



Visayas State University

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Office of the President

1 July 2015

MEMORANDUM NO: 99

Series of 2015

TO : All concerned VSU Tolosa personnel

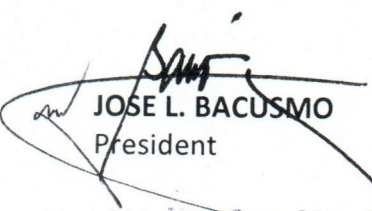
RE : Refund of CY 2013 & 2014 Hazard Pay

This is relative to COA Audit Observation Memorandum No. 2015-002 issued on April 17, 2015 on Hazard Pay you received for CY 2013 and 2014. Per inquiry with DBM Region VIII and after thorough review, you are required to pay/refund the said benefit. To facilitate the refund of Fourteen Thousand Four Hundred Pesos (P14,400.00), the following payment scheme is proposed.

<u>Year</u>	<u>Benefit</u>	<u>Amount</u>
2015	Year-end bonus	2,000.00
	CNA Incentive	2,000.00
2016	Mid-year bonus	2,000.00
	Year-end bonus	2,000.00
	CNA Incentive	2,000.00
	PEI	2,200.00
2017	Mid-year bonus	2,200.00

In the case of retirees and transferees, full payment is required for the settlement of the said amount. The Campus Dean through VSU Tolosa Accountant is required to monitor the said transaction and provide report to this office.

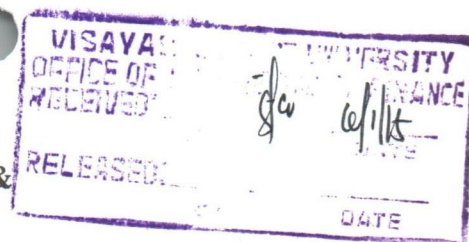
For your strict compliance.


JOSE L. BACUSMO
President

cc: Ms. Isabella C. Ampac
VSU COA Audit Team



Republic of the Philippines
COMMISSION ON AUDIT
NGS, State Universities and Colleges &
NGS Other Stand Alone Agencies
Regional Office No. VIII
Candahug, Palo, Leyte



AOM No. 2015-002
17 April 2015

AUDIT OBSERVATION MEMORANDUM (AOM)

For: **JOSE L. BACUSMO**
University President
Visayas State University
Visca, Baybay City

Attention: **ROBERTA D. LAUZON** *[Signature]* 4/10/15
College Dean
VSU-Tolosa Campus

We have audited the expenses of VSU-Tolosa Campus and observed the following deficiencies:

Campus personnel granted with hazard pay amounting to P546,000.00 were not among those authorized under Section 21 of R.A. 7305 and Budget Circular No. 2005-4 dated 13 July 2005, thus resulting to illegal disbursements of public funds.

Section 21 of R.A. 7305 enumerates the requirements for the grant of hazard pay to wit:

Public health workers "in hospitals, sanitarium, rural health units, main health centers, health infirmaries, barangay health stations, clinics and other health-related establishments located in difficult areas, strife-torn or embattled areas, distressed or isolated stations, prisons (sic) camps, mental hospitals, radiation-exposed clinics, laboratories or disease-infested areas, or in areas declared under state of calamity or emergency for the duration thereof which expose them to great danger, volcanic activity/eruption, contagion, radiation, occupational risks or perils to life as determined by the Secretary of Health or the Head of the unit with the approval of the Secretary of Health, shall be compensated hazard allowances equivalent to at least twenty-five percent (25%) of the monthly basic salary of health workers receiving salary grade 20 and above.

While Budget Circular No. 2005-4 dated July 13, 2005 provides for the rules and regulations on the grant of Hazard Duty Pay.

Section 2.0, paragraph 2.1 of the Circular states:

This Circular shall apply to all government personnel in national government agencies (NGAs), including SUCs, GOCCs, GFIs, and LGUs, whether appointive or elective, on full-time or part-time basis, under permanent or temporary status, personnel with casual and contractual appointments whose salaries/wages are charged to the budgetary allocation for personal services, and who are actually assigned to and performing their duties and responsibilities in strife-torn or embattled areas. (Emphasis supplied)

As provided in Section 2.0, paragraph 2.2 of the same circular, the circular shall not apply to the following:

2.2.1 xxxxx

2.2.2 xxxxx

2.2.3 Those who are not actually assigned to nor performing their duties and responsibilities in strife-torn or embattled areas

Review of disbursements for calendar year 2014 and the last quarter of 2013 revealed that personnel of VSU-Tolosa Campus were granted Hazard Pay Benefit based on DBM Budget Circular No. 2005-4 dated July 13, 2005 and a certification from the Director of the Department of Health, Regional Office No. 8, that the Municipality of Tolosa, is one of the towns in Leyte endemic for schistosomiasis. The benefit was granted through a cash advance made by the Disbursing Officer in the total amount of P546,000.00 presented below. Details of the payment is shown in Schedule A1-2.

Particulars	Check No.	Date	Amount
Hazard Pay for CY 2013	0002535830	12/26/13	P285,000.00
Hazard Pay for CY 2014	0002866620	12/22/14	261,000.00
TOTAL			P546,000.00

Based on the above cited provisions of RA 7305 and its Revised Implementing Rules and Regulations, the personnel who were granted the benefit were not qualified to receive hazard pay/hazard allowance for reasons that they do not fall within any of the above-mentioned enumerated requirement. The school location is not within the purview of a "hazardous" environment. Their work were not health-related, the risks brought about by their environment to their health were not grave enough to warrant their entitlement to such benefit.

It is also clearly stated in DBM Budget Circular No. 2005-4 dated July 13, 2005, that those who are not actually assigned to nor performing their duties and responsibilities in strife-torn or embattled areas are not covered or entitled to receive such benefit.

Based on the above premises, the grant of hazard pay to VSU-Tolosa personnel is bereft of legal basis, thus will be subject to the issuance of a Notice of Disallowance to all persons liable.

We recommend that management discontinue the payment of hazard pay to its personnel and require the full refund of the amount granted.

May we have your comments on the foregoing audit observations with five (5) calendar days from receipt hereof.



ELNA M. ENCINA
Audit Team Leader, Team 4



ADELINA A. NERIDA
Director III
OIC- Supervising Auditor

Proof of Receipt of AOM:

Name: _____

Date: _____

Name: _____

Date: _____

Name: _____

Date: _____

Schedule of Hazard Pay Granted to VSU Tolosa Campus Personnel
January to December 2013

Name	Designation	Rate/Month	Period	Total Amount
R.D. Lauzon	Dean	600.00	Jan. to Dec. 2013	7,200.00
E. L. Sabulao	AO IV	600.00	Jan. to Dec. 2013	7,200.00
D. L. Betana	Lib. III	600.00	Jan. to Dec. 2013	7,200.00
R. R. P. Abonales	SC 1	600.00	Jan. to Dec. 2013	7,200.00
G. A. Cayanong	AO I	600.00	Jan. to Dec. 2013	7,200.00
F. H. Daya	AO I	600.00	Jan. to Dec. 2013	7,200.00
A. B. Sacris	Admins. Asst. II	600.00	Jan. to Dec. 2013	7,200.00
N.S. Trinchera	Admin. Aide VI	600.00	Jan. to Dec. 2013	7,200.00
D. R. Petronio	SG II	600.00	April. to Dec. 2013	5,400.00
A. G. De Asis	FW II	600.00	Jan. to Dec. 2013	7,200.00
D. T. Balleras	FW II	600.00	Jan. to Dec. 2013	7,200.00
H. B. Malate	SG I	600.00	Jan. to Dec. 2013	7,200.00
N. A. Cayanong	Admin. Aide I	600.00	Jan. to Dec. 2013	7,200.00
E. R. Perez	SG I	600.00	Jan. to Dec. 2013	7,200.00
G. C. Permejo	Admin. Aide III	600.00	Jan. to Dec. 2013	7,200.00
H. V. Ibanez	Admin. Aide III	600.00	Jan. to Dec. 2013	7,200.00
L. M. Mercado	Admin. Aide III	600.00	Jan. to Dec. 2013	7,200.00
M. E. Dalino	Admin. Aide I	600.00	Jan. to Dec. 2013	7,200.00
L. E. Pagpagon	Admin. Aide I	600.00	Jan. to Dec. 2013	7,200.00
H. B. Velasco	SG	600.00	Jan. to March 2013	1,800.00
O. G. Camoying	Assc. Prof. 3	600.00	Jan. to Dec. 2013	7,200.00
V. D. Zarsata	Assc. Prof. 1	600.00	Jan. to Dec. 2013	7,200.00
H. C. Closa	AP 2	600.00	Jan. to Dec. 2013	7,200.00
E. E. Cinco	AP 2	600.00	Jan. to Dec. 2013	7,200.00
D. D. Lerios	Instr. I	600.00	Jan. to Dec. 2013	7,200.00
R. C. Donceras	Instr. I	600.00	Jan. to Dec. 2013	7,200.00
T. C. Jocson	AP 4	600.00	Jan. to Dec. 2013	7,200.00
A. R. Billiones	AP 3	600.00	Jan. to Dec. 2013	7,200.00
V. N. de Asis	AP 3	600.00	Jan. to Dec. 2013	7,200.00
O. C. Cinco	AP I	600.00	Jan. to Dec. 2013	7,200.00
R. J. de la Calzada	Instr. I	600.00	Jan. to Dec. 2013	7,200.00
S. A. Merro	Instr. I	600.00	Jan. to Dec. 2013	7,200.00
L. P. Merro	Instr. I	600.00	Jan. to Dec. 2013	7,200.00
P. N. Duavis	AP 4	600.00	Jan. to Dec. 2013	7,200.00
L. A. de la Cruz	AP 3	600.00	Jan. to Dec. 2013	7,200.00
H. R. Daya, Jr.	AP I	600.00	Jan. to Dec. 2013	7,200.00
L. C. V. Apostol	Instr. 2	600.00	Jan. to Dec. 2013	7,200.00
M. B. Peneda	Instr. I	600.00	Jan. to Dec. 2013	7,200.00
D. A. Oberes	Instr. I	600.00	Jan. to Dec. 2013	7,200.00
N. G. Petronio	AP 3	600.00	April to Dec. 2013	5,400.00
R. A. D. Aguja	Instr. I	600.00	Jan. to March 2013	1,800.00
H. G. Tabunan	Instr. I	600.00	June to Dec. 2013	4,200.00
TOTAL				285,000.00

Schedule of Hazard Pay Granted to VSU Tolosa Campus Personnel
January to December 2014

Name	Designation	Rate/Month	Period	Total Amount
R.D. Lauzon	Dean	600.00	Jan. to Dec. 2014	7,200.00
E. L. Sabulao	AO IV	600.00	Jan. to Dec. 2014	7,200.00
D. L. Betana	Lib. III	600.00	Jan. to Dec. 2014	7,200.00
R. R. P. Abonales	SC 1	600.00	Jan. to Dec. 2014	7,200.00
G. A. Cayanong	AO I	600.00	Jan. to Dec. 2014	7,200.00
F. H. Daya	AO I	600.00	Jan. to Dec. 2014	7,200.00
A. B. Sacris	Admins. Asst. II	600.00	Jan. to Dec. 2014	7,200.00
N.S. Trinchera	Admin. Aide VI	600.00	Jan. to Dec. 2014	7,200.00
D. R. Petronio	SG II	600.00	Jan. to Dec. 2014	7,200.00
A. G. De Asis	FW II	600.00	Jan. to Dec. 2014	7,200.00
D. T. Balleras	FW II	600.00	Jan. to Dec. 2014	7,200.00
H. B. Malate	SG I	600.00	Jan. to Dec. 2014	7,200.00
N. A. Cayanong	Admin. Aide I	600.00	Jan. to Dec. 2014	7,200.00
E. R. Perez	SG I	600.00	Jan. to Dec. 2014	7,200.00
G. C. Permejo	Admin. Aide III	600.00	Jan. to Dec. 2014	7,200.00
H. V. Ibanez	Admin. Aide III	600.00	Jan. to Dec. 2014	7,200.00
L. M. Mercado	Admin. Aide III	600.00	Jan. to Dec. 2014	7,200.00
M. E. Dalino	Admin. Aide I	600.00	Jan. to Dec. 2014	7,200.00
L. E. Pagpagon	Admin. Aide I	600.00	Jan. to Dec. 2014	7,200.00
A.C. Mercado, Jr.	SG I	600.00	Aug. to Dec. 2014	3,000.00
O. G. Camoying	Assc. Prof. 3	600.00	Jan. to Dec. 2014	7,200.00
H. C. Closa	AP 2	600.00	Jan. to Dec. 2014	7,200.00
E. E. Cinco	AP 2	600.00	Jan. to Dec. 2014	7,200.00
D. D. Lerios	Instr. I	600.00	Jan.-March & June- Dec. 2014	6,000.00
R. C. Donceras	Instr. I	600.00	Jan. to April 2014	2,400.00
T. C. Jocson	AP 4	600.00	Jan. to Dec. 2014	7,200.00
A. R. Billiones	AP 3	600.00	Jan.-March & June- Dec. 2014	6,000.00
V. N. de Asis	AP 3	600.00	Jan.-March & June- Dec. 2014	6,000.00
O. C. Cinco	AP I	600.00	Jan.-March & June- Dec. 2014	6,000.00
J. R. E. Montajes	Instr. I	600.00	July to Dec. 2014	3,600.00
S. A. Merro	Instr. I	600.00	Jan. to Oct. 2014	6,000.00
P. N. Duavis	AP 4	600.00	Jan. to Dec. 2014	7,200.00
L. A. de la Cruz	AP 3	600.00	Jan. to Dec. 2014	7,200.00
F. P. Gomez	AP 3	600.00	Nov. to Dec. 2014	1,200.00
H. R. Daya, Jr.	AP I	600.00	Jan. to Dec. 2014	7,200.00
L. C. V. Apostol	Instr. 2	600.00	Jan.-March & June- Dec. 2014	6,000.00
Q. D. Lauzon	Instr. I	600.00	Nov. to Dec. 2014	1,200.00

M. B. Peneda	Instr. I	600.00	Jan. to March 2014	1,800.00
R. E. Canonoy	Instr. I	600.00	Aug. to Dec. 2014	3,000.00
D. A. Oberes	Instr. I	600.00	Jan.-March & June- Dec. 2014	6,000.00
N. G. Petronio	AP 3	600.00	Jan. to Dec. 2014	7,200.00
R. A. D. Aguja	Instr. I	600.00	Nov. to Dec. 2014	1,200.00
H. G. Tabunan	Instr. I	600.00	Jan. to Dec. 2014	7,200.00
TOTAL				261,000.00