

File

VISAYS STATE COLLEGE OF AGRICULTURE
Baybay, Leyte

OFFICE OF THE PRESIDENT

October 15, 1996

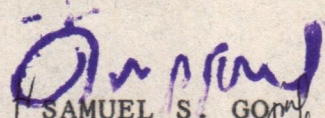
MEMORANDUM No. 149
Series of 1996

T O: Prof. Prudencio Q. Marquez
Ms. Roberta C. Lemos
Ms. Lourdes B. Cano
Ms. Norma V. Cala
Ms. Anecia C. Fernandez
Ms. Milagrosa L. Gamotin

distributed by Babong 10/16/96

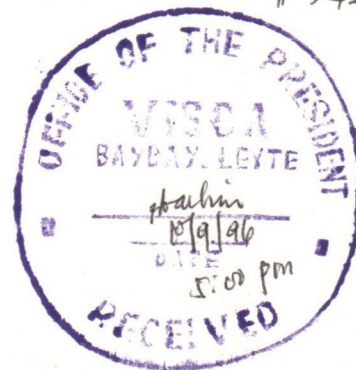
SUBJECT: Meeting Regarding Prior Year's Audit Recommendation

Please attend a meeting at the OP Conference Room on Thursday, October 17, 1996 at 9:00 am. to discuss the above-mentioned subject (Please see attached copy).


SAMUEL S. GORN
President 10/15/96

3429

Republic of the Philippines
COMMISSION ON AUDIT
Visayas State College of Agriculture
Baybay, Leyte



AUDIT OBSERVATION MEMORANDUM

AOM No. 96-05

Date: October 9, 1996

TO : **The President**
ViSCA, Baybay, Leyte

FROM: **ROSAVILLA C. TAN**
State Auditor IV
Unit Head

Subject: Status of Implementation of Prior Years' Audit Recommendation.

We shall be grateful to be informed of the status of implementation of the audit recommendations embodied in the 1995 Annual Audit Report (AAR).

Hereunder are the Findings and Recommendations:

A. Financial and Compliance Audit :

1. Income from hostel lodging fees was not properly accounted for since entries in the guest logbook were incomplete and not proper. The absence of hostel Registration and Clearance Form resulted in the weak control of the use of linens and room furnishings, thus any loss thereof could not be traced immediately. College officials should instruct the hostel In-charge to require all occupants to write their names properly in the guestbook and to accomplish the Hostel Registration and Clearance Form so that the income that would accrue to the government shall be collected and accounted for. The use of Hostel Registration and Clearance Form facilitates pinpointing accountabilities.
2. Accounts used in recording the funds transferred to National Root Crops Research Cooperating Stations were not proper and contrary to COA Circular No. 94-013 thereby resulting in the decrease of Cash Account by P349,150.00 and increase of Obligation. Liquidated Account of the same amount. Management should require the Chief Accountant to use the accounts prescribed in COA Circular No. 94-013 dated December 13, 1994.
3. The College failed to remit the year-end income from the operation of the Auxiliary Services Revolving Fund to the National Treasury as required under Section 2.7 of DBM Circular No. 92-8 dated November 18, 1992, thus depriving the National Government to utilize the amount for other priority projects. Management should require College officials concerned to compute the 1996 working capital and remit the remaining balance to the National Treasury.


4. Non-technical personnel or those whose duties and functions are clerical or administrative in nature were hired in the implementation of the ViSCA-GTZ projects, thereby depleting the college resources in the total amount of P238,340.63. Terminate the services of the above-named contractual personnel pursuant to the provision of Sec. 21, vol. 1 of the GAAM and Sec. 85 of P.D. 1445. Further, require the refund of the amount disbursed for the salaries of these personnel from college officials who were primarily responsible in hiring them and institute appropriate sanctions against those who violated the above-mentioned provisions.

5. Management recorded the unexpended balances of the FSDP-EV Project under Trust Liability Accounts instead of reverting the same to the General Fund thus, were utilized in other projects in violation of Sec. 4.6 of MOB-MOF-COA Circular No. 9-81 dated October 19, 1994. Require the personnel concerned to remit to the National Treasury the balances of Account 8-84-900 under Fund 102 and 151 and request the COA Accountancy Office to transfer all balances of the said Project account to Fund 101.

B. Value for Money Audit

1. Out of 465 scholars under the ViSCA Faculty and Staff Development Program, 36 or 8% failed to return and serve the college after the completion of their studies, whose scholarship grants amounted to P6,614,826.31 and US\$329,270.49. The said amount represent the total monetary obligations of the non-returning scholars as of December 31, 1995. College officials should review the Faculty and Staff Development Program and strictly enforce the Scholarship Contracts. Require the scholars to pay the cost of the scholarship and institute legal remedies, if necessary

2.. The College Poultry Project incurred a maintenance cost of approximately P10,000.00 a month with minimal production because culled layers were not disposed and replaced with new layers to maximize production. College officials should direct Poultry Project Manager to dispose the culled layers immediately in order to minimize maintenance cost and utilize the proceeds from such sale to acquire new stocks as replacements.


ROSAVILLA C. TAN
STATE AUDITOR IV
UNIT HEAD

Received by: _____
Date : _____