



# Visayas State University

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Office of the President

23 June 2010

**MEMORANDUM NO.** 181  
Series of 2010

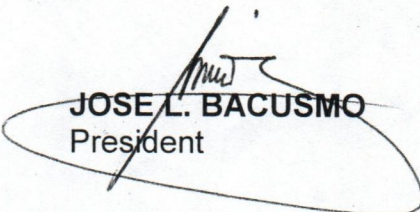
**T O:** Dr. Nelen P. Lambert  
Dr. Milagros C. Bales  
Dr. Daniel Leslie S. Tan  
Mr. Guiraldo C. Fernandez, Jr.  
Dr. Ma. Theresa P. Loreto  
Ms. Asteria A. Sevilla

**R E:** Preliminary Investigating Committee on the Audit Findings  
of the VSU-Garden Beach Resort Project

With Dr. Nelen P. Lambert as Chairperson, Ms. Asteria A. Sevilla as Secretary and the rest as Members, please constitute yourselves into a Preliminary Investigating Committee to look into the audit findings of the VSU-Garden Beach Resort Project monthly report for March 2010. Attached are pertinent documents on the case for your reference.

Kindly submit your committee output on or before July 31, 2010.

Please be guided accordingly.

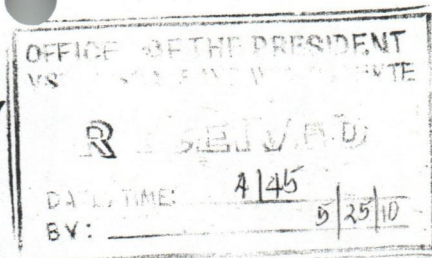
  
**JOSE L. BACUSMO**  
President



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**Office of the Vice President for Planning and Resource Generation**

May 20, 2010

**Dr. Jose L. Bacusmo**

President

VSU, Visca, Baybay City, Leyte

Dear Pres. Bacusmo:

I received your Memorandum No. 151, Series of 2010, dated May 14, 2010, regarding the Audit Findings of the VSU-Garden Beach Resort.

In response to that Memorandum, I would like to present the following to clarify matters raised by the Internal Audit Office (IAO):

- **The Monthly Production and Sales/Disposal Report for March 2010 registered the amount of P1,500.00 instead of the actual amount of P 18,500.00 paid by the customer.**

**Answer:** The amount of P1,500.00 registered in the Monthly Production and Sales/Disposal Report for March 2010 was merely a technical computerization error. The 4<sup>th</sup> digit (8) was erased during the finalization of the report due to some adjustments since the undersigned sometimes used manual mathematical formula, like using comma instead of the automatic one, and this was overlooked. However, the full amount of **Eighteen Thousand Five Hundred Pesos (P18,500.00)** was fully accounted/considered as part of the resort income for the month of March 2010.

The amount of One Thousand Five Hundred Pesos (P 1,500.00) was part of the remittances made in March 2010. The remaining balance of Seventeen Thousand Pesos (P17,000.00) was considered as cash on hand at the end of March 2010. This can be observed/accounted in the remittances made in the early part of April 2010. From April 1-11, 2010, the total sales amounted to Thirty Nine Thousand Five Hundred Twenty Pesos (P 39,520.00) and the total remittances made to the Cash Division amounted to Fifty Thousand Six Hundred Sixty Pesos (P50,660.00) thus, having an excess remittance of Eleven Thousand One Hundred Forty Pesos (P 11,140.00). With a reimbursable amount of Five Thousand Eight Hundred Seventy Pesos and Eighty Five

Centavos (P5,870.85) which was used for emergency purchase of some supplies and materials needed for the smooth and continuous operation of the project, this amounted to roughly Seventeen Thousand Ten Pesos and Eighty Five Centavos (P 17, 010.85).

- ***The Logbook for the Monthly Production and Sales/Disposal indicated an amount of P 1,500.00 instead of P 18,500.00***

**Answer:** The Logbook indicated an amount of P 1,500.00 instead of P 18,500.00 for reason that, what were recorded in the logbook were based on that same computerized list of the production and sales for the month of March 2010. There were some lapses on this aspect particularly in updating the logbook and reviewing carefully and thoroughly the computerized production and sales for the month of March 2010 . Nevertheless, despite of this, everything had been accounted because collections were kept intact, and whatever amount received were remitted to the Cash Division the soonest possible time, except in some instances when emergency purchases were necessary for smooth and continuous operation of the resort.

- ***The logbook maintained by the caretaker in the resort indicated that from March 2-4, 2010, the FARMI Cottage was occupied by GTZ staff.***

**Answer:** Yes, it's true that the logbook maintained by the caretaker in the resort indicated that from March 2-4, 2010, the FARMI Cottage was occupied by GTZ staff. However, this logbook is the reservation logbook which is different from the Monthly Production and Sales/Disposal logbook. The reservation logbook records customers who would like to book for use of resort's facilities in a particular date and time (confirmed and unconfirmed bookings). It is referred to facilitate scheduling of the resort users/customers in the different areas in order to avoid conflicts. While the other logbook, records the actual users (confirmed reservations and walk-in customers). In this case, the undersigned could counter check/account for the total remittable amount during the month, by referring to these logbooks.

- ***The triplicate copy indicated an amount of P 18,500.00, while there was no amount reflected in the duplicate copy.***

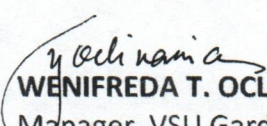
**Answer:** The none reflection of the amount in the duplicate copy was a human error. This was clarified by the staff who issued the receipt. As per his explanation, the duplicate copy might have "folded" when he filled it up. The undersigned has already called the attention of the concerned staff to be more careful in issuing receipts to ensure readability and legibility of entries for proper recording and accounting.

I hope that the abovementioned points have clarified matters relative to the findings of the Internal Audit Office. As manager, I would like to apologize for the lapses in updating records on time, and for not reviewing the entries carefully and thoroughly of some important financial documents and the report before submission to the IGP Office. Rest assured and I do the best I can for this not to happen again.

In view of the above circumstances however, I would like to take this opportunity to have this proposal/suggestion. It might be helpful if a cash register will be used in the transaction of all sales in the resort. This will ease/ensure the accounting and monitoring of all the resort income and keep all cash collections intact and safe. It is also better if a receiving counter near the gate will be established to immediately monitor/account/record incoming customers, particularly during weekends, holidays and in instances when big functions/activities are held in the resort. In addition, I would appreciate and be thankful if a permanent office will be established where all records and other important documents can be kept. The improvement of the stock room (provision of better ventilation, wider space, etc.) at the back of the function hall is suggested. This serves as a better place for the manager/staff to concentrate well in the preparation of reports. The replacement of some portion of the wall with glass wall facing the swimming pool area and social park area will also make it a good place to accept/entertain customers who come for inquiry and reservations.

Thank you Sir for giving me the opportunity to explain regarding the matters raised by the Internal Audit Office. Honestly, I felt sad with this event. I tried hard to do the best I can, not just in the operation of the resort but also in managing its financial aspect, particularly in the remittances of sales to the Cash Division as soon as possible as I could. But I understand... and there's one thing I learned – if one does the right thing, he/she can never go wrong. As long as collections are kept intact and remitted, the problem of accounting can be avoided, despite of lapses.

Very truly yours,

  
**WENIFREDA T. OCLINARIA**  
Manager, VSU Garden Beach Resort