



Republic of the Philippines  
**IFUGAO STATE UNIVERSITY**

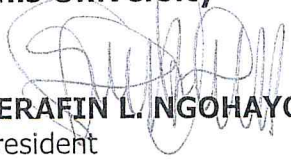
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**MEMORANDUM No. 14- 2011**

TO : **DR. CAMILO A. PIMENTEL, VP Admin & Finance**  
**MRS. JULIET DANIELS, Director for Finance**  
**MRS. ELYN BOLIGON, Accountant II**  
**MRS. MARY LUNAG, Chief, Cash Section**  
**MRS. DOMINGA BALITOC, Chief, Budget Section**  
**MR. JULIO P. PUGONG, JR. – Collecting Officer – Main Campus**  
**MR. SAMUEL DOMINGO – Collecting Officer – Potia Campus**  
**OTHER DESIGNATED ACCOUNTABLE OFFICERS**  
**This University**

FROM :   
**SERAFIN L. NGOHAYON, Ph.D.**  
President

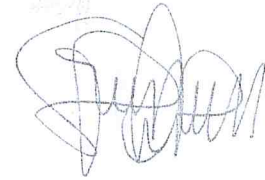
SUBJECT : **Compliance to COA Recommendations**

DATE : March 28, 2011

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1. In line with the 5<sup>th</sup> Goal of the University – Pursue excellence in Administration and Governance – and the recommendations of the Commission on Audit in their various Audit Observation Memoranda (AOM Nos. 11-006, 11-010, 11-011, & 11-015), you are hereby directed to take note of the following observations and needed adjustments/ reforms as recommended, to wit:
  - a. Claims for honoraria were not properly supported with complete documentation (AOM 11-006) – Ensure that complete supporting documents shall accompany all disbursement vouchers and that all authorized signatories shall affix their signatures only when the supporting documents are proper, complete and in consonance with accounting and auditing rules and regulations;
  - b. Cash – Collecting Officers account balances are doubtful (AOM 11-010) because of 1) absence of cash examination reports and reconciliation of the cashbook and subsidiary ledgers, 2) overstatements in the collections reported in the subsidiary ledgers of Trust Fund and Income Generating Projects and 3) Accountable Officers failure (Potia & Tinoc) to reconcile their cashbook balances with the subsidiary ledgers resulting to misstatements in the balances. You are therefore instructed to ensure that all books are reconciled at least quarterly as to establish correct balance of the cash account as per Sec. 181 (c), Vol. I of the GAAM. In addition, the university accountant/s should make the necessary adjustments to correct the overstated collections of the accountable officers as pointed out by the AOMs and all incoming AOMs of the same nature in the future. Finally, all accounts and collections of the University shall be properly balanced and checked for accuracy and all reports prepared as prescribed and submitted on time. Misstatements or overstatements of accounts are serious infractions against accounting and auditing rules hence maybe a ground for disciplinary action (for negligence/ ignorance);
  - c. Unremitted Tax Withheld (AOM 11-011) as it was overlooked by the personnel in-charge in the preparation of remittances – Ensure that tax withheld must be remitted not later than the 10<sup>th</sup> day of the ensuing month except collection for December that is 25<sup>th</sup> day of January of the following year (Revenue Regulation No. 2-98). The lame excuse of having overlooked the matter is unacceptable and maybe a ground for disciplinary action as it clearly shows gross neglect of duty;

- d. Subsidiary Ledgers were not maintained (AOM 11-015) – Always prepare subsidiary ledgers as per Sec. 12, Vol. II of the Manual on NGAS. In addition, be ready to submit the subsidiary ledgers to the audit team for verification upon proper request/s.
2. The Vice President for Administration and Finance and the Director for Finance are hereby tasked to lead, guide and supervise the group/ finance team in carrying out the directives in this memorandum.
  3. It is therefore expected that henceforth there will be no more AOMs of similar causes and nature.
  4. In addition, please work on the attached letter of the Audit Team dated March 15, 2011 requesting for any disclosures/explanation on action taken by management relative to the unsettled accounts of various payees of disallowed payments.
  5. For your commitment and guidance.



Attachment : COA AOMs as stated

Cc: HRD, All authorized signatories of Disbursement Vouchers, Records, file