




**OP Memorandum No. 440**  
Series of 2024

**TO: Nick Freddy R. Bello, Accounting Office VSU Baybay OIC-Head**  
**Queen-Ever Y. Atupan, University Cashier**  
**Alicia M. Flores, Budget Unit, OIC-Head**

**RE: Compliance with Audit Observation Memorandum (AOM) No. 2024-001:**  
**Submission of Financial Reports**

  
**FROM: DR. PROSE IVY G. YEPES**  
University President

**DATE: May 21, 2024**

It has been brought to our attention that the University received Audit Observation Memorandum (AOM) No. 2024-001, dated February 1, 2024, regarding delays in the submission of various financial reports to the Audit Team.

These reports include but are not limited to the report of advice to debit account issued, report of checks issued, disbursement vouchers/payrolls, general journals, liquidation reports, report of collections and deposits and their source documents, trial balances, quarterly financial statements with supporting schedules, bank reconciliation statements, and budget and financial accountability reports. The delay in submission ranged from 2 to 297 days, which is against Sections 41 and 122 of PD No. 1445, COA Circular No. 2009-006, and pertinent provisions of the Government Accounting Manual (GAM) for NGAs Volume I.

In light of this, the Accountant, Cashier, and all other officials responsible are hereby directed to prepare and submit for audit all required monthly financial reports within the prescribed period. Compliance with Sections 41 and 122 of PD No. 1445, Section 7.21(a) of COA Circular No. 2009-006, and Section 32 of Chapter 3, Section 60 of Chapter 19, and Section 7 of Chapter 21 of the GAM for NGAs Volume I is mandatory.

Further, please be informed that the COA is expecting our feedback on the foregoing audit observations within five (5) calendar days from receipt thereof, hence you are directed to submit a reply or an explanation not later than May 24, 2024.

**OFFICE OF THE PRESIDENT**

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For your information and usual compliance.

cc: OIC Audit Team Leader  
VPAF  
File

**Vision:** A globally competitive university for science, technology, and environmental conservation.  
**Mission:** Development of a highly competitive human resource, cutting-edge scientific knowledge and innovative technologies for sustainable communities and environment.



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**FM-OOP-01**  
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Republic of the Philippines  
**COMMISSION ON AUDIT**

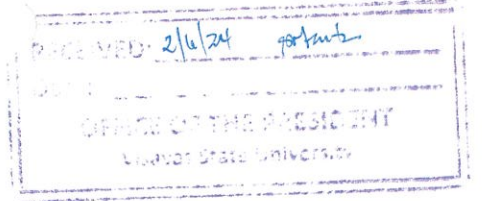
Regional Office No. VIII

**Office of the Audit Team Leader**

NGS, SUCs and Other NGS SAAs, Team R8-04

Provincial Satellite Auditing Office

Baybay City, Leyte



AOM No.: 2024-001 (2023)

Date: February 1, 2024

**AUDIT OBSERVATION MEMORANDUM (AOM)**

For: **DR. LESLIE DANIEL S. TAN**  
OIC President  
Visayas State University  
VisCA, Baybay City

Attention: **Nick Freddy R. Bello**  
OIC-Head, Accounting Office-Main Campus

**Queen-Ever Y. Atupan**  
University Cashier

**Alicia M. Flores**  
OIC-Head, Budget Unit

We have evaluated the submission of financial reports for CY 2023 of the VSU Main Campus and observed the following:

**Various financial reports including the report of advice to debit account issued, report of checks issued, disbursement vouchers/payrolls, general journals, liquidation reports, and their supporting documents; report of collections and deposits and source documents; trial balances, quarterly financial statements with their supporting schedules, bank reconciliation statements, and budget and financial accountability reports were submitted to the Audit Team delayed by 2 to 297 days, contrary to Sections 41 and 122 of PD No. 1445, COA Circular No. 2009-006, and pertinent provisions of the Government Accounting Manual (GAM) for NGAs Volume I.**

Pertinent provisions of Presidential Decree (PD) No. 1445 provide thus:

**Section 41. Annual report of the Commission.**





1) The Commission shall submit to the President, the Prime Minister, and the National Assembly not later than the last day of September of each year an annual report of the financial condition and results of operation of all agencies of the government which shall include recommendations of measures necessary to improve the efficiency and effectiveness of these agencies.

2) To carry out the purposes of this section, the chief accountant or the official in charge of keeping the accounts of a government agency shall submit to the Commission year-end trial balances and such other supporting or subsidiary statements as may be required by the Commission not later than the fourteenth day of February. Trial balances returned by the Commission for revision due to non-compliance with accounting rules and regulations, shall be resubmitted within three days after the date of receipt by the official concerned.

3) Failure on the part of any official or employee to comply with the provisions of the immediately preceding paragraph shall cause the automatic suspension of the payment of his salary and other emoluments until he shall have complied therewith. The violation of these provisions for at least three times shall subject the offender to administrative disciplinary action.”

**Section 122. Submission of reports.** Whenever deemed necessary in the exigencies of the service, the Commission may under regulations issued by it require the agency heads, chief accountants, budget officers, cashiers, disbursing officers, administrative or personnel officers, and other responsible officials of the various agencies to submit trial balances, physical inventory reports, current plantilla of personnel, and such other reports as may be necessary for the exercise of its functions. Xxx

Likewise, Section 7.2.1 (a) of COA Circular No. 2009-006 dated September 15, 2009 states, among others the following:

**Section 7.2    *Responsibility of the Agency Accountant***

7.2.1 The Chief Accountant, Bookkeeper or other authorized official performing accounting and/or bookkeeping functions of the audited agency shall ensure that:

- a.) the reports and supporting documents submitted by the accountable officers are immediately recorded in the books of accounts and submitted

to the Auditor within the first ten (10) days of the ensuing month.

The following COA issuances set the timelines for the submission of various financial statements/reports as follows:

Report Title	Deadline	Basis
Report of Collection and Deposits (RCD), Report of Disbursement (ROD), Report of Advice to Debit Account Issued (RADAI), Report of Checks Issued (RCI), Disbursement Vouchers (DV)/Payrolls/Liquidation Report (LR) and supporting documents, Report of Accountability for Accountable Forms (RAAF)	Within the first ten (10) days of the ensuing month.	Sec. 7.2.1 (a) of the Rules and Regulations on the Settlement of Accounts (RRSA) as prescribed under COA Circular No. 2009-006 dated September 15, 2009
Monthly Trial Balances (TBs) and supporting Journal Entry Vouchers (SS)	10 days after the end of the month	Section 60 (c), Chapter 19 GAM for NGAs, Volume I
Quarterly Financial Statements (FS), Trial Balances (TBs) and Supporting Schedules (SS)	10 days after the end of the quarter	
Year-end TBs, FSs, SSs	February 14 of the following year	
Bank Reconciliation Statements (BRS)	20 days after the receipt of the monthly BS	Section 7, Chapter 21, GAM for NGAs, Volume I
Statement of Appropriations, Allotments, Obligations, Disbursements and Balances by Object of Expenditures-FAR No. 1 (SAAODB)	30 days after the end of each quarter	Section 32, Chapter 3, GAM for NGAs, Volume I
Summary of Appropriation, Allotments, Obligations, Disbursements and Balances by Object of Expenditures – FAR No. 1-A (SAAODBOE)	30 days after the end of each quarter	
List of Allotments and Sub-Allotments – FAR No. 1.B	30 days after the end of each quarter	
Statement of Approved Budget, Utilizations, Disbursements and Balances (SABUDB) – FAR No. 2	30 days after the end of each quarter	
Summary of Approved Budget, Utilizations, Disbursements and Balances by Object of Expenditures – (for Off-Budget Fund) – (SABUDBOE) – FAR No. 2-A	30 days after the end of each quarter	
Aging of Due and Demandable Obligations – FAR No. 3	On or before the 30 <sup>th</sup> day following the end of the year	
Monthly Report of Disbursements-FAR No. 4	On or before the 30 <sup>th</sup> day following month covered	
Quarterly Report of Revenue and Other Receipts- FAR No. 5	30 days after the end of each quarter	

Our review of the financial reports submitted by the Visayas State University (VSU) Main Campus revealed various financial reports that were not submitted on time.



The following are the details of these financial reports and the number of days they were submitted late:

**Table No. 1 Number of days delayed in the submission of Financial Reports**

Financial Reports/ Months (2023)	Regular Agency Fund (FC01)		Internally Generated Fund (FC05)		Business Related Fund (FC06)		Trust Fund (FC07)	
	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed
Report of Advice to Debit Account Issued (RADAI)								
January	04/26/2023	75	Not Applicable		Not Applicable		Not Applicable	
February	05/12/2023	63						
March	06/16/2023	67						
April	08/01/2023	83						
May	10/02/2023	112						
June	10/18/2023	100						
July	11/07/2023	89						
August	11/30/2023	80						
September	01/15/2024	97						
October	01/15/2024	66						
November	*	52						
December	*	22						
Report of Checks Issued (RCI)								
January	04/26/2023	75	04/26/2023	75	04/26/2023	75	04/26/2023	75
February	05/12/2023	63	05/15/2023	66	05/15/2023	66	05/12/2023	63
March	06/16/2023	67	06/16/2023	67	06/06/2023	57	06/06/2023	57
April	08/01/2023	83	07/31/2023	82	07/31/2023	82	08/30/2023	112
May	10/02/2023	112	08/08/2023	57	07/31/2023	49	08/30/2023	79
June	10/18/2023	100	10/19/2023	101	10/02/2023	84	10/02/2023	84
July	11/07/2023	89	10/19/2023	70	10/02/2023	53	10/09/2023	60
August	11/30/2023	80	11/15/2023	65	10/16/2023	35	11/09/2023	59
September	01/15/2024	97	12/23/2023	74	10/16/2023	6	11/30/2023	51
October	01/15/2024	66	01/22/2024	73	11/30/2023	20	12/23/2023	43
November	*	52	*	52	01/29/2024	49	01/29/2024	80
December	*	22	*	22	*	22	*	22
Report of Collection and Deposits (RCDs)								
January	06/16/2023	126	06/16/2023	126	06/16/2023	126	06/16/2023	126
February	06/16/2023	98	06/16/2023	98	06/16/2023	98	06/16/2023	98
March	06/16/2023	67	06/16/2023	67	06/16/2023	67	06/16/2023	67
April	08/30/2023	112	08/30/2023	112	08/30/2023	112	08/30/2023	112
May	08/30/2023	79	08/30/2023	79	08/30/2023	79	08/30/2023	79
June	08/30/2023	51	08/30/2023	51	08/30/2023	51	08/30/2023	51
July	10/17/2023	68	10/17/2023	68	10/17/2023	68	10/17/2023	68
August	11/15/2023	65	11/15/2023	65	11/15/2023	65	11/15/2023	65
September	12/05/2023	56	12/05/2023	56	12/05/2023	56	12/05/2023	56
October	01/03/2024	54	01/03/2024	54	01/03/2024	54	01/03/2024	54
November	*	52	*	52	*	52	*	52
December	*	22	*	22	*	22	*	22

Financial Reports/ Months (2023)	Regular Agency Fund (FC01)		Internally Generated Fund (FC05)		Business Related Fund (FC06)		Trust Fund (FC07)	
	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed
General Journals (GJs), which includes the Liquidation Reports								
January	04/03/2023	52	04/03/2023	52	04/03/2023	52	04/03/2023	52
February	05/12/2023	63	05/12/2023	63	05/04/2023	55	05/12/2023	63
March	06/16/2023	67	06/16/2023	67	06/16/2023	67	06/16/2023	67
April	07/28/2023	79	07/26/2023	77	07/31/2023	82	06/16/2023	37
May	08/08/2023	57	08/08/2023	57	07/31/2023	49	07/20/2023	38
June	09/07/2023	59	09/06/2023	58	08/30/2023	51	08/30/2023	51
July	10/25/2023	76	10/19/2023	70	09/27/2023	48	10/09/2023	60
August	12/05/2023	85	11/15/2023	65	10/17/2023	36	10/17/2023	36
September	12/15/2023	66	12/20/2023	71	12/05/2023	56	12/05/2023	56
October	01/22/2024	73	01/19/2024	70	12/15/2023	35	12/22/2023	42
November	*	52	01/29/2024	49	01/19/2024	39	01/15/2024	35
December	*	22	*	22	*	22	*	22
Trial Balance								
January	04/03/2023	52	04/03/2023	52	04/03/2023	52	04/03/2023	52
February	05/12/2023	63	05/12/2023	63	05/04/2023	55	05/12/2023	63
March	06/16/2023	67	06/16/2023	67	06/16/2023	67	06/16/2023	67
April	07/28/2023	79	07/26/2023	77	07/31/2023	82	06/16/2023	37
May	08/08/2023	57	08/08/2023	57	07/31/2023	49	07/20/2023	38
June	09/07/2023	59	09/06/2023	58	08/30/2023	51	08/30/2023	51
July	10/25/2023	76	10/19/2023	70	09/27/2023	48	10/09/2023	60
August	12/05/2023	85	11/15/2023	65	10/17/2023	36	10/17/2023	36
September	12/15/2023	66	12/20/2023	71	12/05/2023	56	12/05/2023	56
October	01/22/2024	73	01/19/2024	70	12/15/2023	35	12/22/2023	42
November	*	52	01/29/2024	49	01/19/2024	39	01/15/2024	35
December	*	22	*	22	*	22	*	22
Quarterly Financial Statements (FS)		Date Submitted					No. of Days Delayed	
		All Funds						
1 <sup>st</sup> Quarter 2023		06/20/2023					71	
2 <sup>nd</sup> Quarter 2023		09/07/2023					59	
3 <sup>rd</sup> Quarter 2023		12/28/2023					79	
4 <sup>th</sup> Quarter 2023		*					22	
Note: * No submission as of the date of AOM								

**Table No. 2 Number of days delayed in the submission of BFARs**

Budget and Financial Accountability Reports	1 <sup>st</sup> Quarter		2 <sup>nd</sup> Quarter		3 <sup>rd</sup> Quarter		4 <sup>th</sup> Quarter	
	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed
Quarterly Physical Report of Operation (QPRO) - BAR No. 1	*	297	*	206	*	114	02/01/2024	2
Statement of Appropriations, Allotments, Obligations,	05/18/2023	38	08/16/2023	37	10/31/2023	21	02/01/2024	2



Budget and Financial Accountability Reports	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed	Date Submitted	No. of Days Delayed
Disbursements and Balances (SAAODB) - FAR No. 1								
Summary of Appropriations, Allotments, Obligations, Disbursements and Balances by Object of Expenditures (SAAODBOE) - FAR No. 1.A	05/18/2023	38	08/16/2023	37	10/31/2023	21	02/01/2024	2
List of Allotments/Sub-Allotments - FAR No. 1-B	05/18/2023	38	08/16/2023	37	10/31/2023	21	02/01/2024	2
Statement of Approved Budget, Utilizations, Disbursements and Balances (SABUDB) - FAR No. 2	05/18/2023	38	08/16/2023	37	10/31/2023	21	02/01/2024	2
Summary of Approved Budget, Utilizations, Disbursements and Balances by Object of Expenditures – (for Off-Budget Fund) – (SABUDBOE) - FAR No. 2-A	05/18/2023	38	08/16/2023	37	10/31/2023	21	02/01/2024	2
Quarterly Report of Revenue and Other Receipts (QRROR) - FAR No. 5	05/18/2023	38	08/16/2023	37	10/31/2023	21	02/01/2024	2
Statement of Approved Budget, Utilizations, Disbursements and Balances for Trust Receipts - FAR No. 6	05/18/2023	38	08/16/2023	37	10/31/2023	21	02/01/2024	2
<b>Note:</b> * No submission as of the date of AOM								

**Table No. 3 Number of days delayed in the submission of FAR Nos. 3 and 4**

Budget and Financial Accountability Reports (2023)		Date Submitted	No. of Days Delayed
Aging of Due and Demandable Obligations (Unpaid Obligations) (ADDO)			
As of December 31, 2023	FAR No. 3	02/01/2024	2
Monthly Report of Disbursements (MRD)			
January	FAR No. 4	02/13/2023	**
February		03/14/2023	
March		04/12/2023	
April		05/18/2023	**
May		06/13/2023	
June		08/16/2023	17
July		08/16/2023	**



Budget and Financial Accountability Reports (2023)		Date Submitted	No. of Days Delayed
August	FAR No. 4	09/11/2023	
September		10/31/2023	1
October		11/22/2023	**
November		12/07/2023	**
December		02/01/2024	2
Note: **Submitted on time			

**Table No. 4 Status of Submission of Monthly Bank Reconciliation Statements**

Month (2023)	Regular Agency Fund (FC01)	Internally Generated Fund (FC05)			Business Related Fund (FC06)	Trust Fund (FC07)			
	2357-9000-02	3572-1000-13	3572-1041-59	3172-1006-69	3572-1000-21	3572-1000-48	3572-1038-45	3572-1051-47	3172-1010-10
<b>Bank Reconciliation Statement (BRS)</b>									
January	06.26.2023	*	*	*	10.17.2023	*	*	*	*
February	06.26.2023	*	*	*	10.17.2023	*	*	*	*
March	06.26.2023	*	*	*	10.17.2023	*	*	*	*
April	08.08.2023	*	*	*	10.17.2023	*	*	*	*
May	12.19.2023	*	*	*	10.17.2023	*	*	*	*
June	12.19.2023	*	*	*	10.17.2023	*	*	*	*
July	12.28.2023	*	*	*	*	*	*	*	*
August	12.28.2023	*	*	*	*	*	*	*	*
September	12.28.2023	*	*	*	*	*	*	*	*
October	*	*	*	*	*	*	*	*	*
November	*	*	*	*	*	*	*	*	*
December	*	*	*	*	*	*	*	*	*
Note: * No submission as of the date of AOM									

The Bank Reconciliation Statements for the bank accounts indicated in Table No. 4 that are without reports in CY 2023 as shown below:

**Table No. 5 Latest BRS submitted for the bank accounts with no report in CY 2023**

Fund	Account Nos.	Latest BRS submitted
Internally Generated Fund (FC05)	3572-1000-13	August 2021
	3572-1041-59	December 2022
	3172-1006-69	December 2022
Trust Fund (FC07)	3572-1000-48	December 2021


<b>Fund</b>	<b>Account Nos.</b>	<b>Latest BRS submitted</b>
Trust Fund (FC07)	3572-1038-45	October 2022
	3572-1051-47	July 2022
	3172-1010-10	December 2022

The delayed or non-submission of the aforementioned mandatory financial reports, their corresponding supporting schedules, and source documents have precluded the Audit Team from conducting the timely audit, early detection and correction of errors/deficiencies, and reporting of the audit results to management.

**We recommend that the President require the Accountant, Cashier, and other officials responsible to prepare and submit for audit all monthly bank reconciliation statements, report of advice to debit account issued, report of checks issued, disbursement vouchers/payrolls, general journals, liquidation reports, and their supporting documents; report of collections and deposits and source documents; trial balance, quarterly financial statements with their supporting schedules, and budget and financial accountability reports within the reglementary period in accordance with Sections 41 and 122 of PD No. 1445, Section 7.21(a) of COA Circular No. 2009-006, and Section 32 of Chapter 3, Section 60 of Chapter 19 and Section 7 of Chapter 21 of the GAM for NGAs Volume I.**

May we have your comment on the foregoing audit observations within fifteen (15) calendar days from receipt hereof.

  
**FLERIDA RUTH R. QUIMBO**  
 State Auditor III  
 OIC-Audit Team Leader

  
**Atty. HELEN O. FABRA**  
 State Auditor V  
 Supervising Auditor

**Proof of Receipt of AOM:**

<b>Name</b>	<b>Designation</b>	<b>Date Received</b>	<b>Signature</b>
Dr. Leslie Daniel S. Tan	OIC President		
Nick Freddy R. Bello	OIC-Head, Accounting Office-Main Campus		
Queen-Ever Y. Atupan	University Cashier		
Alicia M. Flores	OIC-Head, Budget Unit		