



Visayas State University

Visca, Baybay City, Leyte 6521-A
Philippines

Tel: +63 53 335 2600; Fax: +63 53 335 2601

website: www.vsu-visca.edu.ph

Office of the President

14 May 2010

MEMORANDUM NO. 151
Series of 2010

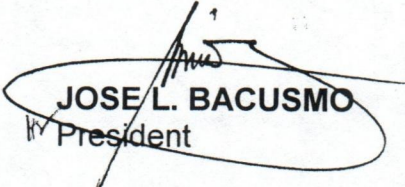
T O: Ms. Wenifreda T. Oclinaria

R E: Audit Findings of the VSU-Garden Beach Resort

This office is in receipt of the audit findings of the VSU-Garden Beach Resort for the month of March 2010 by Ms. Velma P. Bontuyan which is self-explanatory. Attached is a copy of the audit report for your reference.

Before a Preliminary Investigation will be conducted, you are hereby given three (3) days after receipt of this notice to submit your answer/explanation to the audit findings.

Please be guided accordingly.


JOSE L. BACUSMO
President

OP# 3682
5/4/10

VISAYAS STATE UNIVERSITY

Visca, Baybay City, Leyte

INTERNAL AUDIT SERVICE OFFICE

May 4, 2010

Dr. Jose L. Bacusmo
President
Visayas State University
Visca, Baybay City, Leyte

Sir:

I would like to submit to your office a material and relevant finding and observations made during the course of review on the monthly report of the VSU – Garden Beach Resort Project for the month of March 2010.

The Monthly Production Sales/Disposal Report of March 1-31, 2010 indicated that there were seventy four pieces of Official Receipts issued. This includes the series of Official Receipt Nos. 2614926 – 2604052 amounting to SEVENTY TWO THOUSAND SEVEN HUNDRED FORTY PESOS (P72,740.00) only. (Exhibit A)

In the review of the receipts, it has been found out that the *duplicate copy of OR No. 2614927* was left blank, which means no markings can be found on the face of the receipt. A verification was made in the following available supporting documents:

- The Monthly Production and Sales/Disposal Report registered the amount of P1,500.00. This Report was prepared by the Project Manager of VSU-Garden Beach Resort. (Exhibit B)
- In the logbook maintained by the Project Manager, the same amount of P1,500.00 was clearly indicated and written in the March 4, 2010 transaction (Exhibit C).
- The logbook maintained by the caretaker in-charge of the beach resort project indicated that from March 2-4, 2010, the FARMI Cottage was occupied by GTZ staff. (Exhibit F)

The triplicate copy of the Official Receipt No. 2614927 is contained in the stub bearing the series of OR Nos. 2614901-5614950. (Exhibit D)

Due to the aforementioned observations, the Internal Audit Service Office inquired from the VISCA-GTZ personnel on the matter. Ms. Ivy Gorre through a telephone conversation, informed us that the GTZ-Palo personnel were directly the recipients of the services of the VSU-Garden Beach Resort from March 2-4, 2010. We inquired from and requested the GTZ-Palo staff in-charge to fax the original copy of the Official Receipt No. 2614927.

The *original Official Receipt No. 2614927* dated March 4, 2010 showed the following details: (Exhibit E)

- The issuing Agency : VSU
- Issued to : GTZ
- Amount in Figures : 18,500
- Amount in words : EIGHTEEN THOUSAND FIVE HUNDRED PESOS ONLY
- Collecting Officer : Armiel Poliquit

It has been observed that the *original* and *triplicate* copy had markings but the triplicate copy is not legible and readable.

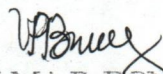
The transaction was reported as sale in the amount of **ONE THOUSAND FIVE HUNDRED (P1,500.00) Pesos only**, thereby depriving the agency of the correct income which should be **P18, 500.00**.

In view of the above findings, it is recommended that :

- **An investigation be conducted.** The Project Manager, and the staff issuing the receipt should be subjected to questioning on the procedures currently adopted by the project as to:
 - *a)* issuance of official receipts,
 - *b)* remittance of collection from the designated collecting officer to the project manager,
 - *c)* receipt of collection on remittances made by collecting officer and,
 - *d)* the basis in the preparation of reports.
- The undeclared amount of P17,000.00 should be restituted immediately and remitted to the University Collecting Officer. This amount should form part of the March 4, 2010 sales.
- To verify whether or not there was intent on the part of the Manager in the commission of fraud.

For your information and immediate action.

Very truly yours,


VELMA P. BONTUYAN

cc: file

EXHIBIT "A"

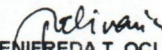
Project Form No. 2
(Revised 1990)

VISAYAS STATE UNIVERSITY
Visca, Baybay City, Leyte

MONTHLY REPORT OF ACCOUNTABLE PROJECT RECEIPTS

PROJECT: VSU Garden Beach Resort		Month	Mar-10
Type of Invoices	Inclusive Serial Numbers From	To	Total
I. On Hand, beginning of month:	2604002 2614926 0088993	2604250 2615000	249 75 1
II. Received during the month:	None		
III. TOTAL IN HAND			325
IV. Issued during the month	2614926 2604051	2614997 2604052	72 2
TOTAL RECEIPT ISSUED DURING THE MONTH			74
V. Receipts unused at the end of the month	2614998 2604002 2604053 0088993	2615000 2604050 2604250	3 49 198 1
VI. ON HAND, END OF MONTH			251

CERTIFIED CORRECT:

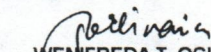

WENIFREDA T. OCLINARIA
Manager VSU Garden Beach Resort

CERTIFIED CORRECT:

EDGARDO E. TULIN
Vice President for Planning and Resource Generation

Date	Product	PRODUCTION		SALES/DISPOSAL		Cash	Credit	Remarks
		Unit/City	Value	Unit/Qty.	Unit Cost			
3/19/2010	-do-			2614963		490.00		
3/20/2010	-do-			2614964		200.00		
-do-	-do-			2614965		100.00		
-do-	-do-			2614966		200.00		
-do-	-do-			2614967		400.00		
-do-	-do-			2614968		470.00		
-do-	-do-			2614969		650.00		
-do-	-do-			2614970		900.00		
3/21/2010	-do-			2614971		500.00		
-do-	-do-			2614972		400.00		
-do-	-do-			2614973		400.00		
3/22/2010	-do-			2614974		565.00		
-do-	-do-			2614975		560.00		
-do-	-do-			2614976		300.00		
-do-	-do-			2614977		80.00		
3/24/2010	-do-			2614978		4,000.00		
3/25/2010	-do-			2614979		250.00		
-do-	-do-			2614980		700.00		
-do-	-do-			2614981		1,650.00		
-do-	-do-			2614982		450.00		
-do-	-do-			2614983		500.00		
-do-	-do-			2614984		1,210.00		
-do-	-do-			2614985		500.00		
3/26/2010	-do-			2614986		3,200.00		
-do-	-do-			2614987		550.00		
-do-	-do-			2614988		550.00		
-do-	-do-			2614989		2,500.00		
3-28-10	-do-			2614990		850.00		
-do-	-do-			2614991		900.00		
-do-	-do-			2614992		125.00		
-do-	-do-			2614993		430.00		
3/30/2010	-do-			2614994		350.00		
-do-	-do-			2614995		400.00		
-do-	-do-			2614996		500.00		
3/31/2010	-do-			2614997		1,300.00		
3/19/2010	-do-			2604051		21,000.00		
3/23/2010	-do-			2604052		1,500.00		
SubTotal						49,630.00		
Grand Total						72,740.00		

Prepared by:


WENIFREDA T. OCLINARIA
Manager, VSU Garden Beach Resort

Noted:

EDGARDO E. TULIN
Vice President for Planning and Resource Generation

VISAYAS STATE UNIVERSITY
Visca, Baybay City, Leyte
MONTHLY PRODUCTION AND SALES/DISPOSAL REPORT

Mar-10
Month

Date	Product	PRODUCTION		SALES/DISPOSAL		Cash	Credit	Remarks
		Unit/City	Value	Unit/Qty.	Unit Cost			
3/4/2010	GBR Income			2614926		2,000.00		
-do-	-do-			2614927		1,500.00		
-do-	-do-			2614928		175.00		
-do-	-do-			2614929		75.00		
-do-	-do-			2614930		195.00		
-do-	-do-			2614931		45.00		
3/6/2010	-do-			2614932		200.00		
-do-	-do-			2614933		300.00		
-do-	-do-			2614934		300.00		
-do-	-do-			2614935		225.00		
-do-	-do-			2614936		785.00		
-do-	-do-			2614937		1,000.00		
-do-	-do-			2614938		800.00		
-do-	-do-			2614939		100.00		
3/7/2010	-do-			2614940		800.00		
-do-	-do-			2614941		480.00		
-do-	-do-			2614942		450.00		
3/10/2010	-do-			2614943		1,500.00		
3/11/2010	-do-			2614944		400.00		
3/12/2010	-do-			2614945		580.00		
-do-	-do-			2614946		425.00		
3/13/2010	-do-			2614947		320.00		
-do-	-do-			2614948		525.00		
-do-	-do-			2614949		330.00		
-do-	-do-			2614950		335.00		
-do-	-do-			2614951		3,500.00		
-do-	-do-			2614952		500.00		
3/14/2010	-do-			2614953		300.00		
-do-	-do-			2614954		345.00		
-do-	-do-			2614955		250.00		
3/16/2010	-do-			2614956		1,655.00		
3/17/2010	-do-			2614957		75.00		
3/18/2010	-do-			2614958		400.00		
-do-	-do-			2614959		840.00		
3/19/2010	-do-			2614960		200.00		
-do-	-do-			2614961		800.00		
-do-	-do-			2614962		400.00		
Sub Total						23,110.00		

Noted:

Prepared by:

Wenifreda T. Oclinaria
WENIFREDA T. OCLINARIA
Manager VSU Garden Beach Resort

EDGARDO E. TULIN
Vice President for Planning and Resource Generation