



Republic of the Philippines  
**COMMISSION ON AUDIT**  
Commonwealth Avenue, Quezon City

# **ANNUAL AUDIT REPORT**

on the

**CENTRAL PHILIPPINES  
STATE UNIVERSITY**

For the Year Ended December 31, 2024

## EXECUTIVE SUMMARY

### A. INTRODUCTION

The Central Philippines State University (CPSU), then known as the Negros Occidental National Agricultural School (NONAS) was founded on August 1, 1947. It was converted into the Negros Occidental Agricultural College (NOAC) by virtue of a Presidential Decree issued on September 6, 1977, and was considered the first agricultural institution in the country.

On July 3, 2001, Republic Act (RA) No. 9141 converted it into the Negros State College of Agriculture (NSCA), mandated to strengthen and expand its expertise in scientific agriculture and forestry-related sciences. On October 19, 2012, by virtue of RA No. 10228, the institution was converted into a university, known as CPSU, mandated to provide advanced education, higher technological-professional instruction and training in agriculture/fisheries, animal science, forestry, education, computer studies, engineering, arts and sciences, and other relevant fields, and to promote and undertake research, extension services, and provide progressive leadership in its areas of specialization.

The University is governed by the Board of Regents, which formulates and implements policies in accordance with the declared State policies on education and other pertinent provisions of the Philippine Constitution on education, agriculture, science and technology, as well as the policies, standards, and thrusts of the Commission on Higher Education (CHED).

Central Philippines State University is administered by President Dr. Aladino C. Moraca and is assisted by Engr. Marc Alexei Caesar B. Badajos, Ph.D., Vice-President for Administration and Finance, Dr. Fernando D. Abello, Vice-President for Academic Affairs, Dr. Angelie Rose L. Lumba, Director for Research and Development Services and Dr. Jimmy O. Dejillo, Director for Extension and Community Services. The University has a main campus and nine external campuses.

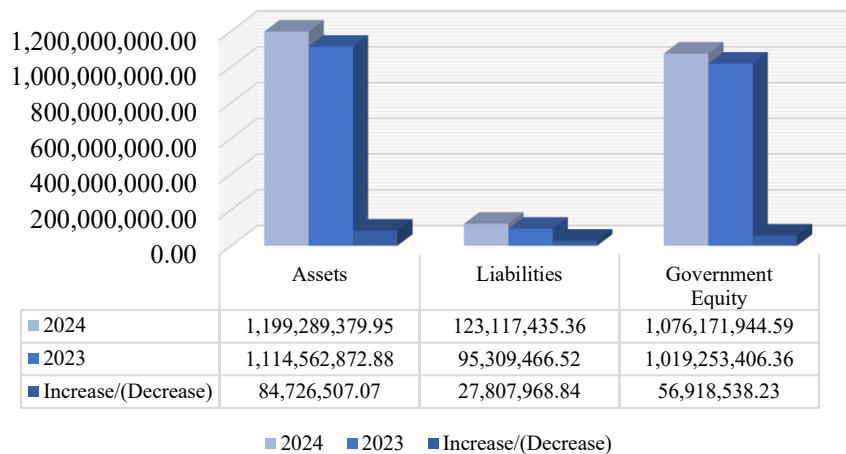
The total personnel complement of CPSU as of December 31, 2024, is shown as follows:

Employment Status	No. of Employees
Permanent Employees	358
Casual Employees	1
Part-time Teachers	274
Job Order Personnel	331
<b>Total Personnel Complement</b>	<b>964</b>

### B. FINANCIAL HIGHLIGHTS

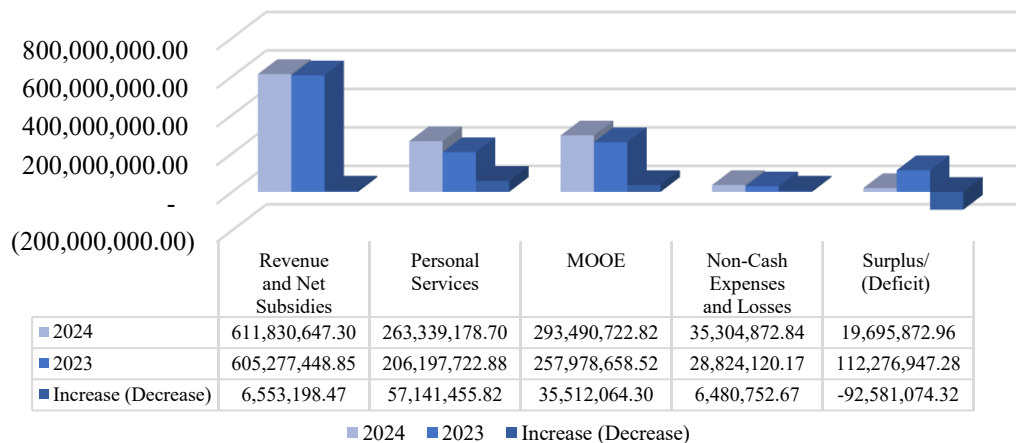
The Financial Position of CPSU as of December 31, 2024, in comparison with the prior year, is presented in the next page:

### Comparative Financial Position (in Philippine Peso)



The Financial Performance of CPSU for CY 2024, in comparison with the prior year, is presented below.

### Comparative Results of Operations (in Philippine Peso)



## C. OPERATIONAL HIGHLIGHTS

The University reported the following performance targets and accomplishments during the year, as shown in the next table.

Major Final Output (MFO) and Performance Indicator	Targets	Actual Accomplishments	Variance
<b>MFO 1: Higher Education Services</b>			
Percentage of first-time licensure exam takers that pass the licensure exams	50.00%	72.00%	22.00%
Percentage of graduates (2 years prior) that are employed	60.00%	60.00%	0.00%
Percentage of undergraduate students enrolled in CHED-identified and RDC-identified priority programs	83.00%	85.00%	2.00%
Percentage of undergraduate programs with accreditation	68.00%	88.00%	20.00%
<b>MFO 2: Research Services</b>			
Number of research outputs in the last three years utilized by the industry or by other beneficiaries	11	11	0
Number of research outputs completed within the year	48	54	6
% of research outputs published in internationally-refereed or CHED recognized journal within the year	11.50%	12.17%	0.67%

Major Final Output (MFO) and Performance Indicator	Targets	Actual Accomplishments	Variance
<b>MFO 3: Extension Services</b>			
Number of active partnerships with LGUs, industries, NGOs, NGAs, SMEs and other stakeholders as a result of extension activities	15	15	0
Number of trainees weighted by the length of experience	4,200	4,808	608
Number of extension programs organized and supported consistent with the SUCs mandated and priority programs	14	14	0
Percentage of beneficiaries who rate the training course/s and advisory services as satisfactory or higher in terms of quality and relevance	95.00%	95.00%	0.00%

## D. SCOPE OF AUDIT

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs.) It covered the financial transactions and operations of the Central Philippines State University for Calendar Year 2024, in particular, the audit thrust/areas identified in the unnumbered Memorandum dated October 30, 2024 of the Assistant Commissioner of the Local Government Audit Sector, Commission on Audit and in the unnumbered Memorandum dated November 7, 2024, of the Director, Commission on Audit Region VI.

The audit was conducted to: (a) ascertain the level of assurance that may be placed on assertions by the management of the Central Philippines State University on the financial statements; (b) determine its compliance with the laws, rules and regulations on the pre-identified audit thrusts, and recommend agency improvement opportunities thereon; and (c) determine the extent of implementation of prior year's audit recommendations.

## E. INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

A Qualified Opinion was rendered due to non-adjustment of book reconciling items, inconsistent with Paragraph 27 of IPSAS and Section 6, Chapter 21 of GAM for NGAs, Volume 1 which resulted in the understatement of the Cash in Bank-Local Currency Account by ₱4.035 million.

## F. OTHER SIGNIFICANT AUDIT OBSERVATIONS AND RECOMMENDATIONS

In addition to the exceptions above, summarized below are other significant audit observations and the corresponding recommendations that require immediate attention. These, as well as other observations and recommendations were discussed with Management in an exit conference on May 26, 2025, and are fully discussed in detail in Part II of this report, including the comments of Management:

1. Property, Plant and Equipment in the amount of ₱251.403 million were not insured with the General Insurance Fund of GSIS, contrary to Section 5 of R. A. No. 656, hence, the government properties are not protected and are exposed to the risk of loss due to non- indemnification in case of fire and other natural calamities.

*We recommended and Management agreed to require the:*

- a. Responsible person/s to prepare Property Inventory Report in accordance with COA Circular No. 2018-002;*
  - b. Responsible person/s to submit the Consolidated Property Inventory Form (PIF) to the Supervising Auditor/Audit Team Leader and the General Insurance Fund, GSIS not later than April 30 of each year; and*
  - c. Property Officer to coordinate with the GSIS and apply for the insurance of all properties of the Campus, in compliance with R.A. No. 656.*
2. The policy on the estimated useful life of semi-expendable properties was not established, contrary to Sections 4.12 and 4.13 of the COA Circular No. 2022-004 dated March 31, 2022, thus, semi-expendable properties issued during the calendar year 2024, amounting to ₱30.714 million lacked legal basis for determining the extent of accountability for each end-user.

*We recommended and Management agreed to:*

- a. Establish a policy on the estimated useful life of semi-expendable properties and furnish a copy to the COA Auditor, in accordance with Sections 4.12 and 4.13 of COA Circular No. 2022-004 dated March 31, 2022; and*
  - b. Direct the Supply Officer to indicate the estimated useful life of the properties amounting to ₱30.714 million in the Inventory and Custodian Slip (ICS) of the semi-expendable properties issued, once the policy has been established.*
3. Non-establishment of clear policies and guidelines for the use of the government lot within the CPSU main campus, which is primarily designated for agricultural school purposes, exposed the property to risks of extended use and potential misuse, inconsistent with Section 2 of Republic Act. 7722 and Section 2 of PD No. 1445.

*We recommended and Management agreed to:*

- a. Create a committee to formulate the policies and guidelines for evaluation and approval of the Board of Regents on the availment, management and control of the operation of the Teachers and Personnel Village, which shall include among others, the following:*
  - Identification of qualified beneficiaries;*
  - Duration of the occupancy of the home lot;*
  - Establishment of limitations on the total allowable area per home lot;*
  - Determination of ownership of improvements made on the home lot upon termination of the recipient's privilege of occupancy;*
  - Procedures for the transfer of property improvements on a home lot to a newly qualified employee who wishes to avail of the program; and*

- *The Policy and Guidelines should not in any way an impediment to the school's programs and projects geared towards the achievement of its mandate which is the very essence of its existence.*
- b. Submit to the Board of Regents (BOR) the Policy and Guidelines for review and approval;*
  - c. Execute a Usufruct Agreement between the University's representative and the beneficiaries incorporating all the conditions set in the approved policy and guidelines;*
  - d. Initiate actions to relocate homeowners living within the compound of the main campus to relocate to other places within two (2) to three (3) years; and*
  - e. Create a separate committee to conduct a study on how to secure the perimeter compound of the main campus with either through the use of biological (trees with thorns) or concrete fencing, to minimize the risk of loss or theft of government properties.*

#### **G. SETTLEMENT OF ACCOUNTS**

The following table shows the total audit suspensions, disallowances and charges of the University as of December 31, 2024:

Particulars	Balance 12.31.2023 (Php)	Issued and Settled During Year 2024 (Php)		Balance 12.31.2024 (Php)
		Issued	Settled	
Suspensions	₱6,030,338.28	₱ 0.00	₱360,000.00	₱5,670,338.28
Disallowances	1,946,491.67	360,000.00	0.00	2,306,491.67
Charges	0.00	0.00	0.00	0.00

#### **H. STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS**

The status of implementation of outstanding prior years' audit recommendations is shown below (details are presented in Part III of this report):

<b>Status of Implementation</b>	<b>No.</b>	<b>Percentage</b>
Fully Implemented	23	56.10
Not Implemented	18	43.90
<b>Total</b>	<b>41</b>	<b>100.00</b>

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## **PART I – AUDITED FINANCIAL STATEMENTS**





Republic of the Philippines

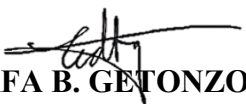
**CENTRAL PHILIPPINES STATE UNIVERSITY**

Kabankalan City, Negros Occidental 6111


## STATEMENTS OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENT

The management of **CENTRAL PHILIPPINES STATE UNIVERSITY** is responsible for all information and representations contained in the accompanying Statement of Financial Position as at December 31, 2024, and the related Statement of Financial Performance, Statement Cash Flows, Statement of Comparison of Budget and Actual Amounts, Statement of Changes in Net Assets/Equity and the Notes to Financial Statements for the year then ended. The Financial Statements have been prepared in conformity with the International Public Sector Accounting Standards and Generally Accepted Accounting Principles (GAAP) and reflect amounts that are based on the best estimates and informed judgement of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

  
**ERFA B. GETONZO, CPA**  
Accountant III

February 14, 2025  
Date Signed

  
**ALADINO C. MORACA, Ph. D.**  
President

February 14, 2025  
Date Signed

### VISION

*CPSU as the leading technology-  
driven multi-disciplinary  
University by 2030.*

### MISSION

*CPSU is committed to produce competent  
graduates who can generate and extend leading  
technologies in multi-disciplinary areas  
beneficial to the community.*

### GOAL

*To provide efficient, quality,  
technology-driven and gender-  
sensitive products and services.*



Republic of the Philippines  
**CENTRAL PHILIPPINES STATE UNIVERSITY**  
Kabankalan City, Negros Occidental 6111

**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**ALL FUNDS**  
**AS AT DECEMBER 31, 2024**

	Note	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4 ₱	421,439,735.33 ₱	447,742,508.49
Receivables	5	5,108,878.48	5,104,866.34
Inventories	6	2,097,638.17	937,002.21
Other Current Assets	7	10,242,028.39	10,598,838.59
<b>Total Current Assets</b>		<b>438,888,280.37</b>	<b>464,383,215.63</b>
<b>Non-Current Assets</b>			
Investments	8	1,750,408.00	1,750,408.00
Property, Plant and Equipment	9	757,319,951.58	645,707,637.08
Biological Assets	10	1,111,500.00	1,094,500.00
Intangible Assets	11	219,240.00	1,138,537.34
Other Non-Current Assets		0.00	488,574.83
<b>Total Non-Current Assets</b>		<b>760,401,099.58</b>	<b>650,179,657.25</b>
<b>Total Assets</b>		<b>₱ 1,199,289,379.95 ₱</b>	<b>1,114,562,872.88</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities	12	25,285,637.09	19,804,514.51
Inter-Agency Payables	13	47,064,101.54	29,565,033.70
Trust Liabilities	14	14,330,279.82	11,851,263.19
Deferred Credits/Unearned Income	15	1,218,594.58	1,218,594.58
Other Payables	16	35,218,822.33	32,870,060.54
<b>Total Current Liabilities</b>		<b>123,117,435.36</b>	<b>95,309,466.52</b>
<b>Total Liabilities</b>		<b>₱ 123,117,435.36 ₱</b>	<b>95,309,466.52</b>
<b>Total Assets less Total Liabilities</b>		<b>₱ 1,076,171,944.59 ₱</b>	<b>1,019,253,406.36</b>
<b>NET ASSETS/EQUITY</b>			
Accumulated Surplus/(Deficit)		1,076,171,944.59	1,019,253,406.36
<b>Total Net Assets/Equity</b>		<b>₱ 1,076,171,944.59 ₱</b>	<b>1,019,253,406.36</b>

*This statement should be read in conjunction with the accompanying notes*



Republic of the Philippines  
**CENTRAL PHILIPPINES STATE UNIVERSITY**  
 Kabankalan City, Negros Occidental 6111

**DETAILED STATEMENT OF FINANCIAL POSITION**  
**ALL FUNDS**  
**AS AT DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Cash and Cash Equivalents</b>	<b>₱ 421,439,735.33</b>	<b>₱ 447,742,508.49</b>
Cash on Hand	0.00	10,000.00
Cash-Collecting Officers	0.00	0.00
Petty Cash	0.00	10,000.00
Cash in Bank-Local Currency	421,439,735.33	447,732,508.49
Cash in Bank-Local Currency, Current Account	421,439,735.33	447,732,508.49
<b>Receivables</b>	<b>5,108,878.48</b>	<b>5,104,866.34</b>
Loans and Receivable Accounts	2,243,720.88	2,236,518.79
Accounts Receivable	2,290,084.74	2,278,882.65
Allowance for Impairment-Accounts Receivable	(172,815.95)	(172,815.95)
Net Value-Accounts Receivables	2,117,268.79	2,106,066.70
Loans Receivable-Others	126,452.09	130,452.09
Other Receivables	2,865,157.60	2,868,347.55
Receivables-Disallowances/Charges	1,715,068.07	1,715,068.07
Due from Officers and Employees	382,071.59	364,771.59
Other Receivables	768,017.94	788,507.89
<b>Inventories</b>	<b>2,097,638.17</b>	<b>937,002.21</b>
Inventory Held for Consumption	2,097,638.17	937,002.21
Office Supplies Inventory	1,441,508.67	159,258.82
Accountable Forms, Plates and Stickers Inventory	629,100.00	0.00
Non-Accountable Forms Inventory	0.00	333.75
Animal/Zoological Supplies Inventory	0.00	2,526.32
Medical, Dental and Laboratory Supplies Inventory	0.00	5,529.92
Agricultural and Marine Supplies Inventory	0.00	564.45
Textbooks and Instructional Materials Inventory	0.00	4,690.02
Construction Materials Inventory	0.00	8,090.00
Other Supplies and Materials Inventory	27,029.50	756,008.93
<b>Other Current Assets</b>	<b>10,242,028.39</b>	<b>10,598,838.59</b>
Advances	2,645,845.44	4,767,955.58
Advances for Operating Expenses	829,856.59	1,985,705.28
Advances to Special Disbursing Officer	755,410.00	755,410.00
Advances to Officers and Employees	1,060,578.85	2,026,840.30
Prepayments	7,596,182.95	5,830,883.01
Advances to Contractors	7,596,182.95	5,830,883.01
<b>Total Current Assets</b>	<b>438,888,280.37</b>	<b>464,383,215.63</b>

## Non-Current Assets

<b>Investments</b>	<b>1,750,408.00</b>	<b>1,750,408.00</b>
Financial Assets-Others	1,750,408.00	1,750,408.00
Other Investments	1,750,408.00	1,750,408.00
<b>Property, Plant and Equipment</b>	<b>757,319,951.58</b>	<b>645,707,637.08</b>
Land	36,512,943.47	36,512,943.47
Land	36,512,943.47	36,512,943.47
<i>Accumulated Impairment Losses-Land</i>	0.00	0.00
Net Value	36,512,943.47	36,512,943.47
Land Improvements	25,526,634.08	19,413,070.33
Land Improvements, Reforestation Projects	40,000.00	40,000.00
Other Land Improvements	40,971,757.17	21,822,224.76
<i>Accumulated Depreciation-Other Land Improvements</i>	(15,485,123.09)	(2,449,154.43)
Net Value	25,486,634.08	19,373,070.33
Buildings and Other Structures	584,900,765.01	351,311,459.01
Buildings	44,768,275.82	27,609,130.58
<i>Accumulated Depreciation-Buildings</i>	(2,922,254.49)	(2,076,117.83)
Net Value	41,846,021.33	25,533,012.75
School Buildings	476,565,916.59	360,011,293.08
<i>Accumulated Depreciation-School Buildings</i>	(54,803,807.22)	(59,410,257.50)
Net Value	421,762,109.37	300,601,035.58
Hostels and Dormitories	25,783,795.17	0.00
<i>Accumulated Depreciation-Hostels and Dormitories</i>	(11,242,680.52)	0.00
Net Value	14,541,114.65	0.00
Other Structures	117,794,987.07	39,384,719.42
<i>Accumulated Depreciation-Other Structures</i>	(11,043,467.41)	(14,207,308.74)
Net Value	106,751,519.66	25,177,410.68
Machinery and Equipment	63,423,706.89	37,991,896.20
Machinery	6,512,000.00	5,899,793.44
<i>Accumulated Depreciation-Machinery</i>	(4,507,963.75)	(3,967,860.93)
Net Value	2,004,036.25	1,931,932.51
Office Equipment	20,637,753.65	18,600,300.82
<i>Accumulated Depreciation-Office Equipment</i>	(11,849,987.42)	(8,305,578.67)
Net Value	8,787,766.23	10,294,722.15
Information and Communications Technology Equipment	20,307,738.00	11,623,804.57
<i>Accumulated Depreciation-ICT Equipment</i>	(8,341,994.32)	(8,960,491.65)
Net Value	11,965,743.68	2,663,312.92
Agricultural and Forestry Equipment	11,544,865.00	6,068,274.00
<i>Accumulated Depreciation-Agricultural and Forestry Equipment</i>	(2,704,035.67)	(2,551,904.30)
Net Value	8,840,829.33	3,516,369.70
Disaster Response and Rescue Equipment	715,000.00	0.00
<i>Accumulated Depreciation-Disaster Response and Rescue Equipm</i>	(198,866.67)	0.00
Net Value	516,133.33	0.00
Communications Equipment	53,690.00	176,026.82
<i>Accumulated Depreciation-Communications Equipment</i>	(1,700.18)	(161,944.67)
Net Value	51,989.82	14,082.15
Medical Equipment	953,900.00	937,340.25
<i>Accumulated Depreciation-Medical Equipment</i>	(346,188.71)	(16,218.22)
Net Value	607,711.29	921,122.03
Sports Equipment	64,000.00	960,931.19
<i>Accumulated Depreciation-Sports Equipment</i>	(12,666.67)	(325,563.61)
Net Value	51,333.33	635,367.58
Technical and Scientific Equipment	45,873,051.84	35,812,290.15
<i>Accumulated Depreciation-Technical and Scientific Equipment</i>	(16,081,389.28)	(26,921,120.95)

Net Value	29,791,662.56	8,891,169.20
Other Equipment	4,433,154.40	12,983,667.04
<i>Accumulated Depreciation-Other Equipment</i>	<i>(3,626,653.33)</i>	<i>(3,859,849.08)</i>
Net Value	806,501.07	9,123,817.96
Transportation Equipment	5,632,047.27	8,855,423.59
Motor Vehicles	20,416,800.00	20,837,336.00
<i>Accumulated Depreciation-Motor Vehicles</i>	<i>(14,784,752.73)</i>	<i>(12,267,652.41)</i>
Net Value	5,632,047.27	8,569,683.59
Other Transportation Equipment	0.00	314,000.00
<i>Accumulated Depreciation-Other Transportation Equipment</i>	<i>0.00</i>	<i>(28,260.00)</i>
Net Value	0.00	285,740.00
Furnitures, Fixtures and Books	2,247,931.82	4,989,719.19
Furniture and Fixtures	3,632,965.10	4,580,825.51
<i>Accumulated Depreciation-Furniture and Fixtures</i>	<i>(1,595,939.80)</i>	<i>(3,841,750.86)</i>
Net Value	2,037,025.30	739,074.65
Books	894,603.00	5,570,190.58
<i>Accumulated Depreciation-Books</i>	<i>(683,696.48)</i>	<i>(1,319,546.04)</i>
Net Value	210,906.52	4,250,644.54
Leased Assets Improvements	0.00	0.00
Other Leased Assets Improvements	54,917.00	54,917.00
<i>Accumulated Depreciation-Other Leased Assets Improvements</i>	<i>(54,917.00)</i>	<i>(54,917.00)</i>
Net Value	0.00	0.00
Construction in Progress	39,063,013.04	164,274,243.91
Construction in Progress-Buildings and Other Structures	39,063,013.04	164,274,243.91
Other Property, Plant and Equipment	12,910.00	22,358,881.38
Work/Zoo Animals	125,900.00	124,000.00
<i>Accumulated Depreciation-Work/Zoo Animals</i>	<i>(112,990.00)</i>	<i>(99,200.00)</i>
Net Value	12,910.00	24,800.00
Other Property, Plant and Equipment	0.00	30,936,731.08
<i>Accumulated Depreciation-Other PPE</i>	<i>0.00</i>	<i>(8,602,649.70)</i>
Net Value	0.00	22,334,081.38
<b>Biological Assets</b>	<b>1,111,500.00</b>	<b>1,094,500.00</b>
Bearer Biological Assets	1,111,500.00	1,094,500.00
Breeding Stocks	140,000.00	211,000.00
Livestock	971,500.00	883,500.00
<b>Intangible Assets</b>	<b>219,240.00</b>	<b>1,138,537.34</b>
Intangible Assets		
Computer Software	6,520,820.00	6,520,820.00
<i>Accumulated Amortization-Computer Software</i>	<i>(6,301,580.00)</i>	<i>(5,382,282.66)</i>
Net Value	219,240.00	1,138,537.34
<b>Other Non-Current Assets</b>	<b>0.00</b>	<b>488,574.83</b>
Other Assets	0.00	488,574.83
Other Assets	0.00	488,574.83
<b>Total Non-Current Assets</b>	<b>760,401,099.58</b>	<b>650,179,657.25</b>
<b>TOTAL ASSETS</b>	<b>₱ 1,199,289,379.95</b>	<b>₱ 1,114,562,872.88</b>

**LIABILITIES****Liabilities****Current Liabilities**

<b>Financial Liabilities</b>	<b>₱ 25,285,637.09</b>	<b>₱ 19,804,514.51</b>
Payables	23,535,229.09	18,054,106.51
Accounts Payable	18,741,153.83	18,027,570.87
Due to Officers and Employees	4,794,075.26	26,535.64
Bills/Bonds/Loans Payable	1,750,408.00	1,750,408.00
Loans Payable-Domestic	1,750,408.00	1,750,408.00
<b>Inter-Agency Payables</b>	<b>47,064,101.54</b>	<b>29,565,033.70</b>
Due to BIR	5,852,500.19	2,384,986.72
Due to GSIS	1,545,868.33	2,638,503.18
Due to Pag-IBIG	158,331.84	158,331.84
Due to PhilHealth	3,358.94	915.23
Due to NGAs	39,504,042.24	24,382,296.73
<b>Trust Liabilities</b>	<b>14,330,279.82</b>	<b>11,851,263.19</b>
Trust Liabilities	162,452.09	162,452.09
Guaranty/Security Deposits Payable	14,167,827.73	11,688,811.10
<b>Deferred Credits/Unearned Income</b>	<b>1,218,594.58</b>	<b>1,218,594.58</b>
Other Deferred Credits	1,218,594.58	1,218,594.58
<b>Other Payables</b>	<b>35,218,822.33</b>	<b>32,870,060.54</b>
Other Payables	35,218,822.33	32,870,060.54
<b>Total Current Liabilities</b>	<b>123,117,435.36</b>	<b>95,309,466.52</b>
<b>Total Liabilities</b>	<b>123,117,435.36</b>	<b>95,309,466.52</b>
<b>Total Assets Less Total Liabilities</b>	<b>₱ 1,076,171,944.59</b>	<b>₱ 1,019,253,406.36</b>
<b>Net Assets/Equity</b>		
<b>Equity</b>		
<b>Government Equity</b>	<b>₱ 1,076,171,944.59</b>	<b>₱ 1,019,253,406.36</b>
Accumulated Surplus/(Deficit)	1,076,171,944.59	1,019,253,406.36
<b>Total Net Assets/Equity</b>	<b>₱ 1,076,171,944.59</b>	<b>₱ 1,019,253,406.36</b>



Republic of the Philippines  
**CENTRAL PHILIPPINES STATE UNIVERSITY**  
 Kabankalan City, Negros Occidental 6111

**CONDENSED STATEMENT OF FINANCIAL PERFORMANCE**  
**ALL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Note	2024	2023
<b>Revenue</b>			
Service and Business Income	17 ₱	279,523,717.60	₱ 309,816,326.52
Gains	18	543,012.00	497,430.00
<b>Total Revenue</b>		<b>280,066,729.60</b>	<b>310,313,756.52</b>
<b>Less: Current Operating Expenses</b>			
Personnel Services	19	263,339,178.70	206,197,722.88
Maintenance and Other Operating Expenses	20	293,490,722.82	257,978,658.52
Non-Cash Expenses	21	35,304,872.84	28,824,120.17
<b>Total Current Operating Expenses</b>		<b>592,134,774.36</b>	<b>493,000,501.57</b>
<b>Surplus/(Deficit) from Current Operations</b>		<b>(312,068,044.76)</b>	<b>(182,686,745.05)</b>
Net Financial Assistance/Subsidy	22	331,763,917.72	294,963,692.33
<b>Surplus/(Deficit) for the Period</b>		<b>₱ 19,695,872.96</b>	<b>₱ 112,276,947.28</b>

*This statement should be read in conjunction with the accompanying notes*



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**DETAILED STATEMENT OF FINANCIAL PERFORMANCE**  
**ALL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
<b>Revenue</b>		
<b>Service and Business Income</b>		
Service Income		
Other Service Income	P 2,205,946.22	P 2,932,570.47
Miscellaneous Income	641,730.61	325,000.31
Total Service Income	<u>2,847,676.83</u>	<u>3,257,570.78</u>
Business Income		
School Fees	269,060,820.18	298,267,837.99
Rent/Lease Income	291,030.00	287,250.00
Income from Hotels/Dormitories and Other Like Facilities	477,720.00	590,800.00
Sales Revenue	2,357,976.28	2,455,602.25
Other Business Income	4,488,494.31	4,957,265.50
Total Business Income	<u>276,676,040.77</u>	<u>306,558,755.74</u>
<b>Gains</b>		
Gains on Initial Recognition of Biological Assets	70,000.00	130,500.00
Gains on Sale of Biological Assets	208,942.00	79,030.00
Gains from Changes in Fair Value less Cost to Sell of Biological Assets Due to Physical Change	264,070.00	287,900.00
Total Gains	<u>543,012.00</u>	<u>497,430.00</u>
<b>Total Revenue</b>	<u><b>280,066,729.60</b></u>	<u><b>310,313,756.52</b></u>
<b>Less: Current Operating Expenses</b>		
<b>Personnel Services</b>		
<b>Salaries and Wages</b>		
Salaries and Wages-Regular	166,338,192.96	131,665,325.78
Salaries and Wages-Casual/Contractual	178,850.95	176,136.00
<b>Total Salaries and Wages</b>	<u><b>166,517,043.91</b></u>	<u><b>131,841,461.78</b></u>
<b>Other Compensation</b>		
Personal Economic Relief Allowance (PERA)	8,190,484.51	7,658,347.24
Representation Allowance (RA)	661,096.78	648,000.00
Transportation Allowance (TA)	555,096.78	480,500.00
Clothing/Uniform Allowance	2,446,356.38	1,620,000.00
Subsistence Allowance	11,900.00	11,000.00
Laundry Allowance	1,800.00	1,500.00
Honoraria	7,228,722.98	5,903,759.50
Hazard Pay	122,805.00	82,250.50
Longevity Pay	70,928.00	119,940.00
Overtime Pay	19,709.47	0.00
Year-End Bonus	14,260,225.50	10,965,205.99
Cash Gift	1,738,500.00	1,347,000.00
Mid-Year Bonus	620,258.28	0.00



Other Bonuses and Allowances	22,752,689.75	17,595,862.67
<b>Total Other Compensation</b>	<b>58,680,573.43</b>	<b>46,433,365.90</b>
<b>Personnel Benefit Contributions</b>		
Retirement and Life Insurance Premiums	21,912,396.84	15,517,188.41
Pag-IBIG Contributions	789,900.00	293,000.00
PhilHealth Contributions	4,083,947.20	2,514,124.85
Employee Compensation Insurance Premiums	510,574.61	333,800.00
<b>Total Personnel Benefit Contributions</b>	<b>27,296,818.65</b>	<b>18,658,113.26</b>
<b>Other Personnel Benefits</b>		
Terminal Leave Benefits	767,041.26	3,904,781.94
Other Personnel Benefits	10,077,701.45	5,360,000.00
<b>Total Other Personnel Benefits</b>	<b>10,844,742.71</b>	<b>9,264,781.94</b>
<b>Total Personnel Services</b>	<b>263,339,178.70</b>	<b>206,197,722.88</b>
<b>Maintenance and Other Operating Expenses</b>		
<b>Traveling Expenses</b>		
Traveling Expenses-Local	5,925,351.70	3,458,808.06
Traveling Expenses-Foreign	643,827.82	156,829.84
<b>Total Traveling Expenses</b>	<b>6,569,179.52</b>	<b>3,615,637.90</b>
<b>Training and Scholarship Expenses</b>		
Training Expenses	18,161,021.85	11,616,695.92
Scholarship Grants/Expenses	1,876,145.00	466,702.56
<b>Total Training and Scholarship Expenses</b>	<b>20,037,166.85</b>	<b>12,083,398.48</b>
<b>Supplies and Materials Expenses</b>		
Office Supplies Expenses	8,803,434.41	6,705,101.29
Accountable Forms Expenses	25,000.00	1,921,325.00
Non-Accountable Forms Expenses	333.76	55,750.00
Animal/Zoological Supplies Expenses	1,814,947.82	2,536,663.60
Drugs and Medicines Expenses	807,487.10	399,661.92
Medical, Dental and Laboratory Supplies Expenses	1,301,415.32	232,432.58
Fuel, Oil and Lubricants Expenses	3,940,060.72	4,861,382.72
Agricultural and Marine Supplies Expenses	597,244.46	536,837.00
Textbooks and Instructional Materials Expenses	4,690.02	7,794.50
Semi-Expendable Machinery and Equipment Expenses	21,490,955.12	18,025,909.71
Semi-Expendable Furniture, Fixtures and Books Expenses	14,499,712.34	9,360,428.80
Other Supplies and Materials Expenses	10,440,506.55	11,972,007.58
<b>Total Supplies and Materials Expenses</b>	<b>63,725,787.62</b>	<b>56,615,294.70</b>
<b>Utility Expenses</b>		
Water Expenses	587,901.76	422,291.42
Gas/Heating Expenses	10,800.00	0.00
Electricity Expenses	20,890,843.81	14,367,043.48
<b>Total Utility Expenses</b>	<b>21,489,545.57</b>	<b>14,789,334.90</b>
<b>Communications Expenses</b>		
Postage and Courier Services	93,584.00	93,753.26
Telephone Expenses	881,267.71	918,994.72
Internet Subscription Expenses	10,619,227.13	10,589,193.78
<b>Total Communications Expenses</b>	<b>11,594,078.84</b>	<b>11,601,941.76</b>
<b>Awards/Rewards, Prizes and Indemnities</b>		

Awards/Rewards Expenses	555,529.00	134,100.00
Prizes	241,300.00	754,700.00
<b>Total Awards/Rewards, Prizes and Indemnities</b>	<b>796,829.00</b>	<b>888,800.00</b>
<b>Survey, Research, Exploration and Development Expenses</b>		
Survey Expenses	32,500.00	0.00
Research, Exploration and Development Expenses	1,136,840.46	899,665.07
<b>Total Survey, Research, Exploration and Development Expenses</b>	<b>1,169,340.46</b>	<b>899,665.07</b>
<b>Confidential, Intelligence and Extraordinary Expenses</b>		
Extraordinary and Miscellaneous Expenses	110,000.00	111,843.00
<b>Total Confidential, Intelligence and Extraordinary Expenses</b>	<b>110,000.00</b>	<b>111,843.00</b>
<b>Professional Services</b>		
Legal Services	717,725.00	225,603.11
Other Professional Services	57,860,582.43	56,524,162.33
<b>Total Professional Services</b>	<b>58,578,307.43</b>	<b>56,749,765.44</b>
<b>General Services</b>		
General Services	1,591,396.12	852,297.84
Security Services	4,646,486.63	4,251,250.00
<b>Total General Services</b>	<b>6,237,882.75</b>	<b>5,103,547.84</b>
<b>Repairs and Maintenance</b>		
Repairs and Maintenance-Land Improvements	58,300.00	502,591.43
Repairs and Maintenance-Buildings and Other Structures	13,747,437.51	14,599,166.33
Repairs and Maintenance-Machinery and Equipment	896,453.56	391,940.76
Repairs and Maintenance-Transportation Equipment	1,825,119.56	1,458,496.12
Repairs and Maintenance-Semi Expendable Machinery and Equipment	979,595.00	332,049.50
Repairs and Maintenance-Semi Expendable Furnitures, Fixtures and Books	0.00	3,610.00
Repairs and Maintenance-Other Property, Plant and Equip.	3,046,625.48	1,295,428.70
<b>Total Repairs and Maintenance</b>	<b>20,553,531.11</b>	<b>18,583,282.84</b>
<b>Subsidies- Others</b>	<b>2,640,000.00</b>	<b>0.00</b>
<b>Taxes, Insurance Premiums and Other Fees</b>		
Taxes, Duties and Licenses	141,740.32	7,152.70
Fidelity Bond Premiums	98,139.75	196,834.11
Insurance Expenses	1,051,613.75	457,175.62
<b>Total Taxes, Insurance Premiums and Other Fees</b>	<b>1,291,493.82</b>	<b>661,162.43</b>
<b>Labor and Wages</b>	<b>56,447,041.21</b>	<b>53,945,327.32</b>
<b>Other Maintenance and Operating Expenses</b>		
Advertising, Promotional and Marketing Expenses	5,184.00	0.00
Printing and Publication Expenses	152,605.65	1,031,525.00
Representation Expenses	10,274,654.89	10,825,874.00
Transportation and Delivery Expenses	60,478.72	55,000.00
Rent/Lease Expenses	1,790,700.00	1,114,800.00

Membership Due and Contributions to Organization	458,560.90	97,000.00
Subscription Expenses	6,659,738.54	1,666,986.00
Bank Transaction Fee	1,250.00	0.00
Other Maintenance and Operating Expenses	2,847,365.94	7,538,471.84
<b>Total Other Maintenance and Operating Expenses</b>	<b>22,250,538.64</b>	<b>22,329,656.84</b>
<b>Total Maintenance and Operating Expenses</b>	<b>293,490,722.82</b>	<b>257,978,658.52</b>
<b>Non-Cash Expenses</b>		
<b>Depreciation</b>		
Depreciation-Land Improvements	2,898,229.18	418,973.40
Depreciation-Buildings and Other Structures	17,179,248.34	12,565,820.33
Depreciation-Machinery and Equipment	11,441,682.90	9,851,893.89
Depreciation-Transportation Equipment	1,946,613.33	1,351,071.00
Depreciation-Furniture, Fixtures and Books	405,841.75	704,163.49
Depreciation-Leased Assets Improvement	0.00	54,917.00
Depreciation-Other Property, Plant and Equipment	13,790.00	2,800,786.14
<b>Total Depreciation</b>	<b>33,885,405.50</b>	<b>27,747,625.25</b>
<b>Amortization</b>		
Amortization-Intangible Assets	919,297.34	1,022,666.06
<b>Losses</b>		
Loss on Sale of Property, Plant and Equipment	500,170.00	53,828.86
<b>Total Losses</b>	<b>500,170.00</b>	<b>53,828.86</b>
<b>Total Non-Cash Expenses</b>	<b>35,304,872.84</b>	<b>28,824,120.17</b>
<b>Current Operating Expenses</b>	<b>592,134,774.36</b>	<b>493,000,501.57</b>
<b>Surplus (Deficit) from Current Operations</b>	<b>(312,068,044.76)</b>	<b>(182,686,745.05)</b>
<b>Financial Assistance/Subsidy from NGAs, LGUs, GOCCs</b>		
Subsidy from National Government	326,582,320.42	286,992,949.78
Assistance from Local Government Units	5,181,597.30	7,970,742.55
<b>Total Financial Assistance/Subsidy from NGAs, LGUs, GOCCs</b>	<b>331,763,917.72</b>	<b>294,963,692.33</b>
<b>Net Financial Assistance/Subsidy</b>	<b>331,763,917.72</b>	<b>294,963,692.33</b>
<b>Surplus (Deficit) for the Period</b>	<b>₱ 19,695,872.96 ₱</b>	<b>112,276,947.28</b>



Republic of the Philippines  
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**STATEMENT OF CHANGES IN NET ASSETS/EQUITY  
ALL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Accumulated Surplus/(Deficit)	
	<u>2024</u>	<u>2023</u>
<b>Balance at January 1</b>	₱ 1,019,253,406.36	₱ 982,631,055.22
<b>Add/(Deduct):</b>		
Prior Period Errors/Adjustments	(28,624,716.75)	2,489,813.08
Adjustment due to changes in accounting Policy	0.00	(77,672,546.02)
Other Adjustments	65,847,382.02	(471,863.20)
<b>Restated Balance</b>	<u><b>1,056,476,071.63</b></u>	<u><b>906,976,459.08</b></u>
<b>Add/(Deduct):</b>		
<b>Changes in Net Assets/Equity for the Calendar Year</b>		
Surplus (Deficit) for the Period	19,695,872.96	112,276,947.28
<b>Balance at December 31</b>	₱ <u><u><b>1,076,171,944.59</b></u></u>	₱ <u><u><b>1,019,253,406.36</b></u></u>



Republic of the Philippines  
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**STATEMENT OF CASH FLOWS**  
**ALL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>Cash Flows From Operating Activities</b>		
<b>Cash Inflows</b>		
Receipts of Notices of Cash Allocation (NCA)	₱ 547,809,729.00	₱ 272,863,851.00
Collection of Income/Revenues	349,971,876.45	309,816,326.52
Receipts of Assistance and Subsidy from Other NGAs, LGUs and GOCCs	0.00	7,970,742.55
Collection of Receivables	0.00	51,034.07
Trust Receipts	0.00	98,764,782.00
Constructive Receipt of Taxes Withheld thru TRA	14,088,010.66	14,130,974.83
<b>Total Cash Inflows</b>	<b>911,869,616.11</b>	<b>703,597,710.97</b>
<b>Cash Outflows</b>		
Payments of Expenses	543,109,920.47	257,946,339.88
Purchase of Inventories	36,166,691.62	29,484,186.82
Grant of Cash Advances	13,477,115.64	19,893,749.13
Remittance of Personnel Benefit Contributions and Mandatory Deductions	107,843,220.94	44,429,602.03
Payment of Liabilities	81,250,206.97	198,485,942.00
Reversal of Unutilized NCA	289.24	1,876.05
Remittance of withholding taxes except thru TRA	409,534.49	9,383,878.78
Constructive Remittance of Taxes Withheld thru TRA	18,076,566.07	14,130,974.83
<b>Total Cash Outflows</b>	<b>800,333,545.44</b>	<b>573,756,549.52</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>₱ 111,536,070.67</b>	<b>₱ 129,841,161.45</b>
<b>Cash Flows from Investing Activities</b>		
<b>Cash Inflows</b>		
Proceeds from Sale of Property, Plant and Equipment	460,330.00	160,000.00
Proceeds from Sale of Biological Assets	432,442.00	304,280.00
<b>Total Cash Inflows</b>	<b>892,772.00</b>	<b>464,280.00</b>
<b>Cash Outflows</b>		
Purchase/Construction of Property, Plant and Equipment	138,731,615.83	123,847,934.50
<b>Total Cash Outflows</b>	<b>138,731,615.83</b>	<b>123,847,934.50</b>
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>₱ (137,838,843.83)</b>	<b>₱ (123,383,654.50)</b>

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Financing Activities</b>		
Total Cash Inflows	0.00	0.00
Total Cash Outflows	<u>0.00</u>	<u>0.00</u>
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>₱ <u>0.00</u></b>	<b>₱ <u>0.00</u></b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(26,302,773.16)</b>	<b>6,457,506.95</b>
<b>Cash and Cash Equivalents, January 1</b>	<b>447,742,508.49</b>	<b>441,285,001.54</b>
<b>Cash and Cash Equivalents, December 31</b>	<b>₱ <u><u>421,439,735.33</u></u></b>	<b>₱ <u><u>447,742,508.49</u></u></b>



Republic of the Philippines  
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**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS  
 ALL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2024**

Particulars	Budgeted Amounts		Actual Amount on Comparable Basis	Difference Final Budget and Actual
	Original	Final		
RECEIPTS				
Services and Business Income	₱ 380,500,000.00	342,441,183.05	349,866,820.65	(7,425,637.60)
Assistance and Subsidy	566,478,414.00	427,861,794.00	561,897,739.66	(134,035,945.66)
Others	0.00	6,445,046.55	997,827.80	5,447,218.75
Total Receipts	946,978,414.00	776,748,023.60	912,762,388.11	(136,014,364.51)
PAYMENTS				
Personnel Services	353,626,798.41	350,976,272.54	256,462,901.56	94,513,370.98
Maintenance and Other Operating Expenses	405,414,995.59	470,373,494.52	681,146,708.76	(210,773,214.24)
Capital Outlays	233,300,000.00	243,221,967.57	1,455,550.95	241,766,416.62
Others	0.00	0.00	0.00	0.00
Total Payments	992,341,794.00	1,064,571,734.63	939,065,161.27	125,506,573.36
NET RECEIPTS/PAYMENTS	₱ (45,363,380.00)	(287,823,711.03)	(26,302,773.16)	(261,520,937.87)



## **Notes to Financial Statements**

### **For the year ended December 31, 2024**

#### **1. General Information/Agency Profile**

The consolidated financial statements of Central Philippines State University (CPSU) were authorized for issue on February 14, 2025 as shown in the Statement of Management Responsibility for Financial Statements signed by Aladino C. Moraca, Ph.D., the Head of Agency.

Sprawling on a 4,653.7-hectare reservation, 21 kilometers from Kabankalan City, Negros Occidental and 17 km from the town of Mabinay, Negros Oriental, the CPSU is dubbed as the first agricultural institution in the country established by a Filipino Superintendent in the name of Professor Jose F. Crisanto immediately after World War II. Its forebears were established by American educators.

The Negros Occidental Agricultural College, as a non-chartered College has demonstrated its relevance and cost effectiveness for 25 years that justified its conversion into a state college to be known as the Negros State College of Agriculture (NSCA) by virtue of R.A. No. 9141 dated July 3, 2001. It was sponsored by the Hon. Congressman Genaro “Lim-ao” Alvarez, Jr. of the 6th District of Negros Occidental with 18 co-sponsors under House Bill No. 9873 and finally endorsed by the Senate Bill No. 2263 authored by Senator Teresa Aquino-Oreta, John Henry Osmeña, Loren Legarda-Leviste and Juan Ponce Enrile. Its conversion mandated the maintenance, strengthening and expansion of its limited expertise in agriculture and agricultural forestry-related sciences, and by opening at least five extension campuses in the 6th District of Negros Occidental.

On October 19, 2012, an Act was signed by His Excellency President Benigno C. Aquino III converting the NSCA in the City of Kabankalan, Province of Negros Occidental into a State University known as the Central Philippines State University.

As of December 31, 2013, the University has 10 campuses with its main campus located in the City of Kabankalan and the nine external campuses are in the cities of San Carlos, Sipalay, Victorias and in the municipalities of Hinoba-an, Cauayan, Ilog, Candoni, Moises Padilla and Hinigaran, all of Negros Occidental.

#### **2. Statement of Compliance and Basis of Preparation of Financial Statements**

The consolidated financial statements have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS).



The consolidated financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

### **3. Summary of Significant Accounting Policies**

#### **3.1 Basis of Accounting**

The consolidated financial statements are prepared on an accrual basis in accordance with the IPSAS.

#### **3.2 Consolidation**

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity. The University maintains the following funds:

<b>Funds</b>
Regular Agency Fund
Internally Generated Income – Retained Income
Business Type Income – Off Budgetary Funds
Trust Fund – Custodial Funds – Trust Receipts

#### **3.3 Changes in accounting policy and estimates**

The CPSU recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy were applied prospectively if retrospective application is impractical.

The CPSU recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit. It corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- Restating the comparative amounts for prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented

#### **3.4 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to

insignificant risk of changes in value. For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

### **3.5 Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and condition are accounted for. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the CPSU.

### **3.6 Property, Plant and Equipment**

#### ***Recognition***

An item is recognized as property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE.

The characteristics of PPE are as follows:

- tangible items;
- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- are expected to be used during more than one reporting period.

An item of PPE is recognized as an asset if:

- It is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.

#### ***Measurement at Recognition***

An item recognized as property, plant, and equipment is measured at cost. A PPE acquired through non-exchange transaction is measured at its fair value as at the date of acquisition. The cost of the PPE is the cash price equivalent or, for PPE acquired through non-exchange transaction its cost is its fair value as at recognition date.

Cost includes the following:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- expenditure that is directly attributable to the acquisition of the items; and

- initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

### ***Measurement After Recognition***

After recognition, all property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

When significant parts of property, plant and equipment are required to be replaced at intervals, Central Philippines State University recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized as expenses in surplus or deficit as incurred.

### ***Depreciation***

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

### ***Initial Recognition of Depreciation***

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

For simplicity and to avoid proportionate computation, the depreciation is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation is for the succeeding month.

### ***Depreciation Method***

The straight-line method of depreciation is adopted unless another method is more appropriate for agency operation.

### ***Estimated Useful Life***

Central Philippines State University uses the Schedule on the Estimated Useful Life of PPE by classification prepared by the Commission on Audit (COA). Central Philippines State University uses a residual value equivalent to at least five percent (5%) of the cost of the PPE.

### ***Impairment***

An asset's carrying amount is written down to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable service amount.

### ***Derecognition***

Central Philippines State University derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.

## **3.7 Intangibles**

### ***Recognition and Measurement***

Intangible assets are recognized when the items are identifiable non-monetary assets without physical substance; it is probable that the expected future economic benefits or service potential that are attributable to the assets will flow to the entity; and the cost or fair value of the assets can be measured reliably. Intangible assets acquired separately are initially recognized at cost.

If payment for an intangible asset is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as interest expense over the period of credit unless it is capitalized in accordance with the capitalization treatment permitted in PPSAS 5, Borrowing Costs.

### ***Subsequent Measurement***

The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with a finite life are amortized over its useful life. The straight-line method is adopted in the amortization of the expected pattern of consumption of the expected future economic benefits or service potential.

An intangible asset with an indefinite useful life was not be amortized. Intangible assets with an indefinite useful life or an intangible asset not yet available for use

were assessed for impairment whenever there is an indication that the asset may be impaired.

The amortization period and the amortization method, for an intangible asset with a finite useful life, were reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset were considered to modify the amortization period or method, as appropriate, and were treated as changes in accounting estimates.

The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from de-recognition of an intangible asset were measured as the difference between the net disposal proceeds and the carrying amount of the asset and were recognized in the surplus or deficit when the asset is derecognized.

### **3.8 Revenue from Non-exchange Transactions**

#### ***Recognition and Measurement of Assets from Non-Exchange Transactions***

An inflow of resources from a non-exchange transaction, other than services in kind, that meets the definition of an asset were recognized as an asset if the following criteria were met:

- It is probable that the future economic benefits or service potential associated with the asset will flow to the entity; and
- The fair value of the asset can be measured reliably.
- An asset acquired through a non-exchange transaction is initially measured at its fair value as at the date of acquisition.

#### ***Recognition Revenue from Non-Exchange Transactions***

An inflow of resources from a non-exchange transaction recognized as an asset is recognized as revenue, except to the extent that a liability is also recognized in respect of the same inflow.

### **3.9 Revenue from Exchange Transactions**

#### ***Measurement of Revenue***

Revenue was measured at the fair value of the consideration received or receivable.

### ***Rendering of Services***

Central Philippines State University recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred were recoverable.

### **3.10 Budget information**

The annual budget is prepared on a cash basis and is published in the government website.

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) was prepared since the budget and the financial statements were not prepared on comparable basis. The SCBAA was presented showing the original and final budget and the actual amounts on comparable basis to the budget. Explanatory comments are provided in the notes to the annual financial statements.

### **3.11 Employee Benefits**

The employees of CPSU are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage. CPSU recognizes the undiscounted amount of short-term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

CPSU recognizes expenses for accumulating compensated absences when these were paid (commuted or paid as terminal leave benefits). Unused entitlements that have accumulated at the reporting date were not recognized as expense. Non-accumulating compensated absences, like special leave privileges, were not recognized.

## **4. Cash and Cash Equivalents**

**Cash and Cash equivalents are broken down as follows:**

<b>Accounts</b>	<b>As of December 31, 2024</b>
Cash – Collecting Officers	<b>₱ 0.00</b>
Cash in Bank – Local Currency, Current Account	421,439,735.33
<b>Total Cash and Cash Equivalents</b>	<b>₱ 421,439,735.33</b>

**Cash Collecting Officers** represents undeposited collections by designated collecting officers of CPSU.

**Cash in Bank – Local Currency, Current Account** comprises of the consolidated balances of cash in bank of the Main campus, Cauayan campus, GIZ, CHED Trust, Farmer-to-Farmer Program and PNB Trust Fund under Internally Generated Income, Business Type Income and Trust Fund.

The composition of the account as of December 31, 2024, is as follows:

<b>Fund</b>	<b>As of December 31, 2024</b>
Internally Generated Income	₱ 384,033,382.50
Business Related Fund	4,469,709.55
Trust Fund	32,936,643.28
<b>Total Cash in Bank – Local Currency, Current Account</b>	<b>₱ 421,439,735.33</b>

## 5. Receivables

**Receivables is broken down as follows:**

### 5.1 Loans and Receivables

Below is the breakdown of Loans and Receivables.

<b>Accounts</b>	<b>2024</b>	
	<b>Current</b>	<b>Non-Current</b>
Accounts Receivable	₱ 2,290,084.74	₱ 0.00
Allowance for Impairment – Accounts Receivable	(172,815.95)	0.00
Net Value – Accounts Receivable	2,117,268.79	0.00
Loans Receivable – Others	126,452.09	0.00
<b>Total Loans and Receivables</b>	<b>₱ 2,243,720.88</b>	<b>₱ 0.00</b>

**Accounts Receivable** consists mainly of uncollected school fees (tuition fees and other fees) from students based on their individual assessment record.

**Allowance for Impairment – Accounts Receivable** is established when there is objective evidence, based on a review of outstanding amounts at the reporting date, that CPSU will not be able to collect all amounts due according to the original terms of the receivables.

**Loans Receivables – Others** represents the amount to be collected from the DAT/BAT student of NSCA for the loan granted to them by the Philippines-

Australia Agricultural Technology Education project (AGRITECH) Student Micro-Project Loan Fund (SMLF).

## 5.2 Intra-Agency Receivables

**Due from Other Funds** amounting to 11,166,921.55 represents the receivables from other funds. These are transactions paid for by other funds which supposedly to be disburse by other funds.

## 5.3 Other Receivables

Other Receivables are broken down as follows:

Accounts	2024	
	Current	Non-Current
Receivables – Disallowances/Charges	₱ 1,715,068.07	₱ 0.00
Due from Officers and Employees	382,071.59	0.00
Other Receivables	768,017.94	0.00
<b>Total Other Receivables</b>	<b>₱ 2,865,157.60</b>	<b>₱ 0.00</b>

**Receivables – Disallowances/Charges** consist of amounts due from employees resulting from audit disallowances which have become final and executory.

**Due from Officers and Employees** was a result of bank charges and penalties from dormant accounts incurred due to negligence of accountable officers responsible. It also represents amount of claims from agency employees for loss of assets.

**Other Receivables** represents unremitted collections of the former Collecting/Disbursing Officer of San Carlos Campus who is no longer connected with CPSU.

## 6. Inventories

Below is the breakdown of Inventories:

### 6.1 Inventories Held for Consumption

The details of Inventories Held for Consumption are presented below.

Accounts	2024
Office Supplies Inventory	₱ 1,441,508.67
Accountable Forms, Plates and Stickers Inventory	629,100.00
Other Supplies and Materials Inventory	27,029.50
<b>Total Inventories</b>	<b>₱ 2,097,638.17</b>



**Office Supplies Inventory** is used to record the value of office supplies and IT supplies purchased or acquired for use in the course of government operations.

**Accountable Forms, Plates and Stickers Inventory** consists of accountable forms acquired for use in the course of the government operations. It includes accountable forms with and without face value, such as checks, official receipts, and the like.

**Other Supplies and Materials Inventory** is used to record supplies and materials purchased not falling under any of the specific inventory accounts held for consumption.

## 7. Other Current Assets

This account is broken down as follows:

### 7.1 Advances

The details of Advances are presented below.

Particulars	2024
Advances for Operating Expenses	₱ 829,856.59
Advances to Special Disbursing Officers	755,410.00
Advances to Officers and Employees	1,060,578.85
<b>Total Advances</b>	<b>₱ 2,645,845.44</b>

**Advances for Operating Expenses** is used to record the amount of advances granted to accountable officer for payment of operating expenses.

**Advances to Special Disbursing Officers** represents the amount granted to the agency's accountable officers and employees for special purpose or time-bound undertakings to be liquidated within a specified period. It also includes labor payroll for special projects undertaken by Management.

**Advances to Officers and Employees** is used to record cash advances to officers and employees for official travel, trainings and seminars.

### 7.2 Prepayments

This account is broken down as follows.

Particulars	2024
Advances to Contractors	₱ 7,596,182.95
<b>Total Prepayments</b>	<b>₱ 7,596,182.95</b>

**Advances to Contractors** represent mobilization fee paid to the contractors.

## 8. Investments

A loan amounting to ₱1,750,408.00 was granted by the National Electrification Administration (NEA) to the College purposely to establish a Dendrothermal Plant which will be fueled by the ipil-ipil wood as the end-products of this project. This project did not materialize due to the phasing out brought about by the fall of the Marcos Administration beyond the control of the College (NOAC), hence this turn of events can be considered as force majeure which warrants the writing-off of this account.

The original project was to establish the Dendrothermal Plant in the 4,653.8 hectares of land reservation of the College. Unfortunately, the project plan as approved by NEA was abandoned by NEA itself. Several times the NOAC College Superintendent went to NEA Main Office, only to be told that the Office unit of NEA handling this special project no longer existed.

Thus, the College Administrator, Arturo T. Landiza used the sums of money to establish subsidy projects such as charcoal making/production, ipil-ipil project, leaf meal production, feed processing, broiler production and sugarcane production to generate income. However, the same failed tremendously in the height of its production because the animal/livestock products were commandeered by the New Peoples Army (NPA). In addition, there was heavy rampage of insects called jumping lice which destroyed young giant ipil-ipil trees.

The University requested the write-off of the account. However, the NEA officials have not responded to the said request.

## 9. Property, Plant and Equipment

This account is broken down as follows.

Accounts	<i>Carrying Amount Jan. 1, 2024</i>	<i>Addition/ Acquisition</i>	<i>Total</i>	<i>Disposal/ Adjustments/ Transfer</i>	<i>Depreciation (As per Statement of Financial Performance)</i>	<i>Carrying Amount Dec. 31, 2024</i>
Land	₱36,512,943.47	₱ 0.00	₱36,512,943.47	₱ 0.00	₱ 0.00	₱36,512,943.47
Land Improvements	19,413,070.33	1,888,146.44	21,301,216.77	7,123,646.49	(2,898,229.18)	25,526,634.08
Building and Other Structures	351,311,459.01	78,192,109.75	429,503,568.76	172,576,444.59	(17,179,248.34)	584,900,765.01
Machinery and Equipment	37,991,896.20	18,365,100.40	56,356,996.60	18,508,393.19	(11,441,682.90)	63,423,706.89
Transportation Equipment	8,855,423.59	0.00	8,855,423.59	(1,276,762.99)	(1,946,613.33)	5,632,047.27
Furniture, Fixtures and Books	4,989,719.19	185,500.00	5,175,219.19	(2,521,445.62)	(405,841.75)	2,247,931.82

Accounts	<i>Carrying Amount Jan. 1, 2024</i>	<i>Addition/ Acquisition</i>	<i>Total</i>	<i>Disposal/ Adjustments/ Transfer</i>	<i>Depreciation (As per Statement of Financial Performance)</i>	<i>Carrying Amount Dec. 31, 2024</i>
Leased Assets, Improvements	0.00	0.00	0.00	0.00	0.00	0.00
Construction in Progress	164,274,243.91	96,258,998.96	260,533,242.87	(221,470,229.83)	0.00	39,063,013.04
Other Property, Plant and Equipment	22,358,881.38	6,000.00	22,364,881.38	(22,338,181.38)	(13,790.00)	12,910.00
Total Property, Plant and Equipment	<b>₱645,707,637.08</b>	<b>₱ 194,895,855.55</b>	<b>₱ 840,603,492.63</b>	<b>(₱49,398,135.55)</b>	<b>(₱ 33,885,405.50)</b>	<b>₱757,319,951.58</b>

Accounts	Gross Cost (Asset Account Balance per Statement of Financial Position)	Accumulated Depreciation	Carrying Amount, December 31, 2024 (As per Statement of Financial Position)
Land	<b>₱ 36,512,943.47</b>	<b>₱ 0.00</b>	<b>₱ 36,512,943.47</b>
Land Improvements	41,011,757.17	(15,485,123.09)	25,526,634.08
Building and Other Structures	664,912,974.65	(80,012,209.64)	584,900,765.01
Machinery and Equipment	111,095,152.89	(47,671,446.00)	63,423,706.89
Transportation Equipment	20,416,800.00	(14,784,752.73)	5,632,047.27
Furniture, Fixtures and Books	4,527,568.10	(2,279,636.28)	2,247,931.82
Leased Assets Improvements	54,917.00	(54,917.00)	0.00
Construction in Progress	39,063,013.04	0.00	39,063,013.04
Other Property, Plant and Equipment	125,900.00	(112,990.00)	12,910.00
<b>Total</b>	<b>₱ 917,721,026.32</b>	<b>₱ 160,401,074.74</b>	<b>₱ 757,319,951.58</b>

Depreciation was provided to School Buildings, Motor Vehicles, Other Structures and all other Property, Plant and Equipment. The adjustments made are based on the difference between actual inventory count against the book balance.

Regular maintenance, repair and minor replacements are charged to Maintenance and Other Operating Expenses (MOOE) as these were incurred.

## 10. Biological Assets

The details of Biological Assets account are presented below.

### 10.1 Reconciliation of the Carrying Amount of Breeding Stocks

<b>Central Philippines State University Reconciliation of the Carrying Amount of Breeding Stocks As of December 31, 2024</b>	
Carrying Amount as of January 1, 2024	<b>₱ 211,000.00</b>
Gain on Initial Recognition of Biological Assets	55,000.00
Gain arising from changes in fair value less cost to sell attributable to physical changes	104,000.00
Decrease due to sales	(230,000.00)
Carrying Amount as of December 31, 2024	<b>₱ 140,000.00</b>

**Breeding Stocks** represents animal acquired such as swine and poultry intended for the laboratory of Animal Science Students.

### 10.2 Reconciliation of the Carrying Amount of Livestocks

<b>Central Philippines State University Reconciliation of the Carrying Amount of Livestocks As of December 31, 2024</b>	
Carrying Amount as of January 1, 2024	<b>₱ 883,500.00</b>
Increases due to purchases	0.00
Gain on initial recognition of biological Assets	8,000.00
Gain arising from changes in fair value less cost to sell attributable to physical changes	129,100.00
Decrease due to sales	(42,100.00)
Decrease due to death	(7,000.00)
Carrying Amount as of December 31, 2024	<b>₱ 971,500.00</b>

**Livestocks** represents animals acquired such as cattle and goat intended for the laboratory of Animal Science Students.

## 11. Intangible Assets

<b>Particulars</b>	<b>Computer Software</b>
Carrying Amount as of January 1, 2024	<b>₱ 6,520,820.00</b>
Amortization recognized (As per Statement of Financial Performance)	(6,301,580.00)
Carrying Amount as of December 31, 2024	<b>₱ 219,240.00</b>

**Computer Software** was assessed to have a definite useful life of 5 years with no residual value. The amortization method used is straight line method.

## 12. Financial Liabilities

Financial Liabilities is broken down as follows.

Particulars	2024		2023	
	Current	Non-Current	Current	Non-Current
Accounts Payable	₱ 18,741,153.83	₱ 0.00	₱18,027,570.87	₱ 0.00
Due to Officers and Employees	4,794,075.26	0.00	26,535.64	0.00
Loans Payable-Domestic	1,750,408.00	0.00	1,750,408.00	0.00
<b>Total Financial Liabilities</b>	<b>₱ 25,285,637.09</b>	<b>₱ 0.00</b>	<b>₱19,804,514.51</b>	<b>₱ 0.00</b>

**Accounts Payable** comprises of expenses incurred, and inventories and property, plant and equipment received in the current year 2024 but not yet paid. It comprises also of adjustments in the general journal due to staled checks and subject for reissuance.

**Due to Officers and Employees** is used to record incurrence of liability to officers and employees on their salaries, benefits and other emoluments.

**Loans Payable – Domestic** was a loan granted by the National Electrification Administration (NEA) to the University purposely to establish a Dendrothermal Plant which will be fueled by the ipil-ipil wood as the end-products of this project. This project did not materialize due to the phasing out brought about by the fall of the Marcos Administration beyond the control of the University.

## 13. Inter-Agency Payables

The details of Inter-Agency Payables is presented below.

Particulars	2024		2023	
	Current	Non-Current	Current	Non-Current
Due to BIR	₱ 5,852,500.19	₱ 0.00	₱ 2,384,986.72	₱ 0.00
Due to GSIS	1,545,868.33	0.00	2,638,503.18	0.00
Due to Pag-IBIG	158,331.84	0.00	158,331.84	0.00
Due to PhilHealth	3,358.94	0.00	915.23	0.00
Due to NGAs	39,504,042.24	0.00	24,382,296.73	0.00
<b>Total Inter-Agency Payables</b>	<b>₱ 47,064,101.54</b>	<b>₱ 0.00</b>	<b>₱29,565,033.70</b>	<b>₱ 0.00</b>

**Due to BIR** represents the unremitted amount of withholding taxes of contractors, suppliers, job order personnel and part-time instructors.

**Due to GSIS** represents GSIS unremitted premiums or loans withheld from the employees.

**Due to Pag-IBIG** represents Pag-IBIG unremitted premium withheld from the employees.

**Due to PhilHealth** represents PhilHealth unremitted premium from withheld from the employees.

**Due to NGAs** is used to record receipt of funds for delivery of goods and services as authorized by law and fund transfer from NGAs for implementation of specific programs or projects.

#### 14. Trust Liabilities

This account is broken down as follows.

Particulars	2024		2023	
	Current	Non-Current	Current	Non-Current
Trust Liabilities	₱ 162,452.09	₱ 0.00	₱ 162,452.09	₱ 0.00
Guaranty/Security Deposits Payable	14,167,827.73	0.00	11,688,811.10	0.00
<b>Total Trust Liabilities</b>	<b>₱14,330,279.82</b>	<b>₱ 0.00</b>	<b>₱11,851,263.19</b>	<b>₱ 0.00</b>

**Trust Liabilities** is used to record receipt of amount held in trust for specific purpose.

**Guaranty/Security Deposits Payable** is used to record the incurrence of liability arising from receipt of bidder's bond and withholding of warranty securities.

#### 15. Other Deferred Credits/Unearned Income

**Other Deferred Credits** amounting to **₱1,218,594.58** has long been outstanding in the books of accounts of the University and the Management has requested for the dropping of this account due to absence of supporting documents.

## 16. Other Payables

Particulars	2024		2023	
	Current	Non-Current	Current	Non-Current
Other Payables	₱ 35,218,822.33	₱ 0.00	₱ 32,870,060.54	₱ 0.00
<b>Total Other Payables</b>	<b>₱ 35,218,822.33</b>	<b>₱ 0.00</b>	<b>₱ 32,870.060.54</b>	<b>₱ 0.00</b>

Other Payables account amounting to **₱ 35,218,822.33** represents collection held in trust including Alumni Fee, Yearbook, other related trust account paid by the students and amount withheld from the payroll of the officers and employees for the payment of their loans from other private credit institutions and banks.

Additionally, it also comprises the **Agricultural Leaders of Tomorrow (ALOFT) regional Farmer-to-Farmer program fund**. This project provided technical assistance to farmers, farm groups, agribusinesses and other agricultural sector institutions in Cambodia, Thailand, and the Philippines in which Central Philippines State University is one of the host organizations. ALOFT was a USAID program implemented by the University of Tennessee Smith Center for International Sustainable Agriculture. This contract between the University of Tennessee and Central Philippines State University started in October, 2023 however the implementation began in year 2024.

This project supports youth-led and youth-serving institutions to build more resilient food systems through demand-driven technical exchanges with U.S. volunteers. The program integrated youth into agricultural value chains through four areas of voluntary technical assistance:

1. Conservation agriculture
2. Agricultural entrepreneurship and agribusinesses
3. Agricultural education
4. Extension and advisory services

Below is the breakdown of their budget and utilization as of December 31, 2024:

Amount Granted in 2024	Utilization	Balance as of December 31, 2024
3,022,339.57	2,270,451.05	751,888.52

## 17. Service and Business Income

The details of Service and Business Income are presented below.

Particulars	2024	2023
<b>Service Income</b>	<b>₱ 2,847,676.83</b>	<b>₱ 3,257,570.78</b>

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Other Service Income	2,205,946.22	2,932,570.47
Miscellaneous Income	641,730.61	325,000.31
<b>Business Income</b>	<b>276,676,040.77</b>	<b>306,558,755.74</b>
School Fees	269,060,820.18	298,267,837.99
Rent/Lease Income	291,030.00	287,250.00
Income From Hotels/ Dormitories and Other Like Facilities	477,720.00	590,800.00
Sales Revenue	2,357,976.28	2,455,602.25
Other Business Income	4,488,494.31	4,957,265.50
<b>Total Service and Business Income</b>	<b>₱ 279,523,717.60</b>	<b>₱ 309,816,326.52</b>

## 18. Gains

The details of Gains are presented below.

<b>Accounts</b>	<b>2024</b>	<b>2023</b>
Gain on Initial Recognition of Biological Assets	₱ 70,000.00	₱ 130,500.00
Gain on Sale of Biological Assets	208,942.00	79,030.00
Gain from Changes in Fair Value Less Costs to Sell of Biological Assets Due to Physical Change	264,070.00	287,900.00
<b>Total Gains</b>	<b>₱ 543,012.00</b>	<b>₱ 497,430.00</b>

## 19. Personnel Services

Personnel Services expense is broken down as follows.

### 19.1 Salaries and Wages

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Salaries and Wages - Regular	₱ 166,338,192.96	₱ 131,665,325.78
Salaries and Wages - Casual/ Contractual	178,850.95	176,136.00
<b>Total Salaries and Wages</b>	<b>₱ 166,517,043.91</b>	<b>₱ 131,841,461.78</b>

### 19.2 Other Compensation

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Personal Economic Relief Allowance (PERA)	₱ 8,190,484.51	₱ 7,658,347.24



<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Representation Allowance (RA)	661,096.78	648,000.00
Transportation Allowance (TA)	555,096.78	480,500.00
Clothing/Uniform Allowance	2,446,356.38	1,620,000.00
Subsistence Allowance	11,900.00	11,000.00
Laundry Allowance	1,800.00	1,500.00
Honoraria	7,228,722.98	5,903,759.50
Hazard Pay	122,805.00	82,250.50
Longevity Pay	70,928.00	119,940.00
Overtime Pay	19,709.47	0.00
Year-End Bonus	14,260,225.50	10,965,205.99
Cash Gift	1,738,500.00	1,347,000.00
Mid-Year Bonus	620,258.28	0.00
Other Bonuses and Allowances	22,752,689.75	17,595,862.67
<b>Total Other Compensation</b>	<b>₱ 58,680,573.43</b>	<b>₱ 46,433,365.90</b>

### 19.3 Personnel Benefit Contributions

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Retirement and Insurance Premiums	₱ 21,912,396.84	₱ 15,517,188.41
Pag-IBIG Contributions	789,900.00	293,000.00
PhilHealth Contributions	4,083,947.20	2,514,124.85
Employee Compensation Insurance Premiums	510,574.61	333,800.00
<b>Total</b>	<b>₱ 27,296,818.65</b>	<b>₱ 18,658,113.26</b>

### 19.4 Other Personnel Benefits

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Terminal Leave Benefits	₱ 767,041.26	₱ 3,904,781.94
Other Personal Benefits	10,077,701.45	5,360,000.00
<b>Total</b>	<b>₱ 10,844,742.71</b>	<b>₱ 9,264,781.94</b>

## 20. Maintenance and Other Operating Expenses

### 20.1 Traveling Expenses

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Traveling Expenses-Local	₱ 5,925,351.70	₱ 3,458,808.06
Traveling Expenses-Foreign	643,827.82	156,829.84
<b>Total</b>	<b>₱ 6,569,179.52</b>	<b>₱ 3,615,637.90</b>

## 20.2 Training and Scholarship Expenses

Particulars	2024	2023
Training Expenses	₱ 18,161,021.85	₱ 11,616,695.92
Scholarship Grants/Expenses	1,876,145.00	466,702.56
<b>Total</b>	<b>₱ 20,037,166.85</b>	<b>₱ 12,083,398.48</b>

## 20.3 Supplies and Materials Expenses

Particulars	2024	2023
Office Supplies Expenses	₱ 8,803,434.41	₱ 6,705,101.29
Accountable Forms Expenses	25,000.00	1,921,325.00
Non-Accountable Forms Expenses	333.76	55,750.00
Animal/Zoological Supplies Expenses	1,814,947.82	2,536,663.60
Drugs and Medicines Expenses	807,487.10	399,661.92
Medical, Dental and Laboratory Supplies Expenses	1,301,415.32	232,432.58
Fuel, Oil and Lubricants Expenses	3,940,060.72	4,861,382.72
Agricultural and Marine Supplies Expenses	597,244.46	536,837.00
Textbooks and Instructional Materials Expenses	4,690.02	7,794.50
Semi-Expendable Machinery and Equipment Expenses	21,490,955.12	18,025,909.71
Semi-Expendable Furniture, Fixtures and Books Expenses	14,499,712.34	9,360,428.80
Other Supplies and Materials Expenses	10,440,506.55	11,972,007.58
<b>Total</b>	<b>₱ 63,725,787.62</b>	<b>₱ 56,615,294.70</b>

## 20.4 Utility Expenses

Particulars	2024	2023
Water Expenses	₱ 587,901.76	₱ 422,291.42
Electricity Expenses	20,890,843.81	14,367,043.48
Gas/Heating Expenses	10,800.00	
<b>Total</b>	<b>₱ 21,489,545.57</b>	<b>₱ 14,789,334.90</b>

## 20.5 Communications Expenses

Particulars	2024	2023
Postage and Courier Services	₱ 93,584.00	₱ 93,753.26
Telephone Expenses	881,267.71	918,994.72
Internet Subscription Expenses	10,619,227.13	10,589,193.78
<b>Total</b>	<b>₱ 11,594,078.84</b>	<b>₱ 11,601,941.76</b>

## 20.6 Awards/Rewards, Prizes and Indemnities

Particulars	2024	2023
Awards/Rewards Expenses	₱ 555,529.00	₱ 134,100.00
Prizes	241,300.00	754,700.00
<b>Total</b>	<b>₱ 796,829.00</b>	<b>₱ 888,800.00</b>

## 20.7 Survey, Research and Exploration and Development Expenses

Particulars	2024	2023
Survey Expenses	₱ 32,500.00	₱ 0.00
Research, Exploration and Development Expenses	1,136,840.46	899,665.07
<b>Total</b>	<b>₱ 1,169,340.46</b>	<b>₱ 899,665.07</b>

## 20.8 Confidential, Intelligence and Extraordinary Expenses

Particulars	2024	2023
Extraordinary and Miscellaneous	₱ 110,000.00	₱ 111,843.00
<b>Total</b>	<b>₱ 110,000.00</b>	<b>₱ 111,843.00</b>

## 20.9 Professional Services

Particulars	2024	2023
Legal Services	₱ 717,725.00	₱ 225,603.11
Other Professional Services	57,860,582.43	56,524,162.33
<b>Total</b>	<b>₱ 58,578,307.43</b>	<b>₱ 56,749,765.44</b>

## 20.10 General Services

Particulars	2024	2023
General Services	₱ 1,591,396.12	₱ 852,297.84
Security Services	4,646,486.63	4,251,250.00
<b>Total</b>	<b>₱ 6,237,882.75</b>	<b>₱ 5,103,547.84</b>

## 20.11 Repairs and Maintenance

Particulars	2024	2023
Repairs and Maintenance – Land Improvements	₱ 58,300.00	₱ 502,591.43
Repairs and Maintenance – Buildings and Other Structures	13,747,437.51	14,599,166.33

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Repairs and Maintenance – Machinery and Equipment	896,453.56	391,940.76
Repairs and Maintenance – Transportation Equipment	1,825,119.56	1,458,496.12
Repairs and Maintenance – Semi–Expendable Machinery and Equipment	979,595.00	332,049.50
Repairs and Maintenance - Semi Expendable Furnitures, Fixtures and Books	0.00	3,610.00
Repairs and Maintenance – Other Property, Plant and Equipment	3,046,625.48	1,295,428.70
<b>Total</b>	<b>₱ 20,553,531.11</b>	<b>₱ 18,583,282.84</b>

#### **20.12 Taxes, Insurance Premiums and Other Fees**

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Taxes, Duties and Licenses	₱ 141,740.32	₱ 7,152.70
Fidelity Bond Premiums	98,139.75	196,834.11
Insurance Expenses	1,051,613.75	457,175.62
<b>Total</b>	<b>₱ 1,291,493.82</b>	<b>₱ 661,162.43</b>

#### **20.13 Labor and Wages**

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Labor and Wages	₱ 56,437,497.20	₱ 53,945,327.32
<b>Total</b>	<b>₱ 56,437,497.20</b>	<b>₱ 53,945,327.32</b>

#### **20.14 Other Maintenance and Other Operating Expenses**

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Advertising, Promotional and Marketing Expenses	₱ 5,184.00	₱ 0.00
Printing and Publication Expenses	152,605.65	1,031,525.00
Representation Expenses	10,274,654.89	10,825,874.00
Transportation and Delivery Expenses	60,478.72	55,000.00
Rent/Lease Expenses	1,790,700.00	1,114,800.00
Membership Due and Contributions to Organization	458,560.90	97,000.00
Subscription Expenses	6,659,738.54	1,666,986.00
Bank Transaction Fee	1,250.00	0.00

Other Maintenance and Operating Expenses	2,847,365.94	7,538,471.84
<b>Total</b>	<b>₱ 22,250,538.64</b>	<b>₱ 22,329,656.84</b>

## 21. Non-Cash Expenses

Non-Cash Expenses is broken down as follows.

### 21.1 Depreciation

<b>Particulars</b>	<b>2024</b>	<b>2023</b>
Depreciation – Land Improvements	₱ 2,898,229.18	₱ 418,973.40
Depreciation – Buildings and Other Structures	17,179,248.34	12,565,820.33
Depreciation –Machinery and Equipment	11,441,682.90	9,851,893.89
Depreciation – Transportation Equipment	1,946,613.33	1,351,071.00
Depreciation – Furniture, Fixtures and Books	405,841.75	704,163.49
Depreciation – Leased Assets Improvement	0.00	54,917.00
Depreciation – Other Property, Plant and Equipment	13,790.00	2,800,786.14
<b>Total</b>	<b>₱ 33,885,405.50</b>	<b>₱27,747,625.25</b>

### 21.2Amortization

<b>Accounts</b>	<b>2024</b>	<b>2023</b>
Amortization – Intangible Assets	₱ 919,297.34	₱ 1,022,666.06
<b>Total</b>	<b>₱ 919,297.34</b>	<b>₱ 1,022,666.06</b>

### 21.3Losses

<b>Accounts</b>	<b>2024</b>	<b>2023</b>
Loss on Sale of Property, Plant and Equipment	₱ 500,170.00	₱ 53,828.86
Loss on Sale of Biological Assets	0.00	0.00
<b>Total</b>	<b>₱ 500,170.00</b>	<b>₱ 53,828.86</b>

## **22. Net Financial Assistance/Subsidy**

Net Financial Assistance/Subsidy is broken down as follows.

<b>Accounts</b>	<b>2024</b>	<b>2023</b>
Subsidy from National Government	₱ 326,582,320.42	₱286,992,949.78
Assistance from Local Government Units	5,181,597.30	7,970,742.55
<b>Net Financial Assistance/Subsidy</b>	<b>₱ 331,763,917.72</b>	<b>₱294,963,692.33</b>

## **PART II – AUDIT OBSERVATIONS AND RECOMMENDATIONS**

## AUDIT OBSERVATIONS AND RECOMMENDATIONS

Audit observations and recommendations presented in this section were communicated through the issuance of Audit Observation Memoranda (AOM) and were further discussed during the exit conference. Management comments, as applicable, were also considered.

### A. Financial Audit

*Deficiencies in Cash in Bank-Local Currency, Current Account amounting to ₱4.035 million*

**1. Non-adjustment of book reconciling items, inconsistent with Paragraph 27 of IPSAS 1 and Section 6, Chapter 21 of the GAM for NGAs, Volume I, resulted in the understatement of the Cash in Bank-Local Currency Account by ₱4.035 million.**

- 1.1 Paragraph 27 of International Public Sector Accounting Standards (IPSAS) 1, provides that Financial Statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses set out in IPSAS.
- 1.2 Further, Section 6, Chapter 21 of the Government Accounting Manual (GAM) for National Government Agencies (NGAs), Volume I, states that the Chief Accountant/Designated Staff shall prepare a Journal Entry Voucher (JEV) to recognize all reconciling items that require adjustment and correction in the books of accounts.
- 1.3 The University maintains four sets of books corresponding to four separate funds and supports each Cash in Bank account with a subsidiary ledger for every bank account maintained with the Land Bank of the Philippines.
- 1.4 Review and verification of the Bank Reconciliation Statement disclosed the following book and bank reconciling items:

Particulars	Balances Per Subsidiary Ledger	Balances Per Bank Statement
Unadjusted balance as of December 31, 2024	₱421,439,735.33	₱434,439,682.30
Add/(deduct): Unrecorded book and bank reconciling items		
Staled checks	419,362.48	
Cancelled checks (to be returned to CHED)	57,500.00	
Unrecorded deposits	3,602,411.48	
Unrecorded disbursements	(12,655.70)	
Unidentified difference between the SL and bank records	(372,099.71)	
Uncorrected bank error-double take up of check disbursements		579,324.58
Outstanding checks		(10,623,556.29)
Unrecorded book recording error	(32,042.44)	
Unidentified difference between the SL and GL records	(706,762.85)	



Particulars	Balances Per Subsidiary Ledger	Balances Per Bank Statement
Unrecorded bank Credit Memo	2.00	
Adjusted balance as of December 31, 2024	₱424,395,450.59	₱424,395,450.59

- 1.5 Examination of the book reconciling items revealed that the stale checks amounting to ₱419,362.48, as presented above, consist of 17 checks issued from CYs 2022 to 2024. These checks were already released to the payees but were not negotiated with the bank within six months of issuance.

Table 1. Schedule of Stale Checks

Particulars	Amount	No. of Stale Checks
Calendar Year 2022	₱322,500.00	3
Calendar Year 2023	22,830.48	9
Calendar Year 2024	74,032.00	5
Total	₱419,362.48	17

- 1.6 Similarly, the cancelled check amounting to ₱57,500.00, the unrecorded deposits totaling ₱3.602 million, the unrecorded bank Credit Memo of ₱2.00, and the unidentified disbursements of ₱12,655.70 remained unadjusted as of year-end.
- 1.7 The unidentified difference amounting to ₱372,099.71 between the SL and bank records, presented as deduction from the book balance, as well as the unidentified difference between the SL and GL records amounting to ₱0.706 million, are still subject to further verification by the Accounting Office.
- 1.8 On the other hand, a bank error involving the erroneous double deduction of a check disbursement amounting to ₱0.579 million from the University's account remains unresolved by the bank.
- 1.9 Based on the foregoing unreconciled variance and the presence of unadjusted reconciling items, the year-end balance of the Cash in Bank is understated by ₱4.035 million, to wit:

Table No. 2. Understatement of Cash in Bank at year-end

Particulars	Amount
1. Stale checks	419,362.48
2. Unrecorded deposits	3,602,411.48
3. Unrecorded disbursements	(12,655.70)
4. Cancelled checks (waived scholarship grants to be returned to CHED)	57,500.00
5. Unrecorded book recording error	(32,042.44)
6. Unrecorded bank Credit Memo	2.00
Total Understatement in Cash in Bank as of year-end	₱ 4,034,577.82

- 1.10 This is a restatement of the CY 2023 audit observation.
- 1.11 This observation was communicated to Management of Main Campus through AOM No. 2025-010 (2024) dated March 28, 2025.

- 1.12 **We recommended and Management agreed to require the Accountant to:**
- a. **Exert further effort to resolve the unadjusted book reconciling items amounting to ₱4.035 million, and to effect the necessary adjustment;**
  - b. **Analyze and reconcile further the variance of ₱0.706 million between the SL and GL balance of Cash in Bank Account, and make the necessary adjustment in the books of accounts, if applicable;**
  - c. **Prioritize the reconciliation of the unidentified difference amounting to ₱372,099.71 between the SL and bank records, and make the necessary adjustment in the books of accounts, if applicable; and**
  - d. **Make representation with the Land Bank of the Philippines-Kabankalan City Branch, to correct the check disbursements amounting to ₱0.579 million, erroneously deducted twice from the University's current account.**

*Unreliable Other Deferred Credits account amounting to ₱1.218 million*

2. **The accuracy of the year-end balance of the Other Deferred Credits account amounting to ₱1.218 million was doubtful due to non-maintenance of subsidiary ledgers and lack of sufficient supporting documentation, inconsistent with Paragraph 27 of IPSAS 1 and Appendix 6, Volume III of the GAM for NGAs.**

- 2.1 Paragraph 27 of International Public Sector Accounting Standards (IPSAS) 1, provides that Financial Statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses set out in IPSAS.
- 2.2 Appendix 6, Volume II of the Government Accounting Manual (GAM) for National Government Agencies (NGAs) requires that the Subsidiary Ledger (SL), which shows the details for each control account in the General Ledger (GL), shall be maintained per account and fund cluster by the Accounting Division/Unit. The totals of the SL balances shall be reconciled with the corresponding GL controlling account.
- 2.3 Verification of the records disclosed that the account Other Deferred Credits started with a balance of ₱0.857 million in December 31, 2002 and ultimately increased to ₱1.218 million as of December 31, 2024. However, the balance of this account was not supported with subsidiary ledger/s and any supporting document to prove its legal existence. Thus, there was no clear basis or breakdown of the recorded amount.

The former Accountant of the University for calendar years 2002 to 2006 failed to maintain a subsidiary ledger for this account.

- 2.4 The non-maintenance of Subsidiary Ledger/s showing the details of the account and the lack of sufficient supporting documentation, cast doubt on the accuracy of the year-end balance of the Other Deferred Credits account amounting to ₱1.218 million.
- 2.5 This observation was communicated to Management of Main Campus through AOM No. 2025-018 (2024) dated April 25, 2025.
- 2.6 **We recommended and Management agreed to direct the Accountant to:**
  - a. **Verify the composition of the Other Deferred Credits account and effect the necessary adjustments, if necessary; and**
  - b. **Maintain subsidiary ledger/s for the Other Deferred Credits account in accordance with Appendix 6, Volume III of the GAM for NGAs.**

## **B. Other Financial Related Issues**

*Unliquidated cash advances amounting to ₱1.993 million*

3. **Cash advances amounting to ₱1.993 million were not liquidated within the period required under COA Circular No. 97-002 dated February 10, 1997, thus the propriety of charges against these cash advances could not be ascertained, valid expenses incurred during the year could not be recorded and funds were exposed to possible loss and misuse.**
  - 3.1 Section 4.1 of Commission on Audit (COA) Circular No. 97-002 dated February 10, 1997, provides the general guidelines on the granting and utilization of cash advances, as follows:
    - “4.1.2 No additional cash advances shall be allowed to any official or employee unless the previous cash advance given to him is first settled or a proper accounting thereof is made;
    - 4.1.3 A cash advance shall be reported on as soon as the purpose for which it was given has been served.”
  - 3.2 Likewise, Section 5.1 provides the period of liquidation of cash advances, to wit:
    - “5.1.1. Salaries, wages, etc. – within five (5) days after each fifteen (15)/end of the month pay period;
    - 5.1.2 Petty Operating Expenses and Field Operating Expenses – within twenty (20) days after the end of the year, subject to replenishment as frequently as necessary during the year;
    - 5.1.3 Official Travel – within sixty (60) days after return to the Philippines, in the case of foreign travel or within thirty (30) days after return to his permanent official station, in case of local travel.”

- 3.3 The audit of calendar year 2024 operations disclosed that the Cash Advances to Officers and Employees account in the Statement of Financial Position as of December 31, 2024 had a balance of ₱2.645 million. Further verification of the account showed that this amount includes unliquidated cash advances of personnel who are no longer connected with the University, including those who have retired or are deceased, as follows:

Table 3. Summary of Cash Advances to Officers and Employees

Particulars	Amount	Percentage
Cash advances granted to officers and employees still connected with the University	₱ 892,605.31	33.73
Cash advances granted to officers and employees who are no longer connected with the University	1,101,140.21	41.62
Cash advances granted to former University President who had already retired from service	582,000.00	22.00
Cash advances granted to officers and employees who are already deceased	70,099.92	2.65
Total	₱2,645,845.44	100

- 3.4 An Ageing Schedule of Cash Advances to Officers and Employees account in the Statement of Financial Position as of December 31, 2024 is presented below.

Table 4. Ageing Schedule of Cash Advances to Officers and Employees

Particulars	Amount	Percentage
Cash advances granted to officers and employees that are not yet due for liquidation	₱ 471,262.71	17.81
Cash advances granted to officers and employees that are 1-60 days past due	402,361.87	15.21
Cash advances granted to officers and employees that are more than 360 days past due	1,772,220.86	66.98
Total	₱2,645,845.44	100

- 3.5 It is noteworthy that Management made significant improvement in the University's management of cash advances for its officers and employees. Upon issuance of demand letters, the concerned officers and employees immediately settled their cash advances. However, in two instances, additional cash advances were granted during the year to two accountable officers even though they still had outstanding unliquidated cash advances.
- 3.6 The granting of additional cash advances without the full liquidation of previous ones, along with inadequate monitoring of outstanding cash advances, is inconsistent with sound internal control principles.
- 3.7 The inability to liquidate cash advances within the prescribed period, long after its intended purpose had been served, exposes University funds to the risk of possible loss or misuse. Further, the propriety of charges against these cash advances cannot be immediately ascertained.
- 3.8 This observation was communicated to Management of the Main Campus through AOM No. 2025-008 (2024) dated March 28, 2025.

**3.9 We recommended and Management agreed to:**

- a. Require the concerned accountable officers to immediately liquidate their outstanding cash advances amounting to ₱0.892 million;**
- b. Refrain from granting additional cash advances to officers and employees with unsettled or unliquidated cash advances;**
- c. Require the Accountant to regularly monitor the liquidation of cash advances granted to avoid accumulation of unliquidated cash advances and prevent delays in its liquidation;**
- d. Issue again demand letters to former officers and employees who failed to settle their unliquidated cash advances and refer their case to the Legal Office for appropriate action; and**
- e. Enforce strict compliance with pertinent provisions of COA Circular No. 97-002 dated February 10, 1997 on the grant, utilization and liquidation of cash advances to prevent loss or misuse of government funds.**

*Uninsured Property, Plant and Equipment amounting to ₱251.403 million*

**4. Property, Plant and Equipment in the amount of ₱251.403 million were not insured with the General Insurance Fund of GSIS, which is not in line with Section 5 of R. A. No. 656, hence, the government properties are not protected and are exposed to the risk of loss due to non- indemnification in case of fire and other natural calamities.**

- 4.1 Section 5 of Republic Act No. 656 states that insuring government properties, except for municipal government below first class, is required. Properties shall be insured with the Fund against any insurable risk and pay the premium, which, shall not exceed the premiums charged by private insurance companies.
- 4.2 COA Circular No. 2018-002 dated May 31, 2018 prescribes the guidelines and actions to be undertaken by the Agency to insure their properties with the Government Service Insurance System (GSIS)- General Insurance Fund (GIF).
- 4.3 Among the requirements under Item 5 of the said COA Circular is the preparation of the Property Inventory Form (PIF) and the submission of the said PIF to the Audit Team Leader and GIF, GSIS not later than April 30 of each year.
- 4.4 Verification of the Property, Plant and Equipment (PPE) and Insurance accounts of the University disclosed that out of total insurable properties amounting to ₱345.218 million (Annex A), only ₱93.815 (27.18 percent) were insured with the GSIS. Properties amounting to ₱251.403 million (72.82 percent) do not have any insurance coverage.
- 4.5 According to the Property/Supply Officer interviewed by the Audit Team, the University was not able to submit the following requirements to the GSIS, which resulted in the non-insurance of properties valued at ₱251.403 million:

- Vicinity map or sketch of the location of the property to be insured;
  - Floor/building plan of properties to be insured; and
  - Photos of properties to be insured (including inside and outside of the buildings).
- 4.6 It was further verified that although there was a conduct of inventory of PPE, no PIF was prepared and submitted to the Audit Team and the GIF, GSIS.
- 4.7 Non-insurance of the PPE valued at ₱251.403 million exposed the University to the risk that it may not be adequately indemnified in case of loss due to calamities or other undue incidents.
- 4.8 This is a restatement of audit observation in the calendar year 2018.
- 4.9 This observation was communicated to the Management of Main Campus through AOM No. 2025-003 (2024) dated March 10, 2025.
- 4.10 **We recommended and Management agreed to require the:**
- a. **Responsible person/s to prepare Property Inventory Report in accordance with COA Circular No. 2018-002;**
  - b. **Responsible person/s to submit the Consolidated Property Inventory Form (PIF) to the Supervising Auditor/Audit Team Leader and the General Insurance Fund, GSIS not later than April 30 of each year; and**
  - c. **Property/Supply Officer to coordinate with the GSIS and apply for the insurance of all properties of the Campus, in compliance with R.A. No. 656.**

*Unestablished estimated useful life of semi-expendable properties amounting to ₱30.714 million*

5. **The policy on the estimated useful life of semi-expendable properties was not established, contrary to Sections 4.12 and 4.13 of the COA Circular No. 2022-004 dated March 31, 2022, thus, semi-expendable properties issued during the calendar year 2024, amounting to ₱30.714 million lacked basis for determining the extent of accountability for each end-user.**

- 5.1 Section 4.12 of Commission on Audit (COA) Circular No. 2022-004 dated May 31, 2022 requires agencies to determine/provide estimated useful life of each semi-expendable property as they are in the best position to make these estimates and issue updated policies, as necessary.
- 5.2 Further, Section 4.13 of the said Circular provides the guide of estimated useful life ranges per class of semi- expendable properties, as follows:

Semi-Expendable Machinery and Equipment – 5 to 15 years  
 Semi-Expendable Furniture, Fixtures and Books – 2 to 15 years

- 5.3 The above life span of semi-expendable property may be used unless a more appropriate estimate is determined by the agency based on the nature of its operation and mission. The agency shall prepare a specific estimated useful life for each semi-expendable property, based on its experience with the asset's life, and furnished a copy to the COA Auditors.
- 5.4 It was observed that the University lacks a policy for determining and providing the estimated useful life of semi-expendable properties. The University uses an Inventory and Custodian Slip (ICS) form to document the issuance of semi-expendable properties to end-users, establishing accountability over them.
- 5.5 However, verification of ICS for the Calendar Year 2024 revealed that semi-expendable properties amounting to ₱30.714 million (Annex B) were issued to end-users without the essential information on their estimated useful life, which should have been indicated on the ICS to strengthen accountability.
- 5.6 In an interview, the Supply Officer confirmed that the University does not have a memorandum or policy defining the useful life of semi-expendable properties. She stated that she was unaware of this requirement and noted that previous ICS records did not indicate the useful life of issued semi-expendable properties. Management has yet to prepare a memorandum addressing this matter.
- 5.7 Due to the absence of a policy on the estimated useful life of semi-expendable properties, the basis and extent of accountability for the ₱30.714 million worth of issued semi-expendable properties to end-users cannot be determined.
- 5.8 This observation was communicated to the Management of Main Campus through AOM No. 2025-008 (2024) dated March 28, 2025.
- 5.9 **We recommended and Management agreed to:**
  - a. **Establish a policy on the estimated useful life of semi-expendable properties and furnish a copy to the COA Auditor, in accordance with Sections 4.12 and 4.13 of COA Circular No. 2022-004 dated May 31, 2022; and**
  - b. **Direct the Supply Officer to indicate the estimated useful life of the properties amounting to ₱30.714 million in the Inventory and Custodian Slip (ICS) of the semi-expendable properties issued, once the policy has been established.**

*Incomplete documentation of various repairs and maintenance totaling ₱2.722 million*

6. **Payments of various repairs and maintenance expenses totaling ₱2.722 million were not supported with complete documentation as required under Section 4 (6) of PD No. 1445 and COA Circular No. 2012-001 dated June 14, 2012, thus, the validity and propriety of the transactions cannot be ascertained.**

- 6.1 Section 4 (6) of Presidential Decree No. 1445, also known as the Government

Auditing Code of the Philippines, states that “claims against government funds shall be supported with complete documentation.”

6.2 Similarly, COA Circular No. 2012-001 dated June 14, 2012, specifically Section 9.1.3.4, addresses the documentary requirements for common government transactions, including those related to procurement.

- Copy of the pre-repair evaluation report and approved detailed plans by the agency showing in sufficient details the scope of work/extent of repair to be done;
- Report of waste materials;
- Copy of document indicating the history of repair;
- Post-inspection reports;
- Warranty Certificate;
- Request for payment;
- Bill/invoices;
- Certificate of Acceptance; and
- Such other document peculiar to the contract and/or to the mode of procurement and which are considered necessary in the auditorial review and in the technical evaluation thereof.

6.3 Moreover, Section 9.2 provides the basic requirements common to all purchases under alternative mode of procurement, such as:

- Purchase Order stamped "Received" by COA;
- Proof of posting of invitation or request for submission of price quotation in PhilGEPS website;
- BAC Resolution recommending and justifying to the HOPE the use of alternative mode of procurement and approval of the HOPE of the BAC Res. recommending award of contract;
- Proof of posting of NOA in the PhilGEPS website;
- Statement of the prospective bidder that it is not blacklisted;
- Mayor's/Business Permit; and
- PhilGEPS Registration Number

6.4 Audit of CY 2024 disbursements revealed that the university paid for repair works across various external campuses. A review of sampled transactions under the repair and maintenance expenses totaling ₱2.722 million (see Annex C for details) showed that these included structural reinforcement, door and window repairs, glasswork painting, and electrical replacement, summarized as follows.

**Table 5. Summary of Repair and Maintenance Expenses**

<b>Particulars</b>	<b>Amount</b>
Building and structural repairs, glass, etc.	₱ 1,551,399.79
Procurement of materials for repairs, repainting, and replacement.	876,011.57
Contracts, installation of windows/doors, fixed glass, etc.	294,368.07
<b>Total</b>	<b>₱ 2,721,779.43</b>



- 6.5 Furthermore, the Audit Team observed several deficiencies in the sample disbursements (see Annexes C and D), as summarized below:
1. Disbursements totaling ₱2.722 million lacked sufficient documentation as required under Sections 9.1.3.4 and 9.2 of COA Circular No. 2012-001 dated June 14, 2012;
  2. Disbursement vouchers amounting to ₱0.648 million was not signed by the Accountant;
  3. A disbursement voucher amounting to ₱256,094.21 was not signed by the payee in box E “Receipt of Payment”;
  4. Purchase Orders attached to the disbursement vouchers were submitted late to the Office of the Auditor, with delays ranging from 3 to 30 days; and
  5. Contract Agreements attached to the disbursement vouchers were not stamped “Received” by the Office of the Auditor.
- 6.6 In view of the above deficiencies, the actual necessity and cost-efficiency of the repairs could not be easily determined. Moreover, the absence of the required signatures and supporting documents undermine the integrity, validity, and propriety of the disbursements.
- 6.7 This observation was communicated to the Management of Main Campus through AOM No. 2025-014 (2024) dated April 25, 2025.
- 6.8 **We recommended and Management agreed to:**
- a. **Require the Accountant to ensure that all disbursements are supported with complete documentation and refrain from releasing claims with insufficient supporting documents;**
  - b. **Direct the Accountant to submit the lacking documents and strictly comply with the provisions of Section 4 (6) of PD No. 1445 and COA Circular No. 2012-001 dated June 14, 2012; and**
  - c. **Strengthen internal controls to ensure compliance with technical documentation requirements prior to approval and release of future payments.**

*Non-observance of Accrual Basis of Accounting*

7. **Honoraria amounting to ₱234,000.00 (net of tax) for activities conducted in prior year was paid from CY 2024 appropriations without being recorded as Accounts Payable contrary to the accounting rules promulgated by the Commission on Audit and Commission on Higher Education, thus, the transaction was not recognized properly in the period when they occur.**

- 7.1 IPSAS 1 on the Presentation of Financial Statements requires that financial statements be prepared and presented under the accrual basis of accounting. Accrual basis as a basis of accounting under which transactions and other events are recognized when they occur. Therefore, the transactions and events are recorded in the accounting records and recognized in the financial statements of the period to which they relate. The element recognized under accrual accounting are assets, liabilities, net asset/equity, revenue and expenses.
- 7.2 On the other hand, Section 3, Article I of the Commission on Higher Education (CHED) Memorandum No. 20 dated August 4, 2011- Policies and Guidelines for the Use of Income, Special Trust Fund and Programs of Receipts and Expenditures of the State Universities and Colleges (SUCs) defined Accumulated Savings as funds available for appropriation. In the computation of Accumulated Savings, the Accounts Payable properly booked or obligated in the books of accounts, among others, is deducted.
- 7.3 Moreover, Section 25, Article IV of the said CHED Memorandum provides:
- “Prior year's expenditure to be paid in the Current Year - Expenditures which have been obligated in the current year but to be paid or settled in the next calendar year shall be funded out of remaining fund balance as of December 31. It shall be included as among those to be deducted from Fund Balance at the End of the Year in determining the Accumulated Savings subject of appropriations.”
- 7.4 In the audit of the financial transactions of Central Philippines State University (CPSU) for calendar year 2024, it was noted that from July 17 to August 22, 2023, the CPSU conducted a comprehensive training program on Organic Agriculture Production funded by the Technical Education and Skills Development Authority (TESDA). Included in the Line-Item Budget of the Program was the payment of Professional Services and Honoraria amounting to ₱190,000.00.
- 7.5 However, it was only on January 10, 2024 that the said transaction was paid. Details of the payment are as follows:

Date	DV No.	Check No.	Payee	Particulars	Amount
01/10/2024	2024010022	1634986	Ernie C. Ongao	Grant of cash advance intended for the Professional Services as CPSU TVI Staff, Coordinator and Consultant during the Training-Workshop on Organic Agriculture Production, July 17-August 22, 2023	₱234,000.00

- 7.6 The Accountant recorded and paid the prior year obligations for the said honoraria in the current year appropriation of the University without the proper accrual of payables in CY 2023. Thus, the transaction was not recognized properly in the period when they occur, inconsistent with the accrual basis of accounting.

- 7.7 Moreover, the non-accrual of payables in CY 2023 resulted in the improper computation of the University's Accumulated Savings.
- 7.8 The above practice affected the cash programming and resource predictability requirements of the University since the current year budgetary allocation has been used to pay off prior year unobligated expenditures.
- 7.9 This observation was communicated to Management of Main Campus through AOM No. 2025-016 (2024) dated April 25, 2025.
- 7.10 **We recommended and Management agreed to:**
  - a. **Direct the Accountant and Budget Officer to ensure that all current year expenditures that cannot be paid within the year are obligated under the current year appropriations and recorded as Accounts Payable;**
  - b. **Inform all offices of the University, at most by November of the current year, to submit to the Budget Office any money claims to the Campus to be obligated and be recorded as Accounts Payable; and**
  - c. **Ensure compliance with the International Public Sector Accounting Standards (IPSAS) and GAM for NGAs in recording the University's financial transactions for the fair presentation of its financial statements.**

*Incomplete documentation for payment of honoraria amounting to ₱234,000.00*

8. **Payment of honoraria for the professional services rendered, amounting to ₱234,000.00 (net of tax), was made without the complete supporting documents prescribed in P.D. No. 1445 and COA Circular No. 2012-001, thus rendered the propriety and regularity of the transaction doubtful.**
  - 8.1 Section 4(6) of Presidential Decree (PD) No. 1445, otherwise known as the Government Auditing Code of the Philippines, provides that claims against government funds shall be supported with complete documentation.
  - 8.2 Corollary to this, the Commission on Audit (COA) issued Circular No. 2012-001 dated June 14, 2012, prescribing the Revised Guidelines and Documentary Requirements for Common Government Transactions. The aforementioned COA Circular also provides a detailed list of documentary requirements for the payment of honoraria to lecturers, resource persons, coordinators, and facilitators.
  - 8.3 On January 10, 2024, the University paid ₱234,000.00 as honoraria for the professional services of CPSU Technical Vocational Institution ( TVI) Staff, Coordinator, and consultant. From July 17 to August 22, 2023, CPSU conducted a comprehensive training program on Organic Agriculture Production funded by the Technical Education and Skills Development Authority (TESDA). The Line-Item Budget of the Program included payment of Professional Services and

Honoraria. Details of the payment are as follows:

Date	DV No.	Check No.	Payee	Particulars	Amount
01/10/2024	2024010022	1634986	Ernie C. Ongao	Grant of cash advance intended for the Professional Services as CPSU TVI Staff, Coordinator and Consultant during the Training-Workshop on Organic Agriculture Production, July 17-August 22, 2023	₱234,000.00

- 8.4 The Program has a total budget of ₱0.585 million as indicated in the Line-Item Budget of the Program, broken down as follows:

Item	Amount
Training Supplies and Materials	₱ 50,000.00
Professional Services and Honoraria	190,000.00
University's Income	344,775.00
<b>Total</b>	<b>₱ 584,775.00</b>

- 8.5 An undated letter request from a representative of the College of Agriculture and Forestry, seeking approval from the University President for the release of ₱190,000.00 to cover the professional services of trainers, lecturers, demonstrators, and staff, was also included as one of the supporting documents for the disbursement.
- 8.6 However, review of Disbursement Voucher No. 2024010022 dated January 10, 2024, and examination of the corresponding duly signed and received Payroll No. 23-12-0848, showed that a total gross amount of ₱260,000.00 was paid as honoraria of trainers, lecturers, demonstrators and staff of the subject program. The amount paid exceeded the approved Line-Item Budget for professional services and honoraria by ₱70,000.00.
- 8.7 The table below presents a summary of the professional services involved in the activity and the corresponding honoraria received.

Designation	No. of Personnel	Gross	W/Tax	Amount Received
Head	1	₱ 10,000.00	₱ 1,000.00	₱ 9,000.00
Consultant	2	20,000.00	2,000.00	18,000.00
Cashier	1	5,000.00	500.00	4,500.00
Accountant	1	5,000.00	500.00	4,500.00
Budget Officer	1	5,000.00	500.00	4,500.00
Nurse	1	5,000.00	500.00	4,500.00
Lecturer	7	105,000.00	10,500.00	94,500.00
Representative	1	15,000.00	1,500.00	13,500.00
Coordinator	1	15,000.00	1,500.00	13,500.00
Registrar	1	20,000.00	2,000.00	18,000.00
Asst. Registrar/Lecturer	1	15,000.00	1,500.00	13,500.00
Staff	7	35,000.00	3,500.00	31,500.00
Tool Keeper/Staff	1	5,000.00	500.00	4,500.00
<b>Total</b>	<b>26</b>	<b>₱260,000.00</b>	<b>₱26,000.00</b>	<b>₱234,000.00</b>

- 8.8 Incurrence of overdraft in the payment of honoraria of trainers, lecturers, demonstrators and staff of the subject program rendered the validity and regularity of the transactions doubtful.
- 8.9 Moreover, verification of the disbursement voucher and its supporting documents disclosed that the following documentary requirements prescribed in COA Circular No. 2012-001 were not submitted, to wit:
1. Office Order for their designation with authority to collect honorarium;
  2. Authority to Conduct the Training/Seminar and the participants;
  3. Course Outline/Program;
  4. Copy of the Letter/Invitation to Guest Resource Speaker/Persons (as accepted/conformed);
  5. Certification issued by the Chief Accountant that the amounts received by the recipient/s do not exceed the limits pursuant to DBM BC No. 2007- 001 dated April 23, 2007;
  6. Coordinator's report on lecturer's schedule;
  7. Course Syllabus/Program of Lectures; and
  8. Duly approved daily time record in case of claims by the coordinator and facilitators
- 8.10 The absence of the necessary documents to ascertain the propriety and regularity of the payment of honoraria indicates lack of an effective internal control system and non-compliance with the provisions of PD No. 1445 and COA Circular No. 2012-001.
- 8.11 This observation was communicated to the Management of Main Campus through AOM No. 2025-015 (2024) dated April 25, 2025.
- 8.12 **We recommended and Management agreed to:**
- a. **Direct the personnel responsible for processing honoraria payments to lecturers, resource persons, coordinators, and facilitators to submit the required supporting documents as specified in COA Circular No. 2012-001, in order to prevent the issuance of a Notice of Suspension;**
  - b. **Direct the personnel who received excess payment of honoraria to refund the excess amount to avoid the issuance of a Notice of Disallowance; and**
  - c. **Instruct the Accountant and other personnel concerned to ensure that disbursements are properly and fully supported with the necessary documents to establish the correctness of the disbursements.**

*Unnecessary expenses amounting to ₱56,319.13.*

- 9. The absence of an internal policy on grants of monthly communication allowances to officers resulted in the payment of unnecessary expenses amounting to ₱56,319.13, contrary to Section 2 of P.D. No. 1445 and DBM Budget Circular No. 2024-2, dated August 2, 2024.**

- 9.1 Section 2 of Presidential Decree (P.D.) No. 1445 provides that it is the policy of the state that all resources of the government shall be managed, expended, or utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with a view to ensuring efficiency, economy and effectiveness in the operations of the government.
- 9.2 Department of Budget and Management (DBM) Budget Circular No. 2024-2 dated August 2, 2024, provides the guidelines on the payment of communication expenses incurred by authorized officials and employees for the performance of their official duties and responsibilities.
- 9.3 Item 3.3 of the said DBM Budget Circular provides that, in crafting their respective internal policies on the payment of communication expenses, the agencies concerned shall emphasize the need to ensure the judicious and prudent use of government funds and that there is no duplication of similar or related expenses for the purpose, subject to existing budgeting, accounting and auditing laws, rules and regulations.
- 9.4 The audit of the University's operations for calendar year 2024 revealed that it was unable to avail itself of landline services for its communication needs, as both the main and extension campuses are situated in remote areas. Consequently, certain officers were granted a monthly communication allowance. However, the agency failed to establish an internal policy governing the payment of communication expenses, specifically to guide entitlement, the appropriate use of mobile phones and the maximum allowable monthly usage. As a result, some officers subscribed to monthly communication service or postpaid plan with a telecommunication company, which included free mobile phones after a certain period, while others, sought for a reimbursement on a monthly basis.
- 9.5 Review and verification of disbursements for communication expenses revealed that the University paid the telecommunication company a total of ₱56,319.13 for additional charges incurred by nine officers during the year. These additional charges were deemed unnecessary, as they included, among others, the following:
- Gadget cash out (installment for new mobile phone);
  - NETFLIX subscription;
  - Excess browsing usage; and
  - International roaming—calls/texts/surf, inclusive of overseas communication tax.
- 9.6 Due to the absence of an internal policy on the granting of monthly communication allowances to officers, the payment of the above mentioned unnecessary expenses were incurred by the University.
- 9.7 This observation was communicated to the Management of the Main Campus through AOM No. 2025-005 (2025) dated March 27, 2025.

9.8 **We recommended and Management agreed to:**

- a. **Initiate the formulation of a Monthly Communication Allowance Policy to establish and implement the guidelines and procedures for the granting, usage and payment of communication expenses, in conformity with DBM Budget Circular No. 2024-02 dated August 2, 2024; and**
- b. **Require the nine officers who availed of additional services from the telecommunications company to refund the amount of ₱56,319.13 to avoid disallowance in the audit.**

*Donated land not secured with Transfer Certificates of Titles*

**10. Three parcels of donated land were not secured with Transfer Certificates of Titles under the name of CPSU, inconsistent with Section 2 of the P.D. No. 1445, thus, legitimate ownership over these assets is not assured and ₱106.085 million worth of improvements made on the properties are exposed to risk of potential loss due to legal actions that may adversely affect the University's interest.**

- 10.1 Section 2 of the Presidential Decree No. 1445 provides that, it is the policy of the state that all resources of the government shall be managed, expended or utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with a view to ensuring efficiency, economy and effectiveness in the operations of government. The responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government agency concerned.
- 10.2 Verification of the records disclosed that the following three lots donated by several local government units and private persons were not transferred in the name of the University:

**Table 6. Donated Lots not transferred in the name of the University**

Location	Area	Donor	Cost of Improvements
San Carlos City Campus	58,239 square meters	Don Justo Valmayor	₱ 77,490,158.66
Ilog Campus	10,000 square meters	LGU	6,767,638.22
Hinoba-an Campus	30,000 square meters	LGU	21,827,518.43
Total	98,239 square meters		₱106,085,315.31

- 10.3 The cost of improvements presented above totaling ₱106.085 million represent the cost of concrete road network within the school campus, buildings and other structures.
- 10.4 The above parcels of land were only donated to the University with the condition that said property shall be used solely for the construction of a school building.

However, verifications showed that as of writing of this report, the donated properties are not secured by Transfer Certificates of Title (TCT) under the name of CPSU. The University President explained that the transfer of ownership from the donors to the University have been delayed due to the following reasons:

1. Some of the original donors passed away, leaving only the heirs, some of whom were also located distant from the area. However, Management has resumed talks with the surviving heirs in order that arrangements can be made to transfer the ownership of the donated lots to CPSU; and
  2. In many campuses, donated lots were still included in the original mother title and negotiations are currently done with the donors for the transfer of these donated lots in the University's name.
- 10.5 Without the TCT under the name of the University, ownership of the land is not ensured and exposes the assets to risk of possible wastage from any legal action with result prejudicial to the interest of the University.
- 10.6 This observation was communicated to the Management of the Main Campus through AOM No. 2025-002 (2024) dated March 3, 2025.
- 10.7 **We recommended and the Management agreed to immediately facilitate the titling of donated lots to ensure ownership and prevent wastage of improvements.**

*Non-compliance with Gender and Development Regulations*

**11. The University remained non-compliant in allocating at least five percent of its total budget for GAD Activities and Programs, as mandated under Section 2.3 of the PCW-NEDA-DBM Joint Circular No. 2012-01 and Section IV.A.1 of COA Circular No. 2014-01, thus, the effective implementation of GAD initiatives was hindered and the intended outcomes were not realized.**

- 11.1 Section 2.3 of the Joint Circular No. 2012-01 of the Philippine Commission on Women (PCW), National Economic and Development Authority (NEDA) and Department of Budget and Management (DBM) provides:

“Pursuant to the Magna Carta for Women (MCW) and the General Appropriation Act (GAA), all government departments, including xxx state universities and colleges (SUCs), xxx shall formulate their annual Gender and Development (GAD) Plans and Budgets within the context of their mandate to mainstream gender perspective in their policies, programs and projects. GAD planning shall be integrated in the regular activities of the agencies, the cost of implementation of which shall be at least five percent of their total budget. The computation and utilization shall be implemented in accordance with specific guidelines provided therein. Xxx”

- 11.2 Likewise, Section IV.A.1 of COA Circular No. 2014-01 dated March 18, 2014, outlines the responsibility of government agencies, including state universities



and colleges, to ensure proper allocation, utilization and reporting of the mandated GAD budget. It emphasizes that at least five percent of the agency's total budget should be allocated for GAD programs and activities, in accordance with the PCW-NEDA- DBM Joint Circular No. 2012-01. Additionally, it requires agencies to properly document expenditures related to GAD initiatives, promoting transparency, accountability, and compliance with national gender policies.

- 11.3 An Annual GAD Plan and Budget (GPB) for CY 2024 was formulated to address gender-related issues/concerns for Central Philippines State University. Verification of the GBP revealed that out of the University's appropriation of ₱518.478 million, ₱24.448 million or 4.72 percent was allocated for GAD activities. However, this amount falls ₱1.475 million short of the required allocation specified in the General Appropriation Act (GAA).
- 11.4 An evaluation of the agency's accomplishment showed that only ₱2.146 million was disbursed for their GAD activities, representing 8.78 percent of the approved GAD budget of ₱24.448million.
- 11.5 The inability to allocate the required amount of budget for GAD programs and activities was primarily due to limited cultural awareness and acceptance of gender equality and women's empowerment. Additionally, management faced pressure to prioritize funding for other operating expenses to manage the University's operations effectively.
- 11.6 The foregoing budget shortfall was not in line with achieving efficient and effective results to fully attain the desired outcomes of the GAD programs and activities.
- 11.7 This is a reiteration of the previous year's audit observation.
- 11.8 This observation was communicated to the Management of the Main Campus through AOM No. 2025-006 (2024) dated March 27, 2025.
- 11.9 **We recommended and Management agreed to:**
  - a. **Strictly adhere to the above-cited provisions and direct the GAD Focal Point Person to formulate a multi-year catch up plan and work effectively on increasing the budget for GAD to meet the minimum requirement thereon;**
  - b. **Properly plan and execute the GAD activities based on the targeted timeline;**
  - c. **Coordinate with the external campuses for the formulation of their GAD Plan and Budget and consolidate all the Programs, Activities and Projects to properly utilize the budget allocated; and**
  - d. **Monitor closely the implementation of programmed activities.**

**12. Several hectares of land have been occupied and used by informal settlers without payment, due in part to Management's challenges in fully exercising its rights over the properties and enforcing court rulings, thus, deprived the University of potential revenues and benefits from these assets.**

- 12.1 Section 2 of Presidential Decree (PD) No. 1445 provides that, all resources of the government shall be managed, expended or utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with the view to ensuring efficiency, economy and effectiveness in the operations of the government. The responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government agency concerned.
- 12.2 In 1999, the Municipal Trial Court of Kabankalan City, issued Writs of Execution for several civil cases ordering illegal settlers to vacate the disputed portions of land and to surrender possession to the then National State College of Agriculture (NSCA), now Central Philippines State University. Some settlers were also ordered to pay the accrued fair rental value for the use of the property. Please see Annex E for details.
- 12.3 The Audit Team however, noted that the University did not strictly enforce the said court rulings. Ocular inspection disclosed that several hectares of land were still being used for agricultural purposes by the same informal settlers, without corresponding compensation. Additionally, in some areas, boarding houses for students were already built.
- 12.4 Interviews with University officials and examination of available records at the Record's Office confirmed that there were court decisions that had ordered the informal settlers to vacate the property and pay the appropriate compensation. The said decisions also established conditions for the payment of accumulated rent for the unauthorized use of the University's properties.
- 12.5 However, some of them claimed that the rate of accrued annual rental contained in the court decision was excessive. Thus, after several meetings with one of the informal settlers, both parties executed a Memorandum of Agreement/Settlement (MOA/S) which basically states that the informal settler acknowledged the ownership of the University over the land and agreed to pay an annual rental. The agreement was made between the former University President and the informal settler.
- 12.6 Pursuant to the previously indicated MOA/S, the same informal settler made a one-time payment of ₱2.000 million on July 4, 2013 (Annex F). The check was placed in the custody of the Clerk of Court of the Municipal Trial Court in Cities, Kabankalan City, Negros Occidental, for safekeeping.
- 12.7 However, the provisions of the MOA/S might not be in the best interest of the University and did not align with the court's ruling. Consequently, a partial payment of ₱0.550 million recorded under Official Receipt No. 1183926 dated

April 21, 2021, for the lot rental was later provided to the University after the check went stale.

12.8 The continued occupation of the land by informal settlers was due to the University administration's lack of follow-through on the court's rulings. Consequently, it deprived the University of the opportunity to utilize the land for its operations and benefit from potential revenue had rental payments been collected. Additionally, the University suffered financial loss as a result of the non-enforcement of the court mandated restitution.

12.9 This is a restatement of the CY 2019 audit observation.

12.10 This observation was communicated to the Management of the Main Campus through AOM No. 2025-001 (2024) dated February 24, 2025.

12.11 **We recommended and Management agreed to:**

- a. **Review the court rulings related to the informal settlers and initiate discussions with concerned parties and the Legal Office personnel on the enforcement of the court rulings; and**
- b. **Ensure that the Supreme Court and Lower Courts' decisions are fully implemented in accordance with existing legal procedures serving the University's best interest and taking into account the concern of all parties.**

*Non-establishment of policies and guidelines in lot occupancy*

**13. Non-establishment of clear policies and guidelines for the use of the government lot within the CPSU main campus, which is primarily designated for agricultural school purposes, exposed the property to risks of extended use and potential misuse, inconsistent with Section 2 of Republic Act No. 7722 and Section 2 of PD No. 1445.**

13.1 Section 2 of Republic Act (RA) No. 7722, otherwise known as the Higher Education Act of 1994, provides that all institutions of higher learning shall exemplify through their physical and natural surroundings the dignity and beauty of, as well as their pride in, the intellectual and scholarly life.

13.2 On the other hand, Section 2 of Presidential Decree (PD) No. 1445 provides that, all resources of the government shall be managed, expended or utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with the view to ensuring efficiency, economy and effectiveness in the operations of the government. The responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government agency concerned. (underscoring supplied)

13.3 The Administration of Negros Occidental Agricultural College (NOAC), now known as Central Philippines State University, had previously proposed the

establishment of Teachers and Employees Village, consisting of 100 home lots, at 900 square meters each, located at the Main Campus in Kabankalan City. At that time, the Board of Regents deferred its approval and recommended for the creation of a Committee to develop policies and guidelines for the NOAC Teachers and Employees Village Plan, including its application process and the criteria for awarding the lots. However, these suggested policies and guidelines have not yet been established as of the writing of this report.

- 13.4 Currently, the Teachers and Employees Village, located at the north west side of the main campus, has 91 existing occupants, some of whom are retired employees, while others are not connected with the University. The home lot areas range from 105 square meters to 4,374 square meters, summarized as follows:

Table 7. Summary of Occupants in Teachers and Employees Village

Type of Occupants	No. of Occupants	Percentage	Range of Lot Areas (square meters)
Employees of CPSU	43	47.25%	297 to 2,465 square meters
Retired employees of CPSU	18	19.78%	101.25 to 3,283 square meters
Not employees of CPSU	30	32.97%	105 to 4,374 square meters
Total	91	100.00%	

- 13.5 Aside from the Teachers and Employees Village, it was also observed that the compound of the main campus, has 86 existing occupants, spread in three (3) different locations – south west portion of the main campus adjacent to the College of Engineering building; east portion of the main campus intended for animal science laboratory area; and north west portion of the main campus intended for crop science laboratory area. Some of the occupants are active personnel of the University, while others are retired employees and non-employees, with lot areas ranging from 60.50 square meters to 5,550 square meters, summarized as follows:

Table 8. Summary of Occupants Within the Compound of the Main Campus

Type of Occupants	No. of Occupants	Percentage	Range of Lot Areas (square meters)
Employees of CPSU	25	29.07%	666 to 2,106 square meters
Retired employees of CPSU	14	16.28%	185.25 to 3,185 square meters
Non-employees of CPSU	47	54.65%	60.50 to 5,550 square meters
Total	86	100.00%	

- 13.6 It was further observed that these areas were not used mainly for residential purposes but also for commercial activities such as boarding houses and sari-sari stores.
- 13.7 Due to the absence of clear policies and guidelines in the awarding of home lots, the use of University lot resulted in the following issues and concerns:
- Unauthorized availment/utilization – Some lots are occupied by family members of deceased personnel who continue to utilize the property without formal authorization;

- b. Indefinite tenure of occupancy – A number of lot occupants have long since retired from service but have retained possession of the lot;
- c. Expansion of Home Lots – The increasing number of home lots, driven by growing demand from personnel, may eventually occupy a significant portion of the land reservation, which could hamper future University projects aligned with its agricultural mandate;
- d. Difficulty in screening of applicants – Some job order personnel were allowed to avail of the program, complicating the screening process and criteria for eligibility;
- e. Unequal distribution of lot area – There is an unequal distribution of lot sizes among employees, leading to fairness and equity concerns;
- f. Limited availability of lot for newly hired personnel- Newly hired personnel, especially those living outside of the city, can no longer avail of a home lot as the area intended for the program is already fully occupied by employees, retired personnel's families and individuals not affiliated with the University;
- g. Disagreements among personnel- Conflicts have arisen over the assignment of home lots to personnel;
- h. Obstruction to Infrastructure Development - The presence of houses within the main campus hinders the construction and use of new buildings. For example, it took Management more than one (1) year to convince a homeowner living about two (2) meters away from the newly constructed building to vacate the area and relocate within the Teacher's Village; and
- i. Security and safety concerns – The presence of houses adjacent to the Supply Office buildings prevents the University from establishing a secure area for safekeeping its excess materials from in-house repairs and constructions. Likewise, the University compound on the main campus is not surrounded by a fence and people are free to roam around the compound anytime from 4:00 AM to 9:00 PM.

13.8 Due to the foregoing conditions, the government lot, which was primarily intended for agricultural school purposes, is exposed to the risks of extended use and potential misuse by both employees and non-employees of the University, inconsistent with Section 2 of Republic Act No. 7722 and Section 2 of PD 1445.

13.9 This observation is a restatement of the CY 2017 audit observation.

13.10 This observation was communicated to the Management of the Main Campus through AOM No. 2025-009 (2024) dated March 28, 2025.

**13.11 We recommended and Management agreed to:**

- a. Create a committee to formulate the policies and guidelines for evaluation and approval of the Board of Regents on the availment, management and control of the operation of the Teachers and Personnel Village, which shall include among others, the following:**
  - Identification of qualified beneficiaries, duration of the occupancy of the home lot, and establishment of limitations on the total allowable area per home lot;**
  - Determination of ownership of improvements made on the home lot upon termination of the recipient's privilege of occupancy;**
  - Procedures for the transfer of property improvements on a home lot to a newly qualified employee who wishes to avail of the program; and**
  - The Policy and Guidelines should not in any way be an impediment to the school's program and projects geared towards the achievement of its mandate which is the very essence of its existence.**
- b. Submit to the Board of Regents (BOR) the Policy and Guidelines for review and approval;**
- c. Execute a Usufruct Agreement between the University's representative and the beneficiaries incorporating all the conditions set in the approved policy and guidelines;**
- d. Initiate actions to relocate homeowners living within the compound of the main campus to relocate to other places within two (2) to three (3) years; and**
- e. Create a separate committee to conduct a study on how to secure the perimeter compound of the main campus with either through the use of biological (trees with thorns) or concrete fencing, to minimize the risk of loss or theft of government properties.**

**Compliance with Tax Laws**

- 14. Central Philippines State University complied with tax laws on the withholding of taxes from salaries, wages, and other services, as well as Value Added Tax from purchases of goods and services which were remitted to the Bureau of Internal Revenue within the prescribed period.**

### **Compliance with GSIS, HDMF AND PHILHEALTH Regulations**

- 15.** Premiums accruing to GSIS, HDMF, and PhilHealth were all remitted as of year-end in accordance with pertinent regulations of GSIS, HDMF, and PhilHealth.

### **Status of Audit Suspension, Disallowances and Charges**

- 16.** The status of suspensions and disallowances as of December 31, 2024, is shown as follows:

<b>Particulars</b>	<b>Beginning Balance, 01/01/2024</b>	<b>This Period January 1 to December 31, 2024</b>		<b>Ending Balance, 12/31/2024</b>
		<b>Issued</b>	<b>Settled</b>	
<b>Suspensions</b>	₱ 6,030,338.28	₱ 0.00	₱360,000.00	₱ 5,670,338.28
<b>Disallowances</b>	1,946,491.67	360,000.00	0.00	2,306,491.67
<b>Charges</b>	0.00	0.00	0.00	0.00

**PART III – STATUS OF IMPLEMENTATION OF PRIOR YEARS’  
AUDIT RECOMMENDATIONS**



## STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS

Of the 41 audit recommendations contained in the prior years' Annual Audit Reports, 23 have been fully implemented and 18 were not implemented, as shown below:

Reference	Audit Observations	Recommendations	Status of Implementation
Page 39, AAR CY 2023	1. The reliability and accuracy of the year-end balance of the Cash in Bank-Local Currency, Current Account amounting to ₱447.732 million could not be ascertained due to the unreconciled difference of ₱34.131 million between the Subsidiary Leader and General Ledger balances, unadjusted staled checks and presence of long outstanding book reconciling items in the Bank Reconciliation Statements, inconsistent with Paragraph 27 of IPSAS 1 and Appendix 5 of the GAM for NGAs, Volume II.	We recommended and Management agreed to:	
		a. Require the Accountant to analyze and reconcile the variance of ₱24.598 million between the SL and GL balance of Cash in Bank Account;	<b>Not Implemented.</b>  Raised in CY 2023 AAR; reiterated in current year's AAR due to partial implementation of audit recommendation. Unreconciled difference between SL and GL balances was reduced from ₱34.131 million to ₱ 0.706 million.
		b. Require the Accountant to exert effort to resolve the unadjusted book reconciling item amounting to ₱2.533 million and effect the necessary adjustment;	<b>Fully Implemented</b>
		c. Instruct the Accountant to verify the stale checks from CY 2006 to 2023 in the total amount of ₱6.999 million and make the necessary	<b>Fully Implemented</b>

Reference	Audit Observations	Recommendations	Status of Implementation
		<p>adjustments in the books of accounts; and</p> <p>d. Make representation with Land Bank of the Philippines-Kabankalan City Branch, to correct erroneous check disbursements amounting to ₱246,128.00 erroneously deducted twice from the University's current bank account balance.</p>	<p><b>Not Implemented</b></p> <p>Raised in CY 2023 AAR; reiterated in current year's AAR due to partial implementation of audit recommendation. Double take up of check disbursements was increased from ₱246,128.00 to ₱ 0.579 million.</p>
Page 42, AAR CY 2023	2. The unutilized educational assistance returned to Municipality of Murcia, Negros Occidental in the amount of ₱1.700 million was erroneously debited to Other Maintenance and Operating Expenses account, contrary to Section 112 of PD No. 1445 and COA Circular No. 2020-001 dated January 8, 2020, thereby overstating the reported expenses by the same amount.	<p>We recommended and Management agreed to:</p> <p>Require the Accountant to make the necessary adjusting entries in the agency books and henceforth, strictly follow accounting rules and regulations in recording the receipt of financial assistance pursuant to GAM for NGAs.</p>	<b>Fully Implemented</b>
Page 44, AAR CY 2023	3. Cash advances totaling to ₱4.768 million were not liquidated within the period required in COA Circular No. 97-002 dated February 10, 1997, thus the propriety of charges against the cash advances could not be ascertained, valid expenses incurred during the year could not be recorded	<p>We recommended and Management agreed to:</p> <p>a. Require the concerned accountable officers to immediately liquidate their outstanding cash advances totaling ₱4.768 million;</p>	<p><b>Not Implemented</b></p> <p>This audit finding was first raised in CY 2017 AAR. Reiterated in CY 2024 AAR due</p>

Reference	Audit Observations	Recommendations	Status of Implementation
	and funds were exposed to possible loss and misuse.	<p>b. Refrain from granting additional cash advances to officers and employees with unsettled or unliquidated cash advances;</p> <p>c. Require the Accountant to regularly monitor the liquidation of cash advances granted to avoid accumulation of unliquidated cash advances and prevent delays in its liquidation;</p> <p>d. Issue demand letters to former officers and employees with unliquidated cash advances; and</p> <p>e. Enforce strict compliance with pertinent provisions of COA Circular No. 97-002 dated February 10, 1997 on the grant, utilization, and liquidation of cash advances.</p>	<p>partial implementation of audit recommendations .</p> <p><b>Not Implemented</b></p> <p>This audit finding was first raised in CY 2017 AAR. Reiterated in CY 2024 AAR due partial implementation of audit recommendations</p> <p><b>Fully Implemented</b></p> <p><b>Fully Implemented</b></p> <p><b>Fully Implemented</b></p>



Reference	Audit Observations	Recommendations	Status of Implementation
Page 48, AAR CY 2023	5. Sound internal control was not observed in the implementation, supervision and inspection of completed in-house repairs of buildings and structures totaling ₱5.892 million, due to incompatible functions performed by the General Services Office and Procurement Office, inconsistent with the pertinent provisions of PD No. 1445, thereby exposing government resources to potential loss or wastage.	<p>We recommended and Management agreed to:</p> <p>a. Require the Procurement Office to formulate accreditation procedures to accredit labor service contractors to validate their capability to handle repair projects;</p> <p>b. Require the Physical Plant and Facilities/General Services Office to prepare the list and quantity of construction materials to be procured for in-house repair of building and structures, taking into consideration the balances of unused materials at the Supply Office and then prepare the Purchase Request;</p> <p>c. Direct the PMMO to review and countersign the Purchase Request to validate the appropriateness of requisitioned construction materials;</p> <p>d. Instruct the PMMO to inspect completed in-house repair projects and render a report, which includes,</p>	<p><b>Fully Implemented</b></p> <p><b>Fully Implemented</b></p> <p><b>Fully Implemented</b></p> <p><b>Fully Implemented</b></p>



Reference	Audit Observations	Recommendations	Status of Implementation
		<p>Regents to ensure the timely performance monitoring of the University's income-generating projects; and</p> <p>c. Require the Director of Management Information System Office (MISO) to develop application software for each Income Generating Projects to electronically record project activities to come up with almost real time operational and financial reports that will be used by Project In-charge, Administrative Council, Board of Regents, and other stakeholders for their intended purpose.</p>	<p>(PEDO) have not yet submitted periodic management reports to Administrative Council and Board of Regents for IGP's performance monitoring purposes.</p> <p><b>Not Implemented</b></p> <p>PEDO have not yet submitted the design of information system to MISO as basis of the latter to develop the application software.</p>
Page 54, AAR CY 2023	7. The Gender and Development (GAD) Plans and Budgets (PB) for calendar year 2023 was not endorsed by the Philippine Commission on Women, inconsistent with Section 8.5 of PCW-NEDA-DBM Joint Circular 2012-01, thus, gender responsiveness of the University's GAD	<p>We recommended and Management agreed to:</p> <p>a. Strictly adhere with the guidelines on the submission of GPB and GAD AR set by the PCW for them to conduct a thorough review and facilitate endorsement to ensure that the PAPs are</p>	<b>Fully Implemented</b>





Reference	Audit Observations	Recommendations	Status of Implementation
		projects/programs of the University that could address gender equality and women's development and empowerment in the GPB and the same are subjected to the HGDG assessment tool in compliance with PCW MC No. 2020-05.	There were GAD expenses paid in CY 2024 that were not included in GAD Plans and Budgets.
Page 44, AAR CY 2022	9. A total of 191 Disbursement Vouchers (DVs) and its supporting documents amounting to ₱71.397 million were not submitted to the Office of the Auditor within the period prescribed in Section 107 of PD No. 1445 and Section 7.2.1.a of COA Circular No. 2009-006, thereby precluded the Audit Team from conducting timely audit and ascertaining the legality, validity, and completeness of the transactions.	We recommended and Management agreed to require the Accountant and the Disbursing Officers to exhaust all means to look for the 191 unsubmitted disbursement vouchers with the supporting documents and submit to the Office of the Auditor.	<b>Not Implemented</b>  There are still five (5) remaining DVs not yet submitted by the Accounting Office to our office.  Raised in CYs 2021, 2018 and 2017 AARs.
Page 50, AAR CY 2022	10. Outstanding Loans Receivable amounting to ₱137,452.09 pertaining to Student Microproject Loan Fund (SMLF) remained non-moving for over 13 years, non-conforming with CHED Memorandum Order No. 08 s. 2002, thus, the risk of the program discontinuance, program viability is not ensured and the program's objective of providing loans continuously to students was not fully achieved.	We recommended and Management agreed to:  a. Intensify the collection of due and demandable accounts amounting to ₱137,452.09 by re-issuance of demand letters to student-borrowers and to the co-makers, in case of refusal of student-borrowers to settle their loan balances;	<b>Not Implemented</b>  The Loan's Receivable balance as of 12/31/24 is ₱126,452.09.  Management issued demand letters to borrowers and guarantors but majority of the former project

Reference	Audit Observations	Recommendations	Status of Implementation
		<p>recipients can no longer be located.</p> <p>Raised in CY 2017 AAR.</p> <p><b>Not Implemented</b></p> <p><i>(same explanation with a.)</i></p> <p>b. Evaluate if the outstanding receivables meet the criteria provided in COA Circular No. 2016-005 dated December 19, 2016 on the Request for Write-Off of Dormant Accounts and commence the write-off process required therein;</p> <p>c. Require the Accountant to prepare the necessary adjusting journal entry to record the collection of ₱15,000.00 from a student borrower and reflect the correct balance of Loans Receivable -Others account in the books of accounts; and</p> <p>d. Set up effective and efficient collection strategies and strengthen efforts on keeping track of the whereabouts of student-borrowers.</p>	<p><b>Fully Implemented</b></p> <p>Adjustment made per JEV #2023-03-0061 dated 3/31/2023</p> <p><b>Not Implemented</b></p> <p>Majority of the former project recipients can no longer be located.</p> <p>Raised in CY 2017 AAR.</p>
Page 32, AAR CY 2021	10. Unserviceable motor vehicles totaling ₱1.531 million were not disposed in accordance with	We recommended and Management, thru the University President, agreed to create a	<b>Fully Implemented</b>

Reference	Audit Observations	Recommendations	Status of Implementation
	pertinent provisions on disposal nor dropped from the books contrary to Sections 39(e) and 40(d), Chapter 10 of the Government Accounting Manual (GAM), thus, depriving the University of potential revenues that could have been earned from the sale thereof and also affecting the fairness of presentation of the financial statements at year-end.	Disposal and Appraisal Committee to facilitate the disposal of all the unserviceable properties, including unserviceable Motor Vehicles totaling ₱1.531 million and to drop the same from the books pursuant to Sections 39(e) and 40(d), Chapter 10 of the GAM, Volume 1 and Section 79 of PD 1445.	Unserviceable motor vehicles were already disposed as of December 31, 2024.
Page 43, AAR CY 2021	11. Consulting services for the design of the 3-Storey, 27 Classroom Academic Building totaling ₱0.900 million was procured and paid without complete documentations contrary to Revised Implementing Rules and Regulation (IRR) of Republic Act (R.A.) No. 9184 and Items 9.2 and 9.2.5 of COA Circular No. 2012-001 dated June 14, 2012 thus, the validity and propriety of the disbursements could not be established.	We recommended and Management, thru the University President, agreed to require the BAC Secretariat to submit all the lacking documents enumerated in the Notice of Suspensions. Henceforth, direct the Bids and Awards Committee to strictly adhere to the provisions of R.A. No. 9184 and its IRR to ensure that the procurement process reflects competitiveness, transparency, economy and efficiency.	<b>Not Implemented</b>  Issued ND No. 2024-001-101(20) dated 11/13/2024 amounting to ₱360,000.00 for (NS No. 2021-001-101(20) dated 9/21/2021 which matured into disallowance)
Page 34, AAR CY 2020	12. Income taxes on faculty and employees' benefits were not correctly withheld contrary to Bureau of Internal Revenue (BIR) Revenue Regulations (RR) No. 11-2018 dated January 31, 2018 resulting to overpayment of benefits totaling ₱429,848.66 and depriving the government of additional income taxes for its budgetary needs.	We recommended and Management, thru the University President, agreed to require the refund of the overpayment of the benefits and remit the same to the BIR upon collection thereof and to henceforth, require the Accounting Office to carefully review the computation of the payroll so that all benefits received by faculty and	<b>Not Implemented</b>  The remaining balance of ₱19,158.79 was already collected but not yet remitted to the BIR.

Reference	Audit Observations	Recommendations	Status of Implementation
		employees that exceed the ₱90,000.00 ceiling shall be applied with the correct amount of tax pursuant to BIR RR No. 11-2018 dated January 31, 2018.	
Page 44, AAR CY 2020	13. The Accountant did not maintain separate set of books for the General Fund (GF), Special Trust Fund (STF) and Income Generating Projects (IGP) contrary to Sec. 5, Chapter 19 of the Government Accounting Manual (GAM), Volume I, pertinent provisions of COA Circular No. 2000-002 and CHED Memorandum Order No. 20, Series of 2011, thus financial information on the operations of each fund are not readily made available to officials and other stakeholders for effective financial decision making and the determination of the College's accountability for its resources.	We recommended and Management, thru the University President, agreed to direct the Accountant to maintain separate set of books and prepare individual financial statements for the General Fund, Special Trust Fund and Income Generating Project effective January 1, 2021 and to henceforth comply with the basic accounting principles and guidelines prescribed in the GAM and other accounting issuances for SUCs so that all transactions will be properly recorded and made available to the end-users concerned.	<b>Fully Implemented</b>
Page 37, AAR CY 2018	14. Unserviceable properties estimated at ₱7.021 million were not disposed of nor dropped from the books contrary to Sections 39(e) and 40(d) of the Government Accounting Manual (GAM), Volume I, thus affecting the fairness of presentation of the financial statements and depriving the University of potential revenues that could have been earned from the sale thereof.	We recommended and Management agreed to create a Disposal and Appraisal Committee to facilitate the disposal of unserviceable properties and so that the Accountant can drop the same from the books pursuant to Sections 39(e) and 40(e) of the Government Accounting Manual.	<b>Fully Implemented</b>
Page 40, AAR CY 2018	15. Copies of contracts and Purchase Orders amounting to ₱10.138 million with their	We recommended that Management submit copies of Contracts and	<b>Not Implemented</b>

Reference	Audit Observations	Recommendations	Status of Implementation
	related supporting documents were not submitted within five (5) days from perfection contrary to COA Circular No. 2009-001 dated February 12, 2009, thus precluding the audit team from conducting a timely review of the reasonableness of terms and contract prices and informing management of any deficiencies for appropriate remedial action.	Purchase Orders together with the required supporting documents within the reglementary period of five (5) working days from perfection, pursuant to COA Circular No. 2009-001 dated February 12, 2009 to facilitate its timely review and evaluation.	There are still POs that are not submitted to the Commission within the prescribed period.
Page 45, AAR CY 2014	16. Funds transferred to private institution lacked supporting documents, thus validity and propriety of reported disbursements could not be ascertained.	<p>We recommended and Management agreed to:</p> <ul style="list-style-type: none"> <li>a. Submit legal basis for the transfer of funds.</li> <li>b. Strictly comply with the afore-cited requirements of law requiring the submission of complete documentation and proper evidence in all classes of disbursements.</li> <li>c. The recipient entities should submit a proper accounting of the funds transferred to them to ensure that these have been expended within the bounds of law and within the purpose intended.</li> </ul>	<p><b>Not Implemented</b></p> <p><b>Not Implemented</b></p> <p><b>Not Implemented</b></p> <p>The recipient entities have not yet submitted the reports required from them. (Applies to all recommendations)</p>
Page 19, AAR CY 2011	17. The rate of per diems/honoraria paid to the Chairman, Members and Secretary of the Board of Trustees per board meeting is in excess of the rate under Section 4.2 of DBM Budget	We recommend and Management agreed to require the Chairperson, Vice-Chairman and members of the Board of Trustees to refund the	<p><b>Not Implemented</b></p> <p>Members of the Board of Regents are being paid with the rates</p>

Reference	Audit Observations	Recommendations	Status of Implementation
	Circular No. 2003-6 which resulted to illegal disbursement of funds.	amount in excess of the prescribed rate.	<p>pursuant to DBM Budget Circular No. 2003-6 starting CY 2013.</p> <p>However, no refund was made yet pending the result of the appeal from the Supreme Court.</p>

**Central Philippines State University**  
**Schedule of Insurable Properties**  
**As of December 31, 2024**

[illegible]

No.	Particulars	Description	Property Number	Quantity	Value	Balance Per Card		Quantity Per Physical		Remarks
						Qty	Value	Qty	Value	
Uninsured Buildings										
1	Motorpool Office	Office	2017-04-04-010-002-01	1	379,691.75	1	379,691.75	1	379,691.75	Main/Good Condition
2	Drum and Bugle Office	Office	2018-06-04-010-003-01	1	846,595.47	1	846,595.47	1	846,595.47	Main/Need Repair
3	Supply Office	Office	2020-04-04-010-005-01	1	1,209,826.68	1	1,209,826.68	1	1,209,826.68	Main/Need Repair
4	Muscovado Mill plant	Mill plant	2020-06-04-010-007-01	1	855,330.00	1	855,330.00	1	855,330.00	Main/Good Condition
5	Muscovado Sugar Training Center	Training Center	2021-06-04-010-009-01	1	7,019,745.91	1	7,019,745.91	1	7,019,745.91	Main/Need Repair
6	Guidance office	Office	2024-06-04-010-158-01	1	900,000.00	1	900,000.00	1	900,000.00	Main/Need Repair
7	OSSA Bldg.	Office	2024-06-04-010-160-01	1	541,995.92	1	541,995.92	1	541,995.92	Main/Need Repair
8	BCCO (Renovation)10x8.5m	Classroom & office	2024-04-04-010-161-01	1	1,700,000.00	1	1,700,000.00	1	1,700,000.00	Main/Good Condition
9	Gymnasium	School buildings	2000-04-04-020-010-01	1	4,386,025.55	1	24,193,553.04	1	24,193,553.04	Main/New
10	REHABILITATION OF CPSU UNIVERSITY GYMNASIUM		2024-04-04-020-131-01		19,807,527.49					
11	VO-AG Building (Additional Improvement 8/30/16)	School buildings	2016-04-04-020-012-01	1	2,249,275.00	1	2,249,275.00	1	2,249,275.00	Main/Good Condition
12	Science complex 1 & 2		2018-04-04-020-013-01	1	500,000.00	1	500,000.00	1	500,000.00	Main/Need Repair
13	Library Building	School buildings	2019-06-04-020-099-01	1	7,629,042.88	1	8,536,989.38	1	8,536,989.38	Main/Good Condition
14	Library		2018-06-04-020-018-01		907,946.50					
15	Agricultural Technology bldg.	School buildings	2018-04-04-020-023-01	1	2,595,502.50	1	3,274,168.08	1	3,274,168.08	Main/Need Repair
16	Annex Room at Agtech		2018-06-04-020-087-01		678,665.58					
17	Multi-purpose learning Center, 18 rms.	School buildings	2018-04-04-020-025-01	1	11,110,658.09	1	11,110,658.09	1	11,110,658.09	Main/Need Repair
18	Registrar's Office - Extension and Renovation		2014-06-04-020-045-01	1	772,440.70	1	772,440.70	1	772,440.70	Main/Need Repair
19	Admin. Learning Center 2 storey	School buildings	2018-06-04-020-026-01	1	6,696,500.00	1	7,196,500.00	1	7,196,500.00	Main/Need Repair
20	ACC Office - Annex(Accounting)		2024-04-04-020-139-01		500,000.00					
21	Research & Dev't Center	Office	2018-06-04-020-027-01	1	7,353,809.20	1	8,932,316.89	1	8,932,316.89	Main/Need Repair
22	Graduate School Office (Renovation)	Office & Classroom	2015-04-04-010-001-01		488,583.90					
23	Extension Office Main Campus	Office	2019-04-04-020-091-01		1,089,923.79					
24	ROTC/PMT Armory bldg.	Office	2000-06-04-020-028-01	1	750,000.00	1	750,000.00	1	750,000.00	Main/Good Condition
25	2 Storey 10 Classroom Building	Classroom	2008-04-04-020-032-01	1	5,925,000.00	1	12,180,000.00	1	12,180,000.00	Main/Good Condition
26	COMPLETION OF TWO-STOREY ACADEMIC BUILDING (PHASE III)		2024-06-04-020-120-01		6,255,000.00					
27	Criminology Building	Classroom & Laboratory Building	2015-04-04-020-067-01	1	1,044,612.86	1	1,373,146.86	1	1,373,146.86	Main/Good Condition
28	Criminology Laboratory Bldg (Former GreenHouse)		2014-04-04-020-044-01		328,534.00					
29	Crime Lab. Bldg.	School buildings	2024-06-04-020-135-01	1	7,000,000.00	1	7,000,000.00	1	7,000,000.00	Main/Need Repair
30	IT Laboratory Building	Classroom & Laboratory Building	2018-06-04-020-081-01	1	602,184.25	1	1,217,765.25	1	1,217,765.25	Main/Need Repair
31	Laboratory Building Computer Studies		2015-06-04-020-058-01		615,581.00					



No.	Particulars	Description	Property Number	Quantity	Value	Balance Per Card		Quantity Per Physical		Remarks
						Qty	Value	Qty	Value	
32	HRM Building	Classroom & Laboratory Building	2015-04-04-020-060-01	1	2,045,387.85	1	2,960,321.10	1	7,223,054.05	Main/Need Repair
33	Floor Tiling of HRM Laboratory Main Campus		2015-04-04-020-061-01		477,449.00					
34	HRM Laboratory Building Main		2015-04-04-020-062-01		437,484.25					
35	HRM Mini-Hotel		2019-04-04-020-095-01	1	4,262,732.95	1	4,262,732.95	1	4,262,732.95	Main/Need Repair
36	3 Classroom College of Teacher Education (Additional Improvement (Nov. 28, 16)	Classroom	2015-04-04-020-064-01	1	1,245,281.98	1	1,920,281.98	1	1,920,281.98	Main/Good Condition
37	COTED New Bldg. 3 x 9m		2024-06-04-020-144-01		675,000.00					
38	College of Agriculture and Forestry Building	Classroom	2019-04-04-020-092-01	1	1,820,629.76	1	1,820,629.76	1	1,820,629.76	Main/Good Condition
39	27 Classroom Building - COTED Main Campus	Classroom	2022-04-04-020-105-01	1	48,989,430.18	1	48,989,430.18	1	48,989,430.18	Main/Good Condition
40	REPAIR/CONVERSION OF OLD DORMITORY TO ADMINISTRATIVE OFFICES - ADDITIONAL WORKS	Office	2024-04-04-020-128-01	1	1,425,596.92	1	8,925,596.92	1	8,925,596.92	Main/Reconstructed /Good Condition
41	REPAIR/CONVERSION OF OLD DORMITORY TO ADMINISTRATIVE OFFICES AT CPSU MAIN CAMPUS		2024-06-04-020-129-01		7,500,000.00					
42	CONSTRUCTION OF MULTI-PURPOSE COVERED COURT	Covered Court	2024-06-04-020-025-01	1	8,394,794.80	1	9,125,945.20	1	9,125,945.20	Main/New
43	CONSTRUCTION OF MULTI PURPOSE COVERED COURT - ADDITIONAL WORKS (DOORS & WINDOWS, TOILET CUBICLE PARTITION, DRAINAGE CANAL & DRY WALL PARTITION)		2024-06-04-020-132-01		731,150.40					
44	Mount Ballo Hall 870.2m②	Classroom & Office	2024-04-04-020-137-01	1	17,404,000.00	1	17,404,000.00	1	17,404,000.00	Main/Need Repair
45	Procurement and PMMO Office	Office	2024-04-04-020-138-01	1	3,500,000.00	1	3,500,000.00	1	3,500,000.00	Main/Need Repair
46	MIS Extension Office	Office	2024-06-04-020-140-01	1	8,000,000.00	1	8,000,000.00	1	8,000,000.00	Main/Good Condition
47	COTED Faculty Office 24 x 9m	Office	2024-04-04-020-145-01	1	5,100,000.00	1	5,100,000.00	1	5,100,000.00	Main/Need Repair
48	Accreditation Center 21 x 16.5m	Office	2024-06-04-020-148-01	1	8,662,500.00	1	8,662,500.00	1	8,662,500.00	Main/Need Repair
49	Men's Dormitory	Dormitory	1996-04-04-060-004-01	1	3,000,000.00	1	3,000,000.00	1	3,000,000.00	Main/Need Repair
50	CPSU Bangkal Dormitory including furnitures and fixtures	Dormitory	2020-04-04-060-001-01	1	14,388,919.86	1	14,388,919.86	1	14,388,919.86	Main/Good Condition
51	HRM Mini Hotel	Guest House	2024-04-04-060-002-01	1	5,000,000.00	1	5,000,000.00	1	5,000,000.00	Main/Need Repair
52	Post Harvest Technology	Building	1996-04-04-990-008-01	1	1,300,000.00	1	1,300,000.00	1	1,300,000.00	Main/Need Repair
53	Power House	Building	2024-04-04-990-159-01	1	2,000,000.00	1	2,000,000.00	1	2,000,000.00	Main/Good Condition
54	BCCO- Forestry	Classroom & Office	2024-06-04-990-163-01	1	930,000.00	1	930,000.00	1	930,000.00	Main/Reconstructed /Good Condition

No.	Particulars	Description	Property Number	Quantity	Value	Balance Per Card		Quantity Per Physical		Remarks
						Qty	Value	Qty	Value	
55	Production Center 9.5 x 4m	Office	2024-06-04-990-164-01	1	760,000.00	1	760,000.00	1	760,000.00	Main/Good Condition
56	Production Office (converted to clinic)	Clinic	2020-06-04-010-006-01	1	613,132.20	1	613,132.20	1	613,132.20	Main/Good Condition
	Subtotal						251,403,489.17	72.82%	251,403,489.17	
69	Grand Total						345,218,602.62	100%		

**Annex B**

Audit Observation No. 5

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**Central Philippines State University  
Schedule of Issued Semi-Expendable Properties  
Calendar Year 2024**

<b>Particulars</b>	<b>Internally Generated Fund</b>	<b>Regular Agency Fund</b>	<b>Trust Fund</b>	<b>Business Related Fund</b>	<b>Total</b>
January, 2024	1,229,460.00	1,061,048.40			2,290,508.40
February, 2024		1,822,399.00			1,822,399.00
March, 2024	3,560,433.00	457,851.38	272,619.00	453,451.38	4,744,354.76
April, 2024		3,509,036.75			3,509,036.75
May, 2024	2,967,534.36	373,060.25	129,756.00		3,470,350.61
June, 2024	1,192,070.50	479,738.00			1,671,808.50
July, 2024	1,292,854.50		220,550.00		1,513,404.50
August, 2024	2,408,453.25	36,000.00			2,444,453.25
September, 2024	1,719,652.20	100,390.00			1,820,042.20
October, 2024	2,479,350.00	94,895.00	14,200.00		2,588,445.00
November, 2024	1,692,405.50				1,692,405.50
December, 2024	3,147,230.46				3,147,230.46
<b>Total</b>	<b>21,689,443.77</b>	<b>7,934,418.78</b>	<b>637,125.00</b>	<b>453,451.38</b>	<b>30,714,438.93</b>

Central Philippines State University

**Schedule Repair and Maintenance-Buildings and Other Structures Expenses Account**

As of December 31, 2024

No	Date	Check/ ADA #	DV #	Particulars	Amount (Net of WT)	PO Date	PO #	Mode of Procurement	Date received by COA	Days Delayed	RFQ posted on philgeps
Repairs											
1	4/3/24	1635736	2024-04-0835	Payment for the repair of COTED Building at CPSU Main Campus, provision of ramp with railings and installation of sanitary pipe and fittings for clinic building, repair of Animal Science Building and various repair works for clonal Nursery, under PO #2024-01-050	648,086.84	1/31/2024	2024-01-050	NP 53.9	2/27/24	22	RFQ Ref. #10435340; 12/19/23
2	3/21/24	1635685	2024-03-0754	Payment for the repair of Doors for CCJE building at CPSU Main Campus, under PO# 2024-01-021	10,324.02	1/22/24	2024-01-021	SVP	2/15/24	19	RFQ Ref. #GDC469-2023; 12/27/23
3	6/24/24	9924060667	2024-06-0870	Payment for the contract of various repairs at the College of Computer Studies (100%) UNDER PR# 2024-0637	256,094.21	N/A	N/A	NP 53.9	Contract not stamped received by COA		RFQ Ref. #10744972; 4/12/24
4	6/26/24	1703337	2024-06-1545	Payment for the (fixed sliding window, aluminum swing door, etc.) for the replacement of classroom window and Administrative Building Hallway Entrance/Exit Door at CPSU Victorias Campus, under PO# 2024-04-216.	636,894.72	4/22/24	2024-04-216	NP 53.9	5/3/24	7	RFQ Ref. #10649278; 3/12/24
Sub-total					1,551,399.79						
Purchase of Materials											
5	6/10/24	1703118	2024-06-1404	Payment for the materials for the various repair and repainting works and Materials for the repair of Cafeteria at CPSU Cauayan Campus, under PO #2024-04-153	485,912.64	04/03/2024	2024-04-153	NP 53.9	4/22/24	14	RFQ Ref. #10649290; 3/12/24
6	8/13/24	1704031	2024-08-2064	Payment for the materials for the Repair and Repainting ( Hardiflex, gypsum, screw, enamel paint, latex paint, etc.) of Various Building (CAF, Library, Pathfit & COTED) at CPSU Moises Padilla Campus under PO #2024-07-0397, PR #2024-0827	253,633.39	7/2/24	2024-07-3697	NP 53.9	7/18/24	11	RFQ Ref. #10918343; 6/4/24
7	7/3/24	1703427	2024-07-1612	Payment for the other Structures (4,3,5,1 Conversion Nail, Umbrella nails 2 1/2 cement etc) during various works at Hinoba-an Campus, Under PO# 2024-04-207	84,506.61	4/25/24	2024-04-207	NP 53.9	5/30/24	30	RFQ Ref. #10741588; 4/12/24

No	Date	Check/ ADA #	DV #	Particulars	Amount (Net of WT)	PO Date	PO #	Mode of Procurement	Date received by COA	Days Delayed	RFQ posted on philgeps
8	7/29/24	1703875	2024-07-1911	Payment for the electrical materials for the emergency replacement for damage circuit breaker at San Carlos Campus	51,958.93	6/10/24	2024-06-333	NP 53.9	6/28/24	13	RFQ Ref. #10839484; 5/10/24
Sub-total					876,011.57						
Installation/Contracts											
9	6/24/24	1703313	2024-06-1527	Full payment for the Various Construction at CPSU Main Campus Lot 1	191,169.50	N/A	N/A	N/A	Contract not stamped received by COA		N/A
10	7/11/24	1703626	2024-07-1724	Payment for the installation of various Glass Works at CPSU Main Campus, under PO# 2024-04-151	103,198.57	4/16/24	2024-04-181	NP 53.9	4/24/24	3	RFQ Ref. #10597508; 2/27/24
Sub-total					294,368.07						
Grand Total					2,721,779.43						

Central Philippines State University

**Schedule Repair and Maintenance-Buildings and Other Structures Expenses Account**

As of December 31, 2024

No	Date	Check/ ADA #	DV #	Particulars	Account Title	Debit	Remarks
1	04/03/2024	1635736	2024-04-0835	Payment for the repair of COTED Building at CPSU Main Campus, provision of ramp with railings and installation of sanitary pipe and fittings for clinic building, repair of Animal Science Building and various repair works for clonal Nursery, under PO #2024-01-050	R & M/School Building	648,086.84	DV was not signed by the Accountant; lacked sufficient documentation
2	06/10/2024	1703118	2024-06-1404	Payment for the materials for the various repair and repainting works and Materials for the repair of Cafeteria at CPSU Cauayan Campus, under PO #2024-04-153	R & M/School Building	485,912.64	Disbursement lacked sufficient documentation
3	6/24/2024	1703313	2024-06-1527	Full payment for the Various Construction at CPSU Main Campus Lot 1	R & M/School Building	191,169.50	Disbursement lacked sufficient documentation
4	6/26/2024	1703337	2024-06-1545	Payment for the (fixed sliding window, aluminum swing door, etc.) for the replacement of classroom window and Administrative Building Hallway Entrance/Exit Door at CPSU Victorias Campus, under PO# 2024-04-216.	R & M/School Building	636,894.72	Disbursement lacked sufficient documentation
5	3/21/2024	1635685	2024-03-0754	Payment for the repair of Doors for CCJE building at CPSU Main Campus, under PO# 2024-01-021	R & M/School Building	10,324.02	Disbursement lacked sufficient documentation
6	07/03/2024	1703427	2024-07-1612	Payment for the other Structures - Demo Area, Mushroom House, Material Recovery Facility & OSSA Office (4,3,5,1 Conversion Nail, Umbrella nails 2 1/2 cement etc) Hinoba-an Campus, Under PO# 2024-04-207	R&M - Other Structures	84,506.61	Disbursement lacked sufficient documentation
7	07/11/2024	1703626	2024-07-1724	Payment for the installation of various Glass Works at CPSU Main Campus, under PO# 2024-04-151	Furniture & Fixtures	103,198.57	Disbursement lacked sufficient documentation
8	8/13/2024	1704031	2024-08-2064	Payment for the materials for the Repair and Repainting ( Hardiflex, gypsum, screw, enamel paint, latex paint, etc.) of Various Building at CPSU Moises Padilla Campus under PO #2024-07-0397, PR #2024-0827	R&M-Building	253,633.39	Disbursement lacked sufficient documentation
9	7/29/24	1703875	2024-07-1911	Payment for the electrical materials for the emergency replacement for damage circuit breaker at San Carlos Campus	R & M/School Building	51,958.93	Disbursement lacked sufficient documentation
10	6/24/2024	9924060667	2024-06-0870	Payment for the contract of various repairs at the College of Computer Studies (100%) UNDER PR# 2024-0637	R & M/School Building	256,094.21	DV was not signed by the payee to acknowledged receipt of payment; lacked sufficient documentation
<b>Total</b>						<b>2,721,779.43</b>	

Central Philippines State University

**SCHEDULE OF COURT DECISIONS ON UNAUTHORIZED LOT OCCUPANCY**

Occupant	Court	Court Decision No.	Effectivity	Judgement	Remarks
Ricardo Regalia, Sr.	MTC-Kabankalan City	Writ of Execution Civil Case No. 176-98	June 15, 1999	Ricardo Regalia, Sr. (defendant), or anyone claiming rights under him, to anyone whom defendant claims such rights, to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines-NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)  Ricardo Regalia, Sr, to pay the amount of ₱ 828,002.00 per annum as the fair rental value for use and occupation from May 7, 1998, until possession thereof shall have been restored to the plaintiff.	MTC ruled in favor of the plaintiff per decision dated June 15, 1999, which was affirmed by RTC 6 <sup>th</sup> Judicial District, Branch 61, Kabankalan City and Court of Appeals CA-G.R. SP No. 61373 per decision dated May 29, 2000 and September 5, 2001, respectively.
	Supreme Court, Second Division	G.G. 149931	August 8, 2007	Motion for Partial Reconsideration was granted. Remanded to the MTC- Kabankalan City, to determine with dispatch the fair rental value or reasonable compensation for the use and occupation of the cited property.	
Casiano Serios	MTC-Kabankalan City	Writ of Execution Civil Case No. 171-98	June 2, 1999	Casiano Serios (defendant), or anyone claiming rights under him, to anyone from whom defendant claims such rights, to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)  Casiano Serios to pay the amount of ₱ 31,245.00 per annum as the fair rental value for use and occupation from November 25, 1998, until possession thereof shall have been restored to the plaintiff.	MTC ruled in favor of the plaintiff per decision dated June 15, 1999, which was affirmed by RTC 6 <sup>th</sup> Judicial District, Branch 61, Kabankalan City, per decision dated May 29, 2000.

Occupant	Court	Court Decision No.	Effectivity	Judgement	Remarks
				Casiano Serios to pay plaintiff the amount of ₱ 20,000.00 for attorney's fees and ₱ 10,000.00 as litigation expenses.	
Felipe Ledesma	MTC-Kabankalan City	Writ of Execution Civil Case No. 172-98	June 2, 1999	<p>Felipe Ledesma (defendant), to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)</p> <p>Felipe Ledesma to pay the amount of ₱ 24,996.00 per annum as the fair value rental for use and occupation from November 24, 1998, until possession thereof shall have been restored to the plaintiff.</p>	MTC ruled in favor of the plaintiff per decision dated June 2, 1999, which was affirmed by RTC 6 <sup>th</sup> Judicial District, Branch 61, Kabankalan City, per decision dated May 29, 2000. A motion for reconsideration filed with the Court of Appeals CA-G.R. SP No. 61198 was dismissed in its decision promulgated on May 9, 2005.
Jose Nade P. Arceo	MTC-Kabankalan City	Writ of Execution Civil Case No. 174-98	June 10, 1999	<p>Jose Nade P. Arceo (defendant), or anyone claiming rights under him, to anyone from whom defendant claims such rights, to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)</p> <p>Jose Nade P. Arceo to pay the amount of ₱ 49,980.00 per annum as the fair rental value for use and occupation from November 6, 1998, until possession thereof shall have been restored to the plaintiff.</p> <p>Jose Nade P. Arceo to pay plaintiff the amount of ₱ 40,000.00 for attorney's fees and ₱ 10,000.00 as litigation expenses.</p>	Decision was not appealed to higher court.



Occupant	Court	Court Decision No.	Effectivity	Judgement	Remarks
Virgilio Plural	MTC-Kabankalan City	Writ of Execution Civil Case No. 175-98	June 2, 1999	<p>Virgilio Plural (defendant), to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)</p> <p>Virgilio Plural to pay the amount of ₱ 16,664.00 per annum as the fair rental value for use and occupation from November 26, 1998, until possession thereof shall have been restored to the plaintiff.</p> <p>Virgilio Plural to pay plaintiff the amount of ₱ 20,000.00 for attorney's fees and ₱ 10,000.00 as litigation expenses.</p>	MTC ruled in favor of the plaintiff per decision dated June 15, 1999, which was affirmed by RTC 6 <sup>th</sup> Judicial District, Branch 61, Kabankalan City, per decision dated May 29, 2000.
Rodolfo Mondero	MTC-Kabankalan City	Writ of Execution Civil Case No. 177-98	February 25, 1999	<p>Rodolfo Mondero (defendant) and his family to vacate the portions occupied by them and to turn-over such portions to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, School Vocational Superintendent II)</p> <p>Rodolfo Mondero to pay the amount of ₱ 47,942.00 per annum as the fair rental value for use and occupation from October 24, 1998, until possession thereof shall have been restored to the plaintiff.</p>	Decision was not appealed to the higher court.
Rodrigo Villarmino	MTC-Kabankalan City	Writ of Execution Civil Case No. 178-98	June 2, 1999	<p>Rodrigo Villarmino (defendant), or anyone claiming rights under him, to anyone whom defendant claim such rights, to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II).</p> <p>Rodrigo Villarmino to pay the amount of ₱ 24,996.00, per annum as the fair rental value for</p>	MTC ruled in favor of the plaintiff per decision dated June 15, 1999, which was affirmed by RTC 6 <sup>th</sup> Judicial District, Branch 61, Kabankalan City, per decision dated May 23, 2000.

Occupant	Court	Court Decision No.	Effectivity	Judgement	Remarks
				<p>use and occupation from November 24, 1998, until possession shall have been restored to the plaintiff.</p> <p>Rodrigo Villarmino to pay plaintiff the amount of ₱ 20,000.00 for attorney's fees and ₱ 10,000.00 as litigation expenses.</p>	
Eddie Panugan	MTC-Kabankalan City	Writ of Execution Civil Case No. 179-98	June 2, 1999	<p>Eddie Panugan (defendant), to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)</p> <p>Eddie Panugan to pay the amount of ₱ 26,494.00 per annum as the fair rental value for use and occupation from November 25, 1998, until possession thereof shall have been restored to the plaintiff.</p> <p>Eddie Panugan to pay plaintiff the amount of ₱ 20,000.00 for attorney's fees and ₱ 10,000.00 as litigation expenses.</p>	MTC ruled in favor of the plaintiff per decision dated June 15, 1999, which was affirmed by RTC 6 <sup>th</sup> Judicial District, Branch 61, Kabankalan City per decision dated May 29, 2000.
Gregorio Montesa	MTC-Kabankalan City	Writ of Execution Civil Case No. 180-98	June 2, 1999	<p>Gregorio Montesa (defendant), to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)</p> <p>Gregorio Montesa to pay the amount of ₱ 47,942.00 per annum as the fair rental value for use and occupation from October 24, 1998, until possession thereof shall have been restored to the plaintiff.</p>	MTC ruled in favor of the plaintiff per decision dated June 15, 1999, which was affirmed by RTC 6 <sup>th</sup> Judicial District, Branch 61, Kabankalan City, per decision dated May 29, 2000.
Estefanio C. Carbajosa, Sr.	MTC-Kabankalan City	Writ of Execution Civil Case No. 181-98	June 2, 1999	Estefanio C. Carbajosa, Sr. (defendant), to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr.	MTC ruled in favor of the plaintiff per decision dated June 2, 1999, which was affirmed by RTC 6 <sup>th</sup>

Occupant	Court	Court Decision No.	Effectivity	Judgement	Remarks
				<p>Marcelino A. Dechavez, Vocational Superintendent II)</p> <p>Estefanio C. Carbojosa, Sr. to pay the amount of ₱18,759.00 per annum representing the fair value rental for the use and occupation of the disputed portions from October 23, 1998 until the possession thereof shall have been restored to the plaintiff.</p> <p>Estefanio C. Carbojosa, Sr. to pay plaintiff the amount of ₱ 20,000.00 as attorney's fee and ₱ 10,000.00 as litigation expenses.</p>	<p>Judicial District, Branch 61, Kabankalan City, with modification, dated May 29, 2000.</p> <p>Estefanio C. Carbojosa, Sr. to pay the amount of ₱ 5,000.00 per annum as the fair rental value for the use and occupation of the disputed portion from October 23, 1998 until the possession thereof shall have been restored to the plaintiff..</p> <p>Estefanio C. Carbojosa, Sr. to pay plaintiff the amount of ₱ 2,000.00 as attorney's fees and ₱ 1,000.00 as litigation expenses.</p>
Peter Decinal, Sr.	MTC-Kabankalan City	Writ of Execution Civil Case No. 182-98	June 2, 1999	<p>Peter Decinal, Sr. (defendant), to vacate the disputed portions and to surrender possession thereof to the plaintiff (Republic of the Philippines – NSCA represented by Dr. Marcelino A. Dechavez, Vocational Superintendent II)</p> <p>Peter Decinal, Sr. to pay the amount of ₱ 52,075.00 per annum as the fair rental value for use and occupation from November 16, 1998, until possession thereof shall have been restored to the plaintiff.</p> <p>Peter Decinal, Sr. to pay plaintiff the amount of ₱ 20,000.00 for attorney's fees and ₱ 10,000.00 as litigation expenses.</p>	<p>MTC ruled in favor of the plaintiff per decision dated June 2, 1999, which was affirmed by RTC 6<sup>th</sup> Judicial District, Branch 61, Kabankalan City, per decision dated May 29, 2000.</p>

Republic of the Philippines  
6<sup>th</sup> Judicial Region  
Province of Negros Occidental  
MUNICIPAL TRIAL COURT IN CITIES  
Kabankalan City  
no000

NEGROS OCCIDENTAL AGRICULTURAL  
COLLEGE Represented by DR. FREDDIE C.  
MANINGO Phd., President,  
Plaintiff,

CIVIL CASE NO. 176-98  
FOR: "UNLAWFUL DETAINER"

RECEIVED  
OFFICE OF THE  
CLERK OF COURT IV  
CENTRAL PHILIPPINE STATE UNIVERSITY  
RECORDS OFFICE  
RECEIVED  
BY: [Signature]  
DATE: 12/10/13

-versus-  
RICARDO REGALIA, Jr.,  
Defendant.

----- X

**NOTICE**

TO: ATTY. VICENTE T. GARAYGAY, JR.  
No. 4 Tayum Street, Kabankalan City  
Negros Occidental

GREETINGS:

Please be notified that the check in the amount of Two Million Pesos (Php.2,000,000.00) in the form of Bank of Commerce Manager's Check, Check No. 1663416 dated July 4, 2013 as full satisfaction of the amount agreed upon by the parties in their Amicable Settlement pursuant to the Order of this Court dated March 28, 2012 will become stale on January 4, 2013.

Presently, the aforementioned check is still in the safekeeping with the Clerk of Court of this Court. Failure of the plaintiff to encash the same within the period of six (6) months from the issuance thereof would eventually make the check stale.

Please be notified hereof and secure the said check from our custody for the satisfaction of the Order of this Court.

Thank you.

Kabankalan City, Philippines. December 9, 2013.

[Signature]  
YVONNE Q. RIVERA  
Clerk of Court IV

Copy furnished:

Atty. Solito Erames  
ELAM Law Offices  
Ground Floor, El Oriente Hotel  
Real Street, Dumaguete City  
Freddie C. Maningo, CPA, Ph.D.  
President  
Central Philippine State University  
Barragay Caringawan, Kabankalan City  
Negros Occidental  
Ricardo Regalia, Jr.  
Barragay Caringawan, Kabankalan City  
Negros Occidental  
Solicitor