p>13. The utilization of Special Trust Fund of ₱2,529,147.62 and Fiduciary Funds of ₱4,397,978.02 only accounted for 20.24 percent and 27.29 percent, respectively, of the CY 2020 budget allocation approved by the Board of Regents contrary to the pertinent provisions of CHED Memorandum Order No. 20, series 2011, such as: a) minimal budget allotted for the repairs/rehabilitation of the school buildings, thus were not responsive to the needs of the students for improved facilities; b) non-utilization of the allocated research fund and extension projects in combined amount of ₱2,499,000.00, indicated a setback in the delivery of research and extension services; and c) minimal utilization of only ₱4,397,978.02 or 27.29 percent of budget allocation for fiduciary fees of ₱16,113,077.58, thereby defeated the intended purposes for the collection thereof.</p>	ML 2020			
<p>We recommended that Management:</p> <p>a. observe set timelines in the implementation and completion of plans/programs and activities to ensure effective delivery of services, as required under Section 24 of the CHED Memorandum Order (CMO) No. 20, series 2011;</p> <p>b. prioritize the needs and safety of the students by allocating resources to the rehabilitation of school buildings and other facilities to enhance effective delivery of services;</p> <p>c. maximize utilization of the STF to ensure accomplishment of the University's major functions not only on instruction but also on research and extension services;</p> <p>d. maximize the utilization of Fiduciary Fees by fast tracking the projects that would ultimately redound to the benefits of the students; and</p> <p>e. submit plan on the usage of the accumulated Fiduciary Funds.</p>		<p>Management adheres to the recommendation</p>	Fully Implemented	
<p>14. Procurement of three (3) Apple MacBook Computers with a total cost of ₱228,000.00 was made contrary to Section 18 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 for including technical specifications which referred to a particular brand name that may be considered unnecessary as defined in Annex C, paragraph 7 of COA Circular No. 2012-003 dated October 29, 2012.</p>	ML 2020	<p>Management adheres to the recommendation</p>	Not Implemented	COA-PNU will forward the justification to the COA Technical Division for assessment
<p>We recommended that Management:</p> <p>a. refund the amount of ₱228,000.00 representing the total amount of the three (3) Apple MacBook Laptop Computers;</p> <p>b. provide justification to the Audit Team's Office that would support the procurement of laptops with reference to a particular brand (i.e. Apple Computers);</p> <p>c. seek approval for budget realignment of funds from CHED – the Source Agency, from the actual budget for honorarium to the actual payments made thereon; and</p> <p>d. correct the BRAENS expenses which were erroneously charged to the TPACK budget amounting to ₱7,200.00.</p>		<p>Management adheres to the recommendation</p>	Fully Implemented	
		<p>Management adheres to the recommendation</p>	Fully Implemented	
		<p>Management adheres to the recommendation</p>	Fully Implemented	

<p>15. The Management was unable to submit to the Audit Team the required financial reports (Disbursement Vouchers, General Journals, Liquidation Reports, Monthly Trial Balance and Quarterly Financial Statements) including its supporting documents/schedules and its pertinent signed Journal Entry Vouchers within the prescribed period contrary to Section 122 of Presidential Decree No. 1445, Section 60, Chapter 19, of the GAM for NGAs, Volume I, and Sections 7.1 and 7.2 of COA Circular No. 2009-006, thus affecting the timely audit/verification thereof and the correction of errors/deficiencies that may be found in the course of the audit, if any.</p>	ML 2020			
<p>We recommended that Management, thru the Accounting Office:</p> <p>a. submit immediately all the Disbursement Vouchers (DVs) of disbursements thru check payments and telegraphic transfers/payments; General Journals (GJs); and Liquidation Reports (LRs) with its supporting documents and its pertinent signed Journal Vouchers</p>		Management adheres to the recommendation	Fully Implemented	
<p>b. submit the certified/signed Consolidated and Per Fund Cluster (Regular Agency Fund, Internally Generated Income and Trust Fund) Monthly Trial Balances and Quarterly Financial Statements and its supporting schedules of PNU-Main/Manila for CY 2020; and</p>		Management adheres to the recommendation	Fully Implemented	
<p>c. implement Section 122 of PD No. 1445 on the withholding of salary of the officials and employees responsible for the non-submission of the financial records and its supporting documents/schedules if it is justifiable.</p>		Management adheres to the recommendation	Fully Implemented	
<p>16. The Management's submitted Reports on Collections and Deposits (RCDs), Disbursement Vouchers (DVs) and General Journals (GJs) were inaptly filed and inadequately indexed, thus impeding the Audit Team to verify and carry out properly its mandated function to safeguard and preserve the agency's records for a minimum of 10 years in consonance with Section 43, Chapter 1 of Presidential Decree No. 1445.</p>	ML 2020			
<p>We recommended that Management:</p> <p>a. correct the inept filing of Disbursement Vouchers (DV), Report of Collections and Deposits (RCD) and Official Receipts (OR), General Journal (GJ) files submitted to COA by: (1) replacing the metal fasteners and folders with ring binders; (2) indicating the appropriate labels of each file; and, henceforth (3) ensure the proper submission of documents;</p>		Management adheres to the recommendation	Fully Implemented	
<p>b. thru the Supply and Property Unit (SPU), provide the Accounting Office with ring binders and other necessary supplies to enable the proper filing of documents before its submission to the Audit Team;</p>		Management adheres to the recommendation	Fully Implemented	

c. provide Reports of Checks Issued (RCI) or Report of Advice to Debit Account Issued (RADAI) on the 1st binder of the month and attach the summary of content per binder indicating the following details: • Check / LDDAP-ADA Date • Check / LDDAP-ADA Serial Number • Disbursement Vouchers Reference Number • Obligation and Request Status (ORS) / Budget Utilization and Request Status Reference Number • Payee • Amount Paid • Nature of Payment • Journal Entry Vouchers (JEVs) Reference Number		Management adheres to the recommendation	Fully Implemented	
d. submit the JEVs correspondingly signed for the Report of Collections and Deposits and attach the same thereto; and		Management adheres to the recommendation	Fully Implemented	
e. submit signed JEVs with supporting documents for adjustments and other non-cash transactions.		Management adheres to the recommendation	Fully Implemented	
17. The University allocated only ₱7,281,900.00 or 1.31 percent of the Agency's total adjusted budget appropriation of ₱556,405,200.00 for its GAD activities which was below the required allocation of at least five percent or ₱27,820,260.00, thus gender issues/concerns of the University for CY 2020 were not fully addressed contrary to Section 31 of the General Provisions of the General Appropriation Act (GAA) for Fiscal Year (FY) 2020 or Republic Act (RA) No. 11465 and Section 36(a) of the Implementing Rules and Regulations (IRR) of RA No. 9710 or the Magna Carta of Women. The University, however only spent ₱2,222,818.85 or 30.53 percent of the budgeted amount. The difference was caused by non/partial implementation of planned programs resulting in inefficient use of funds allotted specifically for GAD Programs and Activities.	ML 2020			
We recommended that Management justly comply with the GAD annual budget allocation of at least five percent of the appropriation and ensure thorough implementation of all planned GAD activities so that allotted funds are fully utilized and the gender issues raised are properly and sufficiently addressed.		Management adheres to the recommendation	Fully Implemented	
18. The status of settlement on the issued Notices of Disallowance relative to the payment of premiums of health card in favor of PNU Manila and South Luzon Campuses' employees for CYs 2005 to 2008 totalling ₱7,745,000.00, revealed the following: (a) uncollected balances of ₱3,829,535.13; (b) instalment mode of settlement without approval from COA-Prosecution and Litigation Office, Legal Service Sector; and (c) settlements recorded in the books despite the non-issuance of Notice of Settlement of Suspension, Disallowance and Charges. All these are contrary to COA Order of Execution No. 2017-070 dated September 3, 2018, COA Resolution No. 2017-021 dated November 7, 2017, and COA Circular No. 2009-006 September 15, 2019.	ML 2020			
We recommended that Management:  a. cause the immediate collection/refund of the remaining balance of ₱3,829,535.13 on the aforementioned disallowances;		Management adheres to the recommendation	Fully Implemented	

b. inform the Audit Team, on a monthly basis, or whenever settlements on disallowances and charges are being made by the liable persons thru submission of certified copies of ORs (when settled in cash); and signed JEVs with corresponding SLs (if made thru salary deduction), with covering letter indicating the ND No. and Date being settled and attaching a detailed summary schedule, showing the name of persons, corresponding manner of settlement, particulars (OR No. and date/ JEV No.) and amount, among others, to facilitate the issuance of NSSDC;		Management adheres to the recommendation	Not Implemented	Request to COA that the summary/ or subsidiary ledger will be presented in lieu of the requested document
c. provide justification on Management's settlement of disallowance thru instalment basis without prior approval from the COA-Prosecution and Litigation Office, Legal Service Sector (PLO, LSS) and, at the same time, inform the latter, on the mode of settlement being implemented by PNU on the subject COE; upon completion of the project, require the submission of the Financial Accomplishment Reports and Physical Accomplishment Reports of the completed project within 60 calendar days from reported project completion as required under the MOA.		Management adheres to the recommendation	Fully Implemented	
d. see to it that the recorded final disallowances shall only be dropped from the books of accounts upon receipt by the Accountant of the NSSDC; and		Management adheres to the recommendation	Fully Implemented	
e. strictly abide by the Rules and Regulations on Settlement of Accounts.		Management adheres to the recommendation	Fully Implemented	
19. <i>Non-recording of PNU-Manila of their billing to CHED-UniFAST for the Free Higher Education Program (HE) resulted in: a.) understatement of Due from National Government Agencies (NGAs), School Fees account, and Due to Operating Units (Due to OUs) amounting to ₱6,730,727.50, ₱3,834,925.00, and ₱2,895,802.50, respectively, contrary to Rule III, Section 2.4 of the CHED-UniFAST Memorandum 2018-002 and Philippine Public Sector Accounting Standards (PPSAS) 9, Section 14.</i>	ML 2019			
We recommended that the Management:		Management adheres to the recommendation	Fully Implemented	
a. recognize the revenue, receivables and intra-agency payables under the School Fees, Due to National Government Agencies and Due to Operating Units accounts, respectively, upon billing to CHED-UniFAST and not on collection/receipt of cash/payment;		Management adheres to the recommendation	Fully Implemented	
b. prepare the necessary adjusting entries to record the billing for the 2nd Semester of Academic Year 2019-2020.		Management adheres to the recommendation	Fully Implemented	
20. <i>The Salaries and Wages - Regular account of PNU-Manila amounting to ₱185,320,985.55 is overstated due to the ₱668,264.43 salaries pertaining to prior years booked as current year's salaries expense and also understated due to unrecognized salaries expense by ₱3,213,565.50 contrary to the provisions on proper classifications under COA Circular No. 2013-002 dated January 30, 2013 and GAM for NGAs, Volumes I and III.</i>	ML 2019			
We recommended that PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. reclassify the prior years' related transactions recorded using the Salary and Wages - Regular account to appropriate Accumulated Surplus/(Deficit) account for the amount of ₱665,399.55;		Management adheres to the recommendation	Fully Implemented	

b. record in the current year books the salaries expenses incurred within the year amounting to ₱3,213,565.50 that were paid in the succeeding year; and;		Management adheres to the recommendation	Fully Implemented	
c. record salary expense in the year that it is incurred while recognizing liabilities under the Due from Officers and Employees account until the payee submits all necessary documents and payment is authorized.		Management adheres to the recommendation	Fully Implemented	
21. <i>The Retirement and Life Insurance Premiums account of PNU-Manila as for calendar year 2019 amounting to ₱21,106,677.38 is overstated by ₱150,033.17 prior year contribution recorded as current year' expense; and understated by ₱385,627.86 due to non-recognition of current year's salary expenses and contrary to Republic Act 8291, GAM for NGAs Volumes I and III and COA Circular No. 2013-002 dated January 30, 2013.</i>	ML 2019			
We recommended that PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. reclassify the prior year's employer's contribution expense booked as current year's expense by debiting Accumulated Surplus/Deficit account and crediting Retirement and Life Insurance Premiums (RLIP) account in the amount of ₱150,033.17; and		Management adheres to the recommendation	Fully Implemented	
b. recognize the employer's contribution of the unrecorded salary expense of the current year of ₱385,627.86 with a debit to RLIP account and credit Due to GSIS accounts in the books.		Management adheres to the recommendation	Fully Implemented	
22. <i>The use of the account Due from/to Regional Offices (ROs) instead of the appropriate Due from Operating Units (OUs) account in recording PNU's campus/intra-agency transactions resulted in the year-end overstatement and understatement of the Due to/from ROs and the Due from/to OUs accounts, by the same amount of ₱378,000.00, respectively.</i>	ML 2019			
We recommended that PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. use the Due from/to Operating Units account in recording intra-agency transactions in the books of its campuses instead of the Due from/to Regional Offices account; and		Management adheres to the recommendation	Fully Implemented	
b. adjust the ₱378,000.00 year-end balance of 'Due from RO' to its appropriate Due from OU account.		Management adheres to the recommendation	Fully Implemented	
23. <i>The PNU-Manila total year-end balance of Accounts Receivables account amounting to ₱7,032,716.72 includes the ₱2,526,475.95 erroneous posting of its claim from PNU Campuses.</i>	23. ML 2019			
We recommended that PNU-Manila to reclassify from the Accounts Receivable account to Due to Operating Units account the ₱2,526,475.95 claims from its PNU Campuses.		Management adheres to the recommendation	Fully Implemented	
24. <i>The total Advances for Payroll amounting to ₱1,989,903.36 of PNU-Manila Campus includes ₱165,798.11 granted to PNU-South Luzon.</i>	ML 2019	Management adheres to the recommendation	Fully Implemented	
We recommended that PNU-Manila:				
a. reclassify the advances granted to Mr. Rodante Avila and Mr. Edgardo Villaseñor, for the benefit of the PNU-South Luzon Campus, in the amount of ₱165,798 from Advances				

b. demand the liquidation of long overdue payroll advances of PNU-South Accountable in the amount of ₱165,798.11.		Management adheres to the recommendation	Fully Implemented	
25. <i>The Advances to Officers and Employees (AOEs) and Advances to Special Disbursing Officers (ASDOs) of PNU-Manila as of December 31, 2019 totaling ₱2,261,189.55 included ₱161,110.90 outstanding cash advances (CAs) to former employees and student leaders of PNU-Manila and ₱62,884.00 outstanding CAs granted to PNU Campus employees.</i>	ML 2019			
We recommended that the PNU-Manila: a. reclassify the outstanding cash advances granted to former PNU-Manila Employees/Student Leaders from advances to Officers & employees account of P151,110.90 and Advances to special Dibursing Officers account of P10,000 to Other Receivable Account for P161,110.90		Management adheres to the recommendation	Fully Implemented	
b. exhaust all remedies and/or demand for the settlement of the ₱161,110.90 granted CAs to former employees/student leaders;		Management adheres to the recommendation	Fully Implemented	
c. reclassify to Due from OUs account the total amount of ₱62,884.00 composed of the outstanding cash advances granted to PNU Campus AOs while ₱834.00 and ₱62,050.00 in the AOE and ASDO accounts, respectively; and		Management adheres to the recommendation	Fully Implemented	
d. demand from PNU-North Luzon (Mr. John Jerry Francisco) and PNU-Visayas (Ms. Eliseo Marpa) the liquidation/refund of the CAs directly granted to them by PNU-Manila.		Management adheres to the recommendation	Fully Implemented	
26. <i>The recorded Salaries and Wages - Regular of PNU-Manila amounting to ₱185,320,985.55 was overstated due to the ₱8,213,670.85 monetized leave credits.</i>	26. ML 2019			
We recommended that the PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. reclassify the monetization of leave credits from Salary and Wages - Regular account to Other Personnel Benefits account in the amount of ₱8,213,670.85;		Management adheres to the recommendation	Fully Implemented	
b. record succeeding monetization of leave credits under the Other Personnel Benefits account; and		Management adheres to the recommendation	Fully Implemented	
c. utilize the Salary and Wages - Regular account as specified in COA Circular No. 2013-002 dated January 30, 2013 and GAM for NGAs Volume III;		Management adheres to the recommendation	Fully Implemented	
27. <i>The Representation Expense (RE) and Travelling Expense-Local (TEL) accounts amounting to ₱4,490,576.16 and ₱2,586,734.89, respectively, were overstated due to the inclusion of payments for Representation Allowance and Transportation Allowance of Officials amounting to ₱1,040,250.00 and ₱1,037,250.00, respectively.</i>	ML 2019			
We recommended that the PNU-Manila prepare the adjusting entries to reclassify the charges against RE amounting to ₱1,040,250.00 and TEL ₱1,037,250.00 to RA and TA accounts, respectively.		Management adheres to the recommendation	Fully Implemented	

28. The PNU-Manila total year-end balance of receivables account amounting to ₱457,542,868.98 was doubtful in validity due to the: a) ₱4,282,178.27 Accounts Receivable that were more than 365 days overdue; b) ₱7,950,574.66 that remained outstanding for 10 years; c) ₱1,950,702.87 that were less than 10 years outstanding but did not have documents; d) non-preparation of guidelines for impairment loss; e) non-submission of request for write-off and f) non-submission of monthly liquidation reports of the Implementing Agency contrary to Section 9, Chapter 5 and Section 10, Chapter 7 of GAM.	ML 2019			
We recommended that the PNU-Manila:		Management adheres to the recommendation	Not Implemented	Verification of Accounts is still on going
a. evaluate dormant accounts if conditions are met under the provisions of COA Circular 2016-005 dated December 19, 2016 for the request for write off;		Management adheres to the recommendation	Fully Implemented	
b. send demand letters to the debtors to collect the existing overdue receivables from them;		Management adheres to the recommendation	Fully Implemented	
c. formulate/establish guidelines in the provision of allowance for doubtful accounts that are based on factors such as aging of accounts and collectability pursuant to Section 10, Chapter 7 of the GAM for NGAs, Volume I; and		Management adheres to the recommendation	Fully Implemented	
d. demand the submission of monthly liquidation reports from Department of Public Works and Highways - National Capital Region in compliance with Sections 4.6 and 4.7 of COA Circular 94-013 dated December 13, 1994 to properly reflect in the books the progress of the construction and status of the transferred fund.		Management adheres to the recommendation	Fully Implemented	
29. The Property, Plant and Equipment (PPE) account stated at ₱501,365,124.50 as of year-end cannot be ascertained due to ₱18,012,584.18 difference between the accounting books and the Report on the Physical Count of Property, Plant, and Equipment (RPCPPE) submitted by the property unit of ₱483,352,540.32 contrary to Chapter 10, Sections 38 and 42 of the Government Accounting	29. ML 2019			
We recommended that the PNU-Manila:		Management adheres to the recommendation	Not Implemented	Management is still in the process of clearing the reconciling items needing manpower to address the said problem ( See ML
a. conduct analysis of PPE Accounts to identify, investigate and clear the reconciling items;		Management adheres to the recommendation	Not Implemented	Unreconciled balances between the Agency books and the RPCPPE is observed for CY 2020.
b. prepare necessary journal entries to adjust the duly investigated reconciling items in order to reflect the correct account balances;		Management adheres to the recommendation	Not Implemented	Reconciliation still in process.
c. perform periodic reconciliation of property cards to ensure that all discrepancies are immediately investigated, cleared and reconciled with the books of accounts; and		Management adheres to the recommendation	Not Implemented	
d. maintain complete and accurate Property, Plant and Equipment Ledger Cards (PPELC) for each class of equipment.		Management adheres to the recommendation	Fully Implemented	

30. The balance reported under the Due to GSIS of PNU-Manila account as of December 31, 2019 amounting to ₱2,168,625.56 was doubtful due to the ₱118,350.57 difference per computation of the 9% employees' share; ₱369,154.37 reconciling items; ₱686,176.98 unremitted since calendar year 2015; ₱18,281.38 abnormal balances; and non-submission of pertinent reports to validate the transactions.	ML 2019			
We recommended that the PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. ensure that pertinent employees' share and employer's share of Life and Retirement Premium are also recorded for the accrued salaries expense;		Management adheres to the recommendation	Not Implemented	Reconciliation and remittance of the reconciling items is still pending.
b. prioritize reconciliation and remit immediately the ₱369,154.37 booked as reconciling items;		Management adheres to the recommendation	Not Implemented	Remittance is still in process
c. facilitate remittance to GSIS of the unpaid withheld amounts since CY 2015 of ₱686,176.98;		Management adheres to the recommendation	Not Implemented	Identification of the abnormal balances is still on-going.
d. verify and identify the composition of the abnormal balances and correct the ₱18,281.38 in the books;		Management adheres to the recommendation	Not Implemented	Submission of the detailed remittances is still pending
e. submit to COA Audit Team-PNU office via email at coa@pnu.edu.ph the excel files of the detailed remittances to GSIS;		Management adheres to the recommendation	Not Implemented	Validation and reconciliation of Payroll and Subsidiary Ledger and Remittances is still pending.
f. validate and reconcile the Payroll Subsidiary Ledger and Remittances		Management adheres to the recommendation	Not Implemented	Validation and reconciliation of Payroll and Subsidiary Ledger and Remittances is still pending.
31. The reported revenues of PNU-Manila amounting to ₱65,086,951.32 for the year-end representing receipts from school fees and bank interest income was of doubtful validity due to: (i) non-submission by the University of the details of the actual sources of the revenues (by fund/cluster) and the reported Shares from Grants and Donations (in kind) of ₱5,303,015.39; and (ii) no proper accounting in the books of the revenues from sales and services earned from the University's Auxiliary Services (AUXS) of cafeteria/canteen operation, hostel accommodation and housekeeping, dormitory and laundry services which were all treated as payables instead of the appropriate revenue accounts, thus, resulted in the unreliability and misstatements in the presentation of its financial reports and did not conform with Sections 6(2) and 7(a), Chapter 5 and Section 21, Chapter 19 of the GAM for NGAs, Volume I.	ML 2019			
We recommended that the Management:		Management adheres to the recommendation	Fully Implemented	
a. 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), identities of the donors (name, address, etc.), dates of receipt, and other information on the recorded		Management adheres to the recommendation	Not Implemented	Management intends to make a representation with CHED to clarify the issue as per CHED Memo 20 s. 2011
b. stop the practice of recording receipts from the canteen/cafeteria, hostel/dormitory operation, etc. as payables, and properly account them as Business Income, and the related expenses under the Expense account for a reliable presentation of the financial reports; and		Management adheres to the recommendation	Not Implemented	Management intends to make a representation with CHED to clarify the issue as per CHED Memo 20 s. 2011

c. adjust the misstatements in the recording of revenues as payables in the books for the affected account		Management adheres to the recommendation	Not Implemented	Management intends to make a representation with CHED to clarify the issue.
32. <i>The PNU-Manila has 11 depository accounts with the LBP- YMCA Branch Manila and in maintaining these accounts, the University did not observe with the fiscal guidelines and reportorial requirement on local and foreign donations and dormant/unauthorized bank accounts, under</i>	32. ML 2019			
We recommended that the Management:		Management adheres to the recommendation	Fully Implemented	
a. close the unauthorized and dormant current accounts and cause the immediate remittance to the National Treasury of the remaining balances of the bank accounts;		Management adheres to the recommendation	Fully Implemented	
b. adhere to the GAA provisions by depositing with the National Treasury the receipts from cash donations/grants to be recorded as a Special Account in the General Fund and the trust receipts;		Management adheres to the recommendation	Fully Implemented	
c. comply with the reporting requirements provided under Section 5 of the GAA for 2019, to wit: • submission of quarterly reports of all donations received,		Management adheres to the recommendation	Fully Implemented	
d. send written notice when said reports 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, 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 this requirement.		Management adheres to the recommendation	Fully Implemented	
33. <i>PNU Student Assistance Scholarships and Development Fund (SASDF) under LBP-YMCA Branch C/A No. xxxx-xxx-96 of PNU-Manila representing scholarship donor funds amounting to ₱5,244,516.64 remain dormant due to absence of specific guideline that will serve as basis in the handling of the funds to implement the program provided under Section 7a. of R.A. No. 7168, the PNU Charter.</i>  <i>Likewise, the proceeds of the donations were recorded as payables under the trust liabilities account instead of Income from Grants and Donations in Cash provided under Section 5, General Provision of RA No. 10924, otherwise known as General Appropriations Act (GAA) for FY 2017, and Circular Letter No. 2003-005 dated November 21, 2003, thus resulted in the overstatement of the payable accounts and the understatement of the revenue accounts.</i>	ML 2019			
We recommended that the PNU-Management submit:		Management adheres to the recommendation	Fully Implemented	
a. JEV No. 2017-06-003642 dated 06/28/2017 together with the supporting documents (record of the two terminated bank deposits) that will support ₱5,244,51.64 SASDF;		Management adheres to the recommendation	Not Implemented	Accounting Unit is still in the process of acquiring the contract of agreement.
b. record of the donors, amount of donations and proof of receipt and copies of contract and/or agreement between the PNU and the donors. This is necessary in the reconciliation of the Subsidiary and the General Ledgers;		Management adheres to the recommendation	Not Implemented	No guidelines have been submitted.
c. specific guideline necessary in the implementation and monitoring of the SASDF program provided under Section 7.a of RA No. 7168;		Management adheres to the recommendation	Not Implemented	

d. record of the Quarterly Report of the donations received required under Section 5, par. 4 of the special provisions under the GAA for CY 2017;		Management adheres to the recommendation	Fully Implemented	
e. List of the scholars/beneficiaries who have availed of the scholarship fund and proof of receipt of the beneficiary; and		Management adheres to the recommendation	Not Implemented	Accounting Unit is still in the process of procuring a contract of agreement.
f. Submit the needed explanations/clarifications to facilitate audit of the SASDF.		Management adheres to the recommendation	Not Implemented	No explanation has been submitted.
34. <i>Non-maintenance of a separate bank account for Higher Education (HE) transactions, contrary to CHED-UniFAST Memorandum Circular No. 2018-002 dated August 8, 2018.</i>	ML 2019			
We recommended that the Management maintain a separate bank account for the CHED-UniFAST Higher Education Program funding as provided under CHED-UniFAST Memorandum No. 2018-002 dated August 8, 2018.		Management adheres to the recommendation	Fully Implemented	
35. <i>The original copies of the three (3) MOUs covering foreign grants from AusAID Fund and their component documents, Board Resolutions of Approval/Authorization from the University BOR, and clearance and/or approval from the Office of the President or his authorized representative and Accomplishment and Financial Reports on the Grant's Programs/Activities were not submitted to the Audit Team, thus compliance with the GAA provisions pertinent to donations from foreign government, and the status of donated funds and project implementation were not determined/audited.</i>	ML 2019			
We recommended that the PNU-Manila submit the following reports/records for review and evaluation by the Audit Team:		Management adheres to the recommendation	Fully Implemented	
b. Board Resolutions for the approval of the three (3) MoUs and the authorization of the representatives the University to enter therein;		Management adheres to the recommendation	Fully Implemented	
c. Evaluation Reports on the three (3) MoUs;		Management adheres to the recommendation	Not Implemented	
d. Approval of the Office of the President thru the Secretary of the Department of Foreign Affairs (DFA) of the AusAID Grant;		Management adheres to the recommendation	Fully Implemented	
e. MoUs/MOAs and/or contracts involving the implementation of the Research Program with other agencies and/or organizations;		Management adheres to the recommendation	Not Implemented	List of agencies was presented subject to completion of the corresponding MoUs/MOAs
f. Total AusAID Funds as released for the implementation of the RCTQ Research Programs since 2012 up to the present, i.e., the Fund Utilization per Program/Project/Activity and the Name of Bank/Account.		Management adheres to the recommendation	Fully Implemented	
g. List of officials representing the UNE and the Australian Government on the grant agreement for the establishment of the RCTQ Program; and		Management adheres to the recommendation	Fully Implemented	
h. List of Personnel involved in the implementation and monitoring of the program, and other data and/or reports necessary in further evaluation of the RCTQ programs.		Management adheres to the recommendation	Fully Implemented	

36. The Representation Allowances and Transportation Allowances (RATA) paid to the University's President and Vice-Presidents amounting to ₱456,000.00 and ₱323,363.64, respectively, were found to be in excess of the authorized rates under Section 59 of the General Provisions, General Appropriations Act (GAA) for Fiscal Year 2019 or RA No. 11260.	ML 2019			
We recommended that the PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. discontinue, thru the Accountant, paying RATA in excess of what is allowed by law; and		Management adheres to the recommendation	Not Implemented	Excess RATA not yet refunded. Management justification/appeal is still to be submitted.
b. refund the excess RATA paid to Management Officials to warrant the non-issuance of a Notice of Disallowance for the amounts received without legal basis.		Management adheres to the recommendation	Not Implemented	Excess RATA not yet refunded. Management justification/appeal is still to be submitted.
37. The expenses incurred in the training/seminar entitled "Intensive/Course on the Content & Pedagogical Content Knowledge of STEM Strand" for the CHED- funded program totaling ₱130,000.00, from September 19 to 22, 2019, were paid under the name of a PNU official who is not involved in the implementation of the said activity and in the absence of any record/list of the participants (proposed and actual), place where the activity was conducted that will support the validity of the claims, as required under COA Circular No. 2012-001 dated June 14, 2012.	ML 2019			
We recommended that Management to properly comply with the submission of the required documents including the record/list of the participants (proposed and actual), and place where the activity was conducted.		Management adheres to the recommendation	Fully Implemented	
38. The amount of ₱343,205.60 withdrawn from the PNU Student Assistance Scholarships and Development Fund (SASDF) was released in favor of Reynaldo Dante G. Juanta representing Dr. Reynaldo G. Juanta and Mrs. Corazon R. Juanta Scholarship Fund, without PNU Board Resolution authorizing such withdrawal and such other proofs/receipts that the amount was actually donated by the donor to the PNU for the SASDF.	ML 2019			
We recommended that the PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. submit the list of scholars/beneficiaries who had availed of the scholarship fund and proof of receipt of the benefits/copy of the data/transactions for each		Management adheres to the recommendation	Fully Implemented	
b. properly account the outstanding balance as appearing in the SL; and		Management adheres to the recommendation	Fully Implemented	
c. submit the contract of agreement executed between the University and the representative of the Dr. Juanta Scholarship Fund.		Management adheres to the recommendation	Fully Implemented	
39. Non/delayed submission within the prescribed timeframe and the non-preparation/monitoring of the required financial/budgetary reports/statements caused the delay in the audit/verification thereof and correction of errors/deficiencies contrary to the pertinent provisions of GAM for NGAs, COA Circulars and PD No. 1445.	ML 2019			
We recommended that the PNU-Manila:		Management adheres to the recommendation	Fully Implemented	
a. submit the JEVs covering transactions for CYs 2017 and 2018;		Management adheres to the recommendation	Fully Implemented	

b. comply with the provisions stated in the Appendix 42, of GAM for NGAs, Volume II on the preparation and submission of LDDAP-ADA form;		Management adheres to the recommendation	Fully Implemented	
c. submit the bank validated LDDAP-ADA of disbursements through fund transfers for CYs 2015-2018;		Management adheres to the recommendation	Fully Implemented	
d. attach the bank validated LDDAP-ADA to the individual DVs of disbursements through fund transfers for CY 2019;		Management adheres to the recommendation	Fully Implemented	
e. submit the cancelled/ unsubmitted LDDAP-ADA series under the Regular Agency Fund Cluster with the cancelled LDDAP-ADA form to be validated by the COA Audit Team;		Management adheres to the recommendation	Fully Implemented	
f. attach photocopies (certified copies of the original) of the unsubmitted LDDAP-ADA DVs to the Internally Generating Income Fund Cluster;		Management adheres to the recommendation	Fully Implemented	
g. include the LLDAP-ADA of all fund clusters in the Checks and Advices to Debit Account Disbursements Record (CkADADRec) and Report of Authority to Debit Account Issued (RADAI) as provided in Sections 52 and 56, Chapter 6 of the GAM for NGAs, Volume I;		Management adheres to the recommendation	Fully Implemented	
h. amend the current workflow to ensure that no LDDAP-ADA series are cancelled/skipped, and proper recording and reporting are being conducted;		Management adheres to the recommendation	Fully Implemented	
i. prepare and submit the monthly BRS for all bank accounts within 15 days after the end of each month as required by COA Circular No. 92-125A;		Management adheres to the recommendation	Fully Implemented	
j. assign a permanent staff that will be responsible in the recording and maintenance of the SLs, for monitoring and control purposes;		Management adheres to the recommendation	Fully Implemented	
k. see to it that the SLs show detail for each control account in the GL which is maintained per account and per fund cluster;		Management adheres to the recommendation	Fully Implemented	
l. reconcile the SL balances with the corresponding GL controlling accounts at the end of each month after all transactions in the journals have been posted;		Management adheres to the recommendation	Fully Implemented	
m. maintain a separate SL that is properly ruled and closed at the end of each fiscal year. All totals shall be written legibly in ink and the balance of the account carried forward as opening balance of the new SL for the next fiscal year;		Management adheres to the recommendation	Fully Implemented	
n. have periodic monitoring of the transactions recorded in the Subsidiary Ledgers; and		Management adheres to the recommendation	Fully Implemented	
o. prepare and submit the necessary subsidiary records for the current bank accounts as provided under Sections 5 and 7 of the GAM for NGAs, Volume I.		Management adheres to the recommendation	Fully Implemented	
40. <i>The University's exercise of its corporate powers through the BOR is invariably documented by "Excerpts of Board Resolutions" / "Excerpts from the Minutes of the Regular Meeting/Special Meeting of the Board of PNU" which are all signed by the Board Secretary, instead of Board Resolutions duly signed by the members of the BOR.</i>	ML 2019			

We recommended that the transactions merely covered by "Excerpts" be ratified by the members of the BOR in a proper meeting conducted; and a Board Resolution be drawn duly signed by the ratifying members of the BOR. Henceforth, every exercise of corporate power by the Board shall be covered with actual Board Resolution duly signed and properly kept and filed by the Office of the University and Board Secretary.		Management adheres to the recommendation	Not Implemented	For implementation when face-to-face meetings are allowed.
41. <i>Cashiering/custodial and authorization functions are assigned to the Acting Chief of the CDU, including the control of the Order of Payment, an accounting function, thus indicating lack of checks and balance in the safeguard of the University's financial resources, contrary to Section 50, Chapter 3, of the Government Accounting and Auditing Manual (GAAM), Volume III.</i>  <i>Also mismatch of functions with the qualifications for which they were attested by the Civil Service Commission in their respective appointive positions was noted in the assignment of Cashier III and Cashier IV as support staff in the Accounting Section and Library.</i>	ML 2019			
We recommended that the Management:  a. observe the internal control principle on segregation of authorization, custody and accounting functions and duties. Transfer to the Accounting Unit the control of the OP; and		Management adheres to the recommendation	Fully Implemented	
b. address properly the existing mismatch of functions with the qualifications for which they were attested by the Civil Service Commission, where they can perform effectively and efficiently.		Management adheres to the recommendation	Fully Implemented	
42. <i>Deficiencies noted in the cash advances of ₱5,759,333.18 include; a) cash advances which are overdue for liquidations; b) unliquidated at year end; c) granting of multiple cash advances; and d) no supporting documents in the liquidations, contrary to existing COA regulations.</i>	ML 2019			
We recommended that the Management of PNU-Manila:  a. demand/require the settlement of the ₱23,950.00 long overdue from Ms. Alden Medina, full liquidation by all AOs of all cash advances granted in 2019 and those long outstanding cash advances of active employees recorded under the AOE and ASDO accounts in the amounts of ₱254,163.35 and ₱738,127.61, respectively, and implement the withholding of their salaries upon non-compliance with Section 5.1.3 of COA Circular No. 97-002;		Management adheres to the recommendation	Fully Implemented	
b. adhere to the provisions of COA Circular No. 2012-001 dated June 14, 2012 that no additional cash advances shall be granted unless the previous cash advance given is first liquidated;		Management adheres to the recommendation	Fully Implemented	
c. adhere to Section 5.8 of COA Circular No. 97-002 dated February 10, 1997 that all cash advances shall be fully liquidated at the end of each year in order to properly recognize the expenses in the year these were incurred;		Management adheres to the recommendation	Fully Implemented	

<p>43. The lack of necessary controls in PNU-Manila on the issuance of the ORs by the Cashier's Office in the receipt of cash/check based on OP issued by the different Offices that were not properly numbered, controlled and monitored as to the accuracy of assessments and recording provided under Section 40 (1), Chapter 5 of the GAM for NGAs, Volume I resulted in the unreliable and/or doubtful validity of the reported/recorded collections and revenue submitted by the Cashier/Accounting Division since CY 2016.</p>	ML 2019			
<p>We recommended that the PNU-Manila:</p> <p>a. transfer to the Accounting Office the issuance of the OP in compliance with the GAM for NGAs and see to it that the OP issued are properly reviewed/evaluated and checked as to accuracy, reliability and validity not only in the computation but the correctness of the assessments as well, for an efficient and effective control in the collection process of the University;</p>		Management adheres to the recommendation	Fully Implemented	
<p>b. orient/train its accounting and administrative staff (includes Cashier's office, etc.);</p>		Management adheres to the recommendation	Fully Implemented	
<p>c. require the submission of the OPs issued in the prior years' duly accounted/ supported with the required Summary Report; and</p>		Management adheres to the recommendation	Fully Implemented	
<p>d. assign a focal person with ready list of the standard rates of all kinds of billings of the University under the Accounting Unit who will approve all OP, with the corresponding OR Number and Date issued by the Cashier's Office for each OP written on the OP itself and vice-versa.</p>		Management adheres to the recommendation	Fully Implemented	
<p>e. consider as basis of the issuance of OR, the properly filled-up OP controlled by the Accounting Unit with complete details (pre-numbered/dated/specific fund cluster/nature of payment/payor/ signature over printed name) together with the assessment form.</p>		Management adheres to the recommendation	Fully Implemented	
<p>f. account properly the amount of revenue earned from the operation of the Cafeteria based on the cost of sales less operating expenses in order to arrive at an accurate and reliable presentation of its earnings; and</p>		Management adheres to the recommendation	Fully Implemented	
<p>g. See to it that the OP forms are printed with the sequence number on the right corner of each page and contain uniform data. It would be easier to trace if there are missing forms when they are numbered sequentially.</p>		Management adheres to the recommendation	Fully Implemented	
<p>44. Biometric scanners were not used and the Daily Time Records (DTRs) were not filled up by faculty members of PNU-Manila, which time recording systems are being strictly observed by non-teaching personnel, thus resulting in: (i) difficulty to ascertain compliance by faculty members with the required eight (8) working hours a day for five working days a week or a total of forty (40) hours; and (ii) reliance by the immediate Supervisor/Dean's Office on the Security Officers' records/logbook for verification of service rendered, contrary to Civil Service Commission (CSC) Memorandum Circular (MC) Nos. 19 and 21.</p>	ML 2019			

We recommended that:  a. adhere to the provisions under CSC MC No.19 in the monitoring of absences, attendance and undertime of PNU Teaching and Non-Teaching Staff;		Management adheres to the recommendation	Not Implemented	Faculty Personnel still do not use the biometric scanner to record their attendance.
b. submit the necessary documents for the payments of salaries and allowances of PNU Faculties together with the duly approved DTR covering the period from January 01 to December 31, 2019; and		Management adheres to the recommendation	Fully Implemented	
c. use the biometric scanner in monitoring the required eight (8) working hours a day for five working days a week or a total of forty (40) hours a week under the direct supervision of the immediate Supervisor/Dean's Office instead of relying on the Security Officers records.		Management adheres to the recommendation	Not Implemented	Faculty Personnel still do not use the biometric scanner to record their attendance.
45. <i>The Representation Expense and Travelling Expense-Local accounts of PNU-Manila amounting to ₱4,490,576.16 and ₱2,586,734.89, respectively, included payments for Representation Allowance and Transportation Allowance of Officials amounting to ₱1,040,250.00 and ₱1,037,250.00, respectively, contrary to the General Appropriations Act (GAA) for Fiscal Year 2019.</i>	ML 2019			
We recommended that the PNU-Manila:  a. refrain from using the appropriations for Representation Expense and Travelling Expense – Local to pay the RATA of Officials; and  b. comply with the pertinent provisions on budget allotment and utilization.		Management adheres to the recommendation	Fully Implemented	
46. <i>The GAD Plans and Budgets (GPB), and GAD Accomplishment Reports (AR) of PNU-Manila for CY 2019 were not submitted to the Audit Teams, contrary to Section 36 of RA No. 9710 or the Magna Carta of Women, Item 7.0 of the Philippine Commission on Women (PCW) Memorandum Circular (MC) No. 2020-01; Section 32 of RA No. 11260 also known as the General Appropriations Act (GAA) of CY 2019 and Item V of COA Circular No. 2014-001 dated March 18, 2014, thus precluding the timely review, verification and other necessary audit on the said reports.</i>	ML 2019			
We recommended that the PNU-Manila timely submit the necessary GAD Plans and Budgets and Accomplishment Reports and strictly follow the regular and timely submission of the said reports.		Management adheres to the recommendation	Fully Implemented	
47. <i>Various accounts of the PNU System under the Assets, Liabilities and Equity (including Revenue and Expenses) category have misstatements amounting to ₱123,285,798.72, ₱13,642,985.88 and ₱86,210,538.46, respectively, which exceeded the established materiality threshold of ₱6,744,567.46. Due to the significant impact of such errors and omissions, the accuracy, existence, classification and valuation assertions on the reported balances of affected accounts could not be relied upon.</i>	ML 2018			

We recommended and Management agreed to:  Cash and Cash Equivalent a. facilitate the preparation of the BRSs on a regular basis; and		Management adheres to the recommendation	Fully Implemented	
Receivables b. record in the books the PNU billing to CHEd for School Fees under the Due from NGAs account in accordance with the Revised Chart of Accounts of the GAM for NGAs.		Management adheres to the recommendation	Fully Implemented	.
Accumulated Depreciation c. PNU-Manila to make the necessary entry to properly recognize Accumulated Depreciation for the School Buildings, Buildings and Other Structures Accounts; and		Management adheres to the recommendation	Fully Implemented	
<i>48. Deficiencies were noted in the recording of transactions in the Intra-Agency Receivables and Payables, and the PPE accounts totaling ₱142,229,395.74, contrary to Section 6.e, Chapter 19 of GAM for NGAs, Volume 1, thus, affecting the reliability, accuracy, completeness and valuation of the reported accounts balances in the financial statements.</i>	ML 2018			
We recommended that the Management:  Intra-Agency Transactions a. PNU-Manila to furnish the PNU-Visayas copy of the JEV and the validated Debit Advice drawn for the funds transferred amounting to ₱508,000.00 as their reference in recording of the funds received;		Management adheres to the recommendation	Fully Implemented	
b. PNU-Manila and South Luzon to exert effort to locate pertinent documents relative to the transferred various laboratory equipment amounting to ₱582,794.00 to establish their existence;		Management adheres to the recommendation	Fully Implemented	
c. Accountants to trace back the previous JEVs affecting the accumulation of unreconciled balances of these reciprocal accounts specially in PNU Visayas and Mindanao Campuses and to conduct periodic reconciliation of the detailed balances of both accounts to eliminate the reciprocal accounts in the FSs.		Management adheres to the recommendation	Not Implemented	Reciprocal accounts of PNU Visayas and Mindanao are not yet reconciled.
Property, Plant and Equipment d. Accounting Office and Property Office will conduct periodic physical count of properties;		Management adheres to the recommendation	Fully Implemented	
e. reconcile records and books; and		Management adheres to the recommendation	Not Implemented	Reconciliation of PPE accounts is still on-going
<i>49. Misclassification of various accounts was noted in audit, which is not in accordance with COA Circular No. 2013-002 dated January 30, 2013, on the Adoption of the Revised Chart of Accounts for National Government</i>	ML 2018			
We recommended and Management agreed to:  Property, Plant and Equipment a. reclassify the School Buildings account being used for office and commercial purposes amounting to ₱58,601,119.78 and the corresponding Accumulated Depreciation of ₱26,840,790.83 to the Buildings account;		Management adheres to the recommendation	Fully Implemented	

b. adjust the Office Equipment, ICT Equipment, Other Machineries & Equipment and Other PPEs amounting to ₱5,934,682.57, ₱6,048,082.57, ₱4,875,080.00 and ₱4,988,480.00, respectively, to correct the entry made on these accounts;		Management adheres to the recommendation	Not Implemented	The necessary corrections/adjustments are still not made by the Management.
50. Funds totaling ₱104,143,964.28 transferred from Land Bank of the Philippines (LBP) YMCA Branch Office – MDS-Regular under Current Account (CA) No. 2198-9000-20 to LBP CA No. 1982-1011-38 - Special Trust Fund (STF) account representing amounts paid for salaries, wages and allowances of PNU officials and employees is of doubtful validity due to: absence of a duly approved PNU Board of Regents Resolution authorizing the transfer of the funds from the General Fund (GF) to the STF accounts; failure to record in the STF books the amount transferred from January as of year-end; unaccounted bank transactions covering the transfer/release and credits to the personal Automated Teller Machine accounts of PNU employees, thus, affecting the reliability of presentation of the Cash in Bank account by ₱79,931,859.22 due to the unaccounted deposits/withdrawals affecting STF bank transactions during the year.	ML 2018			
We recommended that the Management:		Management adheres to the recommendation	Fully Implemented	
a. record in the STF books the transactions covering the transfer/release and credits to the personal ATM accounts, the payroll funds of PNU officials and employees thru a duly approved Journal Entry Voucher (JEV);		Management adheres to the recommendation	Fully Implemented	
b. secure authority from the PNU Board of Regents (BORs) on the previous transfers of the payroll funds from the General Fund to the STF.		Management adheres to the recommendation	Fully Implemented	
51. Fund transfers totaling ₱631,869,208.47 to National Government Agencies (NGAs), State Universities and Colleges (SUCs) for the implementation of various programs and projects remained unliquidated as at December 31, 2018, contrary to COA Circular No. 94-013 dated December 13, 1994; thus resulting in the accumulation of long outstanding Due from NGAs account.	ML 2018			
We recommended and Management agreed to:		Management adheres to the recommendation	Not Implemented	Identification, assessment of collectability, acquiring liquidation reports and/or collecting the sum provided to implementing agencies especially those accounts ageing for more than 10 years are still in-process.
Due from NGAs				
a. exhaust all options to identify, assess collectability, acquire liquidation reports and/or collect the sum provided to implementing agencies especially those accounts ageing for more than 10 years;		Management adheres to the recommendation	Not Implemented	Reconciliation is still ongoing
b. undertake the necessary adjusting entries to correct the balances with CHED;		Management adheres to the recommendation	Fully Implemented	
c. enforce COA Circular No. 94-013 for transactions with Department of Public Works and Highway-NCR;		Management adheres to the recommendation	Not Implemented	Reconciliation is still ongoing
d. resolve reconciling items left afloat in the books; and		Management adheres to the recommendation	Not Implemented	Request for write-off is still in process.
e. if deemed applicable, request write-off for accounts deemed uncollectible as prescribed by COA Circular No. 2016-005 dated December 19, 2016.		Management adheres to the recommendation	Not Implemented	

52. <i>Non-liquidation of Cash Advances (CAs) amounting to ₱4,262,696.53 due to non-compliance with pertinent provisions of COA Circular No. 97-002 dated February 10, 1997 resulted in the accumulation of long outstanding cash</i>	ML 2018			
We recommended and Management agreed to:		Management adheres to the recommendation	Fully Implemented	
a. strictly comply with existing rules and regulations on the granting, utilization and liquidation of cash advances;		Management adheres to the recommendation	Fully Implemented	
b. properly recognize and record expenditures incurred for the year in their appropriate account;		Management adheres to the recommendation	Fully Implemented	
c. take appropriate action and exhaust all remedies and/or demand for settlement of the outstanding cash advances overdue for liquidation;		Management adheres to the recommendation	Fully Implemented	
d. ensure that AOs are covered by an Office Order designating them as Special Disbursing Officer to handle a specific amount; and		Management adheres to the recommendation	Fully Implemented	
53. <i>The lack of effective monitoring controls in the handling of the CAs resulted in the unaccounted expenses that overstate/understate the receivables/expense accounts due to: (a) unliquidated CA of ₱755,361.25 for local and foreign travels for over 30/60 days that remained outstanding in the books since CY 2010; (b) granting of ₱57,591.36 and ₱125,046.10 unauthorized CAs to PNU student leaders/contractual employee and PNU-Regional Office personnel, respectively, in the absence of PNU BOR approval; (c) erroneous classification of the ₱202,050.00 CAs granted to Special Disbursing Officers (SDO) intended for special projects, however, treated under the Advances from Officers and Employees account; (d) unsettled ₱209,452.00 CA by PNU employees/officials that was cleared from money and property accountabilities since CY 2005, and e) unliquidated CAs of ₱198,068.82 for the implementation of various activities in PNU South Luzon, contrary to the provisions of COA Circular Nos. 97-002 and 2012-001 dated February 10, 1997 and June 14, 2012, respectively, and Section 25, of the GAM for NGAs, Volume I, hence, the reliability of the year-end balance totaling ₱1,320,064.92 of the Advances to Officers and Employees account cannot be ascertained.</i>	ML 2018			
We recommended that the Management:		Management adheres to the recommendation	Fully Implemented	
a. see to it that compliance with Section 25, Chapter 6, Volume I, GAM for NGAs in the handling of CAs is properly observed;		Management adheres to the recommendation	Fully Implemented	
b. properly recognize and record expenditures incurred for the year in their appropriate account;		Management adheres to the recommendation	Fully Implemented	
c. exhaust all options to demand for the settlement of outstanding CAs that are already due for liquidation; CAs provided to non-employees; and CAs of those who are no longer connected with PNU;		Management adheres to the recommendation	Not Implemented	Settlement of outstanding CAs is still on-going.
d. if assessed applicable, request write-off on those accounts for cash advances that remained outstanding for more than 10 years; and		Management adheres to the recommendation	Not Implemented	Request for write-off is still in process.
e. implement controls that necessitate the accountable officers to liquidate to include withholding of salaries pursuant to Section 5.1.3 of COA Circular No. 97-002 dated February 10, 1997, to avoid bulking up of outstanding CAs.		Management adheres to the recommendation	Not Implemented	Management is yet to implement effective controls to necessitate the AOs to liquidate outstanding cash advances.

54. The reliability and completeness of the Land account stated at ₱1,497,622.22 as at December 31, 2018 cannot be ascertained due to: (a) failure on the part of PNU Management to secure the Transfer Certificate of Title (TCT) on the 3.7 hectares donated property under its possession since Year 1901; and (b) lack of documentary evidence to show proof of actual ownership of the land adjacent to one of the technical universities that has been used for University operation for more than a decade; contrary to the provisions under Section 43, PD No. 1529, otherwise known as the Land Registration Act	ML 2018			
We recommend that Management to secure ownership of the property by performing the long delayed actions necessary to obtain the Transfer Certificate of Title registered in the name of the PNU.		Management adheres to the recommendation	Not Implemented	Securing ownership is still in-process.
55. Of the ₱43,471,614.71 recorded payables as of December 31, 2018 for PNU-Manila and North Luzon, the amounts of ₱13,451,325.35 and ₱3,376,917.57 or 31 and 7.8 percent, respectively, remained dormant or outstanding for over two years and are of doubtful validity due to: a) no actual claims, administrative or judicial have been filed; and b) not covered by perfected contracts and sufficient evidence that will validate that goods/services/projects have been delivered/rendered/completed and accepted contrary to Sections 37 and 2a, Chapters 2 and 6, respectively, of GAM for NGAs, Volume I and other issuances that resulted in the overstatement of the payables account in the total amount of ₱16,828,242.92.	ML 2018			
We recommended that the Management to determine the specific creditors and transactions that were recorded as accounts payable amounting to ₱3,376,917.57;		Management adheres to the recommendation	Not Implemented	Management is in the process of reconciliation.
56. Timely submission of the Financial and Budget Accountability Reports were not observed by Management incurring delays ranging from two to 166 days, contrary to Section 60, Chapters 19 and 21 of the GAM, Volume I, COA Circular Nos. 95-006 and 2009-001, which prevented the Auditor from conducting a timely audit and verification of financial transactions, the results of which could have been used as an aid in management decisions and inputs in enhancing financial accountability.	ML 2018			
We recommended and Management of the concerned PNU Campuses agreed to:		Management adheres to the recommendation	Fully Implemented	
a. require the Accounting and Budget Offices and other responsible offices and officials concerned to submit within the reglementary period the required Trial Balances/Financial Statements/Financial Reports and other financial documents;		Management adheres to the recommendation	Fully Implemented	
b. henceforth, strictly comply with the existing laws, rules and regulations on the timely submission of the financial reports/documents;		Management adheres to the recommendation	Fully Implemented	
c. prepare and submit the required Journal Entry Vouchers to support the validity and propriety of the recorded and reported transactions in the journals and books of accounts, respectively; and		Management adheres to the recommendation	Fully Implemented	

d. consider the withholding of salaries of concerned officials, if deemed necessary, until the timely submission of financial and accounting reports has been complied with, pursuant to Section 122 (2) of Presidential Decree No. 1445;	ML 2018	Management adheres to the recommendation	Fully Implemented	
57. <i>Non-observance by Management to furnish the Office of the Auditor, copies of the Contract entered into by the University within five (5) working days from perfection of the same as required under COA Circular No. 2009-001 dated February 12, 2009.</i>		Management adheres to the recommendation	Fully Implemented	
We recommended for the responsible officials to apply appropriate sanctions against the erring officials/employees for continuous and/or deliberate non-compliance with the existing laws and regulations, particularly COA Circular No. 2009-001 dated February 12, 2009.		Management adheres to the recommendation	Fully Implemented	
58. <i>Many of the GAD related plans, programs, and activities in PNU-Manila were not accomplished due to failure of management to submit a revised GAD proposal within the prescribed time upon review and rejection of some programs by the Philippine Commission on Women resulting in underspending of the budget and implementing an unapproved Gender and Development Plan, contrary to Section 8.1 and 8.2 of Joint Circular No. 2012-01 by the Department of Budget and Management, National Economic Development Authority and the Philippine Commission on Women.</i>	ML 2018			
We recommend that the Management:		Management adheres to the recommendation	Fully Implemented	
a. optimize the use of GAD Funds by formulating projects and activities related to the purpose of the fund;		Management adheres to the recommendation	Fully Implemented	
b. to effective planning and budgeting to maximize the benefits gained from the programs and activities;		Management adheres to the recommendation	Fully Implemented	
c. develop plans, programs and activities addressing gender issues related to Organizational-Focused aside from Client-Focused activities, for better service delivery to both organization and agency clients insofar as it relates to Gender and Development visions of welfare and capacity building; and		Management adheres to the recommendation	Fully Implemented	
d. support the GAD Accomplishment Report with documents/reports required in Item 2.8 of the PCW Memorandum Circular No. 2018-05.		Management adheres to the recommendation	Fully Implemented	

<p>59. The University's efficient and effective implementation of the Expanded Students' Grants-in-Aid Program for Poverty Alleviation (ESGP-PA) was not fully attained due to: a) non-utilization of the budget allocated amount of ₱5,010,877.00 for Academic Year (AY) 2017-2018; b) actual implementation of the program is not optimally equitable; c) late releases of Notice of Cash Allocation (NCA); d) incorrect charging of payment of grants to Maintenance and Other Operating Expenses (MOOE) amounting to ₱2,211,025.00; e) funds for the implementation of the program were utilized for the payment of honorarium of personnel; and f) other deficiencies observed with respect to the responsibilities of the University, thereby limiting the resources of the PNU Scholarship and Financial Assistance Services in the discharge of its functions in the implementation of the ESGP-PA and deprived the students the immediate benefits that the scholarship program offers, contrary to the guidelines prescribed by Joint Memorandum Circular (JMC) No. 2014-01 dated February 3, 2014, enhanced by Joint Memorandum Circular No. 01 dated June 23, 2016 issued by CHED, DBM, DSWD, DOLE.</p>	ML 2017			
<p>We recommended that the Management:</p> <p>a. maximizing the use of the appropriated budget and utilize the allocated NCAs to fully implement the scholarship program through:</p> <p>a.1. filling-up the six unallocated slots that is beneficial to the poor and deserving students;</p>		Management adheres to the recommendation	Fully Implemented	
<p>60. The validity and correctness of the balance of Accounts Receivable and Allowance for Doubtful Accounts as of December 31, 2017 of ₱4,419,891.00 and ₱78,140.79, respectively, of the PNU-North Luzon cannot be established due to absence of clear-cut guideline on the provision of allowance for impairment suitable to the entity's collection and loss experiences, contrary to Section 10, Chapter 7 of the Government Accounting Manual (GAM), Vol. I.</p>	ML 2017			
<p>We recommended that the Management:</p> <p>a. formulate/establish a guideline in the provision of allowance for doubtful accounts that is based on factors such as aging of accounts, collection experiences, expected loss experiences and identified doubtful accounts, pursuant to Section 10, Chapter 7 of the GAM, Volume I; and</p>		Management adheres to the recommendation	Fully Implemented	
<p>b. require the Accountant to analyze on a yearly basis the Accounts Receivable based on the guidelines set by the entity and reflect in the financial statements the changes that affect the account.</p>		Management adheres to the recommendation	Fully Implemented	

<p>61. Deficiencies were noted on the balances of Advances to Officers and Employees and Advances to Special Disbursing Officer accounts in the total amount of ₱5,259,925.08 as of December 31, 2017, due to: a) long outstanding Cash Advances (CAs) amounting to ₱590,169.00 with ages ranging from one to over three years; b) dormant unliquidated CAs which remain non-moving for 10 years or more amounting to ₱111,556.00. Further, there were c) CAs granted to non-permanent appointed officials amounting to ₱98,751.88; d) additional CAs granted to PNU Officers and Employees despite non-liquidation of previous CAs, in violation of COA Circular No. 97-002 dated February 10, 1997; and e) CAs granted to various officials who are not properly bonded, thus affecting the fair presentation of account Advances to Officers and Employees and the proper recording of the expenses within the period these were incurred.</p>	ML 2017			
<p>We recommended that the Management to evaluate existing conditions to support the request for write-offs for cash advances that remained non-moving for 10 years or more and where settlement/collectability could no longer be ascertained in accordance with Item No. 7.4 of COA Circular No. 2016-005;</p>		<p>Management adheres to the recommendation</p>	Not Implemented	<p>Request for write-off for long outstanding cash advances is still in process.</p>
<p>62. The accuracy and existence of PNU-Manila's Property, Plant and Equipment (PPE) accounts valued at ₱210,104,381.08 cannot be ascertained due to: a) incomplete inventory-taking for the years 2015, 2016 and 2017; b) non-reclassification of tangible items below the capitalization threshold of ₱15,000.00; c) presence of negative balances amounting to ₱5,563,786.13 as reflected in the PPE schedule; and d) failure of Property Division to renew/update Property Acknowledgement Receipt (PAR) of property every three (3) years as well as failure to issue pre-numbered PARs while the existence, correctness and serviceability of the PPE of PNU North Luzon with carrying amount of ₱25,859,726.00 for CY 2017 cannot be ascertained due to non-reconciliation of the PPE Ledger Cards with the Property Cards, contrary to pertinent provisions of GAM for NGAs, Volume I.</p>	ML 2017			
<p>In view of the foregoing we recommended that the Management:</p> <p>a. prepare and undertake a complete inventory of properties and equipment with the report thereon which should be reconciled with the records of the Accounting Office and the Property Unit to reflect the accurate balances of the PPE in compliance with Section 38 of GAM, Volume I on PPE;</p>		<p>Management adheres to the recommendation</p>	Not Implemented	<p>Reconciliation between accounting office and property office is still on going.</p>
<p>b. for abnormal negative balance, require the Accounting Division to:</p> <p>regularly monitor the accounts recorded in the subsidiary ledger to avoid incurrence of abnormal negative balances;</p>		<p>Management adheres to the recommendation</p>	Fully Implemented	

<p>63. For CY 2017, PNU-Manila withheld and remitted a total of ₱39,304,278.99 in GSIS premiums and loan amortizations from its officers and employees, in compliance with the Government Service Insurance System (GSIS) Act of 1997 (RA No. 8291). However, year-end balances of individual subsidiary ledger accounts of Due to GSIS account totaling ₱1,716,067.63 which pertained to current and prior years' balances are yet to be reconciled and are of doubtful validity due to inaccuracies in recording.</p> <p>We recommended that the Management immediately reconcile each subsidiary ledger account, adjust the inaccuracies in the entries and provide corrected information of individual accounts to the GSIS as well as prepare the necessary accounting entry to adjust the Due to GSIS account.</p>	ML 2017	Management adheres to the recommendation	Not Implemented	Still ongoing due to the width of the related scope of the AOM and the tedious labor requirements to accomplish the same.
<p>64. The Calendar Year (CY) 2016 corresponding figures presented in the CY 2017 Financial Statements (FS) were not restated to reflect prior year errors and adjustments, which is not in compliance with Sections 42 (b) and 43, Chapter 19 of the Government Accounting Manual (GAM), Vol. I.</p>	ML 2017	Management adheres to the recommendation	Fully Implemented	
<p>We recommend that the Management require the Accountant to properly present prior period errors and adjustments by restating the prior year balances of the affected accounts shown as corresponding figures for the current year Financial Statements in compliance with the requirements of Sections 42 (b) and 43, Chapter 19 of the GAM, Volume I and submit the revised financial statements to the Office of the Government Accounting Sector, Commission on Audit, copy furnished the COA-PNU Manila.</p>				
<p>Prepared by</p>  <p><b>RONNIE B. PAGAL</b> Director, Financial Management Services/ Head, Accounting Unit</p>			<p>Reviewed by:</p>  <p><b>DOLCE G. JOGUILON</b> Head, Internal Audit Unit</p>	<p>Approved by:</p>  <p><b>BERT J. TUGA, PhD</b> President</p>